# EXHIBIT 3

#### **CALCULATION OF 2025 TREATMENT RATE:**

						REFERENCE	
1	Net 2024 (Over) / Under Collec	tion	\$	499,758		ACSC-3	Estimate
2	Adjustment for Actual 2024 Tr	eatment Costs		(5,773)		ACSC-5	Actual
3							
4	Other: Interest on net Over	recovery		0		ACSC-3, col 12	
5	Net (Over) / Under Collected P	osition from 2024 - Due to Ratepayer			493,985		
6	Projected 2025 Treatment Cos	t		8,861,563		ACSC-4	Estimate
7	Projected 2025 Charge/ (Credi	t) for 2024 Treatment Flows		(268,802)		ACSC-4	Estimate
8	Net Projected Treatment Cost				8,592,761	ACSC-4	
9	Projected Filing Costs (shared 50/50)			_	4,500	ACSC-7	Estimate
10	Total 2025 Treatm	ent Cost Recovery		=	\$ 9,091,246		
11	Calculation of New Treatment	Rate:					
12	Total 2025 Treatment Cost Re	covery	\$	9,091,246		line 10	
13	Projected 2025 Mcf (divided by	<b>(</b> )		344,128		ACSC-2	Estimate
14	2025 Volumetric Treatment F	Rate	\$	26.418			
15 16		Current Rate - effective 1/1/24 New Rate	\$ \$	26.258 26.418			
17 18		difference in rate Volume projection	\$	<b>0.160</b> 344,128	0.61%		
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) <b>91,247.5</b>	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 2024 OVER (UNDER) RECOVERY As of August 31, 2024

		Actual	Actual	Actual	Estimate	Estimate	Actual	Estimate	Estimate	Estimate	Estimate	Actual	Estimate	Actual
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
						2024		MONTHLY	PRIOR			BILLED		
				APPROVED		BILLED	2024 PSTAC	OVER	YEAR	PRIOR	NET MONTHLY	READINGS	Interest	
		PSTAC	2024	TREATMENT		TREATMENT	Supplemental	(UNDER)	ADJ (Mcf)	YEAR	CUMLATIVE	2023 Mcf	Calculation -	
	BILLING	Approved	TREATMENT	REVENUES	BILLED	REVENUES	Billing	COLLECTION	TO ACTUAL	TREATMENT \$'s	OVER (UNDER)	[from prior	Due to (From)	Approved
						(4) x Applic Rate			(4)-(11)-ACSC6-	(8) x PY appropriate				
	MONTH	Mcf	RATE	(1) x (2)	2024 Mcf	(26.258)		(5)+(6) - (3)	ACSC8	rate (25.735)	(7)+(9)+prior mo.'s	[ year col (4)]	(10) x (13)/12	ROR
4	January	94,121.9	26.258	2,471,453	91,197.5	2,394,664	0	(76,789)	(9,596.8)	(246,974)	(323,763)	94,121.9	0	7.21%
2	February	17,815.2	26.258	467,792	16.760.7	440,102	777	(26,913)	(958.3)	(24,662)	(375,337)	17,670.0	0	7.21%
3	March	47,561.5	26.258	1,248,870	48,092.3	1,262,808	4,037	17,975	589.3	15,166	(342,196)	47,495.5	0	7.21%
3		,	26.258		56.972.5		7.393	•		,	• • •		0	7.21%
-	April May	57,306.0 20,738.0	26.258	1,504,741 544,538	19.981.3	1,495,984 524,669	,	(1,364)	(341.0)	(8,776)	(352,336)	57,306.0 20,740.5	0	7.21%
9	-	42,671.9	26.258	•	42.458.2	,	3,567	(16,302) 3,604	(779.9)	(20,071)	(388,709)	42,664.4		7.21%
7	June July	24,355.2		1,120,479	25,385.1	1,114,867	9,216	,	(275.3)	(7,085)	(392,190)	•	0	7.21%
,	=	,	26.258	639,518	,	666,562	6,217	33,261	1,065.3	27,415	(331,513)	24,033.5	0	7.21%
0	August	46,541.6 0.0	26.258	1,222,088	43,230.7 0.0	1,135,152	14,094	(72,842)	(3,710.3)	(95,485)	(499,839)	46,362.8	0	7.21% 7.21%
10	September October	0.0		0	0.0	0	0	0	0.0 0.0	0	(499,839)	0.0 0.0	0	7.21% 7.21%
11	November	0.0		0	0.0	0	0	0	0.0	0	(499,839)	0.0	0	7.21% 7.21%
	December	0.0		0	0.0	0	0	0	0.0	0	(499,839)	0.0	0	7.21% 7.21%
12 13	December	0.0		U	0.0	U	U	U	0.0	U	(499,839)	0.0	U	1.2170
14	Rounding			(81)				81			(499,758)			
15				(z)		(X)	(Y)	-			( = = 7			
16	Totals	351,111.2		\$ 9,219,398	344,078.3	\$ 9,034,808		\$ (139,288)	(14,007.0)	\$ (360,470)		350,394.6	\$ -	
17					-2.00%									

Total Approved Treatment Recovery Amount
Over/(under) recovery on actual 2024 customer billings

Over/(under) recovery on 2023 adjust to actual usage

Over/(Under) Balance Expected 12/31/2024

\$ 9,219,398 (z)
(139,288) (x)+(y)-(z)

\$ (360,470) col (9)

#### 2025 PROJECTED TREATMENT COST ANNUAL BILLING

1	(1)	(2)	(3)	(4)
2				
3			Estimated (a)	
4	2024	2025	March	2025
5	TREATMENT	2.00% ( c	2025	TREATMENT COST
6	COST	Est. Increase	Est. Increase (CREDIT)/CHARGE	
7	' <u> </u>			
8				
9	\$ 8,687,807	\$ 173,756	\$ (268,802) (b)	\$ 8,592,761
10				
11				

(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.

1	2024 TREATMENT BILLINGS ADJUST			
2	(Including the ACUA Credit/Surcharge			
3				
4			AMOUNT	
6				
7	2024 Actual Treatment Billing	\$	8,687,807	
8				
9	Less: Actual True-up Charge for 2023 Flows	\$	451,277	
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	\$	500,429	
21				
22	Net Estimated Cost for 2024			\$ 9,144,857
23				
24				(====) =
25	Treatment Cost Adjustment (Due To) Due From Ratepayers			\$ (5,773) To ACSC-1

		Thru		
1	2024 NEW ACCOUNTS BILLED*	August 31, 2024		
2				
3		MCF	Assumptions	
4	MONTH	AMOUNT	and Notations:	
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				

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

2025 PSTAC - PROJECTED EXPENSES		
	A۱	MOUNT
Legal Fees for 2025 PSTAC	\$	8,000
Postage, Publication & Copying	\$	1,000
Other:	\$	-
Projected 2025 PSTAC Costs	\$	9,000
	<del></del>	<del></del>
Total Projected Expenses (shared 50/50)	\$	4,500 To ACSC-1
	Legal Fees for 2025 PSTAC Postage, Publication & Copying Other: Projected 2025 PSTAC Costs	Legal Fees for 2025 PSTAC \$ Postage, Publication & Copying \$ Other: \$ Projected 2025 PSTAC Costs \$

# 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 <sub>MCF</sub>	(2) 2024 Actual <sub>MCF</sub>	(3) Variance Billed V Actual	
January	9,289.7	2,627.3	(6,662.4)	
ebruary	-	-	-	
larch	-	-	-	
pril	-	-	-	
lay	-	-	-	
une	-	-	-	
uly	425.0	138.7	(286.3)	
lugust	650.0	84.7	(565.3)	
<b>Total</b>	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 1411 5	MAIL D. MAISCE	0.200.70	2 (27 20	(( ((2 40)	4 500 00
12052 WILD	vcle Total	9,289.70 <b>9,289.70</b>	2,627.30 <b>2,627.30</b>	(6,662.40) (6,662.40)	4,500.00 <b>4,500.00</b>
, ,		·	,	, ,	
Feb C	ycle Total		-	-	-
31137 ATLAN	NTIC LOFTS, LLC			-	
Mar C	ycle Total	-	-	-	-
41920 SHOW	BOAT			-	-
Apr C	ycle Total	-	-	-	-
May C	ycle Total	-	-	-	-
62600 GOLDI	EN NUGGET			-	
June (	Cycle Total	-	-	-	-
72829 AC RE	SCUE MISSION	425.0	138.7	(286.30)	250.0
July C	ycle Total	425.0	138.7	(286.3)	250.0
81920 PIER ( 81770 SHERA 81940 CAESA		650.0	84.7	(565.3) - -	300.0
	st 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

33.90%

Budgeted Contribution by ACSC

Updated Flow Projection 32.83%

Increase in ACSC Contribution -1.07%

Treatment Plant Total User Charges \$ 25,121,688

Estimated Charge/(Credit) from ACUA in 2025 for Increased/(Decreased) Flows during Calendar Year 2024 \$ (268,802)

to ACSC-1, line