









1 consulting engagements for electric, natural gas, water, wastewater, and solid waste  
2 utilities. A summary of my qualifications is provided as Exhibit GSR-1 accompanying  
3 this testimony.

4 **Q. ON WHOSE BEHALF ARE YOU PRESENTING THIS TESTIMONY?**

5 A. I am testifying on behalf of Greater Ouachita Water Company ("**GOWC**").

6 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

7 A. The purpose of my testimony is to discuss the analysis I conducted in support of  
8 GOWC's application to the Louisiana Public Service Commission ("**LPSC**") for an  
9 increase in water and sewer rates, among other requested relief. This included the  
10 development of a revenue requirement for GOWC water and wastewater (aka,  
11 sewer) utilities as well as the design of rates to recover the identified revenue  
12 requirement.

13 **Q. DO YOU SPONSOR ANY WORKPAPERS OR SCHEDULES IN THE**  
14 **APPLICATION?**

15 A. Yes. I am sponsoring the revenue requirement and rate schedules included in  
16 Exhibit GSR-2 to my Direct Testimony.

17 **Q. HAVE YOU PREVIOUSLY FILED TESTIMONY BEFORE THE LPSC?**

18 A. Yes. I have also filed testimony before the Public Utility Commission of Texas, the  
19 California Public Utilities Commission, and the Federal Energy Regulatory  
20 Commission. A list of my testimony is included within Exhibit GSR-1.

1 Q. HAS THE TESTIMONY YOU ARE PROVIDING BEEN PREPARED BY YOU OR  
2 UNDER YOUR DIRECTION?

3 A. Yes.

4 II. BASIS FOR THE REVENUE REQUIREMENT

5 Q. WHAT IS A REVENUE REQUIREMENT?

6 A. A revenue requirement is an annual amount reflecting costs that need to be  
7 recovered from utility customers in order to appropriately fund utility operations. The  
8 total revenue requirement is sometimes offset by miscellaneous non-rate revenues,  
9 such as late fees and reconnect fees, resulting in a net revenue requirement  
10 representing the amount needed to be recovered from rates. GOWC does have  
11 some miscellaneous non-rate revenues, so the revenue requirement I will be  
12 referring to in my testimony is a net revenue requirement (or the amount needed to  
13 be recovered from rates). Further, there are some expenses that are proposed to be  
14 recovered in pass-through charges outside of base rates, as described later in my  
15 testimony.

16 Q. HOW WAS GOWC'S REVENUE REQUIREMENT DEVELOPED?

17 A. GOWC's revenue requirement was developed on a system-wide basis using the debt  
18 service coverage approach.

19 Q. WHAT IS MEANT BY THE USE OF THE TERM SYSTEM-WIDE?

20 A. I mean that the net revenue requirement was developed by examining the GOWC  
21 water and wastewater systems as a whole, rather than by examining discrete  
22 geographical areas separately.

1 **Q. WHY IS THAT SIGNIFICANT?**

2 A. It is significant, in part, because it aligns with past practice for GOWC. It is my  
3 understanding that GOWC's rates have always been set on a system-wide basis.  
4 Therefore, all customers have been sharing in the cost of GOWC providing service,  
5 even if part of the cost is for an expense or improvement that only applies to certain  
6 customers.

7 All customers receive service that is governed by the same regulatory  
8 requirements and, therefore, pay rates reflective of a system-wide revenue  
9 requirement, even though the means necessary to provide the service differs in  
10 different geographical areas. Changing the revenue requirement basis to be  
11 something other than system-wide has the potential to inequitably impact some  
12 customers.

13 **Q. IS A SYSTEM-WIDE BASIS AN ACCEPTABLE WAY TO DEVELOP THE**  
14 **REVENUE REQUIREMENT?**

15 A. Yes, the system-wide basis is arguably the best way to spread the benefits of  
16 regionalization to all customers. System-wide revenue requirements spread  
17 significant capital costs over larger numbers of customers in an effort to make  
18 service more affordable overall to all customers.

19 **Q. WHAT ARE THE COMPONENTS OF GOWC'S REVENUE REQUIREMENT**  
20 **DEVELOPED USING A DEBT SERVICE COVERAGE APPROACH?**

21 A. GOWC essentially used the cash flow approach to identify all of the relevant costs  
22 for recovery, but instead of estimating a level of cash capital outlay (aka, internally  
23 generated cash for capital) appropriate to maintain the utility, GOWC allowed the

1 coverage from debt service to establish the cash available for capital investment.

2 Thus, the components of the net revenue requirement developed for GOWC are:

- 3 1. Cash operations and maintenance ("O&M") costs (excluding  
4 depreciation/amortization as well as interest expense);
- 5 2. Debt service (*i.e.*, principal and interest payments) without coverage (*i.e.*,  
6 1.00x debt service);
- 7 3. Cash available for capital outlay (based on 0.45x debt service);
- 8 4. Necessary reserve contributions (which are \$0 in the current request); and
- 9 5. Less: Miscellaneous non-rate revenues.

10 **Q. HOW IS THIS DIFFERENT FROM A REVENUE REQUIREMENT DEVELOPED**  
11 **FOR AN INVESTOR-OWNED UTILITY?**

12 A. A revenue requirement for an investor-owned utility ("IOU") is often developed on a  
13 utility basis, which generally includes the following components:

- 14 1. Total O&M costs (including depreciation/amortization, but excluding  
15 interest);
- 16 2. Income and other taxes;
- 17 3. Return on rate base; and
- 18 4. Less: Miscellaneous non-rate revenues.

19 Some of these components are similar to those applicable under the debt-  
20 service coverage approach utilized for GOWC, but there are key differences. For  
21 example, O&M costs under the utility basis include depreciation/amortization.  
22 However, the most obvious difference between the debt service coverage and utility  
23 basis is the use of rate base and a return on rate base under the utility basis. Rate  
24 base is representative of invested capital eligible for earning a return, and the return

1 on rate base is the dollar amount resulting from rate base times the allowed rate of  
2 return. The allowed rate of return is generally developed based on a weighted  
3 average cost of capital analysis, which includes equity and debt components.

4 **Q. WHY WAS THE UTILITY BASIS NOT USED TO DEVELOP GOWC'S REVENUE**  
5 **REQUIREMENT?**

6 A. Unlike IOUs, which are operated to maximize profit, not-for-profit utilities, such as  
7 GOWC, are primarily concerned with recovering the costs of operating and  
8 maintaining the utility; reinvesting capital into the utility to renew and replace facilities  
9 as they wear out; paying debt service and interest on customer deposits; paying any  
10 applicable taxes; and ensuring sufficient financial reserves. Thus, the primary  
11 objectives of the not-for-profit utility align with the components of the debt service  
12 coverage approach employed for GOWC.

13 Further, GOWC's long-term borrowing is primarily through revenue bonds,  
14 which are primarily secured by total revenue. These lenders of capital are keenly  
15 interested in the utility having sufficient revenue to pay debt service and adequately  
16 fund cash capital outlays to maintain, renew, and replace facilities. They also  
17 evaluate the utility's financial reserves when deciding whether to lend and, if so, how  
18 much to lend and at what cost. These interests are aligned with the components of  
19 the GOWC's revenue requirement and, therefore, align the rate request with the  
20 interests of lenders of capital so that GOWC is able to borrow on reasonable terms.

21 The utility basis is not a good fit with not-for-profit utilities generally. Among  
22 the issues with attempting to fit a not-for-profit utility into the utility basis methodology  
23 is developing a meaningful return on rate base. GOWC does not have access to  
24 equity capital markets and, therefore, is not concerned with return on equity, a

1 component within return on rate base. GOWC is focused on funding capital needs  
2 from cash, debt and, where possible, contributions or grants. As a result, invested  
3 capital, as it applies to IOUs, is not a meaningful concept for GOWC. Given return  
4 on rate base and invested capital are significant elements within the utility basis, this  
5 methodology is not a good fit with GOWC.

6 **III. DEVELOPMENT OF THE REVENUE REQUIREMENT**

7 **Q. HOW WAS THE REVENUE REQUIREMENT DEVELOPED?**

8 A. The base revenue requirement was developed from an adjusted Test Year based on  
9 GOWC's audited financial results from fiscal year ("FY") 2025, which ended August  
10 31, 2025. The adjusted Test Year is the result of adjustments to the FY 2025 actual  
11 results to reflect known and measurable changes in the utility's expected costs and  
12 revenues that have occurred since the end of FY 2025 and that are expected to  
13 continue.

14 **Q. WHAT ARE SOME EXAMPLES OF THESE ADJUSTMENTS?**

15 A. The adjustments include updating the cost of contract operations to reflect the  
16 proposed amended contract with GOWC's contract operator (Northeast Louisiana  
17 Utilities, Inc. or "NLU"), which will become effective if/when the LPSC sets rates that  
18 allow for the recovery of this cost. The adjustments also include changing the  
19 carbon expenses to reflect expected levels of carbon replacement, per GOWC's  
20 Carbon Replacement Plan ("CRP") as discussed in the direct testimony of Mr.  
21 Taylor. Other costs that tend to fluctuate meaningfully from year-to-year, such as  
22 engineering fees, legal and administrative costs, and consulting fees, were  
23 annualized based on an average of historical actual experience. Adjustments also

1 provide for the inclusion of expected debt service on the planned debt issue of  
2 approximately \$22 million in bonds to fund necessary capital improvement projects  
3 for GOWC water and sewer systems that are included in GOWC's proposed Capital  
4 Improvements Plan ("CIP").<sup>1</sup>

5 All of the adjustments are quantified and explained in schedules included in  
6 my Exhibit GSR-2. The adjusted Test Year developed in my schedules represents  
7 the revenues and expenses required to provide reliable service to retail customers as  
8 well as satisfy all contractual commitments and regulatory requirements under  
9 operating conditions that would be typically expected.

10 **IV. BILLING DETERMINANTS**

11 **Q. HOW WERE THE BILLING DETERMINANTS DEVELOPED?**

12 A. I generally prefer to base billing determinants on a relatively recent period of time in  
13 order to reasonably approximate current customers and their demands. For the  
14 consumption data, I prefer to evaluate a consecutive twelve-month period with  
15 reasonably typical weather in order to mitigate, as much as is practical, the influence  
16 of weather on the consumption data.

17 For GOWC, I based consumption on an analysis of billing data from  
18 September 2024 through August 2025 (consistent with FY 2025) – a recent period  
19 that had somewhat "normal" weather. I based the customer count on the monthly  
20 average of GOWC customer counts over the 12 months of FY 2025. The billing data  
21 is summarized in Schedule 7 of Exhibit GSR-2.

---

<sup>1</sup> GOWC's CIP is included as exhibits to the Direct Testimony of Mr. P. Charles Taylor, Jr., P.E.

1 **V. PROPOSED RATES**

2 **Q. ARE THE CURRENT BASE RATES PROJECTED TO RECOVER THE REVENUE**  
3 **REQUIREMENT?**

4 A. No, the current base rates are not projected to recover the net revenue requirement.  
5 Under current rates, including an estimate of what the Operator Line-Item Charge will  
6 be starting in July 2026 of \$1.66 per month, the forecasted revenue is expected to  
7 generate approximately \$3 million less than the net revenue requirement.

8 **Q. ARE THE PROPOSED BASE RATES PROJECTED TO RECOVER THE**  
9 **REVENUE REQUIREMENT?**

10 A. Yes, the proposed rates shown in Exhibit GSR-2, and specifically Schedules 8 and 9  
11 for water and wastewater, respectively, are projected to recover the base revenue  
12 requirement as shown in Schedule 11 of Exhibit GSR-2.

13 **Q. PLEASE DESCRIBE THE PROPOSED BASE RATES.**

14 A. For water, the proposed rates reflect an increase in the monthly minimum bill (or  
15 fixed charge) as well as GOWC's volumetric rates. Consistent with industry practice,  
16 the proposed minimum bills increase with increasing water meter size. The multiplier  
17 assumed for each meter size, and used to determine the increase in the monthly  
18 minimum bill by meter size, is shown in Table 1 and correlates with the maximum  
19 flow rates assumed for each meter size compared with a 3/4-inch meter.

Table 1

Water Meter Size	Multiplier
¾"	1.0
1"	1.6
1 ½"	4.0
2"	6.4
3"	14.0
4"	24.0

1           The current and proposed rates include 2,000 gallons of water per month  
2 allotted to all customers, regardless of meter size. The allotted water is not charged  
3 the volumetric rate, but all water consumed in excess of the allotted water is billed  
4 the volumetric rate.

5           In addition, the Operator Line-Item Charge, effective July 1, 2026, of at least  
6 \$1.66 per customer, or per connection for multi-meter accounts, is reduced to \$0  
7 under the proposed rates, and the first year cost of GOWC's proposed amended  
8 contract with NLU is included within the proposed base rates for both water and  
9 wastewater customers.<sup>2</sup> It is envisioned that, under the proposed rates,  
10 contractually mandated increases in the operating contract costs will continue to be  
11 passed through to customers via the Operator Line-Item Charge in the future, for  
12 both water and wastewater customers (or per connection for multi-meter accounts).

---

<sup>2</sup> Pursuant to GOWC's Water Tariff and current Operating Agreement, the expenses associated with the annual escalation of the Operating Agreement will increase effective July 1, 2026, at the higher of 3% or CPI for All Urban Consumers for the twelve months ending May 31, 2026. Thus, at a minimum the current \$1.12 per customer Operator Line-Item Charge will increase to \$1.66 per customer as of July 1, 2026.

1 Under current normal operations, GOWC does not need to purchase water  
2 from the City of Monroe ("**Monroe**"). However, GOWC maintains emergency  
3 connections to the Monroe water system. To the extent GOWC needs to purchase  
4 water from Monroe in the future, the volumetric charges assessed by Monroe for this  
5 water are proposed to be recovered from all water customers via the Supplemental  
6 Water Supply Pass-Through Charge, as was established in the last GOWC rate  
7 case.

8 For wastewater, the proposed rates reflect an increase in the monthly fixed  
9 charge. The current general relationship between the residential and commercial  
10 fixed charges is maintained under the proposed rates. Under the proposed rates,  
11 residential customers continue to receive a flat monthly wastewater bill, while  
12 commercial customers continue to receive a fixed monthly charge, plus a volumetric  
13 charge based on any water consumption beyond the monthly water allotment. The  
14 commercial wastewater volumetric rate is increased modestly by the proposed rates.

15 **Q. WILL RECOVERY OF GOWC'S REVENUE REQUIREMENT THROUGH A**  
16 **COMBINATION OF BASE RATES AND THE TWO LINE-ITEM CHARGES**  
17 **RESULT IN REASONABLE AND JUST RATES?**

18 A. Yes, GOWC's base revenue requirement is composed of appropriate adjustments to  
19 the FY 2025 actual results. The adjustments reflect known and measurable changes  
20 in the utility's expected costs and revenues that have occurred since the end of FY  
21 2025 and that are expected to continue. However, based on contractual  
22 requirements with GOWC's contract operator and the possibility of water being  
23 purchased from Monroe in the future under unexpected operating conditions that are

1 subject to changes in volumetric pricing by the City of Monroe, a portion of GOWC's  
2 total costs is better recovered through line-item charges.

3 **VI. CONCLUSIONS AND RECOMMENDATIONS**

4 **Q. WHAT ARE YOUR CONCLUSIONS?**

5 A. My conclusions are as follows:

6 GOWC's revenue requirement is properly developed on a system-wide, debt  
7 service coverage basis. Using a system-wide analysis is arguably the best  
8 way to spread the benefits of regionalization to all customers and is consistent  
9 with GOWC's past practice. Further, at this time, the debt service coverage  
10 basis best reflects GOWC as a not-for-profit utility and aligns with the interests  
11 of its lenders of capital.

12 GOWC's base revenue requirement is composed of appropriate adjustments  
13 to the FY 2025 actual results. The adjustments reflect known and measurable  
14 changes in the utility's expected costs and revenues that have occurred since  
15 the end of FY 2025 and that are expected to continue.

16 The adjusted Test Year represents the revenues and expenses required to  
17 provide reliable service to retail customers as well as satisfy all contractual  
18 commitments and regulatory requirements under operating conditions that  
19 would be typically expected.

20 Current rates are not sufficient to ensure the financial stability of the utility and  
21 do not reflect the cost of providing reliable service in compliance with  
22 regulatory mandates.

1           The proposed base rates are just and reasonable, equitably recover the cost  
2           of providing service to customers, and allow the utility to address its capital  
3           needs, as described in the direct testimony of GOWC witness Charles Taylor.  
4           The continuation of the Operator Line-Item Charge and Supplemental Water  
5           Supply Pass-Through Charge will best allow GOWC to accurately collect from  
6           customers the portion of its costs that will change over time and, in turn, result  
7           in reasonable and just rates.  
8           Multi-meter accounts should be charged the proposed line-item charges on a  
9           per unit basis, consistent with how the base fixed charges are assessed.

10   **Q.    WHAT ARE YOUR RECOMMENDATIONS?**

11   A.    I recommend the LPSC approve the revenue requirement and rates set forth in the  
12           rate schedules included in Exhibit GSR-2 to my Direct Testimony and approve  
13           GOWC's proposed revised Water Tariff and Sewer Tariff. I also recommend the  
14           LPSC allow GOWC to continue to recover the incremental cost of its operating  
15           contract going forward via the Operator Line-Item Charge and to allow recovery of  
16           any actual water purchased from Monroe via the Supplemental Water Supply Pass-  
17           Through Charge.

18   **Q.    DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

19   A.    Yes.



#### CONTACT

8140 North Mopac Expy., Ste 1-240  
Austin, TX 78759

grabon@newgenstrategies.net  
www.newgenstrategies.net

#### EDUCATION

Master of Business Administration,  
University of Texas at Austin

Bachelor of Science in Chemical  
Engineering, Texas A&M University

#### PROFESSIONAL REGISTRATIONS/ CERTIFICATIONS/COMMITTEES

Accredited Senior Appraiser (ASA)  
designation in Public Utilities from  
American Society of Appraisers

#### KEY EXPERTISE

Cost of Service and Rate Design  
Customer Advocacy and Engagement  
Depreciation Studies  
Financial Feasibility and Planning  
Regulatory and Litigation Support  
Utility Appraisals and Valuations

## GRANT RABON

Partner

Since 2005, Mr. Rabon has managed electric, water, wastewater, natural gas, and solid waste utility projects designed to safeguard clients' financial integrity primarily through the performance of financial feasibility studies, depreciation studies, valuations/appraisals, or comprehensive cost of service analyses. His educational background facilitates a unique understanding of the financial implications of technical projects. Further, he is one of less than 20 individuals in the nation with an Accredited Senior Appraiser designation in Public Utilities from the American Society of Appraisers.

### RELEVANT EXPERIENCE

#### Cost of Service and Rate Design

Mr. Rabon has conducted numerous comprehensive cost of service and rate design studies. Rates designed as a result of these engagements equitably recover the cost of service and align with the utilities' goals, including special consideration for affordability and best practice rate structures. Stakeholder outreach and benchmarking analyses were typical tasks within these projects.

#### Key Projects

##### Austin Energy – Cost of Service and Testimony

Mr. Rabon conducted a comprehensive, unbundled cost of service analysis for the electric utility and designed equitable rates to achieve the City of Austin's goals. Efforts included improving fixed cost recovery while incentivizing conservation through a five-tier rate structure and supporting distributed generation, such as rooftop solar. Mr. Rabon filed direct testimony in 2012 on behalf of the City of Austin d/b/a Austin Energy at the Public Utility Commission of Texas in defense of the electric rates adopted by Austin City Council (PUC Docket No. 40627). In 2015, he conducted various analyses on issues of critical importance to Austin Energy, such as a financial reserves study and a review of small commercial rates. He also assisted Austin Energy staff in updating the cost of service and rate design, including extensive public involvement and stakeholder engagement intended to mimic a rate case at the Public Utility Commission of Texas. Mr. Rabon conducted another update to the comprehensive, unbundled cost of service analysis in 2022 that, among other changes, proposed redesigned residential rates and an update to the value of solar tariff. The 2022 update utilized a similar public involvement and stakeholder engagement process to mimic a rate case at the Public Utility Commission of Texas. City Council approved base rate increases in December 2022.

##### Austin Water – Cost of Service and Rate Design

Mr. Rabon conducted a comprehensive cost of service analysis for the water and wastewater utilities and designed equitable rates to achieve the City of Austin's goals. This included increased support for the reclaimed water program as well as the customer assistance program, which provides discounts qualifying low-income residential customers. As part of the rate review, NewGen participated in ten meetings with a Public Involvement Committee that included stakeholders representing residential customers, low-income customers, multi-family customers, industrial/large volume customers, building owners, the real estate

## GRANT RABON

Partner

council, the University of Texas, and members of the Austin Water and Wastewater Commission. Rates resulting from this process were ultimately approved by Austin City Council as part of the FY 2025 Budget.

### Lower Colorado River Authority – Wholesale Water Benchmarking and Rate Analysis

Mr. Rabon performed a benchmarking analysis to identify best practices among wholesale water entities nationwide, emphasizing innovative rate structures and water conservation efforts. He also conducted a long-term rate analysis to incorporate projected capital projects to expand the water supply over a 90-year horizon under various rate structures.

### College Station – Electric Transmission Filing

Mr. Rabon conducted a comprehensive cost of service analysis for the transmission function and regulated rate filing with the Public Utility Commission of Texas, including developing all schedules, work papers, and testimony (PUC Docket No. 52728).

### Greenville Electric Utility System (GEUS) – Electric Transmission Filing

Mr. Rabon performed a quality assurance review of a comprehensive cost of service analysis for the transmission function and regulated rate filing with the Public Utility Commission of Texas.

### Texas Municipal Power Agency (TMPA) – Electric Transmission Filing

Mr. Rabon developed an interim regulated rate filing for the transmission function with the Public Utility Commission of Texas and filed direct testimony on behalf of TMPA (PUC Docket No. 51439).

### Georgetown Electric Utility – Rate Projects

Mr. Rabon conducted a series of rate projects for the City of Georgetown, Texas, to improve cost recovery and equity. These efforts included redesigning the distributed generation rate tariff, evaluating a large contract customer load, and designing a new rate tariff for commercial "fast charging" plug-in electric vehicle charging stations.

### Other Cost of Service and Rate Design Studies

Mr. Rabon conducted one or more comprehensive cost of service and rate design studies for the following entities:

- Abby Plantation Estates Sanitary Sewer Corporation, LA
- Aqua Water Supply Corp., TX
- Brownsville Public Utilities Board, TX
- Brushy Creek Municipal Utility District, TX
- City of Athens, TX
- City of Borger, TX
- City of Bryan, TX
- City of Del Rio, TX
- City of Greenville, TX
- City of Hobbs, NM
- City of Peoria, AZ
- City of Pflugerville, TX
- City of Sealy, TX
- City of Sioux Falls, SD
- City of Stillwater, OK
- City of Sugar Land, TX
- City of Tempe, AZ
- City of Temple, TX
- City of Tucson, AZ
- City of Vernon, CA
- City of Weatherford, TX
- City of West Lake Hills, TX
- Kerrville Public Utility Board, TX
- L & R Utilities, Inc., LA
- Liberty City Water Supply Corporation, TX
- Manville Water Supply Corporation, TX
- National Water Infrastructure, LLC, LA
- North Slope Borough, AK
- Peoples of Bastrop, LLC, LA
- Pima County, AZ
- Rockett Special Utility District, TX

## GRANT RABON

Partner

- City of Las Cruces, NM
- City of Longview, TX
- City of Mount Vernon, TX
- City of New Braunfels, TX
- City of Nogales, AZ
- City of Olathe, KS
- Gonzales County Water Supply Corporation, TX
- Greater Ouachita Water Company, LA
- Levi Water Supply Corporation, TX
- St. Tammany Parish, LA
- Snohomish County, WA
- Town of Estes Park, CO
- Walker County Special Utility District, TX
- Wellborn Special Utility District, TX
- York County, SC

### Financial Feasibility

Mr. Rabon has evaluated the financial feasibility of various projects through business case analyses and the development of financial models. One project included evaluating a proposed 20 million-gallon-per-day brackish groundwater desalination facility for the San Antonio Water System based on the relative capital and operational costs and total lifecycle costs under various project delivery options, including traditional DBB, DB, DBO, and a customized DBOOT. Another project included financial feasibility modeling to evaluate a proposed water source development for a municipal client.

### Utility Appraisals and Valuations

Mr. Rabon has conducted valuations and fair market value appraisals to determine an indication of value for acquisitions/dispositions or to evaluate municipalization or privatization of utilities. His experience also includes service area valuations to assess compensation for decertification of areas covered by certificates of convenience and necessity.

### Appraisals or Valuations

Mr. Rabon has conducted one or more appraisal or valuation studies of the following entities:

- Aqua Indiana, Inc. (a portion of the system)
- Aqua Texas, Inc. (a portion of the system)
- Bi-County Water Supply Corporation
- Brownsville Navigation District
- Carroll Water Company
- City of Janesville, WI landfill
- City of El Paso's Clint and McCombs Municipal Landfills
- City of Superior, WI Moccasin Mike Landfill
- Forest Utilities, Inc.
- Greater Ouachita Water Company
- Guadalupe-Blanco River Authority
- Hermleigh Water Works
- Integra Water Texas, LLC
- Jarrell-Schwertner Water Supply Corporation
- Johnson County Special Utility District
- Kenwood Water System
- Lake Limestone Coves Water System
- Pacific Gas and Electric's electric transmission and distribution system in San Francisco, CA
- Patterson Water Supply
- Pennichuck Corporation's water utility in the City of Nashua
- Rice Water Supply & Sewer Supply Corporation
- Rockett Special Utility District
- San Diego Gas & Electric's electric and gas distribution systems in the City of San Diego, CA

## GRANT RABON

Partner

- Clear Water Estates Water System
- Commons Water Supply, Inc.
- Douglas Utility Company
- El Jardin Water Supply Corporation
- EnLink (a portion of a gas pipeline in Alexandria, LA)
- Esperanza Water Service Company
- Leon Springs Utility Company
- Liberty City Water Supply Corporation
- Louisiana Land and Water Company
- North Orange Water and Sewer
- Mountain Peak Special Utility District
- Sharyland Water Supply Corporation
- Xcel Energy's electric distribution system in the City of Boulder, CO
- Utilities Investment Company, Inc. and UIC 13, LLC

### Depreciation

Mr. Rabon has conducted comprehensive depreciation studies to establish appropriate utility depreciation rates, including benchmarking depreciation rates among peer utilities. Engagements include projects for the following entities:

- Austin Energy
- City of Fort Worth Water Department
- County of Kauai Department of Water
- CPS Energy
- Tri-State Generation and Transmission, Inc.

### Regulatory and Litigation Support

In addition to the regulatory work associated with some of the projects previously mentioned, Mr. Rabon has also provided litigation support to his clients. This support includes a project calculating damages owed to three electric cooperatives and one municipally owned utility as part of a wholesale rate dispute with the Lower Colorado River Authority in Travis and Kerr County, Texas District Courts. Efforts incorporated recreating billing determinants and the development of a market access rate. (Cause No. D-1-GN-12-002156 and Cause No. 12-1001-B). In another project, Mr. Rabon calculated damages owed to a municipality in a contract dispute with its ERCOT Qualified Scheduling Entity. Finally, Mr. Rabon was a designated expert witness in a Louisiana utility condemnation case.

### Customer Advocacy and Engagement

Mr. Rabon served as the residential rate advocate for Austin Water's water, reclaimed water, and wastewater cost of service and rate design study. He represented the interests of the residential customer class in the process, much like the Texas Office of Public Utility Counsel often does for regulated rate cases. To explain the process and solicit feedback on essential policy issues from residents, Mr. Rabon participated in a stakeholder engagement process and presented at a series of meetings with residential customer groups around the City. He also reviewed and critiqued Austin Water's prior comprehensive rate review, completed in 2009, and the validity of the methodologies employed therein. Finally, given that the Public Utility Commission of Texas could review any rates proposed by Austin Water, Mr. Rabon provided invaluable input on acceptable practices based on extensive prior work in this venue. He provided written comments on proposed changes to Austin Water's financial policies in a separate engagement.

**GRANT RABON**

Partner

**Affordability**

Mr. Rabon conducted a comprehensive benchmarking assessment of the affordability of water and wastewater service in Austin in 2018. NewGen engaged a subconsultant, Professor Manny Teodoro, to advise on this project. The study considered many aspects of providing water and wastewater service that ultimately impact the cost of providing service, including source of water supply, rate structure, social programs, commitment to conservation, and typical rainfall. The affordability of typical customer bills was also evaluated using a range of conventional and new metrics. Informed by these metrics, Austin Water established goals for itself to align its rates and assistance programs with its commitment to affordability. The metrics developed in the study will allow the City of Austin to track Austin Water's progress towards attaining its affordability goals over time.

**TESTIMONY****Public Utility Commission of Texas**

- Electric Rate Filing on behalf of Austin Energy – PUC Docket No. 40627
- Electric Transmission Rate Filing on behalf of the City of College Station – PUC Docket No. 52728
- Revenue Requirement and Cost Recovery Issues on behalf of Windermere Oaks Water Supply Corporation – PUC Docket No. 50788
- Interim Electric Transmission Rate Filing on behalf of Texas Municipal Power Agency – PUC Docket No. 51439

**Louisiana Public Service Commission**

- Wastewater Cost of Service Rate Filing on behalf of National Water Infrastructure – LPSC Docket No. U-36383
- Water Rate Filing on behalf of Peoples of Bastrop, LLC – LPSC Docket No. U-36836
- Water and Wastewater Rate Filing on behalf of Greater Ouachita Water Company – LPSC Docket No. U-34865
- Water and Wastewater Rate Filing on behalf of Greater Ouachita Water Company – LPSC Docket No. U-36716
- Wastewater Rate Filing on behalf of Abby Plantation Estates Sanitary Sewer Corporation – LPSC Docket No. U-36320
- Water and Wastewater Rate Filing on behalf of L & R Utilities, Inc. – LPSC Docket No. U-37775

**California Public Utilities Commission**

- Fair Market Value Appraisal of a portion of the Pacific Gas and Electric system on behalf of the City and County of San Francisco – Docket No. P.21-07-012

**Federal Energy Regulatory Commission**

- Depreciation Rates on behalf of Tri-State Generation and Transmission Association, Inc. – Docket No. ER24-2171-000

**GRANT RABON**

Partner

**PRESENTATIONS**

Mr. Rabon has given various industry presentations focused on utility finances and rates.

**Texas Rural Water Association Conferences**

- *Impact Fees Done Right: Funding Capacity Upgrades with Transparency & Fairness* (2026)
- *Financial Strategies for Utilities* (2025)
- *Financial Management & Fiduciary Responsibilities* (2022 and 2023)
- *CCN Decertification Compensation – What's Fair?* (2021)
- *Financial Management and Fiduciary Responsibilities* (2019)
- *How to Structure Rates to Ensure a Successful Future for Your System* (2019)
- *Rates that Support Current and Future Needs* (2018)
- *Financial Planning and Tools* (2016)
- *Water Rates 101* (2015)
- *CCN Valuations: Financial Considerations Related to Decertification and Expedited Release* (2014)
- *Keeping Your System Financially Fit; Learn How to Set Good Water Rates* (2012)

**American Water Works Association and Water Environmental Federation's Utility Management Conference**

- *Austin Water Affordability Assessment* (2020)
- *Regionalization Efforts: A Louisiana Case Study* (2013)

**National Rural Water Association Conferences**

- *Small Water System Financing 101* (2019)
- *Rate Planning for a Sustainable System* (2018)

**Texas Public Power Association Conferences**

- *Communicating Rate Changes and Bill Transparency* (2024)
- *Effectively Managing Significant Rate Changes* (2019)
- *Is Change Coming?: Transmission Rate Filings at the Public Utility Commission* (2018)
- *Adapting to Distributed Generation* (2017)

**American Public Power Association - Business & Financial Conference**

- *Designing New Rates for Residential Customers* (2025)

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**  
**Schedule 1**  
**Test Year - Water**

**Water Test Year**

Line No.		FY 2025 Audited	Adjustments	Test Year	Comments on Adjustments
1	<b>Operating Expenses</b>				
2	<b>Cost of Sales</b>				
3	Water Purchased	\$ 74,463	\$ (2,324)	\$ 72,139	A
4		\$ 74,463	\$ (2,324)	\$ 72,139	
5					
6	<b>Administrative Expenses</b>				
7	Accounting	\$ 18,403		\$ 18,403	
8	Advertising	-		-	
9	Bank Charges	14,003		14,003	
10	Consulting Fees	49,440	3,821	53,261	B
11	Dues and Subscriptions	532		532	
12	Inspection and Supervision Fee	21,579		21,579	
13	Insurance	320,214		320,214	
14	Legal and Administrative	188,182	15,756	203,938	B, C
15	Miscellaneous	-		-	
16	Office Expenses	174,626		174,626	
17	Postage	3,178		3,178	
18	Rent	51,537		51,537	
19	Salaries - Officers	237,566		237,566	
20	Salaries - Other	86,269		86,269	
21	Taxes and Licenses	1,170		1,170	
22	Taxes - Payroll	25,360		25,360	
23	Taxes - Property	-		-	
24	Telephone	-		-	
25	Travel	2,429		2,429	
26	Trustee Fees	3,750		3,750	
27	Other	-		-	
28	Pension Expense	58,519		58,519	
29	Amortize Rate Case Expenses	-	49,000	49,000	D
30		\$ 1,256,756	\$ 68,577	\$ 1,325,333	
31					
32	<b>Operating Expenses</b>				
33	Operating Contract	\$ 5,146,323	\$ 879,232	\$ 6,025,555	E
34	Power	874,202		874,202	
35	Maintenance	1,369,300		1,369,300	
36	Chemicals - Non-Carbon	560,650		560,650	
37	Chemicals - Carbon	-	963,900	963,900	F
38	Carbon Amortization	776,360	(776,360)	-	G
39	Testing - Sewer	-		-	
40	Water Used in Sewer Plant	-		-	
41	Sterlington Franchise Fee	65,000		65,000	
42	Service and Franchise Fees	1,547		1,547	
43	Right of Way	1,677		1,677	
44	Engineering Fees	72,050	4,970	77,020	B
45	Provisions for Bad Debts	-		-	
46	Amortization	99,086	(99,086)	-	G
47	Depreciation	3,278,284	(3,278,284)	-	G
48	Interest	2,304,819	(2,304,819)	-	H

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**  
**Schedule 1**  
**Test Year - Water**

**Water Test Year**

Line No.		FY 2025			Comments on Adjustments
		Audited	Adjustments	Test Year	
49	Interest – Customer Deposits	52,136		52,136	
50	Tapping Charges	17,000		17,000	
51	Loss on Sale	-		-	
52	Water Meter Monitoring Service	295,392		295,392	
53		<u>\$ 14,913,825</u>	<u>\$ (4,610,447)</u>	<u>\$ 10,303,378</u>	
54					
55	<b>Total Operating Expenses</b>	<b>\$ 16,245,044</b>	<b>\$ (4,544,194)</b>	<b>\$ 11,700,850</b>	
56					
57	<b>Debt Service</b>				
58	Principal	\$ -	\$ 2,234,245	\$ 2,234,245	J
59	Interest	-	3,090,886	3,090,886	J
60		<u>\$ -</u>	<u>\$ 5,325,131</u>	<u>\$ 5,325,131</u>	
61					
62	<b>Cash Capital Outlay</b>	\$ -	\$ 2,396,309	\$ 2,396,309	K
63					
64	<b>Reserve Contributions</b>	\$ -		\$ -	L
65					
66	<b>Gross Revenue Requirement</b>	<b>\$ 16,245,044</b>	<b>\$ 3,177,246</b>	<b>\$ 19,422,290</b>	
67					
68	<b>Revenue</b>				
69	Rate Revenue				
70	Charges for Services	\$ 15,802,578	\$ (15,769,578)	\$ 33,000	M, N, R
71	Operations Maintenance Fees	197,538	(197,538)	-	N
72		<u>\$ 16,000,116</u>	<u>\$ (15,967,116)</u>	<u>\$ 33,000</u>	
73					
74	Other Revenue				
75	Late Payment Charges	\$ 209,207		\$ 209,207	
76	Reconnect Charges	550		550	
77	Service Order Fees	238,803		238,803	R
78	Water Connect Charges	204,743		204,743	
79	Forfeited Discounts	-		-	
80	Sewer Inspection Fees	-		-	
81	Tapping Fees	401,700		401,700	
82	Interest	679,511		679,511	
83	Sewer Maintenance Agreement	-		-	
84	Safe Drinking Water Fees	30,333		30,333	
85	Other Income	255,976	(255,976)	-	O
86	Other/Misc Revenue	75,746	(75,548)	198	
87	NSF Check Charge	5,027		5,027	
88	Water Sector Program	1,915,055	(1,915,055)	-	Q
89	Oil & Gas Royalties	51		51	
90	Damage Claims	-		-	
91	Cash Over	-		-	
92	Bad Debt Recovery	-		-	
93		<u>\$ 4,016,703</u>	<u>\$ (2,246,580)</u>	<u>\$ 1,770,123</u>	
94					
95	<b>Total Revenue</b>	<b>\$ 20,016,819</b>	<b>\$ (18,213,696)</b>	<b>\$ 1,803,123</b>	
96					

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Water Test Year**

Line No.	FY 2025			Comments on Adjustments
	Audited	Adjustments	Test Year	
97	\$ (3,771,775)	\$ 21,390,942	\$ 17,619,167	
98				
99	<b>Comments:</b>			
100	<b>A</b> The cost of water purchased from Monroe is based on the rates charged to retail customers in Monroe. Specifically,			
101	GOWC pays the fixed monthly charge on meters at the applicable rate for Monroe retail customers, plus 1.3x times the			
102	volumetric rate for Monroe's retail water customers for any water taken. Thus, the current volumetric rate charged to			
103	GOWC should be \$5.82 per 1,000 gallons (based on 1.3 times \$4.48). GOWC does not take water from Monroe under			
104	normal operations. However, emergency connections with Monroe remain such that GOWC can take water from			
105	Monroe, if needed. As in the 2023 rate case, GOWC is proposing to recover all of the volumetric costs associated with			
106	the Monroe water supply from all water customers via a "Supplemental Supply Pass-Through" outside of base rates. The			
107	fixed charges from Monroe are included in water base rates to be recovered from all water customers. The fixed charges			
108	are based on meters and currently applicable rates set by the City of Monroe for its retail water customers. (see			
109	Schedule 3)			
110				
111	<b>B</b> Test Year amount is based on an average of FY 2022 through FY 2025			
112	<b>C</b> In FY 2022, Kean Miller, GOWC's outside legal counsel, billed GOWC \$2,090.40 related to a rate application. This			
113	amount was removed from the FY 2022 amount before averaging the four years to establish the Test Year to avoid double			
114	counting this expense given it was included in the rate case expense line-item.			
115	<b>D</b> Test Year amount is based on estimate of overall rate case expenses amortized over three years (see Schedule 4)			
116	<b>E</b> Subject to approval by the LPSC, the amended operating contract cost will be \$7,531,943.45 in the first year.			
117	Thereafter, on the anniversary of the effective date, the contract cost will increase at 3% or the Consumer Price Index			
118	percentage for All Urban Consumers (all items, unadjusted), whichever is greater. 80% of the contract cost is allocated			
119	to water and 20% to sewer.			
120	<b>F</b> Estimated carbon replacement in Test Year is based on 20 vessels being replaced at a cost of \$48,195 each			
121	<b>G</b> Test Year does not include amortization or depreciation (non-cash expenses)			
122	<b>H</b> Interest is included in the debt service portion of the revenue requirement			
123	<b>I</b> Removed from Test Year			
124	<b>J</b> FY 2027 debt service as well as estimated principal and interest payments on a proposed debt issue (see Schedule 5)			
125				
126	<b>K</b> Debt service coverage of the following target to provide cash capital outlay funding:			<b>1.45</b>
127	<b>L</b> GOWC is not requesting reserve contributions at this time			
128	<b>M</b> There are 55 private fire connections that pay \$50 per month. The Test Year includes this revenue as an offset to the			
129	revenue requirement.			
130	<b>N</b> Rate revenues are removed from the Test Year as this is what the analysis seeks to identify			
131	<b>O</b> Other Income is primarily contributed capital; removed from the Test Year as this is not cash available to offset revenue			
132	requirement			
133	<b>P</b> \$75,548.46 of this amount was revenues that ultimately should have been captured in "Charges for Services". Thus, this			
134	amount was removed, just like other rate revenues, from the Test Year. The remaining \$198 was scrap revenue.			
135				
136	<b>Q</b> Water Sector Program proceeds are not recurring and are for capital			
137	<b>R</b> The FY 2025 audited financial statements include Service Order Fees within Charges for Services. Service Order Fees			
138	have been separated from rate revenues in this worksheet for transparency and so that Service Order Fees can be a			
139	revenue offset to the revenue requirement.			

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**  
**Schedule 2**  
**Test Year - Sewer**

**Sewer Test Year**

Line No.		FY 2025 Audited	Adjustments	Test Year	Comments on Adjustments
1	<b>Operating Expenses</b>				
2	<b>Cost of Sales</b>				
3	Water Purchased	\$ -		\$ -	
4		\$ -	\$ -	\$ -	
5					
6	<b>Administrative Expenses</b>				
7	Accounting	\$ 4,998		\$ 4,998	
8	Advertising	-		-	
9	Bank Charges	3,803		3,803	
10	Consulting Fees	13,429	1,077	14,505	B
11	Dues and Subscriptions	144		144	
12	Inspection and Supervision Fee	5,861		5,861	
13	Insurance	86,974		86,974	
14	Legal and Administrative	28,793	(2,058)	26,735	B
15	Miscellaneous	-		-	
16	Office Expenses	50,928		50,928	
17	Postage	863		863	
18	Rent	13,998		13,998	
19	Salaries - Officers	64,526		64,526	
20	Salaries - Other	23,432		23,432	
21	Taxes and Licenses	22,806	(22,091)	715	A
22	Taxes - Payroll	6,888		6,888	
23	Taxes - Property	-		-	
24	Telephone	-		-	
25	Travel	660		660	
26	Trustee Fees	3,750		3,750	
27	Other	-		-	
28	Pension Expense	8,829		8,829	
29	Amortize Rate Case Expenses	-	21,000	21,000	D
30		\$ 340,681	\$ (2,072)	\$ 338,609	
31					
32	<b>Operating Expenses</b>				
33	Operating Contract	\$ 1,466,788	\$ 39,601	\$ 1,506,389	E
34	Power	544,384		544,384	
35	Maintenance	875,530		875,530	
36	Chemicals - Non-Carbon	295,421		295,421	
37	Chemicals - Carbon	-		-	
38	Carbon Amortization	-		-	
39	Testing - Sewer	54,810		54,810	
40	Water Used in Sewer Plant	129,093		129,093	
41	Sterlington Franchise Fee	-		-	
42	Service and Franchise Fees	5,376		5,376	
43	Right of Way	4,000		4,000	
44	Engineering Fees	-		-	
45	Provisions for Bad Debts	-		-	
46	Amortization	42,465	(42,465)	-	C
47	Depreciation	1,776,610	(1,776,610)	-	C
48	Interest	923,089	(923,089)	-	F

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**  
**Schedule 2**  
**Test Year - Sewer**

**Sewer Test Year**

Line No.		FY 2025			Comments on Adjustments
		Audited	Adjustments	Test Year	
49	Interest – Customer Deposits	-	-	-	
50	Tapping Charges	-	-	-	
51	Loss on Sale	-	-	-	
52	Water Meter Monitoring Service	-	-	-	
53		\$ 6,117,566	\$ (2,702,564)	\$ 3,415,003	
54					
55	<b>Total Operating Expenses</b>	\$ 6,458,248	\$ (2,704,636)	\$ 3,753,612	
56					
57	<b>Debt Service</b>				
58	Principal	\$ -	\$ 758,931	\$ 758,931	G
59	Interest	-	1,369,735	1,369,735	G
60		\$ -	\$ 2,128,665	\$ 2,128,665	
61					
62	<b>Cash Capital Outlay</b>	\$ -	\$ 957,899	\$ 957,899	H
63					
64	<b>Reserve Contributions</b>	\$ -		\$ -	I
65					
66	<b>Gross Revenue Requirement</b>	\$ 6,458,248	\$ 381,929	\$ 6,840,177	
67					
68	<b>Revenue</b>				
69	Rate Revenue				
70	Charges for Services	\$ 4,292,170	\$ (4,292,170)	\$ -	J
71	Operations Maintenance Fees	53,056	(53,056)	-	J
72		\$ 4,345,226	\$ (4,345,226)	\$ -	
73					
74	Other Revenue				
75	Late Payment Charges	\$ 69,521		\$ 69,521	
76	Reconnect Charges	-		-	
77	Service Order Fees	-		-	
78	Water Connect Charges	-		-	
79	Forfeited Discounts	-		-	
80	Sewer Inspection Fees	-		-	
81	Tapping Fees	-		-	
82	Interest	-		-	
83	Sewer Maintenance Agreement	541,881		541,881	
84	Safe Drinking Water Fees	-		-	
85	Other Income	-		-	
86	Other/Misc Revenue	502		502	
87	NSF Check Charge	-		-	
88	Water Sector Program	-		-	
89	Oil & Gas Royalties	-		-	
90	Damage Claims	-		-	
91	Cash Over	-		-	
92	Bad Debt Recovery	-		-	
93		\$ 611,904	\$ -	\$ 611,904	
94					
95	<b>Total Revenue</b>	\$ 4,957,130	\$ (4,345,226)	\$ 611,904	
96					

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**  
**Schedule 2**  
**Test Year - Sewer**

**Sewer Test Year**

Line No.		FY 2025			Comments on Adjustments
		Audited	Adjustments	Test Year	
97	<b>Net Revenue Requirement</b>	<b>\$ 1,501,118</b>	<b>\$ 4,727,155</b>	<b>\$ 6,228,273</b>	
98					
99	<b>Comments:</b>				
100	<b>A</b> GOWC may assess all sewer customers the amount assessed by the Louisiana Department of Environmental Quality.				
101	This expense was removed from the Test Year as there is a separate line-item on the bill to recover this expense and,				
102	therefore, it need not be recovered from base rates.				
103	<b>B</b> Test Year amount is based on an average of FY 2022 through FY 2025				
104	<b>C</b> Test Year does not include amortization or depreciation (non-cash expenses)				
105	<b>D</b> Test Year amount is based on estimate of overall rate case expenses amortized over three years (see Schedule 4)				
106	<b>E</b> Subject to approval by the LPSC, the amended operating contract cost will be \$7,531,943.45 in the first year.				
107	Thereafter, on the anniversary of the effective date, the contract cost will increase at 3% or the Consumer Price Index				
108	percentage for All Urban Consumers (all items, unadjusted), whichever is greater. 80% of the contract cost is allocated				
109	to water and 20% to sewer.				
110	<b>F</b> Interest is included in the debt service portion of the revenue requirement				
111	<b>G</b> FY 2027 debt service as well as estimated principal and interest payments on a proposed debt issue (see Schedule 5)				
112					
113	<b>H</b> Debt service coverage of the following target to provide cash capital outlay funding:				<b>1.45</b>
114	<b>I</b> GOWC is not requesting reserve contributions at this time				
115	<b>J</b> Rate revenues are removed from the Test Year as this is what the analysis seeks to identify				

Greater Ouachita Water Company  
 Water and Sewer Cost of Service and Rate Design

City of Monroe Fixed Charges (Included in Base Rates)

Line No.	Size	Count	Rate <sup>1</sup>	Annual Cost
1	Fixed Monthly Charges			
2	2-inch	0		\$ -
3	3-inch	0		-
4	4-inch	0		-
5	6-inch	2	\$ 752.20	18,053
6	8-inch	3	\$ 1,502.40	54,086
7		5		\$ 72,139

Notes:

- 1 Subject to change by the City of Monroe

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**  
**Schedule 4**  
**Rate Case Exp**

**Rate Case Expense**

Line No.		Overall Estimate
1	<b>2026 Rate Case</b>	
2	NewGen (rate consultant)	\$ 60,000
3	Kean Miller (legal counsel)	150,000
4		<u>\$ 210,000</u>
5		
6	Amortization Period (years)	3
7		
8	Annualized Amount	\$ 70,000
9		
10	Allocation	
11	Water (70%)	\$ 49,000
12	Sewer (30%)	21,000
13		<u>\$ 70,000</u>

Greater Ouachita Water Company  
Water and Sewer Cost of Service and Rate Design

Debt Service

Line No.		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
1	<b>Series 2019</b>							
2	<b>Annual Payments</b>							
3	Principal	\$ 1,665,000	\$ 1,750,000	\$ 1,840,000	\$ 1,930,000	\$ 2,025,000	\$ 2,105,000	\$ 2,190,000
4	Interest	2,265,500	2,182,250	2,094,750	2,002,750	1,906,250	1,825,250	1,741,050
5		<u>\$ 3,930,500</u>	<u>\$ 3,932,250</u>	<u>\$ 3,934,750</u>	<u>\$ 3,932,750</u>	<u>\$ 3,931,250</u>	<u>\$ 3,930,250</u>	<u>\$ 3,931,050</u>
6								
7	Allocation							
8	Water 70.0%							
9	Sewer 30.0%							
10								
11	<b>Water</b>							
12	Principal	\$ 1,165,500	\$ 1,225,000	\$ 1,288,000	\$ 1,351,000	\$ 1,417,500	\$ 1,473,500	\$ 1,533,000
13	Interest	1,585,850	1,527,575	1,466,325	1,401,925	1,334,375	1,277,675	1,218,735
14		<u>\$ 2,751,350</u>	<u>\$ 2,752,575</u>	<u>\$ 2,754,325</u>	<u>\$ 2,752,925</u>	<u>\$ 2,751,875</u>	<u>\$ 2,751,175</u>	<u>\$ 2,751,735</u>
15								
16	<b>Sewer</b>							
17	Principal	\$ 499,500	\$ 525,000	\$ 552,000	\$ 579,000	\$ 607,500	\$ 631,500	\$ 657,000
18	Interest	679,650	654,675	628,425	600,825	571,875	547,575	522,315
19		<u>\$ 1,179,150</u>	<u>\$ 1,179,675</u>	<u>\$ 1,180,425</u>	<u>\$ 1,179,825</u>	<u>\$ 1,179,375</u>	<u>\$ 1,179,075</u>	<u>\$ 1,179,315</u>
20								
21	<b>Series 2021</b>							
22	<b>Annual Payments</b>							
23	Principal	\$ 540,000	\$ 550,000	\$ 570,000	\$ 585,000	\$ 600,000	\$ 620,000	\$ -
24	Interest	122,608	103,500	84,269	63,869	43,169	21,939	-
25		<u>\$ 662,608</u>	<u>\$ 653,500</u>	<u>\$ 654,269</u>	<u>\$ 648,869</u>	<u>\$ 643,169</u>	<u>\$ 641,939</u>	<u>\$ -</u>
26								
27	Allocation							
28	Water 100.0%							
29	Sewer 0.0%							
30								
31	<b>Water</b>							
32	Principal	\$ 540,000	\$ 550,000	\$ 570,000	\$ 585,000	\$ 600,000	\$ 620,000	\$ -
33	Interest	122,608	103,500	84,269	63,869	43,169	21,939	-
34		<u>\$ 662,608</u>	<u>\$ 653,500</u>	<u>\$ 654,269</u>	<u>\$ 648,869</u>	<u>\$ 643,169</u>	<u>\$ 641,939</u>	<u>\$ -</u>
35								
36	<b>Sewer</b>							
37	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Interest	-	-	-	-	-	-	-
39		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
40								
41	<b>Series 2024</b>							
42	<b>Annual Payments</b>							
43	Principal	\$ 400,000	\$ 420,000	\$ 440,000	\$ 455,000	\$ 475,000	\$ 495,000	\$ 510,000
44	Interest	882,388	862,388	845,588	827,988	809,788	790,788	770,988
45		<u>\$ 1,282,388</u>	<u>\$ 1,282,388</u>	<u>\$ 1,285,588</u>	<u>\$ 1,282,988</u>	<u>\$ 1,284,788</u>	<u>\$ 1,285,788</u>	<u>\$ 1,280,988</u>
46								
47	Allocation							
48	Water 64.6%							
49	Sewer 35.4%							
50								
51	<b>Water</b>							
52	Principal	\$ 258,464	\$ 271,387	\$ 284,311	\$ 294,003	\$ 306,926	\$ 319,849	\$ 329,542
53	Interest	570,164	557,241	546,385	535,013	523,253	510,976	498,182
54		<u>\$ 828,628</u>	<u>\$ 828,628</u>	<u>\$ 830,696</u>	<u>\$ 829,016</u>	<u>\$ 830,179</u>	<u>\$ 830,825</u>	<u>\$ 827,723</u>
55								
56	<b>Sewer</b>							
57	Principal	\$ 141,536	\$ 148,613	\$ 155,689	\$ 160,997	\$ 168,074	\$ 175,151	\$ 180,458
58	Interest	312,224	305,147	299,202	292,975	286,535	279,812	272,806
59		<u>\$ 453,760</u>	<u>\$ 453,760</u>	<u>\$ 454,892</u>	<u>\$ 453,972</u>	<u>\$ 454,609</u>	<u>\$ 454,963</u>	<u>\$ 453,264</u>
60								
61	<b>Proposed New Debt Issue<sup>1</sup></b>							

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**

**Schedule 5**  
**Debt Service**

**Debt Service**

Line No.		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
62	<b>Annual Payments</b>							
63	Principal	\$ -	\$ 273,176	\$ 289,812	\$ 307,462	\$ 326,186	\$ 346,051	\$ 367,125
64	Interest	-	1,312,483	1,295,847	1,278,197	1,259,473	1,239,608	1,218,533
65		\$ -	\$ 1,585,659	\$ 1,585,659	\$ 1,585,659	\$ 1,585,659	\$ 1,585,659	\$ 1,585,659
66								
67	Allocation							
68	Water 68.8%							
69	Sewer 31.2%							
70								
71	<b>Water</b>							
72	Principal	\$ -	\$ 187,858	\$ 199,298	\$ 211,436	\$ 224,312	\$ 237,973	\$ 252,465
73	Interest	-	902,570	891,129	878,992	866,116	852,455	837,963
74		\$ -	\$ 1,090,428	\$ 1,090,428	\$ 1,090,428	\$ 1,090,428	\$ 1,090,428	\$ 1,090,428
75								
76	<b>Sewer</b>							
77	Principal	\$ -	\$ 85,318	\$ 90,514	\$ 96,026	\$ 101,874	\$ 108,078	\$ 114,660
78	Interest	-	409,913	404,717	399,205	393,357	387,153	380,571
79		\$ -	\$ 495,231	\$ 495,231	\$ 495,231	\$ 495,231	\$ 495,231	\$ 495,231
80								
81	<b>Total</b>							
82	<b>Annual Payments</b>							
83	Principal	\$ 2,605,000	\$ 2,993,176	\$ 3,139,812	\$ 3,277,462	\$ 3,426,186	\$ 3,566,051	\$ 3,067,125
84	Interest	3,270,496	4,460,621	4,320,453	4,172,804	4,018,679	3,877,584	3,730,571
85		\$ 5,875,496	\$ 7,453,797	\$ 7,460,265	\$ 7,450,266	\$ 7,444,866	\$ 7,443,635	\$ 6,797,696
86								
87	<b>Water</b>							
88	Principal	\$ 1,963,964	\$ 2,234,245	\$ 2,341,609	\$ 2,441,439	\$ 2,548,738	\$ 2,651,322	\$ 2,115,007
89	Interest	2,278,622	3,090,886	2,988,108	2,879,799	2,766,913	2,663,044	2,554,879
90		\$ 4,242,586	\$ 5,325,131	\$ 5,329,718	\$ 5,321,238	\$ 5,315,651	\$ 5,314,366	\$ 4,669,886
91								
92	<b>Sewer</b>							
93	Principal	\$ 641,036	\$ 758,931	\$ 798,203	\$ 836,023	\$ 877,448	\$ 914,729	\$ 952,118
94	Interest	991,874	1,369,735	1,332,344	1,293,005	1,251,767	1,214,540	1,175,692
95		\$ 1,632,910	\$ 2,128,665	\$ 2,130,548	\$ 2,129,028	\$ 2,129,215	\$ 2,129,268	\$ 2,127,810

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**

**Schedule 5**  
**Debt Service**

**Debt Service**

Line No.		FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039
1	<b>Series 2019</b>							
2	<b>Annual Payments</b>							
3	Principal	\$ 2,280,000	\$ 2,370,000	\$ 2,465,000	\$ 2,565,000	\$ 2,665,000	\$ 2,430,000	\$ 2,500,000
4	Interest	1,653,450	1,562,250	1,467,450	1,368,850	1,266,250	1,159,650	1,086,750
5		<u>\$ 3,933,450</u>	<u>\$ 3,932,250</u>	<u>\$ 3,932,450</u>	<u>\$ 3,933,850</u>	<u>\$ 3,931,250</u>	<u>\$ 3,589,650</u>	<u>\$ 3,586,750</u>
6								
7	<b>Allocation</b>							
8	Water 70.0%							
9	Sewer 30.0%							
10								
11	<b>Water</b>							
12	Principal	\$ 1,596,000	\$ 1,659,000	\$ 1,725,500	\$ 1,795,500	\$ 1,865,500	\$ 1,701,000	\$ 1,750,000
13	Interest	1,157,415	1,093,575	1,027,215	958,195	886,375	811,755	760,725
14		<u>\$ 2,753,415</u>	<u>\$ 2,752,575</u>	<u>\$ 2,752,715</u>	<u>\$ 2,753,695</u>	<u>\$ 2,751,875</u>	<u>\$ 2,512,755</u>	<u>\$ 2,510,725</u>
15								
16	<b>Sewer</b>							
17	Principal	\$ 684,000	\$ 711,000	\$ 739,500	\$ 769,500	\$ 799,500	\$ 729,000	\$ 750,000
18	Interest	496,035	468,675	440,235	410,655	379,875	347,895	326,025
19		<u>\$ 1,180,035</u>	<u>\$ 1,179,675</u>	<u>\$ 1,179,735</u>	<u>\$ 1,180,155</u>	<u>\$ 1,179,375</u>	<u>\$ 1,076,895</u>	<u>\$ 1,076,025</u>
20								
21	<b>Series 2021</b>							
22	<b>Annual Payments</b>							
23	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Interest	-	-	-	-	-	-	-
25		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
26								
27	<b>Allocation</b>							
28	Water 100.0%							
29	Sewer 0.0%							
30								
31	<b>Water</b>							
32	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Interest	-	-	-	-	-	-	-
34		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
35								
36	<b>Sewer</b>							
37	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Interest	-	-	-	-	-	-	-
39		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
40								
41	<b>Series 2024</b>							
42	<b>Annual Payments</b>							
43	Principal	\$ 535,000	\$ 555,000	\$ 575,000	\$ 600,000	\$ 625,000	\$ 650,000	\$ 675,000
44	Interest	750,588	729,188	706,988	683,988	659,988	634,988	608,988
45		<u>\$ 1,285,588</u>	<u>\$ 1,284,188</u>	<u>\$ 1,281,988</u>	<u>\$ 1,283,988</u>	<u>\$ 1,284,988</u>	<u>\$ 1,284,988</u>	<u>\$ 1,283,988</u>
46								
47	<b>Allocation</b>							
48	Water 64.6%							
49	Sewer 35.4%							
50								
51	<b>Water</b>							
52	Principal	\$ 345,696	\$ 358,619	\$ 371,542	\$ 387,696	\$ 403,850	\$ 420,004	\$ 436,158
53	Interest	485,000	471,172	456,827	441,966	426,458	410,304	393,504
54		<u>\$ 830,696</u>	<u>\$ 829,791</u>	<u>\$ 828,370</u>	<u>\$ 829,662</u>	<u>\$ 830,308</u>	<u>\$ 830,308</u>	<u>\$ 829,662</u>
55								
56	<b>Sewer</b>							
57	Principal	\$ 189,304	\$ 196,381	\$ 203,458	\$ 212,304	\$ 221,150	\$ 229,996	\$ 238,842
58	Interest	265,588	258,015	250,160	242,022	233,530	224,684	215,484
59		<u>\$ 454,892</u>	<u>\$ 454,396</u>	<u>\$ 453,618</u>	<u>\$ 454,326</u>	<u>\$ 454,679</u>	<u>\$ 454,679</u>	<u>\$ 454,326</u>
60								
61	<b>Proposed New Debt Issue<sup>1</sup></b>							

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**

**Schedule 5**  
**Debt Service**

**Debt Service**

Line No.		FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039
62	<b>Annual Payments</b>							
63	Principal	\$ 389,483	\$ 413,203	\$ 438,367	\$ 465,064	\$ 493,386	\$ 523,433	\$ 555,310
64	Interest	1,196,175	1,172,456	1,147,292	1,120,595	1,092,273	1,062,226	1,030,349
65		<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>
66								
67	Allocation							
68	Water	68.8%						
69	Sewer	31.2%						
70								
71	<b>Water</b>							
72	Principal	\$ 267,840	\$ 284,152	\$ 301,457	\$ 319,816	\$ 339,292	\$ 359,955	\$ 381,876
73	Interest	822,587	806,276	788,971	770,612	751,136	730,473	708,551
74		<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>
75								
76	<b>Sewer</b>							
77	Principal	\$ 121,643	\$ 129,051	\$ 136,910	\$ 145,248	\$ 154,094	\$ 163,478	\$ 173,434
78	Interest	373,588	366,180	358,321	349,983	341,137	331,753	321,797
79		<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>
80								
81	<b>Total</b>							
82	<b>Annual Payments</b>							
83	Principal	\$ 3,204,483	\$ 3,338,203	\$ 3,478,367	\$ 3,630,064	\$ 3,783,386	\$ 3,603,433	\$ 3,730,310
84	Interest	3,600,213	3,463,893	3,321,729	3,173,433	3,018,510	2,856,863	2,726,086
85		<u>\$ 6,804,696</u>	<u>\$ 6,802,096</u>	<u>\$ 6,800,096</u>	<u>\$ 6,803,496</u>	<u>\$ 6,801,896</u>	<u>\$ 6,460,296</u>	<u>\$ 6,456,396</u>
86								
87	<b>Water</b>							
88	Principal	\$ 2,209,536	\$ 2,301,771	\$ 2,398,499	\$ 2,503,012	\$ 2,608,643	\$ 2,480,959	\$ 2,568,035
89	Interest	2,465,002	2,371,023	2,273,013	2,170,773	2,063,968	1,952,531	1,862,780
90		<u>\$ 4,674,539</u>	<u>\$ 4,672,794</u>	<u>\$ 4,671,512</u>	<u>\$ 4,673,785</u>	<u>\$ 4,672,611</u>	<u>\$ 4,433,491</u>	<u>\$ 4,430,815</u>
91								
92	<b>Sewer</b>							
93	Principal	\$ 994,947	\$ 1,036,432	\$ 1,079,868	\$ 1,127,052	\$ 1,174,743	\$ 1,122,474	\$ 1,162,276
94	Interest	1,135,211	1,092,870	1,048,716	1,002,660	954,542	904,332	863,306
95		<u>\$ 2,130,158</u>	<u>\$ 2,129,302</u>	<u>\$ 2,128,584</u>	<u>\$ 2,129,712</u>	<u>\$ 2,129,285</u>	<u>\$ 2,026,805</u>	<u>\$ 2,025,582</u>

Greater Ouachita Water Company  
Water and Sewer Cost of Service and Rate Design

Debt Service

Line No.		FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046
1	<b>Series 2019</b>							
2	<b>Annual Payments</b>							
3	Principal	\$ 2,940,000	\$ 3,030,000	\$ 3,120,000	\$ 3,215,000	\$ 3,310,000	\$ 3,410,000	\$ 3,515,000
4	Interest	1,011,750	923,550	832,650	739,050	642,600	543,300	441,000
5		<u>\$ 3,951,750</u>	<u>\$ 3,953,550</u>	<u>\$ 3,952,650</u>	<u>\$ 3,954,050</u>	<u>\$ 3,952,600</u>	<u>\$ 3,953,300</u>	<u>\$ 3,956,000</u>
6								
7	<b>Allocation</b>							
8	Water	70.0%						
9	Sewer	30.0%						
10								
11	<b>Water</b>							
12	Principal	\$ 2,058,000	\$ 2,121,000	\$ 2,184,000	\$ 2,250,500	\$ 2,317,000	\$ 2,387,000	\$ 2,460,500
13	Interest	708,225	646,485	582,855	517,335	449,820	380,310	308,700
14		<u>\$ 2,766,225</u>	<u>\$ 2,767,485</u>	<u>\$ 2,766,855</u>	<u>\$ 2,767,835</u>	<u>\$ 2,766,820</u>	<u>\$ 2,767,310</u>	<u>\$ 2,769,200</u>
15								
16	<b>Sewer</b>							
17	Principal	\$ 882,000	\$ 909,000	\$ 936,000	\$ 964,500	\$ 993,000	\$ 1,023,000	\$ 1,054,500
18	Interest	303,525	277,065	249,795	221,715	192,780	162,990	132,300
19		<u>\$ 1,185,525</u>	<u>\$ 1,186,065</u>	<u>\$ 1,185,795</u>	<u>\$ 1,186,215</u>	<u>\$ 1,185,780</u>	<u>\$ 1,185,990</u>	<u>\$ 1,186,800</u>
20								
21	<b>Series 2021</b>							
22	<b>Annual Payments</b>							
23	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Interest	-	-	-	-	-	-	-
25		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
26								
27	<b>Allocation</b>							
28	Water	100.0%						
29	Sewer	0.0%						
30								
31	<b>Water</b>							
32	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Interest	-	-	-	-	-	-	-
34		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
35								
36	<b>Sewer</b>							
37	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Interest	-	-	-	-	-	-	-
39		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
40								
41	<b>Series 2024</b>							
42	<b>Annual Payments</b>							
43	Principal	\$ 700,000	\$ 730,000	\$ 760,000	\$ 795,000	\$ 830,000	\$ 865,000	\$ 900,000
44	Interest	581,988	552,238	521,213	488,913	455,125	419,850	380,925
45		<u>\$ 1,281,988</u>	<u>\$ 1,282,238</u>	<u>\$ 1,281,213</u>	<u>\$ 1,283,913</u>	<u>\$ 1,285,125</u>	<u>\$ 1,284,850</u>	<u>\$ 1,280,925</u>
46								
47	<b>Allocation</b>							
48	Water	64.6%						
49	Sewer	35.4%						
50								
51	<b>Water</b>							
52	Principal	\$ 452,312	\$ 471,697	\$ 491,082	\$ 513,697	\$ 536,313	\$ 558,929	\$ 581,544
53	Interest	376,057	356,834	336,787	315,916	294,084	271,290	246,139
54		<u>\$ 828,370</u>	<u>\$ 828,531</u>	<u>\$ 827,869</u>	<u>\$ 829,613</u>	<u>\$ 830,397</u>	<u>\$ 830,219</u>	<u>\$ 827,683</u>
55								
56	<b>Sewer</b>							
57	Principal	\$ 247,688	\$ 258,303	\$ 268,918	\$ 281,303	\$ 293,687	\$ 306,071	\$ 318,456
58	Interest	205,930	195,404	184,426	172,997	161,041	148,560	134,786
59		<u>\$ 453,618</u>	<u>\$ 453,706</u>	<u>\$ 453,344</u>	<u>\$ 454,299</u>	<u>\$ 454,728</u>	<u>\$ 454,631</u>	<u>\$ 453,242</u>
60								
61	<b>Proposed New Debt Issue<sup>1</sup></b>							

Greater Ouachita Water Company  
Water and Sewer Cost of Service and Rate Design

Debt Service

Line No.		FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046
62	<b>Annual Payments</b>							
63	Principal	\$ 589,129	\$ 625,007	\$ 663,069	\$ 703,450	\$ 746,291	\$ 791,740	\$ 839,957
64	Interest	996,530	960,652	922,589	882,208	839,368	793,919	745,702
65		<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>
66								
67	<b>Allocation</b>							
68	Water 68.8%							
69	Sewer 31.2%							
70								
71	<b>Water</b>							
72	Principal	\$ 405,133	\$ 429,805	\$ 455,980	\$ 483,750	\$ 513,210	\$ 544,465	\$ 577,622
73	Interest	685,295	660,623	634,447	606,678	577,218	545,963	512,805
74		<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>
75								
76	<b>Sewer</b>							
77	Principal	\$ 183,996	\$ 195,201	\$ 207,089	\$ 219,701	\$ 233,081	\$ 247,275	\$ 262,334
78	Interest	311,235	300,030	288,142	275,530	262,150	247,956	232,897
79		<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>
80								
81	<b>Total</b>							
82	<b>Annual Payments</b>							
83	Principal	\$ 4,229,129	\$ 4,385,007	\$ 4,543,069	\$ 4,713,450	\$ 4,886,291	\$ 5,066,740	\$ 5,254,957
84	Interest	2,590,268	2,436,440	2,276,452	2,110,171	1,937,093	1,757,069	1,567,627
85		<u>\$ 6,819,396</u>	<u>\$ 6,821,446</u>	<u>\$ 6,819,521</u>	<u>\$ 6,823,621</u>	<u>\$ 6,823,384</u>	<u>\$ 6,823,809</u>	<u>\$ 6,822,584</u>
86								
87	<b>Water</b>							
88	Principal	\$ 2,915,445	\$ 3,022,502	\$ 3,131,062	\$ 3,247,947	\$ 3,366,523	\$ 3,490,393	\$ 3,619,667
89	Interest	1,769,577	1,663,942	1,554,089	1,439,929	1,321,122	1,197,564	1,067,644
90		<u>\$ 4,685,022</u>	<u>\$ 4,686,444</u>	<u>\$ 4,685,152</u>	<u>\$ 4,687,876</u>	<u>\$ 4,687,645</u>	<u>\$ 4,687,957</u>	<u>\$ 4,687,311</u>
91								
92	<b>Sewer</b>							
93	Principal	\$ 1,313,684	\$ 1,362,504	\$ 1,412,007	\$ 1,465,503	\$ 1,519,767	\$ 1,576,346	\$ 1,635,290
94	Interest	820,690	772,498	722,363	670,242	615,972	559,505	499,983
95		<u>\$ 2,134,374</u>	<u>\$ 2,135,002</u>	<u>\$ 2,134,370</u>	<u>\$ 2,135,745</u>	<u>\$ 2,135,739</u>	<u>\$ 2,135,852</u>	<u>\$ 2,135,273</u>

Greater Ouachita Water Company  
Water and Sewer Cost of Service and Rate Design

Exhibit GSR-2

Schedule 5  
Debt Service

**Debt Service**

Line No.		FY 2047	FY 2048	FY 2049	FY 2050	FY 2051	FY 2052	FY 2053
1	<b>Series 2019</b>							
2	<b>Annual Payments</b>							
3	Principal	\$ 3,620,000	\$ 3,725,000	\$ 3,840,000	\$ -	\$ -	\$ -	\$ -
4	Interest	335,550	226,950	115,200	-	-	-	-
5		<u>\$ 3,955,550</u>	<u>\$ 3,951,950</u>	<u>\$ 3,955,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
6								
7	Allocation							
8	Water 70.0%							
9	Sewer 30.0%							
10								
11	<b>Water</b>							
12	Principal	\$ 2,534,000	\$ 2,607,500	\$ 2,688,000	\$ -	\$ -	\$ -	\$ -
13	Interest	234,885	158,865	80,640	-	-	-	-
14		<u>\$ 2,768,885</u>	<u>\$ 2,766,365</u>	<u>\$ 2,768,640</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
15								
16	<b>Sewer</b>							
17	Principal	\$ 1,086,000	\$ 1,117,500	\$ 1,152,000	\$ -	\$ -	\$ -	\$ -
18	Interest	100,665	68,085	34,560	-	-	-	-
19		<u>\$ 1,186,665</u>	<u>\$ 1,185,585</u>	<u>\$ 1,186,560</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
20								
21	<b>Series 2021</b>							
22	<b>Annual Payments</b>							
23	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Interest	-	-	-	-	-	-	-
25		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
26								
27	Allocation							
28	Water 100.0%							
29	Sewer 0.0%							
30								
31	<b>Water</b>							
32	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Interest	-	-	-	-	-	-	-
34		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
35								
36	<b>Sewer</b>							
37	Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Interest	-	-	-	-	-	-	-
39		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
40								
41	<b>Series 2024</b>							
42	<b>Annual Payments</b>							
43	Principal	\$ 945,000	\$ 985,000	\$ 1,030,000	\$ 1,075,000	\$ 1,125,000	\$ 1,175,000	\$ 1,230,000
44	Interest	340,425	297,900	253,575	207,225	158,850	108,225	55,350
45		<u>\$ 1,285,425</u>	<u>\$ 1,282,900</u>	<u>\$ 1,283,575</u>	<u>\$ 1,282,225</u>	<u>\$ 1,283,850</u>	<u>\$ 1,283,225</u>	<u>\$ 1,285,350</u>
46								
47	Allocation							
48	Water 64.6%							
49	Sewer 35.4%							
50								
51	<b>Water</b>							
52	Principal	\$ 610,622	\$ 636,468	\$ 665,545	\$ 694,622	\$ 726,930	\$ 759,238	\$ 794,777
53	Interest	219,969	192,491	163,850	133,901	102,643	69,931	35,765
54		<u>\$ 830,591</u>	<u>\$ 828,959</u>	<u>\$ 829,395</u>	<u>\$ 828,523</u>	<u>\$ 829,573</u>	<u>\$ 829,169</u>	<u>\$ 830,542</u>
55								
56	<b>Sewer</b>							
57	Principal	\$ 334,378	\$ 348,532	\$ 364,455	\$ 380,378	\$ 398,070	\$ 415,762	\$ 435,223
58	Interest	120,456	105,409	89,725	73,324	56,207	38,294	19,585
59		<u>\$ 454,834</u>	<u>\$ 453,941</u>	<u>\$ 454,180</u>	<u>\$ 453,702</u>	<u>\$ 454,277</u>	<u>\$ 454,056</u>	<u>\$ 454,808</u>
60								
61	<b>Proposed New Debt Issue<sup>1</sup></b>							

Greater Ouachita Water Company  
Water and Sewer Cost of Service and Rate Design

Debt Service

Line No.		FY 2047	FY 2048	FY 2049	FY 2050	FY 2051	FY 2052	FY 2053
62	<b>Annual Payments</b>							
63	Principal	\$ 891,110	\$ 945,379	\$ 1,002,952	\$ 1,064,032	\$ 1,128,831	\$ 1,197,577	\$ 1,270,510
64	Interest	694,549	640,280	582,707	521,627	456,827	388,082	315,149
65		\$ 1,585,659	\$ 1,585,659	\$ 1,585,659	\$ 1,585,659	\$ 1,585,659	\$ 1,585,659	\$ 1,585,659
66								
67	<b>Allocation</b>							
68	Water 68.8%							
69	Sewer 31.2%							
70								
71	<b>Water</b>							
72	Principal	\$ 612,800	\$ 650,119	\$ 689,711	\$ 731,715	\$ 776,276	\$ 823,551	\$ 873,706
73	Interest	477,628	440,309	400,716	358,713	314,152	266,876	216,722
74		\$ 1,090,428	\$ 1,090,428	\$ 1,090,428	\$ 1,090,428	\$ 1,090,428	\$ 1,090,428	\$ 1,090,428
75								
76	<b>Sewer</b>							
77	Principal	\$ 278,310	\$ 295,259	\$ 313,241	\$ 332,317	\$ 352,555	\$ 374,026	\$ 396,804
78	Interest	216,921	199,972	181,990	162,914	142,676	121,205	98,427
79		\$ 495,231	\$ 495,231	\$ 495,231	\$ 495,231	\$ 495,231	\$ 495,231	\$ 495,231
80								
81	<b>Total</b>							
82	<b>Annual Payments</b>							
83	Principal	\$ 5,456,110	\$ 5,655,379	\$ 5,872,952	\$ 2,139,032	\$ 2,253,831	\$ 2,372,577	\$ 2,500,510
84	Interest	1,370,524	1,165,130	951,482	728,852	615,677	496,307	370,499
85		\$ 6,826,634	\$ 6,820,509	\$ 6,824,434	\$ 2,867,884	\$ 2,869,509	\$ 2,868,884	\$ 2,871,009
86								
87	<b>Water</b>							
88	Principal	\$ 3,757,421	\$ 3,894,087	\$ 4,043,257	\$ 1,426,337	\$ 1,503,207	\$ 1,582,790	\$ 1,668,483
89	Interest	932,482	791,665	645,207	492,614	416,794	336,807	252,487
90		\$ 4,689,904	\$ 4,685,752	\$ 4,688,463	\$ 1,918,951	\$ 1,920,001	\$ 1,919,597	\$ 1,920,970
91								
92	<b>Sewer</b>							
93	Principal	\$ 1,698,689	\$ 1,761,291	\$ 1,829,696	\$ 712,695	\$ 750,625	\$ 789,787	\$ 832,027
94	Interest	438,041	373,465	306,275	236,238	198,883	159,499	118,012
95		\$ 2,136,730	\$ 2,134,757	\$ 2,135,971	\$ 948,933	\$ 949,508	\$ 949,287	\$ 950,039

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**

Schedule 5  
 Debt Service

**Debt Service**

Line No.		FY 2054	FY 2055	FY 2056
1	<b>Series 2019</b>			
2	<b>Annual Payments</b>			
3	Principal	\$ -	\$ -	\$ -
4	Interest	-	-	-
5		\$ -	\$ -	\$ -
6				
7	<b>Allocation</b>			
8	Water 70.0%			
9	Sewer 30.0%			
10				
11	<b>Water</b>			
12	Principal	\$ -	\$ -	\$ -
13	Interest	-	-	-
14		\$ -	\$ -	\$ -
15				
16	<b>Sewer</b>			
17	Principal	\$ -	\$ -	\$ -
18	Interest	-	-	-
19		\$ -	\$ -	\$ -
20				
21	<b>Series 2021</b>			
22	<b>Annual Payments</b>			
23	Principal	\$ -	\$ -	\$ -
24	Interest	-	-	-
25		\$ -	\$ -	\$ -
26				
27	<b>Allocation</b>			
28	Water 100.0%			
29	Sewer 0.0%			
30				
31	<b>Water</b>			
32	Principal	\$ -	\$ -	\$ -
33	Interest	-	-	-
34		\$ -	\$ -	\$ -
35				
36	<b>Sewer</b>			
37	Principal	\$ -	\$ -	\$ -
38	Interest	-	-	-
39		\$ -	\$ -	\$ -
40				
41	<b>Series 2024</b>			
42	<b>Annual Payments</b>			
43	Principal	\$ -	\$ -	\$ -
44	Interest	-	-	-
45		\$ -	\$ -	\$ -
46				
47	<b>Allocation</b>			
48	Water 64.6%			
49	Sewer 35.4%			
50				
51	<b>Water</b>			
52	Principal	\$ -	\$ -	\$ -
53	Interest	-	-	-
54		\$ -	\$ -	\$ -
55				
56	<b>Sewer</b>			
57	Principal	\$ -	\$ -	\$ -
58	Interest	-	-	-
59		\$ -	\$ -	\$ -
60				
61	<b>Proposed New Debt Issue<sup>1</sup></b>			

**Debt Service**

Line No.		FY 2054	FY 2055	FY 2056
62	<b>Annual Payments</b>			
63	Principal	\$ 1,347,884	\$ 1,429,970	\$ 1,517,055
64	Interest	237,775	155,689	68,604
65		<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>
66				
67	<b>Allocation</b>			
68	Water 68.8%			
69	Sewer 31.2%			
70				
71	<b>Water</b>			
72	Principal	\$ 926,914	\$ 983,363	\$ 1,043,250
73	Interest	163,513	107,064	47,178
74		<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>
75				
76	<b>Sewer</b>			
77	Principal	\$ 420,969	\$ 446,606	\$ 473,805
78	Interest	74,262	48,625	21,426
79		<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>
80				
81	<b>Total</b>			
82	<b>Annual Payments</b>			
83	Principal	\$ 1,347,884	\$ 1,429,970	\$ 1,517,055
84	Interest	237,775	155,689	68,604
85		<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>	<u>\$ 1,585,659</u>
86				
87	<b>Water</b>			
88	Principal	\$ 926,914	\$ 983,363	\$ 1,043,250
89	Interest	163,513	107,064	47,178
90		<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>	<u>\$ 1,090,428</u>
91				
92	<b>Sewer</b>			
93	Principal	\$ 420,969	\$ 446,606	\$ 473,805
94	Interest	74,262	48,625	21,426
95		<u>\$ 495,231</u>	<u>\$ 495,231</u>	<u>\$ 495,231</u>

**Debt Service**

Line

No.

FY 2026

FY 2027

FY 2028

FY 2029

FY 2030

FY 2031

Notes:

1 Based on the following assumptions:

Principal Amount	\$	21,200,000				
Rate		6.00%				
Term (years)		30				
Issuance Fees (%)		3.50%				

Greater Ouachita Water Company  
Water and Sewer Cost of Service and Rate Design

Capital Improvement Plan

Line No.	Description	Current		Cost		Total
		Budget Estimate	Incurring	Water	Sewer	
1	Standby Backup Power (Various Water Production Sites)	\$ 2,024,000	\$ 1,177,636	\$ 2,024,000	\$ -	\$ 2,024,000
2	Restful Homes Road - New Water Well & Electrical Improvements	1,163,800	819,739	1,163,800	-	1,163,800
3	Demolition of Abandoned Elevated & Ground Storage Tanks (Various Sites)	520,300	127,700	520,300	-	520,300
4	Ground Storage Tank Rehabilitation / Replacement (Various Sites)	2,903,200	646,421	2,903,200	-	2,903,200
5	Demolition of Abandoned Sewer Treatment Plants (Various Sites)	752,400	36,000	-	752,400	752,400
6	Sewer Collection System Rehabilitation	1,848,550	631,383	-	1,848,550	1,848,550
7	Sewer Lift Station Rehabilitation	1,631,900	608,802	-	1,631,900	1,631,900
8	Water Distribution System Improvements	1,263,650	2,378,193	1,263,650	-	1,263,650
9	Replacement of Sand Filters at North Regional WWTP	2,150,500	2,262,079	-	2,150,500	2,150,500
10	Garden Park - New Water Well	759,000	-	759,000	-	759,000
11	Perimeter Fencing Improvements at Regional Wastewater Treatment Facilities	284,625	-	-	284,625	284,625
12	North Monroe Water Treatment Improvements (Parrot's Beak and U.S. 165 North)	1,385,175	2,357,742	1,385,175	-	1,385,175
13	North Monroe Water Treatment Improvements (Laurel Grove treatment site)	2,157,525	1,063,156	2,157,525	-	2,157,525
14		<b>\$ 18,844,625</b>	<b>\$ 12,108,851</b>	<b>\$ 12,176,650</b>	<b>\$ 6,667,975</b>	<b>\$ 18,844,625</b>
15	Allocation of 2024 debt issue:			64.6%	35.4%	100.0%
16						
17	New Bennie Breece Water Well	\$ 790,625		\$ 790,625	\$ -	\$ 790,625
18	Storage Tank & Vessel Repair / Replacement & Painting (Various Sites)	1,627,500		1,627,500	-	1,627,500
19	Sewer Collection System Rehabilitation	2,240,350		-	2,240,350	2,240,350
20	Sewer Lift Station Rehabilitation	1,104,250		-	1,104,250	1,104,250
21	Water Distribution System Improvements	4,178,810		4,178,810	-	4,178,810
22	Yard Piping and Backwash Pump Improvements - Tichell Road Site	423,775		423,775	-	423,775
23	Disinfection System Improvements (Various Sites)	948,750		948,750	-	948,750
24	South Monroe Water System Water Treatment Improvements	2,719,750		2,719,750	-	2,719,750
25	Hwy. 80 - Arkansas Water System Additional Production Capacity	3,617,900		3,617,900	-	3,617,900
26	Hydraulic Modeling of Water Systems	210,000		210,000	-	210,000
27	Primary Aeration Equipment at Regional Treatment Facilities	2,451,570		-	2,451,570	2,451,570
28	Sludge Removal and Disposal System for Regional Wastewater Treatment Facilities	796,950		-	796,950	796,950
29	Closure of Abandoned Oxidation Ponds (Various Locations)	-		-	-	-
30	Floating Aeration Equipment at Algae Ponds at Regional WWTFs	-		-	-	-
31		<b>\$ 21,110,230</b>	<b>\$ -</b>	<b>\$ 14,517,110</b>	<b>\$ 6,593,120</b>	<b>\$ 21,110,230</b>
32	Allocation of proposed debt issue:			68.8%	31.2%	100.0%

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Billing Data**

Line No.		FY 2025	Test Year
1	<b>Active Connection Count</b>		
2	<b>Water</b>		
3	3/4"	21,761	21,761
4	1"	1,065	1,065
5	1 1/2"	101	101
6	2"	179	179
7	3" <sup>2</sup>	9	9
8	4"	9	9
9	Multi-Unit <sup>1</sup>	1,227	1,227
10		24,351	24,351
11			
12	<b>Sewer</b>		
13	Residential	6,109	6,109
14	Residential Multi-Unit	-	-
15	Commercial	40	40
16	Commercial Multi-Unit	109	109
17		6,258	6,258
18			
19	<b>Annual Consumption (1,000s of Gallons)</b>		
20	<b>Water</b>		
21	3/4"		
22	0-2,000	451,876	451,876
23	2,001+	783,817	783,817
24	Total	1,235,693	1,235,693
25			
26	1"		
27	0-2,000	21,465	21,465
28	2,001+	89,767	89,767
29	Total	111,232	111,232
30			
31	1 1/2"		
32	0-2,000	1,767	1,767
33	2,001+	12,428	12,428
34	Total	14,195	14,195
35			
36	2"		
37	0-2,000	3,143	3,143
38	2,001+	76,028	76,028
39	Total	79,171	79,171
40			

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Billing Data**

Line No.		FY 2025	Test Year
41	3"		
42	0-2,000	186	186
43	2,001+	9,966	9,966
44	Total	10,152	10,152
45			
46	4"		
47	0-2,000	216	216
48	2,001+	25,900	25,900
49	Total	26,116	26,116
50			
51	Multi-Unit <sup>1</sup>		
52	0-2,000	27,606	27,606
53	2,001+	35,398	35,398
54	Total	63,004	63,004
55			
56	0-2,000	506,259	506,259
57	2,001+	1,033,304	1,033,304
58	Grand Total	1,539,563	1,539,563
59			
60	<b>Sewer Annual Billed Consumption (1,000s of Gallons)</b>		
61	Commercial	48,038	48,038

- Notes:
- 1 Multi-Unit counts and consumption are reflective of the way in which these accounts are billed. Specifically, the account is billed for the number of units served as if each unit had a 3/4-inch connection.
  - 2 One 3" meter account is billed for two 3" meters, bringing the total 3" meter count to 9.

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Proposed Water Rate**

Line No.		Flow Based Meter Factor	FY 2025 Actual Billing Data / Current Rates	Test Year Billing Data / Proposed Rates
1	<b>Net Revenue Requirement</b>			\$ 17,619,167
2				
3	<b>Fixed Monthly Charge</b>			
4	3/4"	1.0	\$ 24.50	\$ 28.50
5	1"	1.6	39.20	45.60
6	1 1/2"	4.0	98.00	114.00
7	2"	6.4	156.80	182.40
8	3"	14.0	343.00	399.00
9	4"	24.0	588.00	684.00
10				
11	<b>Gallons Included in Fixed Charge</b>			
12	3/4"		2,000	2,000
13	1"		2,000	2,000
14	1 1/2"		2,000	2,000
15	2"		2,000	2,000
16	3"		2,000	2,000
17	4"		2,000	2,000
18				
19	<b>Active Customer Count</b>			
20	3/4"		21,761	21,761
21	1"		1,065	1,065
22	1 1/2"		101	101
23	2"		179	179
24	3"		9	9
25	4"		9	9
26	Multi-Unit <sup>1</sup>		1,227	1,227
27			24,351	24,351
28				
29	<b>Fixed Charge Annual Revenue</b>			
30	3/4"		\$ 6,397,734	\$ 7,442,262
31	1"		500,976	582,768
32	1 1/2"		118,776	138,168
33	2"		336,806	391,795
34	3"		37,044	43,092
35	4"		63,504	73,872
36	Multi-Unit <sup>1</sup>		360,738	419,634
37			\$ 7,815,578	\$ 9,091,591
38				
39	Percentage of Net Revenue Requirement Recovered through Fixed Charges:			51.6%
40				

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Proposed Rates - Water**

41	<b>Volumetric Rate per 1,000 Gallons</b>			
42	GOWC \$	7.85	\$	9.70
43				
44	<b>Annual Consumption (1,000s of Gallons)</b>			
45	0-2,000	506,259		506,259
46	Vol. Billed GOWC Rate	1,033,304		1,033,304
47	Total Consumption	1,539,563		1,539,563
48				
49	<b>Volumetric Charge Annual Revenue</b>	\$ 8,111,436	\$	10,023,049
50				
51	<b>Total Annual Revenue<sup>2</sup></b>	\$ 15,927,015	\$	19,114,640

Notes:

- 1 Multi-Unit counts and consumption are reflective of the way in which these accounts are billed. Specifically, the account is billed for the number of units served as if each unit had a 3/4-inch connection.
- 2 Excludes pass-through rate for operating contract annual increases, which is proposed to be reset to \$0 with this application but will remain in-place to recover annual increases prospectively.

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Proposed Sewer Rate**

Line No.		FY 2025 Actual Billing Data / Current Rates	Test Year Billing Data / Proposed Rates
1	<b>Net Revenue Requirement</b>		\$ 6,228,273
2			
3	<b>Fixed Monthly Charge</b>		
4	Residential	\$ 55.00	\$ 60.00
5	Residential Multi-Unit	55.00	60.00
6	Commercial	70.00	75.00
7	Commercial Multi-Unit	70.00	75.00
8			
9	<b>Active Customer Count</b>		
10	Residential	6,109	6,109
11	Residential Multi-Unit	-	-
12	Commercial	40	40
13	Commercial Multi-Unit	109	109
14		<u>6,258</u>	<u>6,258</u>
15			
16	<b>Fixed Charge Annual Revenue</b>		
17	Residential	\$ 4,031,940	\$ 4,398,480
18	Residential Multi-Unit	-	-
19	Commercial	33,600	36,000
20	Commercial Multi-Unit	91,560	98,100
21		<u>\$ 4,157,100</u>	<u>\$ 4,532,580</u>
22			
23	<b>Volumetric Rate per 1,000 Gallons</b>		
24	Commercial	\$ 3.50	\$ 4.00
25			
26	<b>Annual Billed Consumption (1,000s of Gallons)</b>		
27	Commercial	48,038	48,038
28			
29	<b>Volumetric Charge Annual Revenue</b>		
30	Commercial	\$ 168,134	\$ 192,154
31			
32	<b>Total Annual Revenue<sup>1</sup></b>	<u>\$ 4,325,234</u>	<u>\$ 4,724,734</u>

Notes:

- 1 Excludes pass-through rate for operating contract annual increases, which is proposed to be reset to \$0 with this application but will remain in-place to recover annual increases prospectively.

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**  
**Schedule 10**  
**DSCR**

**Debt Service Coverage Ratio**

Line No.		Test Year		
		Water	Sewer	Total
1	<b>Revenue</b>			
2	Proposed Base Rate Tariff Revenue	\$ 19,114,640	\$ 4,724,734	\$ 23,839,374
3	Operating Contract Pass-Through	-	-	-
4	Other Revenue	1,803,123	611,904	2,415,027
5	Total Revenue	\$ 20,917,763	\$ 5,336,637	\$ 26,254,400
6				
7	Cash Operating Expenses	\$ 11,700,850	\$ 3,753,612	\$ 15,454,462
8				
9	Availability to Pay Debt Service	\$ 9,216,913	\$ 1,583,026	\$ 10,799,939
10				
11	Debt Service	\$ 5,325,131	\$ 2,128,665	\$ 7,453,797
12				
13	<b>DSCR</b>	<b>1.73</b>	<b>0.74</b>	<b>1.45</b>
14				
15	Implied to be Available for Cash Capital	\$ 3,891,782	\$ (545,640)	\$ 3,346,142

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Exhibit GSR-2**  
**Schedule 11**  
**Revenue Reconciliation**

**Revenue Reconciliation**

Line No.		Water	Sewer	Total
1	<b>Revenue</b>			
2	Proposed Base Rate Tariff Revenue	\$ 19,114,640	\$ 4,724,734	\$ 23,839,374
3	Operating Contract Pass-Through	-	-	-
4	Other Revenue	1,803,123	611,904	2,415,027
5	Total Revenue	\$ 20,917,763	\$ 5,336,637	\$ 26,254,400
6				
7	<b>Gross Revenue Requirement</b>	\$ 19,422,290	\$ 6,840,177	\$ 26,262,467
8				
9	<b>Over/(Under) Recovery</b>	\$ 1,495,473	\$ (1,503,539)	\$ (8,066)

**Greater Ouachita Water Company**  
**Water and Sewer Cost of Service and Rate Design**

**Typical Residential Bill Comparison**

Line No.			Current	Proposed	Difference	% Difference
1	<b>Residential Water</b>					
2	<b>Base Charges:</b>					
3	Fixed Charge	3/4"	\$ 24.50	\$ 28.50	\$ 4.00	16%
4	Volumetric	5,000	23.55	29.10	5.55	24%
5			\$ 48.05	\$ 57.60	\$ 9.55	20%
6	<b>Pass-Through Charges:</b>					
7	Operating Contract <sup>2</sup>		\$ 1.66	-	(1.66)	
8						
9	Total Water Bill <sup>1</sup>		\$ 49.71	\$ 57.60	\$ 7.89	16%
10						
11	<b>Residential Sewer</b>					
12	Fixed Charge		\$ 55.00	\$ 60.00	\$ 5.00	9%
13	Operating Contract <sup>2</sup>		1.66	-	(1.66)	
14			\$ 56.66	\$ 60.00	\$ 3.34	6%
15						

Notes:

- 1 Before taxes, franchise fees, Louisiana Department of Environmental Quality fees, Louisiana Safe Drinking Water Program Management fees, etc.
- 2 The operating pass-through as of July 2026 will be at least \$1.66 (but could be more if indicated by the CPI). This fee will be reset back to \$0 with the proposed rates.