

**CHAPTER 24. SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER SERVICE PROVIDERS.**

**Subchapter J. WHOLESALE WATER OR SEWER SERVICE.**

**§24.303. Definitions.**

For purposes of this subchapter, the following definitions apply:

- (1) **Petitioner** -- The entity that files the petition or appeal.
- (2) **Protested rate** -- The rate demanded by the seller.
- (3) **Cash Basis calculation of cost of service** -- A calculation of the revenue requirement to which a seller is entitled to cover all cash needs, including debt obligations as they come due. Basic revenue requirement components considered under the cash basis generally include operation and maintenance expense, debt service requirements, and capital expenditures which are not debt financed. Other cash revenue requirements should be considered where applicable. Basic revenue requirement components under the cash basis do not include depreciation.
- (4) **Utility Basis calculation of cost of service** -- A calculation of the revenue requirement to which a seller is entitled which includes a return on investment over and above operating costs. Basic revenue requirement components considered under the utility basis generally include operation and maintenance expense, depreciation, and return on investment.