

# Components of AMS Surcharge



Capital costs included in surcharge	<u>Total</u>	<u>Avg. Per Meter</u>
Meters (installed)	\$505m	\$148.62
Future removal	\$ 26m	7.65
Communication systems	\$ 90m	26.49
IT systems	\$ 59m	17.36
Web portal	\$ 5m	1.47
Mobile Experience Center	<u>\$ 1m</u>	<u>0.29</u>
Total capital costs	\$686 million	\$201.88

<u>O&amp;M costs included in surcharge</u>		<u>Other Costs</u>	
O&M costs of new system	\$129m	Depr/Amort	\$704.5m
Low income in-home monitors	\$10m	Interest Exp	\$110.2m
Customer education	\$14m	Return on Equity	\$111.6m
Meter reading savings	<u>(\$176m)</u>	Net Taxes	<u>\$80.0m</u>
Total O&M costs (savings)	(\$23m)	Total other costs:	\$1,006.3m

Total Revenue Requirement = O&M Costs:	(\$23m)
Other Costs:	+ \$1,006.3m
Carrying costs for levelized recovery:	<u>+ \$51m</u>
	\$1,034.9