

CITY OF POCATELLO

Water Pollution Control Utility Rate Study Report

Final Report / July 2, 2019

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July 2, 2019

Ms. Jennifer Flynn
Executive Assistant to the Public Works Director
City of Pocatello
911 N 7th Avenue
Pocatello, ID

Subject: Water Pollution Control (WPC) Rate Study Report

Dear Ms. Flynn,

Raftelis is pleased to provide this Water Pollution Control (WPC) Utility Rate Study Report (Report) for the City of Pocatello (City).

The major objectives of the study included development of the following:

- Financial plans for the WPC fund for the 5-year study period, FY 2020 - 2024
- WPC cost-of-service analysis to ensure equitable recovery of costs from customer classes
- Cost-of-service WPC rates, along with rate alternatives

The Report summarizes the key findings and recommendations related to the study.

It has been a pleasure working with you, and we thank you and the City staff for the support provided through the course of this study.

Sincerely,

A handwritten signature in black ink that reads 'Todd Cristiano'.

Todd Cristiano
Senior Manager

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Section 1: Executive Summary

Introduction

The City of Pocatello, Idaho (City), through its water pollution control (WPC) utility, provides wastewater collection and treatment services to approximately 17,200 customers, including the City of Chubbuck customers south of I-86 and wholesale wastewater treatment service to the City of Chubbuck customers north of I-86. The City's WPC utility is financially self-sufficient with funding for capital and operating requirements derived primarily from rates. The utility is responsible for planning, constructing, operating, and maintaining wastewater facilities.

The City authorized Raftelis Financial Consultants (Raftelis) to complete this study to review the WPC utility's financial standing and assure its continuing financial viability. The study includes:

- Update of financial forecasts for the study period.
- Analysis of customer class cost of service.
- Design of rates.
- Update of system capacity fees.

Definitions

There are terms used repetitively throughout the report that are defined as follows:

- References made to fiscal year (FY) mean year ending September 30.
- Existing WPC rates are rates in effect beginning October 1, 2018.
- Study period means the five-year period, FY 2020 through FY 2024.
- Test year revenue requirement is FY 2024

Assumptions

This study is based on numerous assumptions. Changes in these assumptions could have a material effect on study findings. Raftelis incorporated the following key assumptions into the study:

- The number of accounts will increase about 0.5% annually.
- Billable usage per account will be constant.
- Costs will change as follows:
 - o Capital costs will increase 4% annually, but sufficient contingency has been included for most projects.
 - o Most operation and maintenance (O&M) expenses will increase 3% annually. The exceptions are noted below.
 - o Benefits costs will increase 11.5% annually.
- Minimum reserve levels are as follows:
 - o Operating fund - 90 days annual O&M.
 - o Capital improvement fund – average annual repair and replacement costs.
- Five new employees (not presently budgeted) will be hired during the study period:

- o One Pretreatment Tech in FY 2020.
- o One Collection System Operator in FY 2021.
- o One Utility Locator in FY 2021.
- o One Asset Manager in FY 2021 (33% cost allocation to WPC).
- o One Electrician/Instrumentation Tech in FY 2022.

Study Findings and Recommendations

FINANCIAL FORECAST

Projected WPC service revenue under existing rates is inadequate to meet revenue requirements and sustain minimum reserves throughout the study period. Raftelis projects that rates may need to be adjusted at the beginning of each fiscal year to produce the WPC service revenue shown in Table 1 below to maintain the financial viability of the WPC utility. Raftelis recommends annually updating the WPC utility's five-year financial plan to recognize changes in growth, operating expenses, capital improvement needs, and capital financing requirements. Section 2 describes the development of the WPC financial plan, whose details can be found in Appendix A.

Table 1: Comparison of Existing WPC Rate Revenues and Proposed WPC Rate Revenues

Fiscal Year Ending September 30	Revenue from Existing Rates (\$ millions)	Revenue Adjustments (\$ millions)	Proposed Revenue (\$ millions)
2020	\$11.9	\$0.4	\$12.3
2021	\$12.0	\$0.7	\$12.7
2022	\$12.0	\$1.1	\$13.1
2023	\$12.1	\$1.5	\$13.6
2024	\$12.1	\$1.9	\$14.0

COST OF SERVICE ANALYSIS

Raftelis completed a comprehensive cost of service analysis in accordance with standard methods supported by the Water Environment Federation (WEF) in its Systems Manual of Practice, No. 27, Financing and Charges for Wastewater. This analysis determines the cost of providing WPC service to each customer class and provides guidance for design of the proposed rates. Appendix B provides details on this analysis.

RATE DESIGN

Existing WPC rates have been in effect since October 1, 2018 and have the following structure:

- The single-family rate is a flat, monthly charge.
- Circuit breaker rates are 70% of single-family rates.
- Nonresidential rates consist of a monthly service charge and a volume rate.
- Outside City rates, except for Chubbuck, are 20% greater than inside City rates.
- Chubbuck rates for customers located south of I-86 are the same as inside City non single-family rates.
- Chubbuck rates for customers located north of I-86 are applied to metered wastewater flows received at the treatment plant.
- Industrial rates are applied to monitored flows and strengths of each customer
- Septage rates are applied to the volume septic haulers deliver to the treatment plant.

Raftelis developed proposed rates to increase WPC service revenue by the amounts developed in the financial forecast and to transition to class cost of service rates over the study period. Proposed rates retain the existing rate structure. Table 2 compares existing and proposed WPC rates over the study period. Appendix C Table 4 shows similar information.

Table 2: Existing and Proposed WPC Rates

Customer Class	Existing	Proposed				
	2019	2020	2021	2022	2023	2024
<u>Inside City</u>						
Residential Single Family (a)	\$31.35	\$31.63	\$31.91	\$32.21	\$32.52	\$32.84
Circuit Breaker	\$21.95	\$22.14	\$22.34	\$22.55	\$22.76	\$22.99
<u>All Other Customers</u>						
Service Charge, \$ per bill	\$6.25	\$6.36	\$6.47	\$6.59	\$6.71	\$6.83
Volume Rate, \$ per 1,000 gallons	\$4.60	\$4.76	\$4.93	\$5.11	\$5.28	\$5.47
<u>Outside City (b)</u>						
Residential Single Family	\$37.65	\$38.00	\$38.30	\$38.70	\$39.05	\$39.45
<u>JR Simplot (c)</u>						
Service Charge, \$ per bill	\$7.50	\$7.63	\$7.76	\$7.91	\$8.05	\$8.20
Volume Charge, \$ per 1,000 gallons	\$3.66	\$3.89	\$4.12	\$4.37	\$4.62	\$4.88
<u>All Other Customers</u>						
Service Charge, \$ per bill	\$7.50	\$7.63	\$7.76	\$7.91	\$8.05	\$8.20
Volume Charge, \$ per 1,000 gallons	\$5.52	\$5.71	\$5.92	\$6.13	\$6.34	\$6.56
<u>Chubbuck</u>						
Service Charge, \$ per bill	\$6.25	\$6.36	\$6.47	\$6.59	\$6.71	\$6.83
Volume Charge, \$ per 1,000 gallons						
North of I-86	\$3.61	\$3.69	\$3.78	\$3.87	\$3.97	\$4.06
South of I-86	\$4.60	\$4.76	\$4.93	\$5.11	\$5.28	\$5.47
<u>Industrial Service Charges</u>						
Service Charge, \$ per bill	\$6.25	\$6.36	\$6.47	\$6.59	\$6.71	\$6.83
Volume Charge, \$ per 1,000 gallons	\$3.11	\$3.45	\$3.80	\$4.17	\$4.55	\$4.94
BOD, \$ per pound (d)	\$0.21	\$0.22	\$0.22	\$0.23	\$0.24	\$0.24
TSS, \$ per pound (d)	\$0.26	\$0.27	\$0.28	\$0.28	\$0.29	\$0.30
TKN, \$ per pound (e)	\$1.74	\$1.89	\$2.05	\$2.21	\$2.37	\$2.54
P, \$ per pound (f)	\$10.07	\$12.44	\$14.89	\$17.43	\$20.05	\$22.76
FOG, \$ per pound (> than 100 mg/l) (g)	\$0.080	\$0.080	\$0.080	\$0.090	\$0.090	\$0.090
Septage, \$ per gallon	\$0.0700	\$0.0766	\$0.0835	\$0.0905	\$0.0979	\$0.1054
(a) Circuit Breaker rates are 70% of single family rates						
(b) Outside City rates are 20 percent greater than Inside City.						
(c) JR Simplot pays for its own collection system so cost of service volume charge differs from other outside City customers.						
(d) Rate applies to all strength.						
(e) Rate applied to all strength > 35 mg/l.						
(f) Rate applied to all strength > 7 mg/l.						
(g) (> than 100 mg/l)						

Monthly single-family bills will increase \$0.28 per month under proposed FY 2020 rates. Table 3 compares typical monthly WPC bills under existing and proposed rates over the study period. Further bill comparisons can be made using the details provided in Appendix C Table 5.

Table 3: Typical Residential Bills

Description	Existing	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Bill	\$31.35	\$31.63	\$31.91	\$32.21	\$32.52	\$32.84
\$ Change		\$0.28	\$0.28	\$0.30	\$0.31	\$0.32
% Change		0.9%	0.9%	0.9%	1.0%	1.0%

SYSTEM CAPACITY FEES

The WPC capacity fee includes separate fees for the treatment plant and the collection system. Table 4 compares existing and proposed WPC treatment plant system capacity fees. The proposed FY 2020 fee for 1-inch and smaller meters is \$2,000, an increase of \$60. System capacity fees for meters over 2-inches are assessed an individual basis. Appendix D details the calculation of treatment and collection system capacity fees.

Table 4: Proposed WPC Treatment Plant System Capacity Fees

Water Meter Size	Capacity Ratios	Current Fee FY 2019	Proposed Fees FY 2020
3/4"	1.00	\$1,940	\$2,000
1"	1.00	\$1,940	\$2,000
1 1/2"	2.00	\$3,880	\$4,000
2"	3.20	\$6,210	\$6,400

Table 5 compares existing and proposed WPC collection system capacity fees. The proposed FY 2020 fee for the 1-inch and smaller water meters is \$1,590, an increase of \$20. System capacity fees for meters over 2-inches are assessed an individual basis.

Table 5: Proposed WPC Collection System Capacity Fees

Water Meter Size	Capacity Ratios	Current Fee FY 2019	Proposed Fees FY 2020
3/4"	1.00	\$1,570	\$1,590
1"	1.00	\$1,570	\$1,590
1 1/2"	2.00	\$3,140	\$3,180
2"	3.20	\$5,020	\$5,090

Section 2: Financial Plan

Introduction

Raftelis developed a financial plan for the five-year study period, FY 2020 through FY 2024. Raftelis separated capital improvement and operating activities into separate funds for analysis. Appendix A includes tables that show the development of the WPC utility financial plan.

Capital Improvement Fund

The WPC capital improvement fund forecasts the sources and uses of the WPC capital funds during the study period. The capital improvement plan is detailed in Appendix A Table 2. The capital improvement fund cash flow is shown in Appendix A Table 3.

RESERVES

Capital reserves are composed of Fund 038 (WPC Capacity Fees) and Fund 060 (WPC Debt Service); Fund 074 (WPC Bond Construction) funds are not included per the advice of City Staff, as the relationship with debt issuances and the general fund restricts them from use for any costs detailed in this study. Staff estimates capital reserves to total about \$2.1 million at the beginning of FY 2019. Raftelis recommends the utility maintain a minimum capital reserve of at least the utility's average annual repair and replacement costs, which average \$2.2 million in the study period.

SOURCES OF FUNDS

Major sources of revenues include transfers from the operating fund to cash finance capital improvements and capacity fee revenue.

USES OF FUNDS

The City's five-year capital improvement program (CIP) totals \$15.0 million. This includes renewal and replacement cost of \$10.8 million, new facilities cost of \$2.3 million and vehicles and equipment cost of \$1.9 million. These costs include an allowance for inflation.

Operating Fund

The operating fund forecasts the revenues and revenue requirements of the WPC operating fund during the study period. Appendix A Table 5 details the operating expenses of the City. Appendix A Table 4 contains the operating fund cash flow.

RESERVES

Operating reserves are composed of Fund 032 (WPC Operating Fund). Staff estimates operating reserves of approximately \$5.8 million at the beginning of FY 2019. Raftelis recommends the utility maintain a minimum operating reserve of at least 90 days of O&M, which averages \$2.0 million annually through the study period.

REVENUE

Revenue for the WPC utility is derived from WPC service rates and other miscellaneous sources. Annual revenue from existing WPC rates is projected to increase during the study period based on a projected growth rate in the number of accounts of about 0.5 percent per year. Annual revenue from existing WPC rates includes revenue from

monthly service charges and volume rates. Projected annual revenue from existing WPC service rates averages \$11.8 million during the study period.

Miscellaneous operating revenue includes biosolids/land lease revenues, cogeneration power sales, interest income, and other miscellaneous items. Projected miscellaneous revenue averages \$493,000 annually.

EXPENDITURES

Expenditures of the WPC utility include O&M, debt service, and transfers to the capital improvement fund.

O&M consists of the cost of personnel and materials to collect, treat, and dispose of wastewater on a routine basis. Since these costs are an annual obligation of the WPC utility, they must be met from WPC service rate revenue. O&M is projected to increase from \$6.7 million in 2019 to \$8.6 million in FY 2024.

The WPC utility currently makes debt service payments on two WPC revenue bonds. Debt service payments on existing debt averages \$2.9 million annually.

Transfers to the WPC capital improvement fund cash-financed WPC capital improvement projects. These transfers average \$2.7 million annually.

CASH FLOW ANALYSIS

Projected WPC service revenue under existing rates is inadequate to meet revenue requirements and sustain minimum reserves throughout the study period. Raftelis projects that rates may need to be adjusted at the beginning of each fiscal year to produce the WPC service revenue, shown in Table 1, to maintain the financial viability of the WPC utility. Raftelis recommends annually updating the WPC utility's five-year financial plan to recognize changes in growth, operating expenses, capital improvement needs, and capital financing requirements. Summary level information regarding the WPC financial plan can be found in Appendix A Table 1.

Section 3: Cost of Service Analysis

Introduction

In developing an equitable WPC service rate structure, costs of service are allocated to various customer classes according to the service requirements of each class. Allocation of the costs of service should take into account the quantity of wastewater contributed, strength of wastewater, number of customers, City policies, and other relevant factors. Cost of service allocations presented in this report are considered to be in compliance with Environmental Protection Agency rules and regulations.

Test Year

The cost of service analysis is conducted for a test year considered representative of the period in which resultant rates are expected to be in effect. FY 2024 was selected as the test year for this study. Appendix B includes tables that show the WPC cost of service analysis.

Test Year Revenue Requirement

Test year cost of service (revenue requirements) totals \$14,514,735 and includes O&M, debt service, and cash funded capital costs. These costs are met from WPC service revenue generated from rates of \$14,039,525, miscellaneous revenue sources of \$477,679 and cash reserves of \$2,469.

Functional Cost Components

The total cost of WPC service is analyzed by system functions to equitably distribute costs to the various classes of customers. Costs of WPC service may be classified and assigned to three basic functional cost components including volume related costs, strength related costs, and customer related costs.

Volume costs are those which vary directly with the quantity of wastewater contributed, which include: capital costs related to investment in system facilities sized on the basis of wastewater volume, operation and maintenance expense related to those facilities, and the expense of volume related treatment including chemicals and electric power.

The City provides only wastewater treatment services, and not collection services, to the portion of the City of Chubbuck located north of I-86. To recognize this type of service, volume costs are divided into two categories: common-to-all-customers and common-to-customers-served-by-the-collection system. Volume costs associated with the common-to-all-customers category are those that result from the operation of the treatment plant. Volume costs associated with common-to-customers-served-by-the-collection system category are those that result from the operation of the interceptors and lift stations.

Wastewater strength costs consist of O&M and capital costs related to system facilities which are designed primarily on the basis of the quantity of pollutants in the wastewater.

Strength costs are further separated into biochemical oxygen demand (BOD), total suspended solids (TSS), total Kjeldahl nitrogen (TKN), and phosphorus (P). These strengths include soluble and insoluble materials that reach the wastewater system through customer flows or infiltration and inflow (I/I). These materials need to be neutralized and removed from the final effluent as required by state and federal regulations. For purposes of this study, the City has identified four strength parameters, BOD, TSS, TKN, and P, as the basis for assigning strength-related costs.

Customer related costs are those which tend to vary in proportion to the number of customers served, including customer related billing, collection, and administration expense.

Allocation to Cost Components

The separation of costs into functional components provides a means for distributing such costs to various classes of customers based on their respective responsibilities for each particular type of service.

The allocation of system assets to functional cost components provides the basis for allocating annual capital costs. Cost of service is generally allocated to cost components that reflect the design and functional parameters of the associated facility. For example, assets such as the collection system, which includes trunk mains (diameter greater than or equal to 12-inches), collection mains (diameter less than 12-inches), and lift stations, only benefit customers who use the collection system. Thus, these costs are allocated directly to that cost component (such that customers who are not served by the collection system do not share in its costs). Treatment plant assets are allocated to their relative volume, BOD, TSS, TKN, or P cost component depending on their primary function in the system. General plant assets not specifically assigned are allocated in proportion to all other plant assets. These allocations can be found in Appendix B Table 2 and resulting dollars by cost component are detailed in Appendix B Table 3.

O&M related to the treatment plant are allocated to their respective volume, BOD, TSS, TKN, or P cost component. Treatment expenses such as information and utility billing administration are allocated directly to the customer cost component. Other treatment related expenses not specifically assigned are allocated in proportion to all other treatment expenses. Collection system expenses are related to serving customers who use the system and are allocated directly to that cost component. Biosolids reuse expenses are related to BOD, TSS, TKN, and P treatment and are allocated equally to each cost component. Land application expenses are allocated to the volume cost component. The O&M allocations can be found in Appendix B Table 4.

Allocation to Customer Classes

The separation of costs into functional components provides a means for distributing such costs to various classes of customers based on their respective responsibilities for each particular type of service.

The total cost responsibility of each class of customer may be estimated by the distribution of the cost of service for each cost component among the classes based on the respective service requirements of each class. WPC customers have been separated into single family, multifamily, nonresidential, special billing, septic, and Chubbuck customer classes. The classes group together customers with similar service requirement characteristics and provide a means for allocating costs to customers. Chubbuck is treated as a separate customer class because the volume of sewage treated from Chubbuck is significant enough to justify a separate customer class.

UNITS OF SERVICE

Historical data and information provided from utility billing records were used to estimate projected units of service. Wastewater collected and treated consists of two elements: (1) contributed domestic and industrial wastewater flow, and (2) infiltration and inflow (I/I) of groundwater into the sewers. Contributed wastewater flow is that portion of annual water use or other discharge of each customer class that enters the wastewater system. Estimates of contributed volume of each class are generally based upon water billing records that exclude estimated water use not reaching the wastewater system, such as that used for irrigation or water use included in manufactured products. The estimated total contributed wastewater volume for the test year is about 2,341,681 thousand gallons.

It is estimated that the amount of flow entering the sewers through I/I will average approximately 1.0 percent of total wastewater flow reaching the treatment plant, or 23,683 thousand gallons. Each customer class should bear its proportionate share of the costs associated with I/I as the wastewater system must be adequate to convey and process the total wastewater flow. I/I is allocated to customer classes on the premise that two-thirds of the total is distributable on the basis of the number of customers with the remaining one-third allocated on the basis of contributed volume.

Total strength units are based on the City's average strengths over the three years from 2016 through 2018. Based upon an analysis of wastewater treatment plant data, the average wastewater concentration for BOD is estimated at 352 milligrams per liter (mg/L), 270 mg/L for TSS, 30 mg/L for TKN, and 8 mg/L for P.

The BOD, TSS, TKN, and P responsibility of each customer class is based on the estimated strength concentrations. Strengths for special billing customers are based on monitoring performed by the City.

The estimated average wastewater strength is based upon consideration of the recorded total quantity of pollutants in the flow reaching the treatment plant.

The WPC utility share of customer related billing costs is allocated based on the number of bills. Appendix B Table 5 summarizes all units of service for the WPC utility.

UNIT COSTS OF SERVICE

The development of test year unit costs of service for each functional cost component is calculated by dividing functionalized cost of service by applicable units of service. This process is shown in Appendix B Table 6.

CUSTOMER CLASS OF SERVICE

Class cost of service is the product of unit costs of service times the class service requirements. Unit costs are the quotient of functionalized cost of service divided by the applicable units of service and provide the foundation for rate design. Appendix B Table 7 demonstrates this process.

Comparison of class cost of service with class revenue under existing rates shows the adjustment needed in class revenue to meet cost of service. But first, cost of service must be adjusted to reflect the maintenance of the outside-city differential and the various policy choices of the utility. This is shown in Appendix B Table 8, and the comparison to revenue under existing rates is in Appendix B Table 9.

City of Chubbuck Pre-Treatment Fees

The City of Chubbuck has requested that the City of Pocatello assume the responsibilities of monitoring its pre-treatment program. The City requested Raftelis to conduct a cursory review of those pre-treatment costs and develop a charge per 1,000 gallons to assess to the City of Chubbuck.

The process undertaken starts with annual costs as provided by City staff that would be necessary. Raftelis amortized assets whose life is anticipated to be greater than one year, and excluded one-time costs required to start the pre-treatment program for Chubbuck. Using Chubbuck's annual flows of 394,373 thousand gallons, Raftelis estimates a cost of \$0.22 per 1,000 gallons. This calculation is detailed in Appendix B Table 10.

Section 4: Rate Design

Introduction

In the development of schedules of rates for WPC service, a basic consideration is to establish equitable charges to customers commensurate with the cost of providing service. The only method of assessing entirely equitable rates for WPC service would be the determination of each customer's bill based upon their particular service requirements. Since this is impractical, schedules of rates are normally designed to meet average conditions for groups (classes) of customers having similar service requirements. Rates should be reasonably simple in application and subject to as few misinterpretations as possible. Appendix C includes tables that show the development of the proposed WPC rates.

Existing Rates

Existing rates have been in effect since October 1, 2018. Residential customers are charged a flat rate for all usage. Circuit breaker rates are 70 percent of existing rates for single family customers. All other non-industrial customers are charged a monthly service charge and a volume charge based on their average monthly water use during the months of November through April of the previous year. Special monitored industrial users are charged separate volume and strength charges for discharges. Outside City rates are 20 percent greater than inside City rates.

Proposed Rates

Revenue requirements and cost of service allocations described in previous sections of this report provide the basis for designing WPC rates. Revenue requirements show the need for adjustments and the level of revenue required. Cost of service allocations lead to unit costs of service, which are used in the rate design process as a basis for determining whether proposed rates will reasonably recover cost of service from customer classes as well as provide the total level of revenue required.

Cost of service rates have been developed for the test period that proportionately recover class cost of service and increase annual WPC service revenue. Proposed rates for FY 2020 through FY 2024 transition from existing rates to FY 2024 cost of service rates and are shown in Appendix C Table 4. Proposed rates retain the existing rate structure and are designed to generate the additional revenue needed in each year of FY 2020 through FY 2024.

Proposed rates include a flat monthly charge for residential customers and a monthly service charge and volume rate for all other customers. Special monitored industrial customers are charged separately for all volume and sewage strength components including BOD, TSS, TKN, and P.

The single family residential flat rate is based on the residential class cost of service, for which average winter water usage (November through April) impinges on the assumed volume-related costs that these customers impose on the system. Through the cost of service process, volumetric costs are allocated to the class based on the assumption that usage exceeding the average winter consumption per month is used for lawn watering and car washing, and thus not discharged into the sewer system; only average winter water consumption should be used for the units of service.

The service charge for all other customers is designed to recover customer-related costs of utility billing. Volume rates apply to average monthly metered water usage during the months of November through April and are designed to recover volume-related costs.

Charges to outside City customers retain the same structure, with the exception of JR Simplot, and are 20% greater than charges to inside City customers. This differential recognizes differences in the cost to provide service to outside City customers.

JR Simplot, an outside City industrial customer, delivers their flow directly to the wastewater treatment plant through their interceptor. Thus, the cost of service volume rate for JR Simplot differs from other outside City customers.

The City of Chubbuck is provided two different levels of WPC service. The portion of Chubbuck located north of I-86 is provided wastewater treatment service only. The portion of Chubbuck located south of I-86 is provided collection and treatment services. These unique service requirements are recognized in the separate rates.

Industrial and septic charges use the same structure as existing charges.

Typical Monthly WPC Bills

Monthly single-family bills will increase \$0.28 per month under proposed FY 2020 rates. Further comparisons of monthly bills can be made using Appendix C Table 5.

Section 5: System Capacity Fees

Introduction

The City charges WPC capacity fees to all new connectors. This fee is intended to recover the new connector's proportionate share of the City's wastewater backbone facility costs. The current WPC fees have been in effect since October 2018. Appendix D includes tables that show the development of these proposed fees.

Equity Buy-in Method

The capacity fee calculations performed in this study are based on the system buy-in method. This method is based on the concept that existing customers, through rates and other assessments, have developed a valuable wastewater system. A new customer must "buy-in" to this system by making a contribution equal to the amount of equity a similar existing customer has in the system. Note this is not the cost to provide new service to the new customer, and when new capacity is needed, all customers will bear the cost.

To compute the system capacity fees using the system buy-in method, the following general procedure is used:

- Determine existing wastewater system equity.
- Estimate system demand.
- Calculate unit equity cost.
- Calculate treatment plant capacity fee.
- Calculate collection system capacity fee.

Implementation of fees designed using the system buy-in method results in new customers paying their proportionate share of facility costs incurred to serve them. The fees are dependent on the capacity required to serve a customer and the unit equity cost of existing facilities expressed as dollars per unit of capacity. Fees using the system buy-in method can readily be calculated using utility fixed asset records. Because fees can be traced to such records, they are generally understood by customers and supported on an engineering economic basis.

System Equity

Determination of system value is the first step in calculating capacity fees. System value is calculated by adding replacement cost of existing backbone system investments to the cost of planned capital improvements. The backbone system includes all major wastewater collection and treatment facilities. Backbone collection mains are defined as the system of major wastewater collection interceptor sewer mains, typically including those greater than 10-inches in diameter. Assets with an accounting life of less than five years were excluded from calculations of system equity, as were assets categorized as office furniture or equipment. Assets have been grouped into two categories, treatment-related facilities and collection system facilities. This separation recognizes that certain customers will not receive benefit from the collection system infrastructure, such as Chubbuck customers located north of I-86.

Replacement cost represents the cost of duplicating existing facilities at current prices. The cost to replace the City's wastewater system was developed using historical cost information from fixed asset records and restating these costs in current dollars using the Construction Cost Index (CCI) published by Engineering News-Record (ENR). Appendix D Tables 1 and 2 detail the wastewater system assets and collection mains inventory, respectively.

To determine net equity in the system, replacement cost of the existing backbone system is reduced by the outstanding debt on related facilities. Once a new customer connects to the wastewater system, that customer begins paying charges for service like all existing customers. These charges typically include payment for retirement of outstanding debt. For this reason, it is necessary to deduct outstanding debt from system value before developing these fees.

Treatment plant net equity is projected to increase from \$68.3 million in FY 2019 to \$94.4 million in FY 2024. Collection system net equity is projected to increase from \$46.0 million in FY 2019 to \$58.9 million in FY 2024. These increases are due to the addition of scheduled major capital improvements, reduction in outstanding debt, and an annual inflation allowance of 2.5%.

Capacity Units

To apply an equitable fee to new customers, all customer classes need to be expressed in common capacity units. The standard capacity unit is based on the system average day flow in gallons per day (gpd) divided by contributed wastewater flow from customers with up to a 1-inch water meter. Based on historical billing data, the contributed flow for customers with up to a 1-inch water meter is 175 gpd. The number of capacity units to be served is the quotient of projected system wastewater flows divided by 175 gpd. The number of treatment plant capacity units for FY 2020 is 36,388 and is projected to increase from 37,033 in FY 2024.

Fee Calculation

The treatment plant system capacity fee per unit is the quotient of net equity of treatment plant assets divided by total capacity units or \$72.8 million divided by 36,388 capacity units for FY 2020. The system capacity fee for water meters 1-inch and smaller is \$2,000, an increase of \$60 from 2019 fees. Fees for larger meter sizes are based on their ratio of meter capacity to a 1-inch meter. System capacity fees for meters over 3-inches are assessed an individual basis. The calculation of system capacity fees for FY 2020 through FY 2024 is shown in Appendix D Table 3. Appendix D Table 4 shows the schedule of fees by meter size for FY 2020 through FY 2024

The collection system capacity fee per unit is the quotient of net equity of collection system assets divided by total capacity units or \$48.2 million divided by 30,335. The capacity fee for water meter sizes 1-inch meter and smaller is \$1,590, an increase of \$20 from 2019 fees. Fees for larger meter sizes are based on their ratio of meter capacity to a 1-inch meter. System capacity fees for meters over 3-inches are assessed an individual basis. The calculation of collection system capacity fees for FY 2020 through FY 2024 is shown in Appendix D Table 5. Appendix D Table 6 shows the schedule of fees by meter size for FY 2020 through FY 2024.

APPENDIX A:

**WPC UTILITY
FINANCIAL PLAN**

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City of Pocatello, ID
WPC Utility
Cash Flow Dashboard Summary

Table A-1
7/1/2019

Description	Fiscal Year Ending September 30					
	Budget	Proposed				
	2019	2020	2021	2022	2023	2024
Annual Rate Revenue Increase	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Cumulative Rate Increase	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%
Ending Balance, \$ millions	\$5.8	\$4.9	\$4.0	\$3.2	\$2.6	\$2.6
Target Reserves, \$ millions	\$1.6	\$1.7	\$1.8	\$1.9	\$1.9	\$2.0
Undesignated, \$ millions	\$4.2	\$3.3	\$2.3	\$1.3	\$0.6	\$0.6
Debt Service Coverage	200%	205%	203%	204%	231%	249%

City of Pocatello, ID
WPC Utility
Capital Improvement Program

Table A-2
7/1/2019

Line No.	Description	Include Inflation?	Fiscal Year Ending September 30						Total 2019-2024
			Budget	Proposed					
			2019	2020	2021	2022	2023	2024	
			\$	\$	\$	\$	\$	\$	\$
Renewal & Replacement Costs (2019 Costs)									
Collection System Repair Projects									
1	Sewer & Pipe Manhole Problems	Y	75,000	75,000	75,000	75,000	75,000	75,000	450,000
2	CIPP Project: 2-miles of 8" pipe	N		500,000	500,000	500,000	500,000	500,000	2,500,000
3	Airport Lift Station Upgrade	N						620,000	620,000
4	Flandro Lift Station Upgrade Design/Execution	N		12,500	75,000				87,500
5	Whitman Lift Station Upgrade Design/Execution	Y		12,500	1,400,000				1,412,500
6	Repair Country Club Line	Y		300,000					300,000
7	Sleepy Hollow Lift Station Discharge Replacement	N		115,000					115,000
8	McKinley Manhole Structure & FMC Lift Station Rehab	N			220,000				220,000
9	N. Main Sewer Crossing Replacement	Y				385,000			385,000
10	Pipe Replacement to Indian Hills Force Main	Y				400,000			400,000
11	Griffith Street	N	318,000						318,000
12	Total Pipeline Repair		393,000	1,015,000	2,270,000	1,360,000	575,000	1,195,000	6,808,000
Treatment Plant Projects									
13	Generator Rebuild	N	60,000		150,000				210,000
14	Replace Channel to Headworks	Y					60,000		60,000
15	Replace Roof on Cogen and Shop Buildings	N		100,000					100,000
16	Extend and Enclose Parking Structure	N		80,000					80,000
17	Replace Electrical and Gas Piping in Cogen Building	N			150,000				150,000
18	Paint Building with Metal Exteriors (Shops, Cogen...)	N			75,000				75,000
19	RAS Inlet Valve Replacement	N			50,000				50,000
20	Replace Facility Fencing	N				50,000			50,000
21	Upgrade Parking Area for Biosolids Vehicles	N				60,000			60,000
22	BiosolidsEvaluation	N			100,000				100,000
23	Biosolids Improvements	N				0		2,450,000	2,450,000
24	Biosolids Roads Improvements	N				80,000			80,000
25	Total Treatment Plant Projects		60,000	180,000	525,000	190,000	60,000	2,450,000	3,465,000
26	Total Renewal & Replacement (2019 Costs)		453,000	1,195,000	2,795,000	1,550,000	635,000	3,645,000	10,273,000
New Facilities & Major Capital Improvements (2019 Costs)									
27	Facility Plan/Engineering Study for HW Capacity Increase/E. P	N		250,000					250,000
28	Blower Replacement	N					1,000,000		1,000,000
29	Pump Mixing for Digester #3	N						1,000,000	1,000,000
30	New Admin Building	N	2,000,000						2,000,000
31	Rate Study	N	150,000						150,000
30	Total Major Capital Projects (2019 Costs)		2,150,000	250,000	0	0	1,000,000	1,000,000	2,250,000
Vehicles and Equipment Replacement (2019 Costs)									
32	Jet Truck	N		400,000					400,000
33	Vehicles	N		30,000	75,000	35,000	75,000		215,000
34	3 Heat Exchangers	N		120,000					120,000
35	Rapid View Panarama 2	N					150,000		150,000
36	Trailer Hydro Excavator	N						75,000	75,000
37	Biosolids Truck/Tanker	N			275,000				275,000
38	Combination Truck	N				600,000			600,000
39	Two New Trucks, 2019	N	70,000						70,000
40	Skid Loader/Bobcat	N		100,000					100,000
41	New Dredge, 2019	N	300,000						300,000
42	Total Vehicles & Equipment		370,000	650,000	350,000	635,000	225,000	75,000	2,305,000
43	Total Capital Improvement Program (2019 Costs)		2,973,000	2,095,000	3,145,000	2,185,000	1,860,000	4,720,000	14,828,000
Total Capital Improvement Program (Inflated Costs)									
44	Renewal & Replacement		453,000	1,296,000	3,118,000	1,828,000	784,000	3,803,000	11,282,000
45	New Facilities & Major Capital Projects		2,150,000	250,000	0	0	1,000,000	1,000,000	4,400,000
46	Vehicles & Equipment		370,000	650,000	350,000	635,000	225,000	75,000	2,305,000
47	Total		2,973,000	2,196,000	3,468,000	2,463,000	2,009,000	4,878,000	17,987,000

City of Pocatello, ID
WPC Utility
Capital Improvement Fund Cash Flow Analysis

Table A-3
7/1/2019

Line No.	Description	Fiscal Year Ending September 30					
		Budget	Proposed				
		2019	2020	2021	2022	2023	2024
		\$	\$	\$	\$	\$	\$
1	Beginning Balance	2,066,200	2,097,264	2,906,848	2,472,859	3,046,104	4,233,692
	Sources of Funds						
2	Treatment Capacity Fees	168,058	168,898	169,742	170,590	171,443	171,443
3	Collection Capacity Fees	136,006	136,686	137,369	138,055	138,745	138,745
4	Transfer From Operating Fund	2,700,000	2,700,000	2,700,000	2,700,000	2,850,000	2,534,120
	Bond Proceeds						
5	Revenue Bond-20 Year	0	0	0	0	0	0
6	G.O Bond-20 Year	0	0	0	0	0	0
7	Municipal Bank Loan	0	0	0	0	0	0
	Interest Income	0	0	26,900	27,600	36,400	32,300
8	Total Sources of Funds	3,004,064	3,005,584	3,034,011	3,036,245	3,196,588	2,876,608
	Uses of Funds						
9	CIP - Renewal & Relacement	453,000	1,296,000	3,118,000	1,828,000	784,000	3,803,000
10	CIP - New Facilities & Major Capital Improvements	2,150,000	250,000	0	0	1,000,000	1,000,000
11	CIP - Vehicles & Equipment	370,000	650,000	350,000	635,000	225,000	75,000
12	Dashboard Changes to CIP	0	0	0	0	0	0
13	Debt Service Reserve						
14	Revenue Bonds	0	0	0	0	0	0
15	G.O. Bonds	0	0	0	0	0	0
16	Municipal Bank Loan	0	0	0	0	0	0
17	Debt Issuance Expense	0	0	0	0	0	0
18	Total Uses of Funds	2,973,000	2,196,000	3,468,000	2,463,000	2,009,000	4,878,000
19	Annual Surplus (Deficiency)	31,064	809,584	(433,989)	573,245	1,187,588	(2,001,392)
20	Ending Balance	2,097,264	2,906,848	2,472,859	3,046,104	4,233,692	2,232,300
21	Minimum Reserve (5-year average R&R costs)	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000

Pocatello, ID
WPC Utility
Operating Fund Cash Flow Analysis

Table A-4
7/1/2019

Line No.	Description	Budget 2019 \$	Fiscal Year Ending September 30				
			Proposed				
		2019	2020	2021	2022	2023	2024
		\$	\$	\$	\$	\$	\$
1	Beginning Balance	5,765,920	5,786,237	4,946,036	4,031,706	3,167,715	2,575,850
	Revenue						
	Wastewater Sales						
2	From Existing FY18 Rates	11,854,599	11,905,293	11,956,241	12,007,443	12,058,902	12,110,617
3	Additional From Increased Rates	0	357,159	728,135	1,113,414	1,513,499	1,928,908
4	Total Sales Revenue	11,854,599	12,262,452	12,684,376	13,120,857	13,572,401	14,039,525
5	Miscellaneous Revenue						
6	Biosolids/Land Lease	99,054	99,054	99,054	99,054	99,054	99,054
7	Cogeneration	99,507	99,507	99,507	99,507	99,507	99,507
8	Other Miscellaneous	253,347	253,347	253,347	253,347	253,347	253,347
9	Total Miscellaneous Revenue	451,908	451,908	451,908	451,908	451,908	451,908
	Interest Income	0	74,644	44,889	35,997	28,718	25,771
10	Total Revenue	12,306,507	12,789,004	13,181,173	13,608,762	14,053,027	14,517,204
	Revenue Requirements						
11	Operation and Maintenance Expense	6,305,368	6,628,617	7,093,616	7,468,536	7,779,604	8,110,078
12	ITD, Yellowstone Improvements	275,084	0	0	0	0	0
	Debt Service						
13	Existing	3,005,738	3,000,588	3,001,887	3,004,217	2,715,288	2,570,538
14	Proposed	0	0	0	0	0	0
15	Total Debt Service	3,005,738	3,000,588	3,001,887	3,004,217	2,715,288	2,570,538
16	Transfer to Capital Improvement Fund	2,700,000	2,700,000	2,700,000	2,700,000	2,850,000	2,534,120
17	Transfer to Capital Construction Fund	0	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
18	Total Revenue Requirements	12,286,190	13,629,205	14,095,503	14,472,753	14,644,891	14,514,735
19	Annual Surplus (Deficiency)	20,317	(840,201)	(914,330)	(863,991)	(591,865)	2,469
20	Ending Balance	5,786,237	4,946,036	4,031,706	3,167,715	2,575,850	2,578,319
21	Minimum Reserve (90 days of O&M)	1,576,000	1,657,000	1,773,000	1,867,000	1,945,000	2,028,000
22	Ending Balance Excess (Deficiency)	4,210,237	3,289,036	2,258,706	1,300,715	630,850	550,319
23	Debt Service Coverage - Enhanced (a)	210%	215%	213%	215%	242%	261%
24	Debt Service Coverage - Simple (b)	200%	205%	203%	204%	231%	249%
	Revenue Adjustments						
25	Months Increase Effective	12	12	12	12	12	12
26	Annual Increase	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%
27	Cumulative Increase	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%

(a) Includes capacity fee revenue.

(b) Does not include capacity fee revenue.

City of Pocatello, ID
WPC Utility
Projected Operation and Maintenance Expense

Table A-5
7/1/2019

Line No	Sub	Description	Amended		Fiscal Year Ending September 30					
			Actual	Budget	Proposed					
			2018	2019	2020	2021	2022	2023	2024	
			\$	\$	\$	\$	\$	\$	\$	\$
OPERATION/MAINTENANCE										
1	3010	Regular Wages/Salaries	669,993	701,170	722,205	743,871	766,187	789,173	812,848	
2	3010	Extra Wages and Salaries	57,761	57,761	59,494	61,279	63,117	65,011	66,961	
3	3010	Other Wages	30,462	0	0	0	0	0	0	
4	3010	Group Insurance	163,845	186,378	207,811	231,709	258,356	288,067	321,195	
5	3010	Workers Compensation Insurance	13,115	12,666	14,123	15,747	17,558	19,577	21,828	
6	3010	State Unemployment Insurance	2,500	2,500	2,788	3,109	3,467	3,866	4,311	
7	3010	Benefits-Retirement	109,904	113,548	126,606	141,166	157,400	175,501	195,684	
8	3010	Social Security	57,658	55,750	57,423	59,146	60,920	62,748	64,630	
9	3010	Other Benefits	50	50	56	62	69	77	86	
10	3010	Supplies	37,271	16,077	16,559	17,056	17,568	18,095	18,638	
11	3010	Operating Supplies	250,620	183,850	189,366	195,047	200,898	206,925	213,133	
12	3010	Repair/Maintenance Supplies	391,669	274,300	282,529	291,005	299,735	308,727	317,989	
13	3010	Purchased Professional Services	26,298	105,876	109,052	112,324	115,694	119,165	122,740	
14	3010	Rentals and Leases	13,120	13,300	13,699	14,110	14,533	14,969	15,418	
15	3010	Repairs and Maintenance	168,400	130,250	134,158	138,183	142,328	146,598	150,996	
16	3010	Utility Services	537,000	625,113	643,866	663,182	683,077	703,569	724,676	
17	3010	Professional Services	3,598	0	0	0	0	0	0	
18	3010	Insurance	124	96	107	119	133	148	165	
19	3010	Communications	14,704	23,870	24,586	25,324	26,084	26,867	27,673	
20	3010	Transportation	3,586	3,360	3,461	3,565	3,672	3,782	3,895	
21	3010	Misc. Contractual Services	9,575	3,500	3,605	3,713	3,824	3,939	4,057	
22	3010	Noncash Charges	0	0	0	0	0	0	0	
23	3010	Misc. Costs	0	500	515	530	546	562	579	
24	3010	Debt Service	0	50	52	54	56	58	60	
Transfers										
25	3010	Nonreciprocal	3,054,103	20,000	20,000	20,000	20,000	20,000	20,000	
26	3010	Retirement Severance	3,407	3,795	4,231	4,718	5,261	5,866	6,541	
Interfund Charges										
27	3010	Information Service Center	155,911	173,232	178,429	183,782	189,295	194,974	200,823	
28	3010	Insurance Charges	71,473	74,705	83,296	92,875	103,556	115,465	128,743	
29	3010	Labor Costs	118	0	0	0	0	0	0	
30	3010	Administrative Support	318,756	298,771	307,734	316,966	326,475	336,269	346,357	
31	3010	Street Repair	0	0	0	0	0	0	0	
32	3010	Employee Wellness Program	2,958	2,871	3,201	3,569	3,979	4,437	4,947	
33	3010	Custodial Labor	0	0	0	0	0	0	0	
34	3010	Engineering Support	350,399	371,107	382,240	393,707	405,518	417,684	430,215	
35	3010	Utility Billing Administration	357,686	357,698	368,429	379,482	390,866	402,592	414,670	
36	3010	Public Works Support	51,380	59,395	61,177	63,012	64,902	66,849	68,854	
37	3010	Unused	0	0	0	0	0	0	0	
38	3010	ROW Maintenance Fee	297,621	305,062	314,214	323,640	333,349	343,349	353,649	
39	3010	Fleet Management	0	9,995	10,295	10,604	10,922	11,250	11,588	
40	3010	Education Support	0	1,500	1,545	1,591	1,639	1,688	1,739	
41	3010	Other Interfund Charges	32,096	32,000	32,960	33,949	34,967	36,016	37,096	
42		Total Operation/Maintenance	7,257,161	4,220,096	4,379,812	4,548,196	4,725,951	4,913,863	5,112,784	
43		Cumulative Inflation for Salaries/Wages	0	0	3.0%	6.1%	9.3%	12.6%	15.9%	
CAPITAL OUTLAY										
43	3011	Repair/Maintenance Supplies	0	0						
44	3011	Purchased Professional Services	0	0						
45	3011	Repairs and Maintenance	0	0						
46	3011	Transportation	0	600						
47		Total Capital Outlay O&M	0	600						

City of Pocatello, ID
WPC Utility
Projected Operation and Maintenance Expense

Table A-5 (continued)
7/1/2019

					Fiscal Year Ending September 30				
Line	Sub	Description	Actual	Budget	Proposed				
			2018	2019	2020	2021	2022	2023	2024
			\$	\$	\$	\$	\$	\$	\$
LIFT STATIONS									
48	3012	Regular Wages/Salaries	368,624	384,062	395,584	407,452	419,676	432,266	445,234
49	3012	Extra Wages and Salaries	35,000	35,000	36,050	37,132	38,246	39,393	40,575
50	3012	Other Wages	0	0	0	0	0	0	0
51	3012	Group Insurance	95,619	99,527	110,973	123,735	137,965	153,831	171,522
52	3012	Workers Compensation Insurance	9,024	8,578	9,564	10,664	11,890	13,257	14,782
53	3012	State Unemployment Insurance	0	0	0	0	0	0	0
54	3012	Benefits-Retirement	60,914	62,711	69,923	77,964	86,930	96,927	108,074
55	3012	Social Security	30,824	31,088	32,021	32,982	33,971	34,990	36,040
56	3012	Other Benefits	50	50	56	62	69	77	86
57	3012	Supplies	1,630	1,500	1,545	1,591	1,639	1,688	1,739
58	3012	Operating Supplies	78,668	60,253	62,061	63,923	65,841	67,816	69,850
59	3012	Repair/Maintenance Supplies	126,220	111,200	114,536	117,972	121,511	125,156	128,911
60	3012	Purchased Professional Services	31,780	15,100	15,553	16,020	16,501	16,996	17,506
61	3012	Rentals and Leases	0	100	103	106	109	112	115
62	3012	Repairs and Maintenance	140,402	70,054	72,156	74,321	76,551	78,848	81,213
63	3012	Utility Services	51,213	45,000	46,350	47,741	49,173	50,648	52,167
64	3012	Professional Services	0	0	0	0	0	0	0
65	3012	Insurance	76	96	107	119	133	148	165
66	3012	Communications	5,372	5,690	5,861	6,037	6,218	6,405	6,597
67	3012	Transportation	1,403	4,000	4,120	4,244	4,371	4,502	4,637
68	3012	Misc. Contractual Service	0	100	103	106	109	112	115
69	3012	Noncash Charges	0	0	0	0	0	0	0
70	3012	Miscellaneous Costs	0	0	0	0	0	0	0
Transfers									
71	3012	Non-Reciprocal	1,000	0	0	0	0	0	0
72	3012	Retirement Severance	2,020	2,095	2,336	2,605	2,905	3,239	3,611
Interfund Charges									
73	3012	Education Support	0	1,000	1,030	1,061	1,093	1,126	1,160
74	3012	Insurance Charges	11,142	10,088	11,248	12,542	13,984	15,592	17,385
75	3012	Labor Costs	33	0	0	0	0	0	0
76	3012	Employee Wellness Program	1,725	1,675	1,868	2,083	2,323	2,590	2,888
77		Total Lift Stations O&M	1,052,739	948,967	993,148	1,040,462	1,091,208	1,145,719	1,204,372
SLUDGE REUSE									
78	3013	Regular Wages/Salaries	189,404	190,947	196,675	202,575	208,652	214,912	221,359
79	3013	Extra Wages and Salaries	12,127	12,127	12,491	12,866	13,252	13,650	14,060
80	3013	Other Wages	0	0	0	0	0	0	0
81	3013	Group Insurance	33,256	29,911	33,351	37,186	41,462	46,230	51,546
82	3013	Workers Compensation Insurance	4,067	3,728	4,157	4,635	5,168	5,762	6,425
83	3013	State Unemployment Insurance	0	0	0	0	0	0	0
84	3013	Benefits-Retirement	31,309	31,486	35,107	39,144	43,646	48,665	54,261
85	3013	Social Security	15,208	15,454	15,918	16,396	16,888	17,395	17,917
86	3013	Other Benefits	50	50	56	62	69	77	86
87	3013	Supplies	0	0	0	0	0	0	0
88	3013	Operating Supplies	71,686	56,510	58,205	59,951	61,750	63,603	65,511
89	3013	Repair/Maintenance Supplies	137,619	26,900	27,707	28,538	29,394	30,276	31,184
90	3013	Purchased Professional Services	321	61,616	63,464	65,368	67,329	69,349	71,429
91	3013	Rentals and Leases	110,046	110,407	113,719	117,131	120,645	124,264	127,992
92	3013	Repairs and Maintenance	59,264	66,400	68,392	70,444	72,557	74,734	76,976
93	3013	Utility Services	127,096	80,000	82,400	84,872	87,418	90,041	92,742
94	3013	Communication	0	0	0	0	0	0	0
95	3013	Transportation	(153)	700	721	743	765	788	812
Transfers									
97	3013	Nonreciprocal	1,500	0	0	0	0	0	0
98	3013	Retirement Severance	1,008	1,015	1,132	1,262	1,407	1,569	1,749
Interfund Charges									
100	3013	Insurance Charges	4,783	4,120	4,594	5,122	5,711	6,368	7,100
101	3013	Education Support	0	1,500	1,673	1,865	2,079	2,318	2,585
102	3013	Employee Wellness Program	986	957	1,067	1,190	1,327	1,480	1,650
104		Total Sludge Reuse O&M	799,577	693,828	720,829	749,350	779,519	811,481	845,384

City of Pocatello, ID
WPC Utility
Projected Operation and Maintenance Expense

Table A-5 (continued)
7/1/2019

Line	Sub	Description	Fiscal Year Ending September 30					
			Actual	Budget	Proposed			
			2018	2019	2020	2021	2022	2023
			\$	\$	\$	\$	\$	\$
LABORATORY & PRETREATMENT								
105	3020	Regular Wages/Salaries	176,197	180,815	186,239	191,826	197,581	203,508
106	3020	Extra Wages and Salaries	2,955	2,955	3,044	3,135	3,229	3,326
107	3020	Other Wages	0	0	0	0	0	0
108	3020	Group Insurance	48,165	50,399	56,195	62,657	69,863	77,897
109	3020	Workers Compensation Insurance	3,616	3,229	3,600	4,014	4,476	4,991
110	3020	State Unemployment Insurance	0	0	0	0	0	0
111	3020	Benefits-Retirement	28,728	29,260	32,625	36,377	40,560	45,224
112	3020	Social Security	13,705	13,613	14,021	14,442	14,875	15,321
113	3020	Other Benefits	20	20	22	25	28	31
114	3020	Supplies	2,849	9,000	9,270	9,548	9,834	10,129
115	3020	Operating Supplies	38,988	56,425	58,118	59,862	61,658	63,508
116	3020	Repair/Maintenance Supplies	2,825	5,500	5,665	5,835	6,010	6,190
117	3020	Purchased Professional Services	52,328	76,700	79,001	81,371	83,812	86,326
118	3020	Rentals and Leases	0	300	309	318	328	338
119	3020	Repairs and Maintenance	6,377	4,400	4,532	4,668	4,808	4,952
120	3020	Insurance	0	150	167	186	207	231
121	3020	Communications	902	1,320	1,360	1,401	1,443	1,486
122	3020	Transportation	1,367	1,500	1,545	1,591	1,639	1,688
123	3020	Misc. Contractual Service	0	0	0	0	0	0
124	3020	Noncash Charges	0	0	0	0	0	0
125	3020	Transfers						
127	3020	Retirement Severance	896	919	1,025	1,143	1,274	1,421
128	3020	Interfund Charges						
129	3020	Insurance Charges	3,421	3,215	3,585	3,997	4,457	4,970
130	3020	Education Support	0	1,200	1,338	1,492	1,664	1,855
131	3020	Employee Wellness Program	986	957	1,067	1,190	1,327	1,480
132		Total Laboratory & Pretreatment O&M	384,325	441,877	462,728	485,078	509,073	534,872
133		Total Operation & Maintenance Expense	9,493,802	6,305,368	6,556,517	6,823,086	7,105,751	7,405,935
Pretreatment Staffing Requests								
134		New Full Time Pretreatment Tech	0	0	72,100	74,263	76,491	78,786
135		Total Pretreatment Staffing Requests	0	0	72,100	74,263	76,491	78,786
O&M Staffing Requests								
136		New Full Time Collection System Operator	0	0	0	74,263	76,491	78,786
137		New Full Time Electrician/Instrumentation Tech	0	0	0	0	84,140	86,664
138		Utility Locator	0	0	0	79,568	81,955	84,413
139		Asset Manager (a)	0	0	0	42,436	43,709	45,020
140		Total O&M Staffing Requests	0	0	0	196,267	286,294	294,883
Operation & Maintenance Expense Summary								
141		Operation/Maintenance	7,257,161	4,220,096	4,379,812	4,744,463	5,012,245	5,208,746
142		Capital Outlay	0	600	0	0	0	0
143		Lift Stations	1,052,739	948,967	993,148	1,040,462	1,091,208	1,145,719
144		Sludge Reuse	799,577	693,828	720,829	749,350	779,519	811,481
145		Laboratory and Pretreatment	384,325	441,877	534,828	559,341	585,564	613,658
146		Total Operation & Maintenance Expense Summary	9,493,802	6,305,368	6,628,617	7,093,616	7,468,536	7,779,604
Operation & Maintenance Expense Summary by Allocation								
147		Flow	0	0	0	0	0	0
148		All WWTP	5,081,763	1,908,647	1,992,426	2,081,837	2,177,406	2,279,721
149		Organic	1,183,902	1,135,705	1,255,657	1,504,958	1,651,377	1,720,022
150		Customer	1,182,752	1,200,808	1,236,832	1,273,937	1,312,154	1,351,519
151		Indirect All	158,025	181,066	192,474	205,600	219,965	235,705
152		Indirect WWTP	0	0	0	0	0	0
153		Collection	1,350,360	1,254,029	1,307,362	1,364,102	1,424,557	1,489,068
154		Indirect WWTP/Collection	0	0	0	0	0	0
155		Utilities	537,000	625,113	643,866	663,182	683,077	703,569
156		Not Used	0	0	0	0	0	0
157		Total Operation & Maintenance Expense	9,493,802	6,305,368	6,628,617	7,093,616	7,468,536	7,779,604

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APPENDIX B:

**WPC UTILITY
COST OF SERVICE ANALYSIS**

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City of Pocatello, ID
WPC Utility
Test Year Revenue Requirement

Table B-1
7/1/2019
Test Year 2024

Line No.	Description	Operating Expenses \$	Capital Costs \$	Total \$
<u>Revenue Requirement</u>				
1	Operation and Maintenance Expenses	8,110,078		8,110,078
2	ITD, Yellowstone Improvements		0	0
3	Debt Service		2,570,538	2,570,538
4	Transfer To Capital Improvement Fund		2,534,120	2,534,120
5	Transfer to Capital Construction Fund		1,300,000	1,300,000
6	Total Revenue Requirement	8,110,078	6,404,658	14,514,735
<u>Revenue Requirement Adjustments</u>				
7	Biosolids/Land Lease			(99,054)
8	Cogeneration			(99,507)
9	Other Miscellaneous Revenue			(253,347)
10	Interest Income			(25,771)
11	Operating Reserve Increase / (Decrease)			2,469
12	Total Adjustment			(475,210)
13	Subtotal			14,039,525
14	Total Net Revenue Requirement			14,039,525

City of Pocatello, ID
WPC Utility
Percent Allocation of Wastewater System Assets

Table B-2
7/1/2019
Test Year 2024

Line No.	Description	Total	Common to All					Phosphorus	Customer	Common to Customers Served by the Collection System
			Volume	BOD	TSS	FOG	TKN			
1	Collection System	100.0%								100.0%
	<u>Treatment Plant</u>									
2	Aeration Basins	100.0%		55.0%			35.0%	10.0%		
3	Airport Farm	100.0%		25.0%	25.0%		25.0%	25.0%		
4	Aeration Lift Station	100.0%	100.0%							
5	Blower Building	100.0%		55.0%			35.0%	10.0%		
6	Biosolids Land Development	100.0%		25.0%	25.0%		25.0%	25.0%		
7	UV Building	100.0%	100.0%							
8	Co-Generation Building	100.0%		50.0%	50.0%					
9	UV Room	100.0%	100.0%							
10	DAF #1 and #2 -WAS Thickener	100.0%			100.0%					
11	Digester Control Building	100.0%		25.0%	25.0%		25.0%	25.0%		
12	Headworks	100.0%	100.0%							
13	Outfall	100.0%	100.0%							
14	Phosphorus Removal Project	100.0%						100.0%		
15	Primary Clarifiers	100.0%			100.0%					
16	Primary Digesters	100.0%		25.0%	25.0%		25.0%	25.0%		
17	Primary Pump House	100.0%	100.0%							
18	RAS Pump House	100.0%	100.0%							
19	Raw Sludge Pump House	100.0%			100.0%					
20	Secondary Clarifiers	100.0%		25.0%	25.0%		25.0%	25.0%		
21	Sludge Lagoon	100.0%		25.0%	25.0%		25.0%	25.0%		
22	Sludge Storage Tank	100.0%		25.0%	25.0%		25.0%	25.0%		
23	General Plant	100.0%	7.6%	8.0%	9.5%		5.7%	33.8%	0.0%	35.5%
24	General Plant - Treatment	100.0%	11.7%	12.3%	14.7%		8.8%	52.4%	0.0%	0.0%

City of Pocatello, ID
WPC Utility
Allocation of Wastewater System Assets

Table B-3
7/1/2019
Test Year 2024

Line No.	Description	Total \$	Volume \$	Common to All Strength			Phosphorus \$	Customer \$	Common to Customers Served by the Collection System \$
				BOD \$	TSS \$	TKN \$			
1	Collection System	29,382,375							29,382,375
	<u>Treatment Plant</u>								
2	Aeration Basins	6,625,842	0	3,644,213		2,319,045	662,584		
3	Airport Farm	17,686	0	4,422	4,422	4,422	4,422		
4	Aeration Lift Station	10,294	10,294						
5	Blower Building	1,470,060	0	808,533		514,521	147,006		
6	Biosolids Land Development	1,155,191	0	288,798	288,798	288,798	288,798		
7	UV Building	204,813	204,813						
8	Co-Generation Building	563,179	0	281,590	281,590				
9	UV Room	893,334	893,334						
10	DAF #1 and #2 -WAS Thickener	2,061,897	0		2,061,897				
11	Digester Control Building	177,626	0	44,407	44,407	44,407	44,407		
12	Headworks	2,593,056	2,593,056						
13	Outfall	532,875	532,875						
14	Phosphorus Removal Project	25,349,015	0				25,349,015		
15	Primary Clarifiers	2,695,022	0		2,695,022				
16	Primary Digesters	4,640,879	0	1,160,220	1,160,220	1,160,220	1,160,220		
17	Primary Pump House	355,491	355,491						
18	RAS Pump House	124,465	124,465						
19	Raw Sludge Pump House	970,384	0		970,384				
20	Secondary Clarifiers	298,067	0	74,517	74,517	74,517	74,517		
21	Sludge Lagoon	900,087	0	225,022	225,022	225,022	225,022		
22	Sludge Storage Tank	283,570	0	70,892	70,892	70,892	70,892		
23	Land	1,546,217	1,546,217						
24	Total Treatment Plant	53,469,051	6,260,546	6,602,612	7,877,170	4,701,842	28,026,881	0	0
25	General Plant	1,006,101	76,025	80,178	95,656	57,097	340,343	0	356,803
26	General Plant - Treatment	7,979,846	934,338	985,389	1,175,607	701,714	4,182,797	0	0
27	Total System Assets	91,837,373	7,270,909	7,668,180	9,148,433	5,460,653	32,550,021	0	29,739,178
28	Percent of Total	100.0%	7.9%	8.3%	10.0%	5.9%	35.4%	0.0%	32.4%
29	Debt Service Allocations		11.7%	12.3%	14.7%	8.8%	52.4%		
30	Debt Service	2,570,538	300,977	317,422	378,697	226,042	1,347,399		
31	Other Capital Costs	3,834,120	303,553	320,139	381,938	227,977	1,358,931	0	1,241,581
32	Annual Capital Costs	6,404,658	604,531	637,561	760,635	454,019	2,706,330	0	1,241,581

City of Pocatello, ID
WPC Utility
Allocation of Operation and Maintenance Expenses

Table B-4
7/1/2019
Test Year 2024

Line No	Description	Total	Volume	Common to All Strength				Phosphorus	Customer	Collection	Indirect All Other	Indirect WWTP	Indirect /TP/Collect
				BOD	TSS	FOG	TKN						
1	Flow	0	100%										
2	All WWTP	2,389,427	20%	20%	20%		20%	20%					
4	Organic	1,792,922		25%	25%		25%	25%					
5	Customer	1,392,065							100%				
6	Indirect All	252,967									100%		
7	Indirect WWTP	0										100%	
8	Collection	1,558,021								100%			
9	Indirect WWTP/Collection	0											100%
10	Utilities	724,676	50%	28%	0%		18%	5%					
11	Not Used	0											
		8,110,078	840,223	1,125,402	926,116	0	1,052,934	962,350	1,392,065	1,558,021	252,967	0	0
11	Allocation of Indirect WWTP/Collection	100.0%	13.0%	17.4%	14.3%	0.0%	16.3%	14.9%		24.1%			
		0	0	0	0	0	0	0	0	0	0	0	
11	Allocation of Indirect WWTP	100.0%	17.1%	22.9%	18.9%	0.0%	21.5%	19.6%					
		0	0	0	0	0	0	0					
11	Allocation of Indirect All Other	100.0%	10.7%	14.3%	11.8%	0.0%	13.4%	12.2%	17.7%	19.8%			
		252,967	27,052	36,233	29,817	0	33,900	30,984	44,819	50,162			
11	Total Reallocated O&M	8,110,078	867,275	1,161,635	955,933	0	1,086,834	993,333	1,436,884	1,608,183			
			10.7%	14.3%	11.8%	0.0%	13.4%	12.2%	17.7%	19.8%			

		Contributed Wastewater Strength												
Line No.	Customer Class	Wastewater Volume				Phosphorus								
		Billed	Contributed	Infiltration/ Inflow	Total	BOD		TSS		TKN		Phosphorus		Bills
						Strength	Contribution	Strength	Contribution	Strength	Contribution	Strength	Contribution	
		1,000 gal	1,000 gal	1,000 gal	1,000 gal	mg/L	lbs	mg/L	lbs	mg/L	lbs	mg/L	lbs	
Inside City														
1	Single Family	790,182	790,182	15,652	805,834	336	2,216,817	283	1,863,310	29	189,390	8	50,261	166,774
2	Multifamily	350,679	350,679	3,035	353,714	336	983,813	283	826,929	29	84,050	8	22,306	21,385
3	Nonresidential	344,271	344,271	2,611	346,882	336	965,836	283	811,818	29	82,514	8	21,898	16,028
4	Circuit Breaker	27,592	27,592	692	28,284	336	77,407	283	65,063	29	6,613	8	1,755	7,783
5	Amy's Kitchen, Inc. - Industrial Flow	80,062	80,062	331	80,393	0	0	248	165,593	35	23,370	7	4,674	12
6	Amy's Kitchen, Inc. - Domestic Flow	18,341	18,341	76	18,416	336	51,454	283	43,249	29	4,396	8	1,167	0
7	Gateway West Industrial Center - Special Mc	3,705	3,705	16	3,721	172	5,315	9	278	35	1,082	8	247	12
8	Golden K Recycling Industrial - Special Moni	185	185	2	187	5,063	7,817	685	1,058	35	54	7	11	12
9	Idaho Rail Shop - Industrial Flow	116	116	1	118	2,717	2,633	2,077	2,012	35	34	7	7	12
10	Idaho Rail Shop - Domestic Flow	168	168	1	169	336	472	283	397	29	40	8	11	0
11	ON Semiconductor Industrial - Industrial Flov	69,305	69,305	287	69,592	0	0	67	38,726	37	21,386	11	6,358	12
12	ON Semiconductor Industrial - Domestic Flo	38,743	38,743	160	38,903	336	108,692	283	91,359	29	9,286	8	2,464	0
13	UPRR - Special Monitored	1,098	1,098	5	1,103	18	165	15	137	35	321	7	64	12
14	Great Western Malting - Special Monitored	163,502	163,502	675	164,177	877	1,195,885	161	219,541	35	47,726	12	16,363	12
15	Septic Haulers	1,034	1,034	0	1,034	7,000	60,345	15,000	129,311	600	5,172	210	1,810	40
16	Total Inside City	1,888,984	1,888,984	23,543	1,912,527		5,676,650		4,258,782		475,435		129,397	212,094
Outside City														
17	Single Family	612	612	13	625	336	1,718	283	1,444	29	147	8	39	136
18	Multifamily	8,010	8,010	38	8,048	336	22,472	283	18,889	29	1,920	8	510	62
19	Nonresidential	16,321	16,321	82	16,403	336	45,788	283	38,487	29	3,912	8	1,038	198
20	Industrial (JR Simplot)	1,704	1,704	8	1,712	336	4,782	283	4,019	29	409	8	108	12
21	Total Outside City	26,648	26,648	140	26,788		74,760		62,838		6,387		1,695	408
22	Subtotal City Contributors	1,915,632	1,915,632	23,683	1,939,315	360	5,751,410	271	4,321,620	30	481,822	8	131,092	212,502
23	Chubbock S. of I-86	31,676	31,676	0	31,676	336	88,865	283	74,694	29	7,592	8	2,015	12
23	Chubbock N. of I-86	394,373	394,373	0	394,373	336	1,106,394	283	929,962	29	94,523	8	25,085	12
24	Total System	2,341,681	2,341,681	23,683	2,365,364	352	6,946,669	270	5,326,277	30	583,937	8	158,192	212,514

City of Pocatello, ID
WPC Utility
Development of Unit Costs of Service

Table B-6
7/1/2019
Test Year 2024

Line No.	Description	Common to All							Common to Customers Served by the Collection System
		Total	Volume	Strength				Customer	
				BOD	TSS	TKN	Phosphorus		
		\$	\$	\$	\$	\$	\$	\$	\$
Revenue Requirements									
1	Operation and Maintenance Expenses	8,110,078	867,275	1,161,635	955,933	1,086,834	993,333	1,436,884	1,608,183
2	Capital Costs	6,404,658	604,531	637,561	760,635	454,019	2,706,330	0	1,241,581
3	Total Revenue Requirements	14,514,735	1,471,806	1,799,196	1,716,568	1,540,853	3,699,664	1,436,884	2,849,764
		13,077,852	1,471,806	1,799,196	1,716,568	1,540,853	3,699,664		2,849,764
			11.3%	13.8%	13.1%	11.8%	28.3%	0.0%	21.8%
Adjustments to Revenue Requirement									
4	Biosolids/Land Lease	(99,054)	-	(24,764)	(24,764)	(24,764)	(24,764)	-	-
5	Cogeneration	(99,507)	-	(49,753)	(49,753)	-	-	-	-
6	Other Miscellaneous Revenue	(253,347)	(28,512)	(34,854)	(33,254)	(29,850)	(71,671)	-	(55,206)
7	Interest Income	(25,771)	(2,900)	(3,545)	(3,383)	(3,036)	(7,290)	-	(5,616)
8	Operating Reserve Increase / (Decrease)	2,469	278	340	324	291	698	-	538
9	Total Adjustments	(475,210)	(31,135)	(112,577)	(110,829)	(57,359)	(103,026)	-	(60,284)
10	Total Allocated Revenue Requirement	14,039,525	1,440,671	1,686,619	1,605,739	1,483,495	3,596,638	1,436,884	2,789,480
			10.26%	12.01%	11.44%	10.57%	25.62%	10.23%	19.87%
Units of Service									
Units			1,000 gal	lbs	lbs	lbs	lbs	Bills	1,000 gal
Values									
11	Inside City		1,883,209	5,538,898	4,064,408	463,649	125,831	204,271	1,868,029
12	Inside City - Circuit Breaker		28,284	77,407	65,063	6,613	1,755	7,783	27,705
13	Inside City - Septic Haulers		1,034	60,345	129,311	5,172	1,810	40	
14	Inside City - Chubbuck S of I-86		31,676	88,865	74,694	7,592	2,015	12	
15	Inside City - Chubbuck N of I-86		394,373	1,106,394	929,962	94,523	25,085	12	
16	Outside City		25,076	69,978	58,819	5,978	1,587	396	25,046
17	Outside City - JR Simplot		1,712	4,782	4,019	409	108	12	
18	Total Units of Service		2,365,364	6,946,669	5,326,277	583,937	158,192	212,526	1,920,781
			1,000 gal	lbs	lbs	lbs	lbs	Bills	1,000 gal
Adjusted Units of Service									
19	Inside City		1,883,209	5,538,898	4,064,408	463,649	125,831	204,271	1,868,029
20	Inside City - Circuit Breaker		19,799	54,185	45,544	4,629	1,229	5,448	19,394
21	Inside City - Septic Haulers		1,034	60,345	129,311	5,172	1,810	40	0
21	Inside City - Chubbuck S of I-86		31,676	88,865	74,694	7,592	2,015	12	0
22	Inside City - Chubbuck N of I-86		394,373	1,106,394	929,962	94,523	25,085	12	0
23	Outside City		30,091	83,974	70,583	7,174	1,904	475	30,056
24	Outside City - JR Simplot		2,055	5,738	4,823	490	130	14	0
25	Total Adjusted Units of Service		2,362,237	6,938,399	5,319,325	583,230	158,004	210,272	1,917,479
Inside City									
26	Inside City		0.6099	0.2431	0.3019	2.5436	22.7629	6.8334	1.4548
27	Inside City - Circuit Breaker (a)		0.4269	0.1702	0.2113	1.7805	15.9340	4.7834	1.0183
Outside City (b)									
28	Outside City		0.7319	0.2917	0.3622	3.0523	27.3155	8.2001	1.7457

(a) Circuit breaker unit costs are 70 percent of Inside City.

(b) Outside City unit costs are 20 percent greater than Inside City.

City of Pocatello, ID
WPC Utility
Distribution of Costs to Customer Classes

Table B-7
7/1/2019
Test Year 2024

Line No.	Description	Total	Volume	Common to All Strength				Customer	Common to Customers Served by the Collection System
				BOD	TSS	TKN	Phosphorus		
		\$	\$	\$	\$	\$	\$	\$	\$
Unit Costs of Service - \$/unit									
1	Inside City		0.6099	0.2431	0.3019	2.5436	22.7629	6.8334	1.4548
2	Inside City - Circuit Breaker		0.4269	0.1702	0.2113	1.7805	15.9340	4.7834	1.0183
3	Outside City		0.7319	0.2917	0.3622	3.0523	27.3155	8.2001	1.7457
Inside City									
Single Family									
4	Units		805,834	2,216,817	1,863,310	189,390	50,261	166,774	793,440
5	Cost of Service - \$	5,512,542	491,459	538,874	562,475	481,729	1,144,098	1,139,639	1,154,269
Multifamily									
6	Units		353,714	983,813	826,929	84,050	22,306	21,385	352,125
7	Cost of Service - \$	2,084,426	215,722	239,150	249,624	213,789	507,745	146,136	512,259
Nonresidential									
8	Units		346,882	965,836	811,818	82,514	21,898	16,028	345,691
9	Cost of Service - \$	2,012,169	211,555	234,780	245,063	209,882	498,467	109,523	502,899
Circuit Breaker									
10	Units		28,284	77,407	65,063	6,613	1,755	7,783	27,705
11	Cost of Service - \$	144,179	12,075	13,171	13,748	11,775	27,965	37,232	28,213
Amy's Kitchen, Inc. - Industrial Flow									
12	Units		80,393	0	165,593	23,370	4,674	12	80,392
13	Cost of Service - \$	381,888	49,030	0	49,988	59,444	106,394	82	116,951
Amy's Kitchen, Inc. - Domestic Flow									
14	Units		18,416	51,454	43,249	4,396	1,167	0	18,416
15	Cost of Service - \$	101,323	11,232	12,508	13,055	11,181	26,555	0	26,791
Gateway West Industrial Center - Special Monitored									
16	Units		3,721	5,315	278	1,082	247	12	3,721
17	Cost of Service - \$	17,519	2,270	1,292	84	2,751	5,627	82	5,413
Golden K Recycling Industrial - Special Monitored									
18	Units		187	7,817	1,058	54	11	12	186
19	Cost of Service - \$	3,069	114	1,900	319	137	246	82	270
Idaho Rail Shop - Industrial Flow									
20	Units		118	2,633	2,012	34	7	12	117
21	Cost of Service - \$	1,811	72	640	607	86	154	82	170
Idaho Rail Shop - Domestic Flow									
22	Units		169	472	397	40	11	0	169
23	Cost of Service - \$	930	103	115	120	103	244	0	246
ON Semiconductor Industrial - Industrial Flow									
24	Units		69,592	0	38,726	21,386	6,358	12	69,591
25	Cost of Service - \$	354,579	42,442	0	11,690	54,398	144,728	82	101,239
ON Semiconductor Industrial - Domestic Flow									
26	Units		38,903	108,692	91,359	9,286	2,464	0	38,903
27	Cost of Service - \$	214,035	23,726	26,421	27,578	23,619	56,096	0	56,594
UPRR - Special Monitored									
28	Units		1,103	165	137	321	64	12	1,103
29	Cost of Service - \$	4,715	673	40	41	815	1,459	82	1,604
Great Western Malting - Special Monitored									
30	Units		164,177	1,195,885	219,541	47,726	16,363	12	164,176
31	Cost of Service - \$	1,189,894	100,128	290,701	66,273	121,396	372,477	82	238,838
Septic Haulers									
32	Units		1,034	60,345	129,311	5,172	1,810	40	
33	Cost of Service - \$	108,973	630	14,669	39,035	13,157	41,209	273	

City of Pocatello, ID
WPC Utility
Distribution of Costs to Customer Classes

Table B-7 (continued)
7/1/2019
Test Year 2024

Line No.	Description	Total	Volume	Common to All Strength				Customer	Common to Customers Served by the Collection System
				BOD	TSS	TKN	Phosphorus		
		\$	\$	\$	\$	\$	\$	\$	\$
Outside City									
Single Family									
34	Units		625	1,718	1,444	147	39	136	615
35	Cost of Service - \$	5,182	457	501	523	448	1,064	1,115	1,073
Multifamily									
36	Units		8,048	22,472	18,889	1,920	510	62	8,043
37	Cost of Service - \$	53,613	5,890	6,555	6,842	5,860	13,917	507	14,041
Nonresidential									
38	Units		16,403	45,788	38,487	3,912	1,038	198	16,388
39	Cost of Service - \$	109,832	12,005	13,357	13,941	11,940	28,358	1,622	28,610
JR Simplot									
40	Units		1,712	4,782	4,019	409	108	12	
41	Cost of Service - \$	8,411	1,253	1,395	1,456	1,247	2,962	98	
City of Chubbuck									
Chubbuck S. of I-86, Commercial Customers Only									
42	Units		31,676	88,865	74,694	7,592	2,015	12	
43	Cost of Service - \$	128,725	19,318	21,602	22,548	19,311	45,863	82	
Chubbuck N. of I-86									
44	Units		394,373	1,106,394	929,962	94,523	25,085	12	
45	Cost of Service - \$	1,601,710	240,519	268,947	280,726	240,427	571,009	82	
46	Total System	14,039,525	1,440,671	1,686,619	1,605,739	1,483,495	3,596,638	1,436,884	2,789,480

City of Pocatello, ID
WPC Utility
Comparison of FY 2024 Cost of Service with FY 2024 Adjusted Cost of Service

Table B-8
7/1/2019

Line No	Customer Class	FY 2024 Cost of Service	Outside City Differential Adjustment	Cost of Service with Differential	Policy Adjustment	FY 2024 Adjusted Cost of Service
		\$	\$	\$	\$	\$
Inside City						
1	Single Family	5,523,068	(10,525)	5,512,542	(34,951)	5,477,592
2	Multifamily	2,088,952	(4,526)	2,084,426	(21,149)	2,063,277
3	Nonresidential	2,016,598	(4,429)	2,012,169	(20,538)	1,991,631
4	Circuit Breaker	144,440	(261)	144,179	34,772	178,951
5	Amy's Kitchen, Inc. - Industrial Flow	382,765	(877)	381,888	63,876	445,764
6	Amy's Kitchen, Inc. - Domestic Flow	101,556	(234)	101,323	(1,055)	100,267
7	Gateway West Industrial Center - Special Monitored	17,558	(39)	17,519	2,956	20,474
8	Golden K Recycling Industrial - Special Monitored	3,076	(7)	3,069	147	3,216
9	Idaho Rail Shop - Industrial Flow	1,816	(4)	1,811	92	1,904
10	Idaho Rail Shop - Domestic Flow	932	(2)	930	(10)	920
11	ON Semiconductor Industrial - Industrial Flow	355,369	(790)	354,579	147,394	501,973
12	ON Semiconductor Industrial - Domestic Flow	214,529	(493)	214,035	(22,553)	191,482
13	UPRR - Special Monitored	4,725	(11)	4,715	876	5,590
14	Great Western Malting - Special Monitored	1,192,611	(2,716)	1,189,894	(192,787)	997,107
15	Septic Haulers	109,225	(252)	108,973	0	108,973
16	Total Inside City	12,157,219	(25,166)	12,132,053	(42,930)	12,089,122
Outside City						
17	Single Family	\$4,326	\$855	\$5,182	\$179	\$5,361
18	Multifamily	44,779	8,833	53,613	(556)	53,056
19	Nonresidential	91,735	18,097	109,832	(1,138)	108,694
20	JR Simplot	7,025	1,386	8,411	0	8,411
		0	0	0	0	0
21	Chubbuck S. of I-86, Commercial Customers Only	129,022	(298)	128,725	44,446	173,171
22	Chubbuck N. of I-86	1,605,417	(3,707)	1,601,710	0	1,601,710
23	Total Outside City	1,882,306	25,166	1,907,473	42,930	1,950,403
24	Total	14,039,525	0	14,039,525	(0)	14,039,525

City of Pocatello, ID
WPC Utility
Comparison of Cost of Service to
Revenue Under Existing Rates

Table B-9
7/1/2019
Test Year 2024

Line No.	Customer Class	Policy Adjusted Cost of Service FY 2024 \$	FY 2019 Revenue Under Existing Rates \$	Indicated Adjustment \$
Inside City				
1	Single Family and Circuit Breaker	5,656,542	5,266,227	390,315
2	Multifamily	2,063,277	1,703,761	359,515
3	Commercial	3,766,512	3,176,754	589,758
4	Industrial	2,268,699	1,491,276	777,423
5	Septic Haulers	108,973	72,356	36,617
6	Total Inside City	13,864,003	11,710,375	2,153,628
Outside City				
7	Single Family	5,361	4,995	366
8	Multifamily	53,056	43,579	9,477
9	Commercial	117,105	95,650	21,456
10	Total Outside City	175,522	144,224	31,299
11	Total	14,039,525	11,854,599	2,184,927

City of Pocatello
Wastewater Rate Study
Development of Pretreatment Costs Specific to Chubbuck North

Table B-10
7/1/2019

Line No.	Description	Amortization Life years	Unit Subtotal Costs
1	Pretreatment Technician		\$70,000
2	Cost to start Chubbuck:		
3	Annual Chubbuck maintenance:		
4	Yearly Cost to Maintain Chubbuck:		\$3,662
6	Sweater:		60
7	Coat:		150
8	Boots:		150
9	Winter Boots:		150
10	Uniform:		200
11	Waders:		300
12	Total Annual Maintenance Costs		\$4,672
13	Truck	5	\$10,000
14	Equipment	2	
15	Sludge Judge:		\$60
16	Hooks:		25
17	Pry Bar:		10
18	Heavy Duty Screw Driver:		10
20	Flashlight:		50
21	Inspection Mirror:		50
22	Tool Box w/Tools:		50
23	Degreaser Sprayer		10
24	Hammer:		25
25	Shovel:		25
26	Gloves:		0
27	Total Equipment		\$315
	Electronics	5	
28	Surface Pro:		\$240
29	Camera:		\$30
30	Cell Phone:		\$180
33	Chair:		\$40
37	Total Electronics		\$0
38	Total Annual Costs for One Inspector		\$84,987
39	Inspection Hours		2,080
40	Unit Cost, \$ per Hour		\$40.86
		Hours per Year	
41	Annual Cost to Chubbuck	542	\$22,161.82
		1,000 gal	
42	Chubbuck Specific Pretreatment Unit Cost, \$ per 1,000 gallons	394,373	\$0.22

[1] Data from Chubbuck Facility Sheet Final.xlsx provided by City.

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APPENDIX C:

**WPC UTILITY
RATE DESIGN**

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City of Pocatello, ID
WPC Utility
Transitioning Rate Revenue Proportions

Table C-1
7/1/2019
Test Year 2024

Line No.	Foundational Charge Type/Class	2019	2019 Existing Rates Revenue Proportions	Budget	Fiscal Year Ending September 30					2024 COS Revenue Proportions		Ratio
				2019	Proposed							
				2020	2021	2022	2023	2024				
1	Flat Rate Charges	\$5,271,222	44.5%	\$5,271,222	\$5,344,149	\$5,419,592	\$5,497,638	\$5,578,378	\$5,661,903	40.3%	1.07	
2	Regular (Other) Service Charges	230,662	1.9%	230,662	235,866	241,250	246,820	252,582	258,543	1.8%	1.12	
3	Regular (Other) Volume Charges	3,479,890	29.4%	3,479,890	3,620,513	3,765,988	3,916,482	4,072,169	4,233,229	30.2%	1.22	
4	BOD	254,481	2.1%	254,481	261,965	269,707	277,716	286,002	294,574	2.1%	1.16	
5	TSS	111,110	0.9%	111,110	114,450	117,905	121,480	125,177	129,003	0.9%	1.16	
6	TKN	2,011	0.0%	2,011	2,185	2,364	2,550	2,742	2,940	0.0%	1.46	
7	P	132,995	1.1%	132,995	164,287	196,658	230,147	264,791	300,630	2.1%	2.26	
8	SIU Volume Charges	905,012	7.6%	905,012	1,004,837	1,108,106	1,214,939	1,325,458	1,439,790	10.3%	1.59	
9	J.R. Simplot Volume Charges	6,238	0.1%	6,238	6,626	7,026	7,440	7,869	8,313	0.1%	1.33	
10	Chubbuck N of I-86 Volume Charges	1,388,622	11.7%	1,388,622	1,428,383	1,469,516	1,512,068	1,556,089	1,601,628	11.4%	1.15	
11	Septage	72,356	0.6%	72,356	79,191	86,262	93,577	101,145	108,973	0.8%	1.51	
12	Total	\$11,854,599	100.0%	\$11,854,599	\$12,262,452	\$12,684,376	\$13,120,857	\$13,572,401	\$14,039,525	100.0%		
13	Annual Increases in Revenues, Including Growth				3.4%	3.4%	3.4%	3.4%	3.4%			
14	Cumulative Increases in Revenues, Including Growth			0.0%	3.4%	7.0%	10.7%	14.5%	18.4%			
15	Financial Plan			\$11,854,599	\$12,262,452	\$12,684,376	\$13,120,857	\$13,572,401	\$14,039,525			
16	Over/(Under)			\$0	\$0	\$0	\$0	\$0	\$0			

City of Pocatello, ID
WPC Utility
Foundational Rate Equivalent Units

Table C-2
7/1/2019
Test Year 2024

Line No.	Foundational Charge Type/Class	Unit Type	Budget	Fiscal Year Ending September 30				
			2019	2020	2021	2022	2023	2024
1	Flat Rate Charges	Bill Equivalents	168,141	168,981	169,826	170,675	171,529	172,385
2	Regular (Other) Service Charges	Bill Equivalents	36,906	37,090	37,275	37,461	37,647	37,835
3	Regular (Other) Volume Charges	Kgal Equivalents	756,498	760,029	763,579	767,145	770,730	774,333
4	BOD	Pounds	1,211,814	1,211,814	1,211,814	1,211,814	1,211,814	1,211,814
5	TSS	Pounds	427,346	427,346	427,346	427,346	427,346	427,346
6	TKN	Pounds	1,156	1,156	1,156	1,156	1,156	1,156
7	P	Pounds	13,207	13,207	13,207	13,207	13,207	13,207
8	SIU Volume Charges	Kgal Equivalents	291,316	291,316	291,316	291,316	291,316	291,316
9	J.R. Simplot Volume Charges	Kgals	1,704	1,704	1,704	1,704	1,704	1,704
10	Chubbuck N of I-86 Volume Charges	Kgals	384,660	386,583	388,516	390,459	392,411	394,373
11	Septage	Kgals	1,034	1,034	1,034	1,034	1,034	1,034

City of Pocatello, ID
WPC Utility
Foundational Rates, Transitioned

Table C-3
7/1/2019
Test Year 2024

Line No.	Foundational Charge Type/Class	Fiscal Year Ending September 30					
		Budget	Proposed				
		2019	2020	2021	2022	2023	2024
1	Flat Rate Charges	\$31.35	\$31.63	\$31.91	\$32.21	\$32.52	\$32.84
2	Regular (Other) Service Charges	6.25	6.36	6.47	6.59	6.71	6.83
3	Regular (Other) Volume Charges	4.60	4.76	4.93	5.11	5.28	5.47
4	BOD	0.21	0.22	0.22	0.23	0.24	0.24
5	TSS	0.26	0.27	0.28	0.28	0.29	0.30
6	TKN	1.74	1.89	2.05	2.21	2.37	2.54
7	P	10.07	12.44	14.89	17.43	20.05	22.76
8	SIU Volume Charges	3.11	3.45	3.80	4.17	4.55	4.94
9	J.R. Simplot Volume Charges	3.66	3.89	4.12	4.37	4.62	4.88
10	Chubbuck N of I-86 Volume Charges	3.61	3.69	3.78	3.87	3.97	4.06
11	Septage	70.00	76.61	83.45	90.53	97.85	105.42

Foundational Rates, Annual Change Percentages

Foundational Charge Type/Class	Fiscal Year Ending September 30					
	Budget	Proposed				
	2019	2020	2021	2022	2023	2024
12 Flat Rate Charges		0.88%	0.91%	0.94%	0.96%	0.99%
13 Regular (Other) Service Charges		1.75%	1.78%	1.80%	1.83%	1.85%
14 Regular (Other) Volume Charges		3.56%	3.53%	3.51%	3.49%	3.47%
15 BOD		2.94%	2.96%	2.97%	2.98%	3.00%
16 TSS		3.01%	3.02%	3.03%	3.04%	3.06%
17 TKN		8.62%	8.21%	7.85%	7.53%	7.24%
18 P		23.53%	19.70%	17.03%	15.05%	13.54%
19 SIU Volume Charges		10.91%	10.28%	9.64%	9.10%	8.63%
20 J.R. Simplot Volume Charges		6.21%	6.05%	5.90%	5.76%	5.64%
21 Chubbuck N of I-86 Volume Charges		2.35%	2.37%	2.38%	2.40%	2.41%
22 Septage		9.45%	8.93%	8.48%	8.09%	7.74%

City of Pocatello, ID
WPC Utility
Comparison of Existing and Proposed Monthly Rates

Table C-4
7/1/2019

Line No.	Customer Class	Existing	Proposed				
		2019	2020	2021	2022	2023	2024
		\$	\$	\$	\$	\$	\$
<u>Inside City</u>							
1	Residential Single Family (a)	31.35	31.63	31.91	32.21	32.52	32.84
2	Circuit Breaker	21.95	22.14	22.34	22.55	22.76	22.99
All Other Customers							
3	Service Charge, \$ per bill	6.25	6.36	6.47	6.59	6.71	6.83
4	Volume Rate, \$ per 1,000 gallons	4.60	4.76	4.93	5.11	5.28	5.47
<u>Outside City (b)</u>							
5	Residential Single Family	37.65	38.00	38.30	38.70	39.05	39.45
JR Simplot (c)							
6	Service Charge, \$ per bill	7.50	7.63	7.76	7.91	8.05	8.20
7	Volume Charge, \$ per 1,000 gallons	3.66	3.89	4.12	4.37	4.62	4.88
All Other Customers							
8	Service Charge, \$ per bill	7.50	7.63	7.76	7.91	8.05	8.20
9	Volume Charge, \$ per 1,000 gallons	5.52	5.71	5.92	6.13	6.34	6.56
<u>Chubbuck</u>							
10	Service Charge, \$ per bill	6.25	6.36	6.47	6.59	6.71	6.83
	Volume Charge, \$ per 1,000 gallons						
11	North of I-86	3.61	3.69	3.78	3.87	3.97	4.06
12	South of I-86	4.60	4.76	4.93	5.11	5.28	5.47
<u>Industrial Service Charges</u>							
13	Service Charge, \$ per bill	6.25	6.36	6.47	6.59	6.71	6.83
14	Volume Charge, \$ per 1,000 gallons	3.11	3.45	3.80	4.17	4.55	4.94
15	Biochemical Oxygen Demand (BOD), \$ per pound (d)	0.21	0.22	0.22	0.23	0.24	0.24
16	Total Suspended Solids (TSS), \$ per pound (d)	0.26	0.27	0.28	0.28	0.29	0.30
17	Total Kjeldahl Nitrogen (TKN), \$ per pound (e)	1.74	1.89	2.05	2.21	2.37	2.54
18	Phosphorus (P), \$ per pound (f)	10.07	12.44	14.89	17.43	20.05	22.76
19	Fats, Oils, Grease (FOG), \$ per pound (g)	0.080	0.080	0.080	0.090	0.090	0.090
20	Septage, \$ per gallon	0.0700	0.0766	0.0835	0.0905	0.0979	0.1054

(a) Circuit Breaker rates are 70% of single family rates

(b) Outside City rates are 20 percent greater than Inside City.

(c) JR Simplot pays for its own collection system so cost of service volume charge differs from other outside City customers.

(d) Rate applies to all strength.

(e) Rate applied to all strength > 35 mg/l.

(f) Rate applied to all strength > 7 mg/l.

(g) (> than 100 mg/l)

City of Pocatello, ID
WPC Utility
Comparison of Monthly Bills Under
Existing and Proposed Rates for Inside City Customers

Table C-5
7/1/2019

Monthly Usage 1,000 gal		Existing	Fiscal Year Ending September 30				
			Proposed				
			2019	2020	2021	2022	2023
		\$	\$	\$	\$	\$	\$
1	Single Family with 3/4" Meter	31.35	31.63	31.91	32.21	32.52	32.84
Multifamily with 3/4" Meter							
2	0	6.25	6.36	6.47	6.59	6.71	6.83
3	5	29.25	30.16	31.12	32.14	33.11	34.18
4	10	52.25	53.96	55.77	57.69	59.51	61.53
5	15	75.25	77.76	80.42	83.24	85.91	88.88
6	20	98.25	101.56	105.07	108.79	112.31	116.23
7	25	121.25	125.36	129.72	134.34	138.71	143.58
8	30	144.25	149.16	154.37	159.89	165.11	170.93
9	35	167.25	172.96	179.02	185.44	191.51	198.28
10	40	190.25	196.76	203.67	210.99	217.91	225.63
11	45	213.25	220.56	228.32	236.54	244.31	252.98
12	50	236.25	244.36	252.97	262.09	270.71	280.33
Significant Industrial User with 4" Meter							
13	0	6.25	6.36	6.47	6.59	6.71	6.83
14	5	21.80	23.61	25.47	27.44	29.46	31.53
15	10	37.35	40.86	44.47	48.29	52.21	56.23
16	15	52.90	58.11	63.47	69.14	74.96	80.93
17	20	68.45	75.36	82.47	89.99	97.71	105.63
18	25	84.00	92.61	101.47	110.84	120.46	130.33
19	30	99.55	109.86	120.47	131.69	143.21	155.03
20	35	115.10	127.11	139.47	152.54	165.96	179.73
21	40	130.65	144.36	158.47	173.39	188.71	204.43
22	45	146.20	161.61	177.47	194.24	211.46	229.13
23	50	161.75	178.86	196.47	215.09	234.21	253.83
24	100	317.25	351.36	386.47	423.59	461.71	500.83
25	500	1,561.25	1,731.36	1,906.47	2,091.59	2,281.71	2,476.83
26	1,000	3,116.25	3,456.36	3,806.47	4,176.59	4,556.71	4,946.83
27	5,000	15,556.25	17,256.36	19,006.47	20,856.59	22,756.71	24,706.83
28	10,000	31,106.25	34,506.36	38,006.47	41,706.59	45,506.71	49,406.83

(a) Median monthly billable flow

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APPENDIX D:

**WPC UTILITY
SYSTEM CAPACITY FEES**

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City of Pocatello, Idaho
WPC Utility
System Capacity Fees
Total System Assets

Table D-1
7/1/2019

Line No	Description	Replacement Cost New (RCN)	Backbone Facilities (RCN)		
		2018-CCI Index	Collection System (a,b)	Treatment Plant	Total
		\$	\$	\$	\$
1	Aeration Basins	12,318,791	0	12,318,791	12,318,791
2	Airport Farm	44,403	0	44,403	44,403
3	Aeration Lift Station	24,336	0	24,336	24,336
4	Blower Building	2,481,565	0	2,481,565	2,481,565
5	Biosolids Land Development	1,717,669	0	1,717,669	1,717,669
6	UV Building	522,376	0	522,376	522,376
7	Co-Generation Building	1,460,149	0	1,460,149	1,460,149
8	UV Room	1,885,554	0	1,885,554	1,885,554
9	Collection System	108,495,550	44,537,083	0	0
10	DAF #1 and #2 -WAS Thickener	3,564,882	0	3,564,882	3,564,882
11	Digester Control Building	686,555	0	686,555	686,555
12	General Plant	2,327,991	0	0	0
13	Headworks	4,325,343	0	4,325,343	4,325,343
14	General Plant - Treatment	13,703,196	0	13,703,196	13,703,196
15	Phosphorus Removal Plant Upgrade	25,349,015	0	25,349,015	25,349,015
16	Outfall	880,503	0	880,503	880,503
17	Primary Clarifiers	5,646,625	0	5,646,625	5,646,625
18	Primary Digesters	7,797,424	0	7,797,424	7,797,424
19	Primary Pump House	820,585	0	820,585	820,585
20	RAS Pump House	177,625	0	177,625	177,625
21	Raw Sludge Pump House	1,620,465	0	1,620,465	1,620,465
22	Secondary Clarifiers	1,618,413	0	1,618,413	1,618,413
23	Sludge Lagoon	1,755,783	0	1,755,783	1,755,783
24	Sludge Storage Tank	1,552,879	0	1,552,879	1,552,879
25	Land	1,546,217	0	1,546,217	1,546,217
26	Total System Assets	202,323,894	44,537,083	91,500,353	91,500,353

(a) 40% of total collection system assets.

(b) Inventory of mains as of December 2018

City of Pocatello, Idaho
WPC Utility
Inventory of Mains

Table D-2
7/1/2019

Line No.	Size <i>inches</i>	length <i>feet</i>	Inch-ft	Allocation
1	6	44,789	268,733	
2	8	919,814	7,358,514	
3	10	63,699	636,994	59%
4	12	134,230	1,610,760	
5	15	45,886	688,297	
6	18	30,481	548,659	
7	20	19,576	391,514	
8	21	5,541	116,364	
9	24	63,968	1,535,238	
10	30	5,652	169,565	
11	36	1,003	36,101	
13	42	15,673	658,254	41%
13	Total	1,350,313	14,018,994	100%

City of Pocatello, Idaho
WPC Utility
System Capacity Fees
Development of Treatment Plant System Capacity Fees

Table D-3
7/1/2019

Line No.	Description	Fiscal Year Ending September 30					
		2019	2020	2021	2022	2023	2024
	Backbone System Investment						
1	Treatment Plant Facilities	\$91,500,353	\$93,847,853	\$96,374,053	\$99,308,453	\$101,981,153	\$104,590,653
2	Annual Inflation of 2.5%	2,287,500	2,346,200	2,409,400	2,482,700	2,549,500	2,614,800
3	Total WWTP System Investment	\$93,787,853	\$96,194,053	\$98,783,453	\$101,791,153	\$104,530,653	\$107,205,453
4	Scheduled Backbone Improvements	\$60,000	\$180,000	\$525,000	\$190,000	\$60,000	\$2,500,000
5	Less: Outstanding Principal						
6	Existing	\$25,545,000	\$23,530,000	\$21,425,000	\$19,225,000	\$17,230,000	\$15,280,000
7	Proposed	0	0	0	0	0	0
8	Total Outstanding Principal	\$25,545,000	\$23,530,000	\$21,425,000	\$19,225,000	\$17,230,000	\$15,280,000
9	Net Backbone WWTP Equity	\$68,302,853	\$72,844,053	\$77,883,453	\$82,756,153	\$87,360,653	\$94,425,453
10	System Average Day Flow, gpd	6,340,000	6,367,900	6,395,900	6,424,000	6,452,300	6,480,700
11	Capacity Fee, \$ per gpd (Line 9 / Line 10)		\$11.44	\$12.18	\$12.88	\$13.54	\$14.57
12	Single Family Equivalent, gpd (a)		175	175	175	175	175
13	Equivalent Capacity Units (Line 10 / Line 12)		36,388	36,548	36,709	36,870	37,033
14	3/4" & 1" Equivalent (Line 9 / Line 13)		\$2,000	\$2,130	\$2,250	\$2,370	\$2,550

(a) Single family equivalent used in 2014 study = 185 gpd

City of Pocatello, Idaho
WPC Utility
System Capacity Fees
Proposed Treatment Plant System Capacity Fee Schedule

Table D-4
7/1/2019

Line No.	Water Meter (a) Size	Capacity Ratios	Current Fee \$	Proposed Fees				
				2020 \$	2021 \$	2022 \$	2023 \$	2024 \$
1	3/4"	1.00	1,940	2,000	2,130	2,250	2,370	2,550
2	1"	1.00	1,940	2,000	2,130	2,250	2,370	2,550
3	1 1/2"	2.00	3,880	4,000	4,260	4,500	4,740	5,100
4	2"	3.20	6,210	6,400	6,820	7,200	7,580	8,160
5	3"	7.00		14,000	14,910	15,750	16,590	17,850

(a) Water meter sizes greater than 3 inches assessed on an individual basis.

City of Pocatello, Idaho
WPC Utility
System Capacity Fees
Development of Collection System Capacity Fees

Table D-5
7/1/2019

Line No.	Description	Fiscal Year Ending September 30					
		2019	2020	2021	2022	2023	2024
	Backbone System Investment						
1	Collection System Facilities	\$44,537,083	\$46,043,483	\$48,209,583	\$51,684,783	\$54,336,883	\$56,270,283
2	Annual Inflation of 2.5%	1,113,400	1,151,100	1,205,200	1,292,100	1,358,400	1,406,800
3	Total Collection System Investment	\$45,650,483	\$47,194,583	\$49,414,783	\$52,976,883	\$55,695,283	\$57,677,083
4	Scheduled Backbone Improvements	\$393,000	\$1,015,000	\$2,270,000	\$1,360,000	\$575,000	\$1,195,000
5	Less: Outstanding Principal						
6	Existing	0	0	0	0	0	0
7	Proposed	0	0	0	0	0	0
8	Total Outstanding Principal	\$0	\$0	\$0	\$0	\$0	\$0
9	Net Backbone Collection System Equity	\$46,043,483	\$48,209,583	\$51,684,783	\$54,336,883	\$56,270,283	\$58,872,083
10	System Average Day Flow, gpd	6,340,000	6,367,900	6,395,900	6,424,000	6,452,300	6,480,700
11	Less: Chubbuck N of I-86, gpd	1,053,900	1,059,200	1,064,500	1,069,800	1,075,100	1,080,500
12	Net Collection System Average Month Flow	5,286,100	5,308,700	5,331,400	5,354,200	5,377,200	5,400,200
13	Capacity Fee, \$ per gpd (Line 9 / Line 12)		\$9.08	\$9.69	\$10.15	\$10.46	\$10.90
14	Equivalent Capacity, gpd (a)		175	175	175	175	175
15	Equivalent Capacity Units (Line 12 / Line 14)		30,335	30,465	30,595	30,727	30,858
16	3/4" & 1" Equivalent Fee (Line 9 / Line 15)		\$1,590	\$1,690	\$1,770	\$1,830	\$1,910

(a) Single family equivalent used in 2014 study = 185 gpd

City of Pocatello, Idaho
WPC Utility
System Capacity Fees
Proposed Collection System Capacity Fee Schedule

Table D-6
7/1/2019

Line No.	Water Meter (a) Size	Capacity Ratios	Current Fee \$	Proposed Fees				
				2020 \$	2021 \$	2022 \$	2023 \$	2024 \$
1	3/4"	1.00	1,570	1,590	1,700	1,780	1,830	1,910
2	1"	1.00	1,570	1,590	1,700	1,780	1,830	1,910
3	1 1/2"	2.00	3,140	3,180	3,400	3,560	3,660	3,820
4	2"	3.20	5,020	5,090	5,440	5,700	5,860	6,110
5	3"	7.00		11,130	11,900	12,460	12,810	13,370

(a) Water meter sizes greater than 3 inches assessed on an individual basis.