

#### UNACCOUNTED-FOR-WATER (“UFW”) RECONCILIATION SURCHARGE

The Utility will charge, as a separate line item on the customer’s bill, a UFW Reconciliation Surcharge for purposes of reconciling total water sold and total water purchased by the Utility for the preceding calendar year.

The UFW Reconciliation Surcharge is comprised of a volumetric charge based on usage. The UFW surcharge shall be as follows:

UFW Reconciliation Surcharge 2023: ..... \$5.15 per 1,000 gallons

For purposes of the UFW Reconciliation Surcharge, the Utility shall submit, annually and by March 31 of each year, the water sold and water purchased data to the Maryland Public Service Commission. Estimated losses will be reconciled with actual losses pursuant to Utility’s annual UFW Reconciliation Surcharge true-up filing.

The Utility shall be entitled to request and obtain up to 30 additional days beyond March 31 to submit its filing, for good cause shown.

The Utility will begin collecting the 2023 UFW Reconciliation Surcharge on 05/01/2024 for twelve consecutive months until full recovery has been achieved. On 05/01/2025 the 2023 UFW Surcharge will expire and will no longer be included on customer bills.

#### UTILITY UFW QUARTERLY REPORTING REQUIREMENTS

On a quarterly basis, the Utility shall submit within 60 days of the end of a quarter, an informational filing with the Maryland Public Service Commission. This filing shall provide reports of monthly data on revenues, purchased water costs, gallons purchased and sold, monthly and cumulative UFW, and under or over recovery of costs, the Utility’s activities related to the resolution of any water losses. The fourth quarter report (covering October through December of each calendar year) shall be filed within 90 days of the end of the quarter and may coincide with the annual UFW Reconciliation Surcharge filing.

---

ISSUED: May 1, 2024

SIGNED: Nathaniel Spriggs

EFFECTIVE: May 1, 2024

TITLE: President