

ATTACHMENT B

General Assumptions 2009 Rate Forecast

16135

2007 Actual 2008 2009 2010 2011 2012 2013

Sewer Rate

RCE Rate	\$27.95	\$27.95	\$30.20	\$33.32	\$37.73	\$40.57	\$41.56
Rate Stabilization Use (000's)	(8,250)	5,250	9,500	8,000	-	-	-
Total RCEs	703,000	706,515	706,515	708,281	710,052	713,602	718,597
RCE Growth Rates	1.7%	0.5%	0.0%	0.2%	0.2%	0.5%	0.7%

Capacity Charge Rate

Rate	\$42.00	\$46.25	\$47.64	\$49.07	\$50.54	\$52.05	\$53.62
New Connections	12,400	9,800	9,000	9,200	9,600	10,000	10,200

Expenses (000's)

Operating Expense	95,655	100,500	102,874	106,989	115,810	124,821	130,249
Capital Expense	341,642	457,442	487,253	344,944	188,779	156,751	120,000
CIP Accomplishment Rate Brightwater	95%	95%	95%	95%	95%	95%	95%
CIP Accomplishment Rate Non-Brightwater	88%	85%	85%	85%	85%	85%	85%

Interest Rate & Debt

Bond Interest Rate	4.85%	5.65%	6.00%	6.00%	6.25%	6.25%	6.25%
Years Bond Outstanding	40	40	40	40	40	40	40
Variable Debt Interest Rate	4.37%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Investment Interest Rate	4.90%	3.30%	2.80%	2.70%	2.60%	2.60%	2.60%

Reserve Balances (000's)

Liquidity Reserve	14,566	15,050	15,287	15,699	16,581	17,482	18,025
Rate Stabilization Reserve Balance	22,750	17,500	8,000	-	-	-	-
Bond Reserve	67,209	108,581	153,650	152,069	151,368	158,785	163,734