Table 10 - Tier Structure provides the stair step arrangement for implementation of the recommended increased block structure. The set stop / start points are based on two factors, a) the average usage by the majority of users (SFRs), and b) the set stop / start points based on the size of the service meter.

| Table 10: Tier Structure     |      |             |                |            |
|------------------------------|------|-------------|----------------|------------|
|                              |      |             |                |            |
| Inside - Outside City Limits |      |             |                |            |
|                              |      |             |                |            |
| Meter Size                   | Base | Tier One    | Tier Two       | Tier Three |
| 5/8-inch by 3/4-inch         | 4000 | 4,001-8,000 | 8,001-12,000   | 12,000 +   |
| 1.0"                         | 0    | 0-11,200    | 11,200-16,800  | 16,801+    |
| 1.5"                         | 0    | 0-14,400    | 14,401-21,600  | 21,601+    |
| 2.0"                         | 0    | 0-23,200    | 23,201-34,800  | 34,801+    |
| 3.0"                         | 0    | 0-44,000    | 44,001-88,000  | 88,001+    |
| 4.0"                         | 0    | 0-56,000    | 56,001-112,000 | 112,000+   |
|                              |      | -           |                |            |

The following pages outline the following classification of consumers and the relationship to the budget:

- Total # of meters per class
- Percentage of revenues from the base rates
- Allowances for each block
- Price charged per unit at each block
- Typical monthly cost associated with various level of consumption
- Prospective total annual revenues
- Total percentage of revenues per class