

ADDENDUM NO 1**RATE STUDY RFQ**

1. How many copies does NFWUA want of the printed Statement of Qualifications? **Five (5) printed, and the electronic pdf file.**
2. To clarify Tasks 2, 3, 4, and 5:
 - a. It is our understanding that we provide analysis on a standalone (separate system) as well as a combined system. Is this correct? **Yes, per the Scope of Services section: “Each section of the Utility Rate Study report shall be presented in a format that displays the information both as an individual county utility system for historical purposes, and as a combined NFWUA system for prospective purposes. This study will be essential in developing the framework of associated analysis that will be needed in the future with the combining of the counties’ utility assets and customer bases with each other, and potential other counties, in the newly formed regional utility.”**
 - b. Further clarity is as follows:
 - i. **This summary statement and conceptual framework is for the entire Utility Rate Study (Task 1 – 9), where two utilities have operated separately with different cost basis, rate levels, perhaps rate structures, and service fees. As a combined utility there is an objective in future years where there is a common basis to move towards consistent policies, cost-of-service, rate structures and levels as a combined system.**
 - ii. **When performing the work, the Awarded proposer can determine the most effective way to present the information for each section of the report where the analysis and recommendations need to account for both the Columbia and Suwannee County Utilities systems operating separately, and then as a combined utility. In some parts of the Utility Rate Study that may be separate columns (or Tables) of data for each and a third for the combined system.**
3. Additionally, on Task 4:
 - a. Could you clarify if the proposed rates for 3 years are on an individual and combined basis or just on a combined basis? **The Proposed Rates should be on an individual County basis as they have different FY2024 and FY2025 starting points. The actual data and analysis may show it will take several years to achieve a single rate for the combined NFWUA utility in order to maintain the utility rate making objective of having customers experience minimal unexpected rate changes. There should be an objective in the Utility Rate Study to have the proposed rates converging to an identical rate whenever the differences are minor, and wherever it can be supported whether that is in year 1, 2, 3. If a combined rate cannot be supported by the end of year 3 for any particular rate, then an explanation of the why there should not be a combined rate by the end of year 3 should be included in the Utility Rate Study. After providing the 100% Draft Final deliverable to the NFWUA Board and to the Columbia and Suwannee County staff, it is expected that the recommendations related to this question will be a major topic to be discussed at Board Workshop meeting noted in Task 9.**
 - b. Please clarify on the chart whether it is on an individual basis or a combined system basis. **The cost-of-service charts with over/under collection amounts by customer class is envisioned to be produced both as an individual County basis and as a combined utility to see alignment and differences. The Rate Benchmark charts can be produced on an individual County basis, and if the benchmark rates are the same for both Counties, then it will be displayed as such.**
4. Based on the timing of the scope, would it be ok for the plan to be based on the Fiscal Year 2025 budget, with 2024 used for historical purposes? **Yes, FY2024 closed on September 30, 2024 for all associated entities. Note: The ongoing O&M and capital functions and funding of each Counties’ utilities continue to be separate in FY2025, while the NFWUA Inaugural FY2024 budget year and the FY2025 budget year funding has been allocated for combined business-type functions.**

Note: The NFWUA Inaugural FY2024 budget year and the FY2025 budget year center on joint business-type functions expenses. The ongoing O&M and Capital functions and funding of each Counties’ utilities continue to be separate in FY2025.

(End of Addendum No 1)