

EXHIBIT 3

The Atlantic City Sewerage Company

CALCULATION OF 2025 TREATMENT RATE:

		<u>REFERENCE</u>	
1	Net 2024 (Over) / Under Collection	\$ 499,758	ACSC-3 Estimate
2	Adjustment for Actual 2024 Treatment Costs	(5,773)	ACSC-5 Actual
3			
4	Other: Interest on net Over recovery	<u>0</u>	ACSC-3, col 12
5	Net (Over) / Under Collected Position from 2024 - Due to Ratepayer	493,985	
6	Projected 2025 Treatment Cost	8,861,563	ACSC-4 Estimate
7	Projected 2025 Charge/ (Credit) for 2024 Treatment Flows	<u>(268,802)</u>	ACSC-4 Estimate
8	Net Projected Treatment Cost	8,592,761	ACSC-4
9	Projected Filing Costs (shared 50/50)	<u>4,500</u>	ACSC-7 Estimate
10	Total 2025 Treatment Cost Recovery	<u><u>\$ 9,091,246</u></u>	

11 Calculation of New Treatment Rate:

12	Total 2025 Treatment Cost Recovery	\$ 9,091,246	line 10
13	Projected 2025 Mcf (divided by)	<u>344,128</u>	ACSC-2 Estimate
14	2025 Volumetric Treatment Rate	<u><u>\$ 26.418</u></u>	

15	Current Rate - effective 1/1/24	\$ 26.258	
16	New Rate	<u>\$ 26.418</u>	
17	difference in rate	\$ 0.160	0.61%
18	Volume projection	<u>344,128</u>	
19	Revenue Impact	\$ 55,061	

The Atlantic City Sewerage Company
2025 PROJECTED BILLING FLOWS (in Mcf)

	BILLING MONTH	Mcf Billed in 2024 (a)	Anticipated Additional Usage in 2025	PROJECTED 2025 Mcf	
1	January	91,197.5	50.0 (b)	91,247.5	Estimate
2	February	16,760.7	-	16,760.7	Estimate
3	March	48,092.3	-	48,092.3	Estimate
4	April	56,972.5	-	56,972.5	Estimate
5	May	19,981.3	-	19,981.3	Estimate
6	June	42,458.2	-	42,458.2	Estimate
7	July	25,385.1	-	25,385.1	Estimate
8	August	43,230.7	-	43,230.7	Estimate
9					
10	Total	344,078.3	50.0	344,128.3	
11				to ACSC-1, line 13	

12 **NOTE: Based on 2024 "estimated" billings unless otherwise indicated.**

- 13 (a) 2024 Flows from schedule ACSC-3, column 4.
 (b) New usage - Lighthouse Row

The Atlantic City Sewerage Company
2025 PROJECTED TREATMENT COST
ANNUAL BILLING

1	(1)	(2)	(3)	(4)
2				
3			<i>Estimated (a)</i>	
4	2024	2025	March	2025
5	TREATMENT	2.00% (c)	2025	TREATMENT COST
6	COST	<i>Est. Increase</i>	<i>(CREDIT)/CHARGE</i>	<i>(1)+(2)+(3)</i>
7				
8				
9	\$ 8,687,807	\$ 173,756	\$ (268,802) (b)	\$ 8,592,761

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(a) Actual 2024 treatment costs (column 1) will be available late December, while the final true up amount (column 3) will not be available until mid-January 2025. This true-up will be applied against the Company's March Treatment Invoice.

(b) Based on ACUA's current projection of ACSC's 2024 flows to the ACUA treatment plant of 32.83%, which is higher than the total flows of 33.90% originally budgeted.

(c) Based on ACUA's current projection of ACUA's likely budget increase for 2025 after conversation with ACUA VP of Finance. Final numbers will be available late December 2024.

The Atlantic City Sewerage Company

1	2024 TREATMENT BILLINGS ADJUSTMENT		
2	(Including the ACUA Credit/Surcharge for Prior Year)		
3			
4		<u>AMOUNT</u>	
6			
7	2024 Actual Treatment Billing	\$ 8,687,807	
8			
9	Less: Actual True-up Charge for 2023 Flows	<u>\$ 451,277</u>	
10			
11	Net Actual Cost for 2024		\$ 9,139,084
12			
13			
14			
15	LESS:		
16			
17	2024 Estimated Treatment Billing	\$ 8,644,428	
18			
19	Less: Estimated True-Up Charge for 2023 Flows		
20	included in approved filing	<u>\$ 500,429</u>	
21			
22	Net Estimated Cost for 2024		<u>\$ 9,144,857</u>
23			
24			
25	Treatment Cost Adjustment (Due To) Due From Ratepayers		<u><u>\$ (5,773)</u></u> To ACSC-1

The Atlantic City Sewerage Company

		Thru August 31, 2024	
		MCF AMOUNT	Assumptions and Notations:
	MONTH		
1	2024 NEW ACCOUNTS BILLED*		
2			
3			
4			
5			
6	January	10.0	
7	February	49.0	
8	March	7.5	
9	April	7.5	
10	May	20.7	
11	June	69.1	
12	July	0.0	
13	August	12.9	
14			
15	Total	176.7	
16			

17 * These accounts are billed in advance with no adjustment for prior year usage required.

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The Atlantic City Sewerage Company

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2	<u>2025 PSTAC - PROJECTED EXPENSES</u>	
3		
4		<u>AMOUNT</u>
5		
6	Legal Fees for 2025 PSTAC	\$ 8,000
7	Postage, Publication & Copying	\$ 1,000
8	Other:	\$ -
9		
10	Projected 2025 PSTAC Costs	<u>\$ 9,000</u>
11		
12		
13	Total Projected Expenses (shared 50/50)	<u>\$ 4,500 To ACSC-1</u>

**ATLANTIC CITY SEWERAGE COMPANY
ADJUSTED BILLS FOR SELECT COMMERCIAL CUSTOMERS**

Customers are generally billed based on the prior years usage for the coming year with a true-up for the prior year billing to the actual usage. There are a small number of commercial customers that have known issues with their meters or usage that have been manually billed to account for these issues. These customers will be getting the correct true up for the prior year, but will be billed at a different estimate for the coming year instead of the prior years actual.

Billing Month	(1) 2024 Billed MCF	(2) 2024 Actual MCF	(3) Variance Billed V Actual
January	9,289.7	2,627.3	(6,662.4)
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	425.0	138.7	(286.3)
August	650.0	84.7	(565.3)
Total	10,364.7	2,850.7	(7,514.0)

BLENDED ADJUSTMENTS

ACCT #	PROPERTY	PREV BILLED MCF TO ALLOW FOR 0 ADJ	ACTUAL MCF USED TO CREATE ADJUSTMENT	DIFFERENCE	BILLED MCF FOR 2024
12052	WILD WILD WEST	9,289.70	2,627.30	(6,662.40)	4,500.00
	Jan Cycle Total	9,289.70	2,627.30	(6,662.40)	4,500.00
	Feb Cycle Total	-	-	-	-
31137	ATLANTIC LOFTS, LLC			-	
	Mar Cycle Total	-	-	-	-
41920	SHOWBOAT			-	
	Apr Cycle Total	-	-	-	-
	May Cycle Total	-	-	-	-
62600	GOLDEN NUGGET			-	
	June Cycle Total	-	-	-	-
72829	AC RESCUE MISSION	425.0	138.7	(286.30)	250.0
	July Cycle Total	425.0	138.7	(286.3)	250.0
81920	PIER @ CAESARS	650.0	84.7	(565.3)	300.0
81770	SHERATON HOTEL			-	
81940	CAESARS CASINO & HOTEL			-	
	August Cycle Total	650.0	84.7	(565.3)	300.0

**ATLANTIC CITY SEWERAGE COMPANY
 2025 - Impact of Annual Rate Change on Average Customer**

Impact of PSTAC Increase on Average Residential Customer (8.6 MCF)

1	Rate 5/8" Meter	Existing	Proposed	Change \$	Change %
2	Fixed Charge (A)	\$289.10	\$289.10	\$0.00	0.00%
3	Rate/MCF				
4	Collection	\$9.098	\$9.098	\$0.00	0.00%
5	PSTAC	\$26.258	\$26.418	\$0.16	0.61%
6	Variable Charges (B)				
7	Collection	\$78.24	\$78.24	\$0.00	0.00%
8	PSTAC	\$225.82	\$227.19	\$1.38	0.61%
9	Total (A) + (B)	\$593.16	\$594.54	\$1.38	0.61%

The Atlantic City Sewerage Company
PROJECTED ACUA TRUE-UP CHARGE IN 2024 RATE as of August 31, 2024

Budgeted Contribution by ACSC	33.90%
Updated Flow Projection	<u>32.83%</u>
 Increase in ACSC Contribution	 -1.07%
 Treatment Plant Total User Charges	 <u>\$ 25,121,688</u>
 Estimated Charge/(Credit) from ACUA in 2025 for Increased/(Decreased) Flows during Calendar Year 2024	 <u>\$ (268,802)</u>

to ACSC-1, line