

IWO 95224 PROJECT : Raintree		PER I.W.O.	REVENUE REQUIRED	YR.1	YR.2	YR.3	YR.4	YR.5	YR.6	YR.7	YR.8	YR.9	YR.10	TOTAL FROM DEVELOPER
1. INVESTMENT														
1a. MAINS		\$1,140,325	\$1,140,325	\$1,140,325	\$1,140,325	\$1,140,325	\$1,140,325	\$1,140,325	\$1,140,325	\$1,140,325	\$1,140,325	\$1,140,325	\$1,140,325	\$478,989
1b. SERVICES		\$289,000	\$289,000	\$289,000	\$289,000	\$289,000	\$289,000	\$289,000	\$289,000	\$289,000	\$289,000	\$289,000	\$289,000	\$121,393
1c. FIRE SERVICES		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1d. METERS @	\$57.00 EACH	\$62,814	\$62,814	\$47,310	\$51,186	\$55,062	\$58,938	\$62,814	\$62,814	\$62,814	\$62,814	\$62,814	\$62,814	N/A
1e. BACKBONE PLANT INVESTMENT		\$110,200	\$110,200	\$110,200	\$110,200	\$110,200	\$110,200	\$110,200	\$110,200	\$110,200	\$110,200	\$110,200	\$110,200	-----
1f. LESS DEVELOPER CONTRIBUTION		(\$600,382)	(\$600,382)	(\$600,382)	(\$600,382)	(\$600,382)	(\$600,382)	(\$600,382)	(\$600,382)	(\$600,382)	(\$600,382)	(\$600,382)	(\$600,382)	\$600,382
1g. TOTAL INVESTMENT		\$1,001,957	\$1,001,957	\$986,453	\$990,329	\$994,205	\$998,081	\$1,001,957	\$1,001,957	\$1,001,957	\$1,001,957	\$1,001,957	\$1,001,957	
1h. NET INVESTMENT AFTER DEPRECIATION		\$1,001,957	\$1,001,957	\$965,098	\$947,474	\$929,753	\$911,935	\$894,020	\$872,278	\$850,536	\$828,794	\$807,052	\$785,310	
2. REVENUE REQUIREMENT			\$219,500											0.00%
2a. NUMBER OF CUSTOMERS CONNECTED		1102		830	898	966	1034	1102	1102	1102	1102	1102	1102	
2b. REVENUE PER CUSTOMER	\$264													
2c. REVENUE FROM CUSTOMERS		\$290,928		\$219,120	\$228,096	\$246,048	\$264,000	\$281,952	\$290,928	\$290,928	\$290,928	\$290,928	\$290,928	
3. ADDITIONAL REVENUE REQUIRED FROM DEVELOPER									\$0	\$0	\$0	\$0	\$0	\$0
4. TOTAL REVENUE RECEIVED		\$290,928	\$219,500	\$219,120	\$228,096	\$246,048	\$264,000	\$281,952	\$290,928	\$290,928	\$290,928	\$290,928	\$290,928	
5. INCREASE IN EXPENSES :														
5a. OPERATING EXPENSES		\$74,136	\$74,136	\$57,692	\$59,763	\$63,874	\$67,985	\$72,096	\$74,136	\$74,136	\$74,136	\$74,136	\$74,136	
5b. DEPRECIATION		\$21,742	\$21,742	\$21,355	\$21,500	\$21,597	\$21,694	\$21,791	\$21,742	\$21,742	\$21,742	\$21,742	\$21,742	
6. TOTAL INCREASE IN EXPENSES		\$95,878	\$95,878	\$79,047	\$81,263	\$85,471	\$89,679	\$93,887	\$95,878	\$95,878	\$95,878	\$95,878	\$95,878	
7. INCOME BEFORE INCOME TAXES		\$195,050	\$123,622	\$140,073	\$146,833	\$160,577	\$174,321	\$188,065	\$195,050	\$195,050	\$195,050	\$195,050	\$195,050	
8. DEBT	52.00%	\$521,018	\$521,018	\$501,851	\$492,686	\$483,472	\$474,206	\$464,890	\$453,585	\$442,279	\$430,973	\$419,667	\$408,361	
9. INTEREST ON DEBT	8.87%	\$46,214	\$46,214	\$44,514	\$43,701	\$42,884	\$42,062	\$41,236	\$40,233	\$39,230	\$38,227	\$37,224	\$36,222	
10.TAXABLE INCOME		\$148,836	\$77,408	\$95,559	\$103,132	\$117,693	\$132,259	\$146,829	\$154,817	\$155,820	\$156,823	\$157,826	\$158,828	
11.INCOME TAX	36.64%	\$54,534	\$28,362	\$35,013	\$37,788	\$43,123	\$48,460	\$53,798	\$56,725	\$57,092	\$57,460	\$57,827	\$58,195	
12.INCOME AVAILABLE FOR RETURN		\$140,516	\$95,260	\$105,060	\$109,045	\$117,454	\$125,861	\$134,267	\$138,325	\$137,958	\$137,590	\$137,223	\$136,855	
13.RETURN		14.02%	9.51%	10.89%	11.51%	12.63%	13.80%	15.02%	15.86%	16.22%	16.60%	17.00%	17.43%	

Exhibit 7  
W. Linam, Company

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