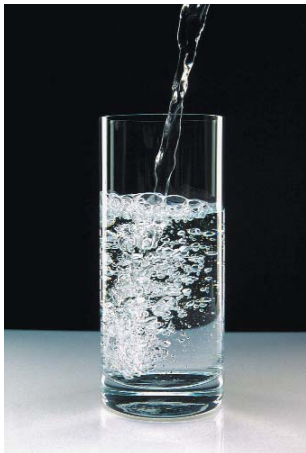


Water & Wastewater Utility Consulting Services



GDS provides expert assistance to water and wastewater utility management and users of water resources by addressing the complex engineering, accounting, economic, management, operational, regulatory, and policy issues that impact the water industry. GDS serves a variety of clients including municipalities, investor-owned utilities, water districts, non-profit customer-owned systems, and government agencies. Our capabilities and experience encompass the broad areas of utility management, regulatory services, and hydrology in addition to the following specific services.

UTILITY RATE ANALYSIS/STUDIES

GDS is experienced in establishing or revising rate schedules to meet increased service costs or to satisfy conservation demands or regulatory requirements. Our services include:

- Cost of Service Studies
- Conservation Rates
- Rate Case Intervention
- Impact and Extension Fees
- Expert Testimony
- Feasibility Studies
- Rate Design
- Capital Asset and Replacement Cost Studies
- Service Rules and Regulations
- Settlement Negotiation
- Expansion Studies
- Utility Acquisition Studies

REGULATORY SUPPORT

Regulated water and wastewater utilities need representation and advisory services to meet statutory and regulatory requirements. GDS personnel have extensive experience in dealing with the regulatory community and can provide needed assistance with:

- Service Area Applications and Disputes
- Merger and Acquisition Applications
- Permits for Water Acquisition and Waste Discharge
- Regulatory Reports
- Required Studies on Finance, Operations, and Conservation
- Utility System Start-Up

ASSET ACQUISITION AND VALUATION

GDS can provide accurate and thorough utility facility and asset valuation studies to meet a variety of needs.

- Current Cost and Replacement Cost Studies for Sales, Transfers, or Mergers
- Valuations for Financing Applications
- Establishment of Rate Base for Regulatory Proceedings
- Development of Original Costs, when records may not be available
- Proposal Development and Negotiation
- Utility System Start-Up

GASB 34 ASSISTANCE

The engineering and accounting staff at GDS can assist publicly owned water and wastewater utilities (municipalities, counties, state, water districts, MUDs, etc.) in evaluating GASB 34 and how it may impact utility services. Based on client needs, we will:

- Review and/or modify depreciation methods
- Evaluate whether the "modified approach" is a practical option
- Review and improve capitalization policies and procedures
- Assist in the formulation of asset management and long-term asset maintenance strategies
- Provide valuation of inventory
- Assist financial personnel with the MD&A





WATER CONSERVATION/DROUGHT MANAGEMENT

GDS can assist water utilities, agencies, and organizations in developing, implementing, and analyzing water conservation and drought management programs to address water supply and regulatory issues. Our experience in this area includes:

- Water Conservation and Drought Planning
- Benefit-Cost Analysis
- Water Conservation Strategy Development
- Regulatory Impact Evaluation
- Conservation Rate Development

INFORMATION TECHNOLOGY SUPPORT IN UTILITY MANAGEMENT AND LITIGATION

GDS offers our clients IT support in utility management and litigation. We use our expertise to identify and develop strategies to ease the transfer and use of data. Specific services include:

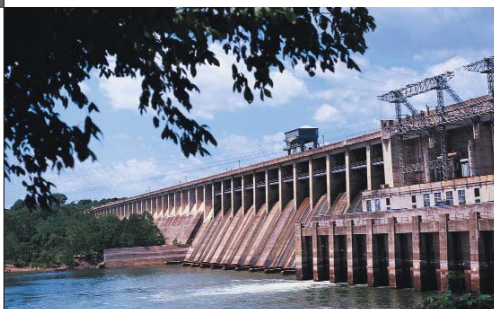
- Preparation and Transfer of Electronic Data
- Database Design and Management
- Design and Creation of Secure Client Extranets to allow access to current data such as files, digital pictures, and maps
- IT Assistance in Discovery Requests and Responses



HYDROELECTRIC

GDS analyzes and evaluates various hydroelectric projects, providing expertise that addresses water availability, electrical production, licensing issues, and asset evaluation. We utilize our expertise and in-depth understanding of utility planning, operations, and regulations to help our clients incorporate hydro power as an efficient element in their generation mix. Specific services include:

- Energy Sales and Purchase Contracts
- Power Market Models
- Load Forecasting
- Operational Monitoring
- Plant Appraisals
- System Dispatch Analysis
- System Acquisition



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