

David Guastella

From: Darryl A. Latimer <latimer@dwsd.org>
Sent: Tuesday, November 20, 2012 2:43 PM
To: David Guastella
Subject: Flint
Attachments: Flint Rate Hist.pdf; Flint Rate Hist Imlay.pdf

Flint / Genesee (Page 1)

My original assessment was slightly off – the benefit is more gradual than I anticipated, probably because of the movement with all of the other customers in their exhibit Bs. Bottom line – average annual rate increase to Flint over the last 10 years has been 6.3% - it would be 5.5% had they contracted at 23mgd/40mgd with the second wave for FY 2010. (I left the FY 2009 figures alone to indicate the impact they got from the first wave).

Flint Only (Page 2)

Historical rates unchanged until hypothetical switch to negotiated contract for Flint only in FY 2010. The lower (relative to the combined Flint / Gen CO customer) max day results in a large decrease from the Page 1 figures, similar to what we showed last week. Bottom line – average annual rate increase to Flint over the last 10 years has been 6.3% - it would be 4.4% had they contracted at 12mgd/18mgd wit the second wave for FY 2010.

Flint rate if Imlay Station was point of connection.

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Recent DWSD Water Rates to Flint

FY	Rates and Charges			Annual Change			Average
	Fixed \$/mo	Commodity \$/Mcf	Avg Unit Cost \$/Mcf	Fixed \$/mo	Commodity \$/Mcf	Avg Unit Cost \$/Mcf	Annual Change
<i>As Charged</i>							
2004		11.06	11.06				
2005		10.24	10.24			-7.4%	
2006		10.56	10.56			3.1%	
2007		11.09	11.09			5.0%	
2008		11.35	11.35			2.3%	
2009		13.07	13.07			15.2%	
2010		14.32	14.32			9.6%	
2011	182,301	14.29	16.01		-0.2%	11.8%	
2012	443,096	13.36	17.53	143.1%	-6.5%	9.5%	
2013	707,000	12.46	19.12	59.6%	-6.7%	9.1%	6.3%
<i>Hypothetical Model Contract</i>							
2004		11.06	11.06				
2005		10.24	10.24			-7.4%	
2006		10.56	10.56			3.1%	
2007		11.09	11.09			5.0%	
2008		11.35	11.35			2.3%	
2009		13.07	13.07			15.2%	
2010		13.96	13.96			6.8%	
2011	145,918	13.74	15.28		-1.6%	9.5%	
2012	378,968	12.58	16.57	159.7%	-8.4%	8.4%	
2013	597,323	11.63	17.93	57.6%	-7.6%	8.2%	5.5%

TFG