

23.4 REVENUE, PRODUCTION COST AND PROPERTY TAX RECONCILIATION ADJUSTMENT CLAUSE (RRC) – WESTCHESTER (continued)

\$2,024.27 per MG, and the Excess per Capita rate of \$3,372.91 per MG in effect as of July 1, 2014 plus the 9.87% increase effective July 1, 2105. The AWC purchased water target reflects the estimated rate of \$1,782.90 per MG that took effect July 1, 2014.

The difference in purchased power will be calculated by comparing the actual purchased power costs to the purchased power costs allowed in this proceeding, as shown in the table below. If the actual purchased power cost exceeds the target purchased power as shown below, 95% of the excess will be recovered from the customers, with the 5% difference to be absorbed by the Company. The net revenue differential will be added or subtracted, as the case may be, to any existing Adjustment Clause balance as of October 31, 2016.

In accordance with the terms set forth in Section IX of the JP, actual property taxes will be partially reconciled with the stated targets. If actual property taxes exceed the specified target levels, 80% of the variance will be recovered from ratepayers. If actual property taxes fall below the target levels, ratepayers will receive 100% of the benefit, unless the Company can demonstrate it took action to obtain the lower taxes, in which case the Company can retain 20% of the difference.

Target levels for revenues, purchased water, excess purchased water, power, chemicals and property taxes for future years updated to reflect all changes through July 1, 2015 are shown in the table below:

Targets	Year Ending October 31, 2018
Metered Revenues	
Facility and Consumption	\$9,277,933
Purchased Water	<u>5,529,972</u>
Total Reconciled Revenues	\$14,807,905
<u>Purchased Water Costs</u>	
<u>WJWW</u>	
Purchased Water in MG	
@ \$2,024.27 per MG Eff 7/1/14	894
@ \$2,179.65 per MG Eff 7/1/15	
<u>WJWW</u>	
Excess Per Capita Purchased Water in MG @ \$3,372.91 per MG	
Fixed Charges	\$72,337
<u>AWC-CT</u>	
Purchased Water in MG @ \$1,782.90 per MG	1,589
Fixed Charges	\$833,322
TPR Credit	(\$205,332)
WRA Surcharge	\$13,932
Power	\$30,054
Property Tax	\$2,416,297

Issued in compliance with the Commission Order 19-W-0168 dated July 16, 2020

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