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west virginia department of environmental protection

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Division of Water and Waste Management  
601 57<sup>th</sup> Street, SE  
Charleston, WV 25304  
Phone: 304-926-0495 / Fax: 304-926-0463

Harold D. Ward, Cabinet Secretary  
dep.wv.gov

**MEMORANDUM**

**To:** Marie Prezioso, Chair  
Funding Committee  
Infrastructure and Jobs Development Council

**From:** Katheryn Emery, P. E.  
Sewer Technical Review Committee

**Date:** October 19, 2022

**Subject:** Huntington Sanitary Board  
Preliminary Application: IJDC No. 2022S-2244  
3rd and 5th Avenues Separation Project

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1. This committee has reviewed the preliminary application and engineering report submitted for the above referenced project in accordance with Chapter 31, Article 15A. It has been determined that the proposed project is:
  - a.  Consistent with the intent of the Infrastructure and Jobs Development Act and is the most cost-effective, environmentally sound alternative for solving the wastewater needs in this area.
  - b.  Not consistent with the Act and may not be the most cost effective, environmentally sound alternative for solving the wastewater needs in this area.
  - c.  Same as (a) above except that certain issues need to be addressed prior to design and construction as the attached comments indicate.
2. Our recommendation is that:
  - a.  The Funding Committee needs to review the proposed sources of funding to determine the best mix of grant and/or loan funds in accordance with applicable guidelines.
  - b.  The Funding Committee should recommend that the Council approve the proposed project and its funding plan.

- c.  The Funding Committee does not need to review the funding assumptions on this project because of deficiencies in the engineering report. The proposed project funding should be tabled until technical comments have been resolved.
- d.  This project should be referred to the Consolidation Committee.

3. Other remarks:

This project will separate the storm inflow in the intersections of 3rd Avenue and 24th Street and 5th Avenue and 25th Street. This area has historically flooded during short duration, high intensity storms. The project will remove approximately 24,500,000 gallons per year from the combined system. This will reduce the frequency of flooding and CSO's during similar sized storms in the future.

This application should be tabled until the next Funding committee meeting to give the applicant time to reevaluate a new funding package.

Attachments: Technical Comments

**Engineering Fees:**

Estimated construction cost =	\$ 8,430,000.00
Consultant's design fee =	\$ 395,000.00
Consultant's total fee =	\$ 820,000.00
Design fee percentage =	4.7 %
Design fee per ASCE curve =	6.5 %
Total fee percentage =	9.7 %
Total fee per ASCE curve =	17.0 %

**Preliminary Project Ratings:**

1. Public Health Benefits	10
3. Compliance with Standards	15
5. O & M Capabilities	2
6. Readiness to Proceed	0
8. Cost Effectiveness	0
10. Compliance with PSC Orders	0



STATE OF WEST VIRGINIA  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
Bureau for Public Health  
Office of Environmental Health Service

Bill J. Crouch  
Cabinet Secretary

Ayne Amjad, MD, MPH  
Commissioner & State Health Officer

**MEMORANDUM**

**TO:** Jason Billups, P.E.  
DEP/Infrastructure Sewer Technical Review Committee

**FROM:** William S. Herold, Jr., P.E., Assistant Manager  
I/CD/Environmental Engineering Division

**DATE:** October 17, 2022

**SUBJECT:** Huntington Sanitary Board  
Preliminary Application **Project No.: 2022S-2244**  
Storm/Sanitary Separation  
Cabell County

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**RECOMMENDATION:**

We have reviewed this preliminary application and recommend it be forwarded to the Funding Committee for review.

**PROJECT SCOPE:**

This preliminary application is to separate the existing storm water flow from the sanitary sewer system in the 3<sup>rd</sup> Avenue and 5<sup>th</sup> Avenue area of Huntington. The project will consist of the installation of 1,800 LF of 12", 1,400 LF of 18", 1,300 LF of 24" and 300 LF of 36" storm sewer pipe; 20 storm drop inlet replacements; 24 new drop inlets; two (2) storm water lift stations; approximately 1,500 LF of 16" storm water force main; 3,000 LF of 18" combined force main; and a 100,000 CF ADS LandMax Storage System.

The cost per customer is **\$480**. Total estimated project cost is **\$10,000,000** (City of Huntington ARPA Grant: **\$5,500,000**; CWSRF Principal Forgiveness: **\$2,000,000**; CWSRF Sewer Overflow and Stormwater Reuse Municipal: **\$500,000**; IJDC District 3 Grant: **\$1,000,000**; and WDA Economic Enhancement Grant Fund: **\$1,000,000**).

**NEED FOR PROJECT:**

The Preliminary Engineering Report indicates the 3<sup>rd</sup> Avenue and 24<sup>th</sup> Street intersection and the 5<sup>th</sup> Avenue and 25<sup>th</sup> Street intersection are located along main arteries that connect significant parts of the City of Huntington. During short duration, high intensity or extended duration storm events, the combined sewer/storm lines become surcharged, and street flooding occurs at these intersections. The flooded intersections limit traffic flow and at times the intersections shut down by the City until the water recedes. The increase the response time of EMS and first responders and impacts existing local businesses and future development.

**CONCERNS:**

None.

**PERMITS:**

A permit **will not be** required from the WV Bureau for Public Health.



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Harold D. Ward, Cabinet Secretary  
dep.wv.gov

**MEMORANDUM**

**TO:** Kathy Emery, P.E., Director, DWWM

**FROM:** Thomas Cazad, P.E., Engineer, DWWM

**DATE:** October 4, 2022

**SUBJECT:** Huntington Sanitary Board  
Preliminary Application: IJDC No. 2022S-2244  
3<sup>rd</sup> and 5<sup>th</sup> Avenues Separation Project

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**RECOMMENDATION**

The IJDC Application and Preliminary Engineering Report (PER), prepared by Potesta & Associates, Inc., for the above referenced project has been reviewed and is technically feasible.

**PROJECT DESCRIPTION**

The Huntington Sanitary Board (HSB) serves approximately 20,836 customers in the City of Huntington and the surrounding area, including customers served by the Towns of Ceredo and Kenova and the Northern Wayne, Spring Valley, and Pea Ridge Public Service Districts (PSDs). HSB operates a combined sewer system that conveys sewage to an activated sludge wastewater treatment plant (WWTP) rated for an average daily flow (ADF) of 17.0-million gallons per day (MGD). The combined sewer system contains 22 permitted combined sewer outfalls (CSOs) and is tied into the floodwall's pumping system as well. The intersections of 3<sup>rd</sup> Avenue and 24<sup>th</sup> Street and 5<sup>th</sup> Avenue and 25<sup>th</sup> Street have historically flooded during short duration, high intensity storms. This project seeks to separate the storm inflow in this area from the existing combined sewers, thereby reducing the frequency of flooding and CSOs during similar sized storms in the future.

The proposed project includes the installation of 4,800 LF of storm sewers between 12 and 36 inches in diameter, 24 new drop inlets, two (2) storm lift stations outfitted with 3,000-gallon per minute (GPM) pumps and telemetry, 4,500 LF of force main between 16 and 18 inches in diameter, and two (2) 50,000 cubic feet (CF) underground storage systems at each lift station

consisting of 5-foot diameter pipes rated to handle the rainfall inflow for a 2-year, 24-hour storm. The project also includes the repair or replacement of 44 existing drop inlets.

The proposed total project cost is \$10,000,000, and the proposed funding scenario includes a CWSRF Principal Forgiveness Loan of \$2,000,000, a CWSRF Sewer Overflow and Stormwater Reuse Municipal Grant of \$500,000, an IJDC District 3 Grant of \$1,000,000, a WDA Economic Enhancement Grant of \$1,000,000, and \$5,500,000 in ARPA funds from the City of Huntington. The current monthly rate for 3,400 gallons is \$28.29 and is anticipated to increase to \$40.35 as part of this project.

## **NEED FOR PROJECT**

The intersections of 3<sup>rd</sup> Avenue and 24<sup>th</sup> Street and 5<sup>th</sup> Avenue and 25<sup>th</sup> Street are both situated along US Route 60, which is the major corridor into and out of the city. During short duration, high intensity and extended duration storms, the combined sewers in this area become inundated with rainfall inflow from a drainage area of approximately 40 acres. As a result, the sewers backup and surcharge into these low-lying intersections. The PER indicates that traffic flow has either been limited or restricted in these areas during past flooding incidents, resulting in increased emergency response time and impacts to existing residences and businesses. In addition to reducing the frequency of flooding within these areas, the proposed project's removal of approximately 24,500,000 gallons per year from the combined system will have positive downstream effects on existing CSOs and the WWTP.

## **DEFICIENCIES/COMMENTS**

- The proposed funding scenario will need to be revised. It appears that the project will be eligible for the lesser of 50% of eligible project costs or \$1,500,000 of CWSRF Principal Forgiveness instead of the proposed \$2,000,000. However, the project appears to be eligible for the lesser of 50% of eligible green costs or \$500,000 of CWSRF Green Project Reserve funds, which is not included in the proposed scenario. More information will be necessary in the facilities plan to determine the project's GPR eligibility and funding amount.
- The application listed the MHI for Cabell County (\$41,472) instead of the City of Huntington is more appropriate (\$33,012). This memo reflects the MHI for the City.
- Discrepancies exist between the PER and the IJDC Application with respect to the design fee. This memo reflects the costs listed in the Application.
- It was unclear during the review whether the ARPA funds from the City have been committed.
- A public meeting must be held to discuss the project, costs, and associated customer rates.
- The Applicant will need to file an application for the WDA Economic Enhancement Grant following this submittal.
- The PER will need to be developed into the facilities plan that meets CWSRF requirements.

Engineering Fees:

Estimated construction cost =	\$ 8,430,000.00
Consultant's design fee =	\$ 395,000.00
Consultant's total fee =	\$ 820,000.00
Design fee percentage =	4.7 %
Design fee per ASCE curve =	6.5 %
Total fee percentage =	9.7 %
Total fee per ASCE curve =	17.0 %

Preliminary Project Ratings:

Public Health Benefits	10
Compliance with Standards	15

# Public Service Commission of West Virginia

201 Brooks Street, P.O. Box 812  
Charleston, West Virginia 25323

Phone: (304) 340-0300  
Fax: (304) 340-0325



October 18, 2022

Ms. Kathy Emery, P. E.  
Office of Water Resources  
Department of Environmental Protection  
601 57<sup>th</sup> St.  
Charleston, West Virginia 25304

Re: Public Service Commission Staff Review Comments  
Application No. 2022S-2244  
Huntington Sanitary Board  
Infrastructure Preliminary Application

Dear Ms. Emery:

As requested, the Technical Staff of the Public Service Commission of West Virginia has completed its review of the above-referenced Infrastructure application. In light of the District's current financial condition, we are recommending the application be:

- forwarded to the Funding Committee
- forwarded to the Consolidation Committee
- return to the Applicant

Please advise if you have any questions.

Sincerely,

A handwritten signature in red ink, appearing to read "Jonathan M. Fowler", is written over a horizontal line.

Jonathan M. Fowler, P.E.  
Engineering Division

JMF:vb

**PUBLIC SERVICE COMMISSION STAFF  
TECHNICAL REVIEW**

**DATE:** October 17, 2022

**PROJECT SPONSOR:** HUNTINGTON SANITARY BOARD

**PROJECT SUMMARY:** The 3rd Ave and 5th Ave Sanitary / Storm Sewer Separation Project will remove storm water from the 5th Ave & 24th St and the 3rd Ave & 25th St Intersections that consistently flood during even moderate rain events and separate the sanitary and storm water in these areas.

<b>PROPOSED FUNDING:</b> WDA Economic Enhancement Grant	\$ 1,000,000
Local/City/Council Grant	5,500,000
CWSRF Sewer Overflow Grant	500,000
CWSRF Principal Forgiveness	2,000,000
IJDC District 3 Grant	<u>1,000,000</u>
Total	\$ 10,000,000

<b>CURRENT RATES:</b>	\$28.29	3,400 gallons
	\$31.50	4,000 gallons

<b>PROPOSED RATES:</b>	\$40.35	3,400 gallons
	\$45.00	4,000 gallons

Application No. 2022S-2244

**RECOMMENDATION:**  X  forward to the Funding Committee.  
     forward to the Consolidation Committee.  
     return to the Applicant.

**FINANCIAL:** William Nelson

1. Current rates (\$28.29 for 3,400 gallons) are below the rates attributable to 1.25% (\$34.39), 1.5% (\$41.27), 1.75% (\$48.14), and 2.0% (\$55.02) of the Median Household Income (MHI). Increasing current rates to 1.25%, 1.5%, 1.75%, and 2.0% of the MHI would provide additional revenues of \$4,541,652, \$9,664,278, \$14,786,905, and \$19,909,531 respectively.

2. Using Scenario 1, the preferred funding package consisting of a WDA Economic Enhancement Grant of \$1,000,000, a Local/City/Council Grant of \$5,500,000, a CWSRF Sewer Overflow Grant of \$500,000, a CWSRF Principal Forgiveness of \$2,000,000, and an IJDC District 3 Grant of \$1,000,000, proposed rates (\$40.35 for 3,400 gallons) will provide a cash flow surplus of \$2,868,330 and debt service coverage of 459.18%.
3. Using the Scenario 2 alternate loan package of \$10,000,000 (in uncommitted funds) at 5% for 40 years (paid back over 38 years), proposed rates (\$41.50 for 3,400 gallons) will provide a cash flow surplus of \$2,768,247 and debt service coverage of 351.99%.

#### 4. NOTES TO COMMENTS

- A. It should be noted that the project sponsor is pursuing five separate projects (2022S-2244, 2022S-2245, 2022S-2246, 2022S-2247, and 2022S-2248). This project is referred to as 3<sup>rd</sup> & 5<sup>th</sup> Ave. Sanitary/Storm Separation. NOTE: The City is proposing an increase in rates (\$40.35 for 3,400 gallons) for this particular project. The review of this project includes adjustments associated with 3<sup>rd</sup> & 5<sup>th</sup> Ave. Sanitary/Storm Separation.
- B. Staff's detailed adjustments are listed on Attachment A for Scenario 1 (Preferred Funding Package) and Attachment B for Scenario 2 (Loan Package).
- C. Staff prepared the attached Cash Flow Analysis utilizing information from the applicant's Rule 42 Exhibit submitted with the application.
- D. Staff used the MHI for the City of Huntington of \$33,012 from the 2020 U.S. Census versus the MHI of \$41,472 that was listed in the application.
- E. Senate Bill 234, effective June 12, 2015, required water and sewer utilities that are political subdivisions of the state to maintain a cash working capital reserve in an amount of no less than one-eighth (1/8) of actual annual operation and maintenance expenses. It should be noted that the cash flows provided by the project sponsor include funding for the 1/8 cash working capital reserve. Staff accepted that amount in its analyses. However, this amount may be reviewed by the Commission in future filings in accordance with Public Service Commission General Order 183.11.

F. The City of Huntington should carefully evaluate its revenue requirements before passing a rate ordinance in order to ensure that rates are sufficient to provide a reasonable surplus and meet coverage requirements. Staff notes that the City is a political subdivision of the state and it has at least 4,500 customers and annual gross revenues of \$3 million or more. Therefore, in accordance with Senate Bill 234, effective June 12, 2015, the Commission has no jurisdiction regarding the City's rates pursuant to WV Code 24-2-4b. However, the Commission does have jurisdiction pursuant to WV Code 24-2-1 (b)(6) for the investigation and resolution of disputes involving political subdivisions of the state regarding inter-utility agreements, rates, fees and charges, service areas and contested utility combinations.

**ENGINEERING:** James W. Ellars

1. This project will not require a Certificate of Convenience and Necessity from the PSC. (See financial comment "F", above.)
2. Scope: The Huntington Sanitary Board (Board) is proposing a series of five (5) major improvements projects for its current wastewater system in order to insure long term compliance with environmental regulations and to address operations and maintenance issues. Specifically, in this application the scope of work includes the following major items:
  - Installation of approx. 4,800 LF of gravity storm sewer pipe;
  - Installation of approx. 4,500 LF of forcemain;
  - Replacement or rehabilitation of 40 drop inlets;
  - Installation of 24 new drop inlets;
  - 2 new pump stations w/ 4 x 3,000 GPM pumps;
  - Installation of underground storage (ADS LandMax).

The total estimated construction cost is \$8,430,000 and total estimated project cost is \$10,000,000.

3. Customer Density/Cost per Customer: These values are not meaningful given the scope of work in this proposal is storm water separation from existing sanitary sewer facilities.

4. **Project Feasibility:** The project is technically feasible. The project will separate storm flows from sanitary flows in the affected area. The intersections of 3<sup>rd</sup> Ave./24<sup>th</sup> St. and 5<sup>th</sup> Ave./25<sup>th</sup> St. are susceptible to flooding during storm events, which creates significant traffic issues as these streets are main thoroughfares in the City.
5. **Project Alternatives:** The PER addresses two alternatives, the major difference being the selected alternative proposes to construct underground storage capacity for stormwater flows in order to mitigate peak demands as well as reduce pumping rates/sizes, force main sizes, and O/M costs.
6. **Consolidation:** The project, in and of itself, does not create consolidation opportunities. The Huntington WWTP is currently a regional bulk treatment provider which serves the City of Kenova, the City of Ceredo and the Northern Wayne PSD.
7. **Inconsistencies:** No significant inconsistencies are noted.
8. **Operation and Maintenance (O & M) Expenses:** The PER projects an estimated increase of \$109,800 per year which seems adequate for planning purposes.
9. **Opportunities for cost savings:** Looking at the entire series of five projects holistically as one undertaking indicates that certain soft-costs may present an opportunity for cost savings. For instance, the costs of engineering & technical services, project accounting, local counsel, bond counsel, PSC attorney services, project administration services and similar cost categories may possibly be procured at lower cost by procuring such services under master service agreements for all five projects. The utility should evaluate the potential for such savings as these projects move forward.

10. Engineering Agreement: The application includes information to determine compliance with West Virginia Code §§5G-1-1, et seq. Total technical services (engineering) costs for the project is equal to 9.73% of the construction cost of \$8,430,000 (including contingency).

<b><i>Preliminary Project Ranking</i></b>		
O & M Capabilities		
Performance Measures:	1	<i>Pt.</i>
Asset Management:	1	<i>Pt.</i>
Environmental Management:	1	<i>Pt.</i>
Readiness to Proceed:	0	<i>Pt.</i>
Cost Effectiveness:	1	<i>Pt.</i>
Compliance with PSC Orders:	0	<i>Pt.</i>

HUNTINGTON SANITARY BOARD  
 CASH FLOW ANALYSIS  
 YEAR ENDED: June 30, 2022  
 APPLICATION NO: 2022S-2244  
 October 17, 2022

**PREFERRED FUNDING PACKAGE  
 SCENARIO 1**

	Rule 42 Going Level Per Application Before Project	Rule 42 Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1	2	3	4
	\$	\$	\$	\$
<b>AVAILABLE CASH</b>				
Operating Revenues	14,773,535	19,898,951	(1,694,499) (1)	18,204,452
Other Operating Revenue	670,581	670,581	-	670,581
SB 234 Annual Working Cash Collections			1,694,499 (2)	1,694,499
Interest Income & Other Misc.	16,246	16,246	-	16,246
<b>Total Cash Available</b>	<b>15,460,362</b>	<b>20,585,778</b>	<b>-</b>	<b>20,585,778</b>
<b>OPERATING DEDUCTIONS</b>				
Operating Expenses	12,744,618	13,555,990	-	13,555,990
Taxes	491,840	516,432	-	516,432
<b>Total Cash Requirements Before Debt Service</b>	<b>13,236,458</b>	<b>14,072,422</b>	<b>-</b>	<b>14,072,422</b>
Cash Available for Debt Service (A)	2,223,904	6,513,356	-	6,513,356
<b>DEBT SERVICE REQUIREMENTS</b>				
Principal & Interest (B)	1,820,911	1,418,471	-	1,418,471
Other Debt	-	-	-	-
Reserve Account @ 10%		60,180	-	60,180
Renewal & Replacement Fund (2.5%)	386,509	514,644	(42,768) (3)	471,876
<b>Total Debt Service Requirement</b>	<b>2,207,420</b>	<b>1,993,295</b>	<b>(42,768)</b>	<b>1,950,527</b>
SB 234 Cash Working Capital	1,593,077	1,694,499	-	1,694,499
<b>Remaining Cash</b>	<b>(1,576,593)</b>	<b>2,825,562</b>	<b>42,768</b>	<b>2,868,330</b>
Percent Coverage (A) / (B)	122.13%	459.18%		459.18%
Average rate for 3,400 gallons	\$ 28.29	\$ 40.35	\$ -	\$ 40.35
Average rate for 4,000 gallons	\$ 31.50	\$ 45.00	\$ -	\$ 45.00

HUNTINGTON SANITARY BOARD  
 CASH FLOW ANALYSIS  
 YEAR ENDED: June 30, 2022  
 APPLICATION NO: 2022S-2244

Attachment A  
 PREFERRED FUNDING PACKAGE  
 SCENARIO 1

Staff Adjustments

<u>Adjustment Description</u>			\$	Increase <Decrease>
(1)	<b>Operating Revenues</b>	Per Staff Analysis	18,204,452	(1,694,499)
		Per Application with Project	19,898,951	
	Adjust revenues in accordance with PSC General Order 183.11.			
(2)	<b>SB 234 Annual Working Cash Collections</b>	Per Staff Analysis	1,694,499	1,694,499
		Per Application with Project	-	
	Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.			
(3)	<b>Renewal &amp; Replacement Fund (2.5%)</b>	Per Staff Analysis	471,876	(42,768)
		Per Application with Project	514,644	
	Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			

HUNTINGTON SANITARY BOARD  
 CASH FLOW ANALYSIS  
 YEAR ENDED: June 30, 2022  
 APPLICATION NO: 2022S-2244  
 October 17, 2022

**LOAN PACKAGE  
 SCENARIO 2**

	Rule 42 Going Level Per Application Before Project	Rule 42 Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1	2	3	4
	\$	\$	\$	\$
<b><u>AVAILABLE CASH</u></b>				
Operating Revenues	14,773,535	20,465,149	(1,694,499) (1)	18,770,650
Other Operating Revenue	670,581	670,581	-	670,581
SB 234 Annual Working Cash Collections			1,694,499 (2)	1,694,499
Interest Income & Other Misc.	16,246	16,246	-	16,246
<b>Total Cash Available</b>	<b>15,460,362</b>	<b>21,151,976</b>	<b>-</b>	<b>21,151,976</b>
<b><u>OPERATING DEDUCTIONS</u></b>				
Operating Expenses	12,744,618	13,555,990	-	13,555,990
Taxes	491,840	516,432	-	516,432
<b>Total Cash Requirements Before Debt Service</b>	<b>13,236,458</b>	<b>14,072,422</b>	<b>-</b>	<b>14,072,422</b>
<b>Cash Available for Debt Service (A)</b>	<b>2,223,904</b>	<b>7,079,554</b>	<b>-</b>	<b>7,079,554</b>
<b><u>DEBT SERVICE REQUIREMENTS</u></b>				
Principal & Interest (B)	1,820,911	1,997,107	14,206 (3)	2,011,313
Other Debt	-	-	-	-
Reserve Account @ 10%		118,044	1,420 (4)	119,464
Renewal & Replacement Fund (2.5%)	386,509	528,799	(42,768) (5)	486,031
<b>Total Debt Service Requirement</b>	<b>2,207,420</b>	<b>2,643,950</b>	<b>(27,141)</b>	<b>2,616,808</b>
<b>SB 234 Cash Working Capital</b>	<b>1,593,077</b>	<b>1,694,499</b>	<b>-</b>	<b>1,694,499</b>
<b>Remaining Cash</b>	<b>(1,576,593)</b>	<b>2,741,105</b>	<b>27,141</b>	<b>2,768,247</b>
<b>Percent Coverage (A) / (B)</b>	<b>122.13%</b>	<b>354.49%</b>		<b>351.99%</b>
Average rate for 3,400 gallons	\$ 28.29	\$ 41.50	\$ -	\$ 41.50
Average rate for 4,000 gallons	\$ 31.50	\$ 46.21	\$ -	\$ 46.21

Staff Adjustments

<u>Adjustment Description</u>		\$	Increase <Decrease>
(1) <b>Operating Revenues</b>	Per Staff Analysis	18,770,650	(1,694,499)
	Per Application with Project	20,465,149	
Adjust revenues in accordance with PSC General Order 183.11.			
(2) <b>SB 234 Annual Working Cash Collections</b>	Per Staff Analysis	1,694,499	1,694,499
	Per Application with Project	-	
Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.			
(3) <b>Principal &amp; Interest</b>	Per Staff Analysis	2,011,313	14,206
	Per Application with Project	1,997,107	
The difference in P&I is related to Staff's calculation of a Loan of \$10,000,000 for 40 years (paid back over 38 yrs.) at 5%.			
(4) <b>Reserve Account @ 10%</b>	Per Staff Analysis	119,464	1,420
	Per Application with Project	118,044	
Staff assumed a 10% reserve on the new debt.			
(5) <b>Renewal &amp; Replacement Fund (2.5%)</b>	Per Staff Analysis	486,031	(42,768)
	Per Application with Project	528,799	
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			