



DYNAMIC ENVIRONMENTAL MANAGEMENT LIMITED

139 Maxfield Avenue , Suites # 25, Kingston 10.

Phone: (876) 906-4172 - 3

Fax : (876) 754 - 7557

E-mail: deml@cwjamaica.com

February 3, 2012

Mr. Zia Mian
The Director General
Office of Utilities Regulation
3rd Floor, PCJ Resource Centre
36 Trafalgar Road
Kingston 10

Dear Mr. Mian:

Re: Determination Notice dated January 05, 2012

Submitted herewith is DEML's response to Determination Notice of January 6, 2012. As stated in our letter of January 06, 2012, we are dissatisfied with the rates determined by the Office of Utilities Regulation (OUR) as the rates granted would make the company unviable. We are also of the view that we were treated unfairly and due process was not extended to DEML. Prior to this rate review, DEML applied for rates on three occasions and was afforded dialogue in all instances before the rates were finalized; and in so doing, errors and verification of costs could be addressed before hand.

It should also be noted that the responses by DEML at the Public Consultation as stated in the determination notice are not documented accurately and in some instances was completely omitted. Residents were also allowed additional time to provide the OUR with their comments and concern, and additional information in writing. These were not communicated to DEML to afford us the opportunity to respond.

We would be grateful for your review of the document enclosed and for a meeting to discuss said matter.

Yours truly,

Lloyd Thomas
Director

DYNAMIC ENVIRONMENTAL MANAGEMENT LIMITED

DETERMINATION NOTICE APPEAL

February 3, 2012

SUBMITTED TO:

Office of Utilities Regulation
3rd Floor, PCJ Resource Centre
36 Trafalgar Road
Kingston 10

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DEML's APPEAL TO OUR'S DETERMINATION NOTICE DATED JANUARY 05, 2012

Introduction

DEML has reviewed the Determination Notice by the OUR in response to DEMML's application for a rate review and wish to outline our disagreement with the evaluation of the application as follows:

1. The OUR used a customer base of 2180 to determine the rates. The actual customers connected to the system were as follows: 1,754 at the end of 2009, 2,046 at the end of 2010 and 2,120 at the end of 2011. DEMML anticipates that the customer base of 2180 used by the OUR will be achieved beyond January 2013. The customer base used by the OUR for January 2012 is incorrect.
2. DEMML notes that the OUR used the expenditure in the 2009 Audited Statement and only made allowance for inflation to calculate the expenses used in determining the rate as at January 2012 with a potential customer base of 2180. The OUR made no provision for incremental increase in expenses based on the potential customer base of 2180. DEMML submitted actual bills for 2010 and 2011 as was requested by OUR. Some of these bills indicates that the actual expenses are higher than the 2012 projections made by OUR.
3. Regulatory fee for OUR has increased by seventy seven percent (77%) from \$750,000 per annum to \$1.33M per annum.

DEML is requesting the OUR to review the projected expenses and the customer base used to calculate the rates.

The OUR's Evaluation of DEML's Application

DEML accepts the methodology used by the OUR to determine the rate. DEML also accepts the opinion of the OUR that the deemed operating cost should reflect the known and measurable cost of providing acceptable quality of service to existing and potential customers. The OUR also stated that the results of the test year will be adjusted to reflect changes in operational conditions which are known and measurable with reasonably accuracy at the time of filing which DEML accepts.

DEML has highlighted discrepancies in the application of methodology, in several cases the OUR failed to account for the expenses for potential customers. The following highlights some of the discrepancies.

Operating Expenses

The operating expenses incurred by DEML increased between 2006 and 2009 due to an increase in the customer base. In December 2006, DEML had a customer base of 282 which consisted of only Vineyards Phase 2. It was increased to 550 in 2007 as residents of Caribbean Estate were connected. In 2008, the customer base was further increased to 1325 as additional customers from Caribbean Estate (Block A – D), Morris Meadows and Vineyards Phase 1 were added to the system in February and August respectively. The customer base further grew to 1754 by 2009 and to 2046 in 2010 as houses were handed over at Portmore Country Club (January 2009) and Caribbean Estate (February 2009 & July 2010).

1. Administration Cost

Given that the office has disallowed management fee, the directors oversees the daily operations of the company and meets at board level fortnightly. DEML proposes the amount of \$10,000 per meeting per Director (\$2,080,000 per annum).

2. Cost of Sales

2.1. Electricity

The cost for electricity proposed by DEML was based on the average cost of consumption from October 2009 - December 2010 for Morris Meadows, Vineyards and Portmore Country

Club. Caribbean Estate was based on an average consumption for October 2010 – January 2011 as Block H which accounts for twenty one percent (21%) of Caribbean Estate was just being handed over. Six percent (6%) was added to the average consumption cost for the Caribbean Estate figure to account for the total 209 customers that would be added to the customer base. Average consumption was also inflated by five percent (5%) to account for further increase in electricity cost. Based on the periods mentioned above, the monthly average for electricity is approximately \$1.1M (see Table 1). See appendix 1 for a table of the monthly JPS bills as well as communication between the OUR and DEML regarding same.

DEML is not sure how the projected monthly average of \$864,864.00 stated in the determination notice was developed. Please note that for every month since November 2009, DEML’s monthly electricity bill has been higher than the OUR’s projection for the period 2012 - 2014.

Table 1: JPS Average Charge

Scheme	Actual Charges	Inflated by 5%
Portmore Country Club (Oct 2009-Sept 2010)	\$ 1,345,364.91	\$ 1,412,633.16
Morris Meadows (Oct 2009- Sept 2010)	\$ 1,967,540.20	\$ 2,065,917.21
Vineyards Estate (Oct 2009- Sept 2010)	\$ 4,315,388.24	\$ 4,531,157.65
Caribbean Estates (Oct 2010- Jan 2011)	\$ 5,016,438.12	\$ 5,267,260.03
Total	\$ 12,644,731.47	\$ 13,276,968.04
Monthly Average	\$ 1,053,727.62	\$ 1,106,414.00

2.2. Water

DEML had proposed \$10.77M for the purchase of water from NIC and NF. Barnes. A provision of 5% was made in the Determination notice to account for the cost of water loss during repairs to the networks and other unavoidable losses as this was not in the proposed figures. Therefore, with this provision, the proposed figure would be increased from \$10.77M to \$11.31M. However, only \$10.71M was allowed. If the average rate of water

purchased is used as calculated by the OUR, the cost for water purchase would be \$12.3M (See Table 2). Therefore, please clarify why the figure for water purchased was reduced.

Table 2: Cost Of Water Purchased Based On OUR's Average

Water Source	Avg. water purchases	Rate	Cost	5% provision
NIC (Jan - March 2012)	21,893.30	\$ 31.50	\$ 2,068,916.85	\$ 2,172,362.69
NIC (April 2012 - Dec 2012)	21,893.30	\$ 39.38	\$ 7,758,438.19	\$ 8,146,360.10
N.F. Barnes	10,021.75	\$ 15.75	\$ 1,894,110.75	\$ 1,988,816.29
			\$ 11,721,465.79	\$ 12,307,539.08

Please note that NIC has an OUR guaranteed rate increase of 25% effective April 1, 2012

2.3. Goods & Services

OUR indicated that only 10 meters was purchased as per invoice submitted. The invoice submitted to the OUR was to verify the cost used in the calculation of the meters required for un-contracted/unmetered premises (as requested by the regulatory analysis on October 07, 2011) and for replacement meter and not for the total amount purchased. Appendix 2 shows the invoices for 345 meters purchased in 2010 and 121 meters purchased in 2011.

The proposed cost for goods and services included new and replacement meter cost. All Estates had a replacement cost of 5% of the customer base. The proposed cost for Caribbean Estates also included the cost to purchase an additional fifty three meters (53) which represented un-contracted customers for Block H as these premises were being handed over at the time of the proposal preparation.

OUR has reduced this category by \$551,692 as shown in Table 3 below. Appendix 3 as well as the attached invoices substantiates our position that this amount should be allowed in this category.

Table 3: Difference Between Proposed & Allowed Cost of Sales

Cost of Sales							
	<i>Vineyards Estate</i>	<i>Caribbean Estate</i>	<i>Morris Meadows</i>	<i>Portmore Country Club</i>	<i>Total Proposed</i>	<i>Total Allowed</i>	<i>Difference</i>
Prod. Wages	\$ 2,881,850	\$ 4,544,790	\$ 2,491,929	\$ 2,094,782	\$ 12,013,350	\$ 12,013,350	\$ -
Goods and services	\$ 123,300	\$ 612,000	\$ 123,900	\$ 81,300	\$ 940,500	\$ 388,808	\$ 551,692
Utility and services	\$ 4,531,158	\$ 5,267,260	\$ 2,065,917	\$ 1,412,633	\$ 13,276,968	\$ 10,380,000	\$ 2,896,968
Water Purchase	\$ -	\$ 8,208,249	\$ 2,560,783	\$ -	\$ 10,769,032	\$ 10,710,000	\$ 59,032
Chlorine	\$ 62,857	\$ 140,340	\$ 52,323	\$ 52,323	\$ 307,842	\$ 307,842	\$ -
Total	\$ 7,599,164	\$ 18,772,639	\$ 7,294,852	\$ 3,641,037	\$ 37,307,692	\$ 33,800,000	\$ 3,507,692

3. Banking & Other

The total proposed banking and other charges includes bank charges, finance charges, audit & legal Fees and insurance and totaled approximately \$2.9 million, as shown in the table below.

Table 4: Proposed Banking & Other

Banking & Other							
	<i>Vineyards Estate</i>	<i>Caribbean Estate</i>	<i>Morris Meadows</i>	<i>Portmore Country Club</i>	<i>Total</i>	<i>Allowed</i>	<i>Difference</i>
Bank Charges	\$ 245,681	\$ 861,412	\$ 256,202	\$ 228,146	\$ 1,591,442	\$ 87,541	\$ 1,503,900
Audit & legal	\$ 42,800	\$ 74,000	\$ 46,400	\$ 36,800	\$ 200,000	\$ 200,000	\$ -
Finance Charge	\$ 63,377	\$ 150,104	\$ 73,384	\$ 46,699	\$ 333,564	\$ 72,657	\$ 260,907
Insurance	\$ 170,496	\$ 268,314	\$ 170,496	\$ 170,496	\$ 779,802	\$ 779,802	\$ -
Total	\$ 522,354	\$ 1,353,830	\$ 546,482	\$ 482,141	\$ 2,904,807	\$ 1,140,000	\$ 1,764,807

3.1. Finance Charges

Finance Charges accounts for overdraft and loan interest. See appendix 4 for actual cost incurred September 2009, September 2010 & September 2011. This overdraft facility was extended to DEML in December 2008 and is being used to finance the drastic increase in operations cost, such as water purchased from NIC and electricity etc...

3.2. *Bank Charges*

Bank Charges includes charges occurring from the use of online payments, bill payment agencies, direct deposits from customers, debit & credit cards and other day to day banking transactions charges.

The online banking and debit card facilities were introduced in late 2009; very little customers were utilizing this method of payment then. As the years progressed, more and more customers started to utilize this method of payment. In addition to the increased use of these methods of payment, the customer base also increased. Table 5 below illustrates the increase in customer usage for September 2009, 2010 and 2011.

The proposed figures used in DEML's tariff application are actual charges incurred by the company in September 2010 (appendix 4) which is approximately one year after the implementation of the online banking, bill payment agencies and debit card facilities. A provision was also made for an increase in the usage, the introduction of credit cards and other bill payment agencies such as Bill Express & Paymaster.

The charge for credit card is 5% of the amount paid and the charge for the use of the bill payment agencies is approximately \$141 for cash payment (see appendix 5). DEML had estimated that approximately 1/3 of the customer base will be utilizing the service.

Therefore the 2009 Audited Statement would not reflect the charges associated with the different variables stated above.

Table 5: Method of Payment Options & Fees

	BNS Online		NCB Online		Jamaica National		Debit Card		Total	
	# of Cust.	Charge	# of Cust.	Charge	# of Cust.	Charge	# of Cust.	Charge	# of Cust.	Charge
Sept '09	6	89.10	2	23.50	0	-	58	681.50	66	794.10
Sept '10	249	3,697.65	120	1,410.00	55	3,231.25	129	1,515.75	553	9,854.65
Sept '11	320	4,752.00	201	2,361.75	179	10,516.25	184	2,162.00	884	19,792.00

4. Operations & Maintenance

The proposal for Operations & Maintenance submitted included costs associated with supplies, security, repairs and maintenance, vehicle & travel, licences, permit & leases and quality testing expenses.

4.1. Supplies Expense

The Office has adjusted downwards supplies expenses. Supplies expense includes cleaning supplies, purchase of material, printing & stationery and postage.

- The cost of cleaning supplies includes the cost for bleach, disinfectant, all-purpose soap, garbage bags, gloves etc that is used by the sewage plant attendants, plumbers and the labourer.
- Materials purchased includes the consumables (eg. pipe cutters), cost for materials used to repair leaks and to connect meters etc.
- Stationery includes envelopes, paper and ink for the bills and receipt books/paper
- Postage is for stamps for the mailing of bills.

4.2. Repairs & Maintenance

Repairs & Maintenance includes the following:

- Sewage removal
- Equipment maintenance – scheduled maintenance
- Sewage Pond Maintenance – Bushing, removal of weeds etc
- Equipment rental - repairing of major leaks and for the removal of silt from the reed beds.
- Routine repairs – repairs to motors, purchase of bolts, switches etc.
- Fuel - for the generators, mowers and pumps.

All the cost proposed are based on actual cost incurred for the period October 2009 – September 2010 and can be verified by 2010 Draft Audited Statement in Appendix 3. Table 6 outlines the cost proposal related to operations and maintenance.

Table 6: Proposed Operations & Maintenance

	Supplies	Security	Repairs & maintenance	Vehicles & Travel	Licenses, Permits & leases	Quality Testing Expenses	Total
Morris Meadows	114,184.65	56,854.31	1,318,349.10	383,946.36	385,088.80	343,032.00	2,601,455.22
Caribbean Estate	341,272.67	112,591.89	2,175,074.10	785,344.83	401,318.00	284,979.79	4,100,581.28
Portmore Country Club	111,180.42	34,847.65	1,358,380.70	244,329.50	210,965.60	129,812.21	2,089,516.08
Vineyards Estate	227,487.48	9,722.67	668,042.84	331,590.04	366,667.60	343,032.00	1,946,542.63
Total	794,125.22	214,016.52	5,519,846.74	1,745,210.73	1,364,040.00	1,100,856.00	10,738,095.21

DEML notes the comments of the Office and has therefore made adjustments to include the changes in regulatory fee and the inclusion of the sewerage ponds retiling and relining at Caribbean Estate and the Vineyards respectively as shown in Table 7. The adjusted figure therefore for Operations & Maintenance is \$15.698M.

Table 7: Adjusted Proposed Operations & Maintenance

	Supplies	Security	Repairs & maintenance	Vehicles & Travel	Licenses, Permits	Quality Testing Expenses	Retiling & Relining	Total
Morris Meadows	114,184.65	56,854.31	1,318,349.10	383,946.36	467,588.80	343,032.00		2,683,955.22
Caribbean Estate	341,272.67	112,591.89	2,175,074.10	785,344.83	608,818.00	284,979.79	1,572,000.00	5,880,081.28
Portmore Country Club	111,180.42	34,847.65	1,358,380.70	244,329.50	418,465.60	129,812.21	428,000.00	2,725,016.08
Vineyards Estate	227,487.48	9,722.67	668,042.84	331,590.04	449,167.60	343,032.00	2,380,165.00	4,409,207.63
Total	794,125.22	214,016.52	5,519,846.74	1,745,210.73	1,944,040.00	1,100,856.00	4,380,165.00	15,698,260.21

5. Property & Utilities

Property & Utility proposed was \$3.02M and was adjusted to \$2.13M. The cost for repairs & maintenance was excluded and rental cost was adjusted downwards.

The cost proposed for repairs and maintenance in this category is for the offices and includes the repairs and servicing of air conditioning units, computers, printers and door buzzers etc. This is totally different from the repairs and maintenance listed in operations & maintenance category.

The rental cost was adjusted downwards to \$840,857.00. The OUR stated that the amount allowed for rent was based on the 2010 expenses (appendix 8). However, the 2010 figures is

not a true reflection of the rental expenses incurred by DEML. In September 2010 DEML rented additional space to accommodate additional staff. The rent charges proposed is based on the rent for the larger office of \$53,017.66 for Head Office and \$30,000.00 for the Portmore Office. The rent of \$17,000 for the Vineyards office was also included at the time of the proposal as we were still contemplating re-opening an office. The increased rental figures for 2011 of \$59,644.87 for Head Office and \$39,375.00 for Portmore Office were also submitted to the OUR.

6. Sales & Marketing

The cost of \$1.12M proposed for Sales & Marketing relates to website development, printing of business cards and flyers/pamphlets etc.

7. Office Determined Operating Cost

It should be noted that total operating cost stated in the determination notice and used in the calculation of the revenue requirement is \$60.59M instead of \$60.86M. Table 8 below is an extract from the determination notice which show the costs that were allowed by the OUR.

Also, the OUR granted a service charge of \$478.62 and made a provision of \$12.21M per annum which indicates a customer base of 2,126. The OUR further in determining the rate used a customer base of 2,180. Our actual customer base as at December 2011 was 2,120. This clearly shows a disparity with the customer base and the revenue requirement used by the OUR in the determination.

We request clarification of this situation by the OUR.

Table 8: Office Determined Operating Cost

Cost	Morris Meadows		Caribbean Estate		Portmore Country Club		Vineyards Estate		Total	
	DEML Prop.	OUR	DEML Prop.	OUR	DEML Prop.	OUR	DEML Prop.	OUR	DEML Prop.	OUR
Wages & Other	\$ 3,953,322	\$ 2,753,322	\$ 7,411,911	\$ 5,611,911	\$ 2,726,675	\$ 1,826,675	\$ 3,755,551	\$ 2,555,551	\$ 17,847,459	\$ 12,747,459
Banking & Other	\$ 546,482	\$ 251,978	\$ 1,353,829	\$ 414,218	\$ 482,141	\$ 227,366	\$ 522,354	\$ 244,270	\$ 2,904,806	\$ 1,137,832
Operations	\$ 2,601,455	\$ 1,085,494	\$ 4,100,581	\$ 3,450,514	\$ 2,089,516	\$ 1,120,879	\$ 1,946,542	\$ 3,549,137	\$ 10,738,094	\$ 9,206,023
Property & Utility	\$ 641,719	\$ 517,346	\$ 1,294,084	\$ 762,363	\$ 401,698	\$ 381,811	\$ 686,998	\$ 468,757	\$ 3,024,499	\$ 2,130,277
Sales & Marketing	\$ 362,000	\$ 19,387	\$ 312,240	\$ 19,388	\$ 86,760	\$ 19,388	\$ 359,000	\$ 38,388	\$ 1,120,000	\$ 96,550
Cost of Sales	\$ 7,294,852	\$ 6,497,655	\$ 18,772,638	\$ 18,839,944	\$ 3,641,037	\$ 3,056,301	\$ 7,599,164	\$ 7,150,880	\$ 37,307,691	\$ 35,544,780
Total	\$ 15,399,830	\$ 11,125,182	\$ 33,245,283	\$ 29,098,337	\$ 9,427,827	\$ 6,632,419	\$ 14,869,609	\$ 14,006,982	\$ 72,942,549	\$ 60,862,921

- Depreciation is not included in any of the above cost

Revenue Requirement

Table 9 below outlines DEML's proposed costs after making adjustments as stated above.

Table 9: DEML's Proposal

	Morris Meadows	Caribbean Estate	Portmore Country Club	Vineyards Estate	Total
Wages & Other	3,210,922	6,547,911	2,117,875	2,846,751	14,723,459
Banking & Other	546,482	1,353,829	482,141	522,354	2,904,806
Operations	2,683,955	5,880,081	2,725,016	4,409,208	15,698,260
Property & Utility	641,719	1,294,084	401,698	686,998	3,024,499
Sales & Marketing	362,000	312,240	86,760	359,000	1,120,000
Cost of Sales	7,422,892	19,183,051	3,641,037	7,599,164	37,846,144
Depreciation	128,005	832,649	83,973	152,616	1,197,243
Total	14,995,975	35,403,845	9,538,500	16,576,091	76,514,411

Table 10: Revenue Requirement

Category	Amount
Total Operating Cost	\$ 75.32
Property Taxes	\$ 1.12
Pre-tax Return on investment	\$ 2.24
Depreciation	\$ 1.20
Total	\$ 79.88

Estimated revenue to be collected from service charge based on a customer base of 2102 is \$12.07M. Therefore net revenue requirement is \$79.88M.

Rate Structure

DEML had proposed a two-tiered rate structure consisting of a fixed charge and a single volumetric rate. A sewerage rate of 100% of water charges was also proposed.

Water Rates

Table 11: Calculation of Rate

Details	Annual Costs	Monthly Cost
Revenue Requirement	\$ 79,875,661.16	
Less service charge revenue	\$ 12,072,710.88	
Net revenue requirement	\$ 67,802,950.28	\$ 5,650,245.86
Total no. of lots		2,102
Cost per lots (R/S)		\$ 2,688.03
Split 50/50 for water & sewer		\$ 1,344.02
Average monthly usage	15,000	
Cost per 1000 litres		\$ 89.60

DEML accepts the following as was allowed by the OUR:

- Sewerage Rates - 100% of water charges.
- Service Charge of \$478.62.
- Price Adjustment Mechanism (PAM) to be applied to all housing developments.
- Connection Fee of \$2,000.00
- Reconnection Fee of \$2,954.00

DEML also accepts the fact that the K-Factor was disallowed by the OUR.

Impact Analysis

At the end of 2011, 2120 customers were being billed by DEML broken down as follows:

Scheme	No. of Customers
Caribbean Estate	977
Portmore Country Club	267
Morris Meadows	456
Vineyards Estate	420
Total	2,120

It should be noted that the average consumption of DEML's customers is 15,000 litres and not 16,000 litres as indicated by the OUR (see appendix 6).

Table 12 below shows the impact of the new rates on current total customers. At the existing rate, DEML's total monthly revenue based on the existing average consumption is \$5.434M while total monthly revenue at the new rate is estimated at \$5.015M. This represents a reduction of approximately \$418, 696.87 or seven percent (-7.70%) per month.

PAM

Based on the Determination Notice, the projected figure for the calculation of PAM was 10%. As at January 2012, the current figure based on the new base rate is 0.698%. Kindly explain the rationale for a PAM of 10% for the next two years.

The PAM of 32.457% & 0.698% used in the calculation below is based on actual calculations for January 2012 at the old and new base rate respectively (appendix 7).

Table 12: Impact Analysis based on 15,000 litres with sewerage

Caribbean Estate & Portmore Country Club			
<i>Average Consumption</i>	15000	litres	
<i>No. of Customers</i>	1244		
	Current bill	New bill	Change
Rate	\$ 71.10	\$ 62.47	
Water Charges	\$ 1,326,726.00	\$ 1,165,690.20	
Sewerage Charge	\$ 1,326,726.00	\$ 1,165,690.20	
Service Charge	\$ 373,200.00	\$ 595,403.28	
PAM (.698%)	\$ -	\$ 16,273.04	
Total Bill	\$ 3,026,652.00	\$ 2,943,056.72	-2.76%
Morris Meadows			
<i>Average Consumption</i>	15000	litres	
<i>No. of Customers</i>	456		
	Current bill	New bill	Change
Rate	\$ 83.78	\$ 62.47	
Water Charges	\$ 573,055.20	\$ 427,294.80	
Sewerage Charge	\$ 573,055.20	\$ 427,294.80	
Service Charge	\$ 136,800.00	\$ 218,250.72	
PAM(32.457%) & (.698%)	\$ 371,993.05	\$ 5,965.04	
Total Bill	\$ 1,654,903.45	\$ 1,078,805.36	-34.81%
Vineyards Estate			
<i>Average Consumption</i>	15000	litres	
<i>No. of Customers</i>	420		
	Current bill	New bill	Change
Rate	\$ 51.40	\$ 62.47	
Water Charges	\$ 323,820.00	\$ 393,561.00	
Sewerage Charge	\$ 323,820.00	\$ 393,561.00	
Service Charge	\$ 105,000.00	\$ 201,020.40	
PAM (.698%)	\$ -	\$ 5,494.11	
Total Bill	\$ 752,640.00	\$ 993,636.51	32.02%
Net Effect	\$ 5,434,195.45	\$ 5,015,498.58	-7.70%

Table 13: Impact Analysis based on 15,000 litres without sewerage

Caribbean Estate & Portmore Country Club			
<i>Average Consumption</i>	15000	litres	
<i>No. of Customers</i>	1244		
	Current bill	New bill	Change
Rate	\$ 71.10	\$ 62.47	
Water Charges	\$ 1,326,726.00	\$ 1,165,690.20	
Sewerage Charge	\$ -	\$ -	
Service Charge	\$ 373,200.00	\$ 595,403.28	
PAM (.698%)	\$ -	\$ 8,136.52	
Total Bill	\$ 1,699,926.00	\$ 1,769,230.00	4.08%
Morris Meadows			
<i>Average Consumption</i>	15000	litres	
<i>No. of Customers</i>	456		
	Current bill	New bill	Change
Rate	\$ 83.78	\$ 62.47	
Water Charges	\$ 573,055.20	\$ 427,294.80	
Sewerage Charge	\$ -	\$ -	
Service Charge	\$ 136,800.00	\$ 218,250.72	
PAM(32.457%) & (.698%)	\$ 185,996.53	\$ 2,982.52	
Total Bill	\$ 895,851.73	\$ 648,528.04	-27.61%
Vineyards Estate			
<i>Average Consumption</i>	15000	litres	
<i>No. of Customers</i>	420		
	Current bill	New bill	Change
Rate	\$ 51.40	\$ 62.47	
Water Charges	\$ 323,820.00	\$ 393,561.00	
Sewerage Charge	\$ -	\$ -	
Service Charge	\$ 105,000.00	\$ 201,020.40	
PAM (.698%)	\$ -	\$ 2,747.06	
Total Bill	\$ 428,820.00	\$ 597,328.46	39.30%
Net Effect	\$ 3,024,597.73	\$ 3,015,086.49	-0.31%