



# INTERIM FINANCIAL REPORT



TWELVE-MONTHS ENDED  
SEPTEMBER 30, 2025  
(UNAUDITED)

# Orlando Utilities Commission

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The unaudited statements presented in this interim financial report have been prepared in accordance with generally accepted accounting principles and follow the standards outlined by the Governmental Accounting Standards Board. It is management's assertion that the management discussion and supporting statements do not omit information necessary for a fair presentation nor do they improperly include untrue statements of a material fact or statements of a misleading nature.

## **Management's Discussion and Analysis**

The following discussion and analysis provides an overview of OUC's unaudited and preliminary financial position and results of operations in comparison to the approved budget and prior year equivalent period.

- The Statements of Revenues, Expenses and Changes in Net Position present the financial information for the fiscal year ended September 30, 2025 in comparison to the approved budget and prior year equivalent period.
  - Income before contributions for the fiscal year ended September 30, 2025 was \$128.1 million, which is \$0.6 million higher than budget and \$4.7 million higher than prior year.
- The Statements of Net Position present the nature and amount of resources and obligations at September 30, 2025 and September 30, 2024.
- The Statements of Cash Flows present the cash provided and used by operating activities, non-capital financing activities, capital financing activities and investing activities.

## Operating Revenues Analysis

(\$ in thousands)	As of September			Variance		
	2025 Actual	2025 Budget	2024 Actual	Actual vs Budget	2025 vs 2024	
Retail energy revenues (OUC and STC)	\$ 554,369	\$ 553,904	\$ 537,702	\$ 465	0.1 %	\$ 16,667 3.1 %
Wholesale energy revenues	23,571	23,535	28,215	36	0.2 %	(4,644) (16.5)%
Water revenues	100,057	103,461	98,448	(3,404)	(3.3)%	1,609 1.6 %
Other revenues	101,799	96,375	94,166	5,424	5.6 %	7,633 8.1 %
<b>Operating revenues, net of fuel</b>	<b>779,796</b>	<b>777,275</b>	<b>758,531</b>	<b>2,521</b>	<b>0.3 %</b>	<b>21,265 2.8 %</b>
Fuel revenues	337,128	299,732	305,824	37,396	12.5 %	31,304 10.2 %
<b>Total operating revenues</b>	<b>\$ 1,116,924</b>	<b>\$ 1,077,007</b>	<b>\$ 1,064,355</b>	<b>\$ 39,917</b>	<b>3.7 %</b>	<b>\$ 52,569 4.9 %</b>

### Budget Analysis:

- Operating revenues, net of fuel revenues, were \$2.5 million higher than budget, reflecting the deferral of \$24.6 million in retail energy revenues, \$14.4 million in wholesale energy revenues, and \$4.4 million in water revenues. The energy deferrals were driven by increased variability in weather temperatures resulting in higher than expected cooling and heating degree days, favorable customer growth in the St. Cloud service territory, and a winter cold snap and summer heat wave creating opportunities for increased wholesale energy sales. The water deferral was driven by an opportunity to increase water base reserves.
- Fuel revenues, which are a pass-through charge of fuel expenses, were \$37.4 million higher than budget due to higher than expected fuel commodity prices and increased energy production driven by weather-related demand.

### Prior Year Analysis:

- Operating revenues, net of fuel revenues, were \$21.3 million higher than prior year, including the deferral of \$24.6 million in retail energy, \$14.4 million in wholesale energy revenues, and \$4.4 million in water revenues. Energy revenues increased due to growth in the customer base and increased consumption per customer in retail electric driven by greater weather variability, a customer charge increase of \$1.00 effective October 1, 2024, and wholesale energy sales opportunities due to a winter cold snap and summer heat wave. Water revenues increased due to a price increase implemented on the same date as the customer charge increase. Other revenues increased primarily due to higher chilled water sales driven by the start of operations at the Universal Epic Universe chilled water plant.
- Fuel revenues, which are a pass-through charge of fuel expenses, were \$31.3 million higher than prior year due to rising fuel commodity prices and increased energy production driven by weather-related demand.

## Operating Expenses Analysis

(\$ in thousands)	As of September			Variance		
	2025 Actual	2025 Budget	2024 Actual	Actual vs Budget	2025 vs 2024	
Unit department expenses	\$ 347,458	\$ 352,813	\$ 339,723	\$ (5,355)	(1.5)%	\$ 7,735 2.3 %
Depreciation and amortization	187,017	179,429	182,122	7,588	4.2 %	4,895 2.7 %
Payments to other governments and taxes	71,601	70,935	69,729	666	0.9 %	1,872 2.7 %
Capacity payments	26,690	26,118	25,474	572	2.2 %	1,216 4.8 %
Emergency response expenses	1,416	—	506	1,416	100.0 %	910 179.8 %
<b>Operating expenses, net of fuel</b>	<b>634,182</b>	<b>629,295</b>	<b>617,554</b>	<b>4,887</b>	<b>0.8 %</b>	<b>16,628 2.7 %</b>
Fuel for generation and purchased power	337,128	299,732	305,824	37,396	12.5 %	31,304 10.2 %
<b>Total operating expenses</b>	<b>\$ 971,310</b>	<b>\$ 929,027</b>	<b>\$ 923,378</b>	<b>\$ 42,283</b>	<b>4.6 %</b>	<b>\$ 47,932 5.2 %</b>

### Budget Analysis:

- Operating expenses, net of fuel for generation and purchased power, were \$4.9 million higher than budget, including the estimated unreimbursed cost of recovery efforts for Hurricane Milton, OUC's unplanned increased commitment of \$2.3 million to the City of St. Cloud's environmental cleanup associated with the previously decommissioned power plant, and higher than expected depreciation. These increases were offset by lower than expected outside services.

- Fuel for generation and purchased power expenses were \$37.4 million higher than budget due to higher than expected fuel commodity prices and increased energy production driven by weather-related demand.

#### Prior Year Analysis:

- Operating expenses, net of fuel for generation and purchased power, were \$16.6 million higher than prior year as a result of increasing labor expenses, OUC's commitment to the City of St. Cloud's environmental clean-up associated with the previously decommissioned power plant in the amount of \$2.3 million, systematic depreciation, and emergency response expenses incurred from Hurricane Milton.
- Fuel for generation and purchased power expenses were \$31.3 million higher than prior year due to rising fuel commodity prices and increased energy production driven by weather-related demand.

### Non-Operating Income and (Expenses) Analysis

(\$ in thousands)	As of September			Variance		
	2025 Actual	2025 Budget	2024 Actual	Actual vs Budget	2025 vs 2024	
Interest and other income	\$ 46,019	\$ 40,877	\$ 42,338	\$ 5,142	12.6 %	\$ 3,681 8.7 %
Generation decommissioning	—	—	(4,721)	—	— %	4,721 (100.0)%
Loss on disposal of fixed assets	(4,285)	—	—	(4,285)	100.0 %	(4,285) 100.0 %
Interest expense	(59,214)	(61,344)	(55,122)	2,130	(3.5)%	(4,092) 7.4 %
<b>Total net non-operating expenses</b>	<b>\$ (17,480)</b>	<b>\$ (20,467)</b>	<b>\$ (17,505)</b>	<b>\$ 2,987</b>	<b>(14.6)%</b>	<b>\$ 25 (0.1)%</b>

#### Budget Analysis:

- Net non-operating expenses were \$3.0 million lower than budget as a result of an unplanned settlement from a class action lawsuit associated with PFAS remediation activities affecting U.S. public water suppliers and lower-than-expected debt issuance costs associated with the Series 2025A Bonds. These were partially offset by the accelerated write-down of the Navy Water Treatment Plant.

#### Prior Year Analysis:

- Net non-operating expenses were in line with prior year expenses. However, loss on disposal of fixed assets and interest expenses were higher due to the accelerated write-down of the Navy Water Treatment Plant and debt issuance cost from newly issued debt, respectively. These were offset by a decrease in generation decommissioning expenses as these costs were fully recognized in the spring of 2024 for McIntosh Unit 3 and the unplanned settlement from a class action lawsuit associated with PFAS remediation activities affecting U.S. public water suppliers.

### Net Position Analysis

(\$ in thousands)	As of September			Variance		
	2025 Actual	2025 Budget	2024 Actual	Actual vs Budget	2025 vs 2024	
Income before contributions	\$ 128,135	\$ 127,514	\$ 123,471	\$ 621	0.5 %	\$ 4,664 3.8 %
Contributions in aid of construction	39,281	21,300	23,575	17,981	84.4 %	15,706 66.6 %
Annual dividend	(76,879)	(76,551)	(74,489)	(328)	0.4 %	(2,390) 3.2 %
<b>Increase in net position</b>	<b>\$ 90,537</b>	<b>\$ 72,263</b>	<b>\$ 72,557</b>	<b>\$ 18,274</b>	<b>25.3 %</b>	<b>\$ 17,980 24.8 %</b>

#### Budget and Prior Year Analysis:

- Income before contributions were inline with budget and consistent with the change in budgeted net income from the prior year. Contributions in aid of construction were higher than budget and prior year due to the recognition of developer-funded costs for the installation of an underground transmission line.

## Total Assets and Deferred Outflows of Resources

(\$ in thousands)	September 2025	September 2024	Year-to-Date	September 2024
			Change	
Utility plant	\$ 3,102,435	\$ 2,984,630	\$ 117,805	\$ 2,984,630
Restricted and internally designated assets	898,990	812,870	86,120	812,871
Current assets	341,992	321,630	20,362	321,628
Other assets	263,685	235,352	28,333	235,352
Deferred outflows of resources	75,396	121,418	(46,022)	121,418
<b>Total assets and deferred outflows of resources</b>	<b>\$ 4,682,498</b>	<b>\$ 4,475,900</b>	<b>\$ 206,598</b>	<b>\$ 4,475,899</b>

### Year-to-Date Analysis:

- Total assets and deferred outflows of resources increased \$206.6 million from the previous fiscal year-end. This increase was primarily driven by the issuance of Series 2025A Bonds in the amount of \$200.0 million to support the Capital Plan, proceeds from the Jet Port land sale, and timing of customer receivables. These increases were partially offset by a decrease in deferred outflows of resources from a reduction in unrealized pension losses due to favorable benefit plan valuation adjustments as a result of strong market returns on plants assets.
  - Days cash on hand is currently at 297 days as of September 30, 2025.

## Total Liabilities and Deferred Inflows of Resources

(\$ in thousands)	September 2025	September 2024	Year-to-Date	September 2024
			Change	
Current liabilities	\$ 341,270	\$ 347,729	\$ (6,459)	\$ 347,729
Other liabilities	201,329	282,801	(81,472)	282,801
Long-term debt, net	1,831,577	1,733,416	98,161	1,733,416
Deferred inflows of resources	450,196	344,365	105,831	344,367
<b>Total liabilities and deferred inflows of resources</b>	<b>2,824,372</b>	<b>2,708,311</b>	<b>116,061</b>	<b>2,708,313</b>
<b>Net position</b>	<b>1,858,126</b>	<b>1,767,589</b>	<b>90,537</b>	<b>1,767,589</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 4,682,498</b>	<b>\$ 4,475,900</b>	<b>\$ 206,598</b>	<b>\$ 4,475,902</b>

### Year-to-Date Analysis:

- Total liabilities and deferred inflows of resources increased \$116.1 million driven by the \$200.0 million issuance of Series 2025A Bonds, partially offset by the \$99.2 million principal and interest payment on October 1. Additionally, deferred inflows increased due to the deferral of the gain on the Jet Port land sale, funding of stabilization accounts and increased investment valuations. These increases were offset by a decrease in other liabilities due to favorable benefit plan valuation adjustments as a result of strong market returns on plan assets.

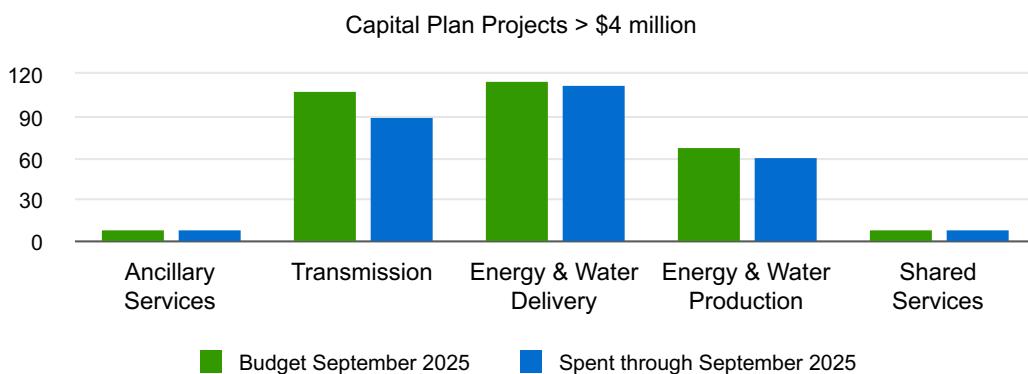
## Condensed Statement of Cash Flows and Capital Spend Analysis

(\$ in thousands)	As of September		
	2025	2024	Change
Net cash provided by operating activities	\$ 340,567	\$ 366,475	\$ (25,908)
Net cash used in non-capital related financing activities	(74,992)	(70,709)	(4,283)
Net cash used in capital related financing activities	(277,131)	(397,881)	120,750
Net cash (used)/provided by investing activities	75,604	74,291	1,313
<b>Net decrease in cash and cash equivalents</b>	<b>64,048</b>	<b>(27,824)</b>	<b>91,872</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>238,180</b>	<b>266,006</b>	<b>(27,826)</b>
<b>Cash and cash equivalents - current</b>	<b>\$ 302,228</b>	<b>\$ 238,182</b>	<b>\$ 64,046</b>

**Cash provided by operating activities:** Cash provided by operations was \$340.6 million, a decrease of \$25.9 million from 2024. This change was primarily driven by an increase in unit department expenses, salaries and benefits expenses, and emergency recovery costs associated with Hurricane Milton.

- As of September 30, 2025, OUC expects to receive \$14.7 million in grant reimbursement funds for estimated restoration costs for Hurricanes Ian and Milton.

**Cash used in capital related financing activities:** Cash used in capital related activities was \$277.1 million, an increase of \$120.8 million from 2024 primarily driven by higher bond proceeds from the \$200.0 million Series 2025A Bond issuance compared to the prior year.



**Orlando Utilities Commission**  
**Statements of Net Position - Unaudited**  
Dollars in thousands

	September 2025	September 2024	Variance
<b>Assets</b>			
Utility plant	\$ 3,102,435	\$ 2,984,630	\$ 117,805 3.9 %
Restricted and internally designated assets	898,990	812,870	86,120 10.6 %
Current assets	341,992	321,630	20,362 6.3 %
Other assets	263,685	235,352	28,333 12.0 %
Deferred outflows of resources	75,396	121,418	(46,022) (37.9)%
<b>Total assets and deferred outflows of resources</b>	<b>\$ 4,682,498</b>	<b>\$ 4,475,900</b>	<b>\$ 206,598 4.6 %</b>
<b>Liabilities</b>			
Payables from restricted assets	\$ 183,583	\$ 166,296	\$ 17,287 10.4 %
Payables from current assets	157,687	181,433	(23,746) (13.1)%
<b>Current liabilities</b>	<b>341,270</b>	<b>347,729</b>	<b>(6,459) (1.9)%</b>
Other liabilities	201,329	282,801	(81,472) (28.8)%
Long-term debt, net	1,831,577	1,733,416	98,161 5.7 %
<b>Total liabilities</b>	<b>2,374,176</b>	<b>2,363,946</b>	<b>10,230 0.4 %</b>
<b>Deferred inflows of resources</b>	<b>450,196</b>	<b>344,365</b>	<b>105,831 30.7 %</b>
<b>Net position</b>	<b>1,858,126</b>	<b>1,767,589</b>	<b>90,537 5.1 %</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 4,682,498</b>	<b>\$ 4,475,900</b>	<b>\$ 206,598 4.6 %</b>

\*\*\*See page [4](#) for additional information related to changes in the Statements of Net Position

**Orlando Utilities Commission**  
**Statements of Revenues, Expenses and Changes in Net Position - Unaudited**  
Dollars in thousands

	Actual September 2025	Budget September 2025	Variance to Budget		Actual September 2024	Variance to Prior Year
<b>Operating revenues</b>						
Retail energy revenues (OUC and STC)	\$ 554,369	\$ 553,904	\$ 465	0.1 %	\$ 537,702	\$ 16,667
Wholesale energy revenues	23,571	23,535	36	0.2 %	28,215	(4,644)
Fuel	337,128	299,732	37,396	12.5 %	305,824	31,304
Electric revenues	915,068	877,171	37,897	4.3 %	871,741	43,327
Water revenues	100,057	103,461	(3,404)	(3.3)%	98,448	1,609
Other revenues						
Lighting service revenues	21,531	20,721	810	3.9 %	19,901	1,630
Chilled water revenues	45,686	42,392	3,294	7.8 %	41,564	4,122
Service fees & other revenues	34,582	33,262	1,320	4.0 %	32,701	1,881
<b>Total operating revenues</b>	<b>1,116,924</b>	<b>1,077,007</b>	<b>39,917</b>	<b>3.7 %</b>	<b>1,064,355</b>	<b>52,569</b>
<b>Operating expenses</b>						
Fuel for generation and purchased power	337,128	299,732	37,396	12.5 %	305,824	31,304
Unit/department	347,458	352,813	(5,355)	(1.5)%	339,723	7,735
Depreciation and amortization	187,017	179,429	7,588	4.2 %	182,122	4,895
Payments to other governments and taxes	71,601	70,935	666	0.9 %	69,729	1,872
Capacity payments	26,690	26,118	572	2.2 %	25,474	1,216
Emergency response costs	1,416	—	1,416	100.0 %	506	910
<b>Total operating expenses</b>	<b>971,310</b>	<b>929,027</b>	<b>42,283</b>	<b>4.6 %</b>	<b>923,378</b>	<b>47,932</b>
<b>Non-operating income and (expenses)</b>						
Interest income	32,762	32,903	(141)	(0.4)%	33,259	(497)
Generation decommissioning	—	—	—	— %	(4,721)	4,721
Loss on disposal of fixed assets	(4,285)	—	(4,285)	100.0 %	—	(4,285)
Other income	13,257	7,974	5,283	66.3 %	9,079	4,178
Interest expense	(59,214)	(61,344)	2,130	(3.5)%	(55,122)	(4,092)
<b>Total non-operating income and (expenses)</b>	<b>(17,480)</b>	<b>(20,467)</b>	<b>2,987</b>	<b>(14.6)%</b>	<b>(17,505)</b>	<b>25</b>
<b>Income before contributions</b>						
<b>Contributions in aid of construction</b>	<b>128,134</b>	<b>127,513</b>	<b>621</b>	<b>0.5 %</b>	<b>123,472</b>	<b>4,662</b>
<b>Dividend payments</b>	<b>39,281</b>	<b>21,300</b>	<b>17,981</b>	<b>84.4 %</b>	<b>23,575</b>	<b>15,706</b>
<b>Increase in net position</b>	<b>(76,879)</b>	<b>(76,551)</b>	<b>(328)</b>	<b>0.4 %</b>	<b>(74,489)</b>	<b>(2,390)</b>
<b>Net position - beginning of year</b>	<b>90,536</b>	<b>\$ 72,262</b>	<b>\$ 18,274</b>	<b>25.3 %</b>	<b>72,558</b>	<b>\$ 17,978</b>
<b>Net position - end of period</b>	<b>\$ 1,767,589</b>				<b>1,695,032</b>	
	<b>\$ 1,858,125</b>				<b>\$ 1,767,590</b>	

\*\*\*See pages [2](#) and [3](#) for additional information related to changes in the Statements of Revenues, Expenses, and Changes in Net Position

**Orlando Utilities Commission**  
**Statements of Cash Flows - Unaudited**  
Dollars in thousands

	September 2025	September 2024
<b>Cash flow from operating activities</b>		
Cash received from customers	\$ 1,129,847	\$ 1,114,875
Cash paid for fuel and purchased power	(372,181)	(349,247)
Cash paid for unit department expenses	(115,147)	(111,840)
Cash paid for salaries and benefits	(224,806)	(213,391)
Cash (paid)/received for emergency response expenses	(8,965)	2,603
Cash paid for other payments and taxes	(68,181)	(76,525)
<b>Net cash provided by operating activities</b>	<b>340,567</b>	<b>366,475</b>
<b>Cash flows from non-capital related financing activities</b>		
Dividend to the City of Orlando	(76,879)	(74,489)
Build America Bonds subsidy received	1,887	3,780
<b>Net cash used in non-capital related financing activities</b>	<b>(74,992)</b>	<b>(70,709)</b>
<b>Cash flows from capital related financing activities</b>		
Utility plant net of contributions in aid of construction	(339,113)	(348,358)
Debt interest payments	(60,698)	(74,326)
Principal payments on long-term debt and use of bond proceeds	(75,580)	(74,875)
Debt issuances	200,759	101,089
Debt issuance expense	(2,499)	(1,411)
<b>Net used in capital related financing activities</b>	<b>(277,131)</b>	<b>(397,881)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale and maturities of investment securities	488,179	443,641
Gain/(Loss) on sale of investments	142	(98)
Purchases of investment securities	(503,593)	(404,980)
Investments and other income received	90,876	35,728
<b>Net cash (used)/provided in investing activities</b>	<b>75,604</b>	<b>74,291</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>64,048</b>	<b>(27,824)</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>238,180</b>	<b>266,006</b>
<b>Cash and cash equivalents - current</b>	<b>\$ 302,228</b>	<b>\$ 238,182</b>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 145,615	\$ 140,977
<b>Adjustments to reconcile operating income to net cash provided by operating activities</b>		
Depreciation and amortization	187,017	182,122
Depreciation and amortization charged to fuel for generation and purchased power	3,353	2,173
Depreciation of vehicles and equipment charged to unit department expenses	2,587	2,531
Changes in assets and liabilities		
Increase in receivables and accrued revenue	(6,414)	(133)
Increase in fuel and materials and supplies inventories	(8,649)	(12,490)
Increase/(Decrease) in accounts payable	2,104	(8,589)
(Decrease)/Increase in deposits payable and deferred items	(7,514)	868
Increase in stabilization and deferred revenue accounts	22,471	59,016
<b>Net cash provided by operating activities</b>	<b>\$ 340,570</b>	<b>\$ 366,475</b>

\*\*\*See page [5](#) for additional information related to changes in the Statements of Cash Flow

## Orlando Utilities Commission

### Capital Plan

Dollars in thousands

	Year to Date	Year to Date	Year to Date		
	September 2025	September 2025	September 2025		
	Approved	Revised	Actual	Variance to Revised	
Electric Production <sup>1</sup>	\$ 42,294	\$ 57,723	\$ 54,382	\$ (3,341)	(5.8)%
Transmission <sup>2</sup>	105,540	126,243	105,023	(21,220)	(16.8)%
Transmission contributions	—	(25)	(25)	—	— %
Transmission, net	105,540	126,218	104,998	(21,220)	(16.8)%
Electric Delivery	70,400	87,423	83,173	(4,250)	(4.9)%
Electric Delivery contributions	(7,800)	(8,895)	(9,165)	(270)	3.0 %
Electric Delivery, net	62,600	78,528	74,008	(4,520)	(5.8)%
Lighting	8,730	8,257	11,459	3,202	38.8 %
Lighting contributions	(1,000)	(3,233)	(5,334)	(2,101)	65.0 %
Lighting, net	7,730	5,024	6,125	1,101	21.9 %
Water	94,755	60,789	60,806	17	— %
Water contributions	(11,500)	(10,205)	(10,656)	(451)	4.4 %
Water, net	83,255	50,584	50,150	(434)	(0.9)%
Chilled Water	25,930	1,532	1,947	415	27.1 %
Support Services <sup>1,3</sup>	46,395	33,425	29,521	(3,904)	(11.7)%
Total OUC	\$ 373,744	\$ 353,034	\$ 321,131	\$ (31,903)	(9.0)%

<sup>1</sup> Totals are net of participant share.

<sup>2</sup> Driven by delays in the 230kV Source to St. Cloud project.

<sup>3</sup> Driven by delays in the various fleet and facility projects and renovations and technology and transformation initiatives.

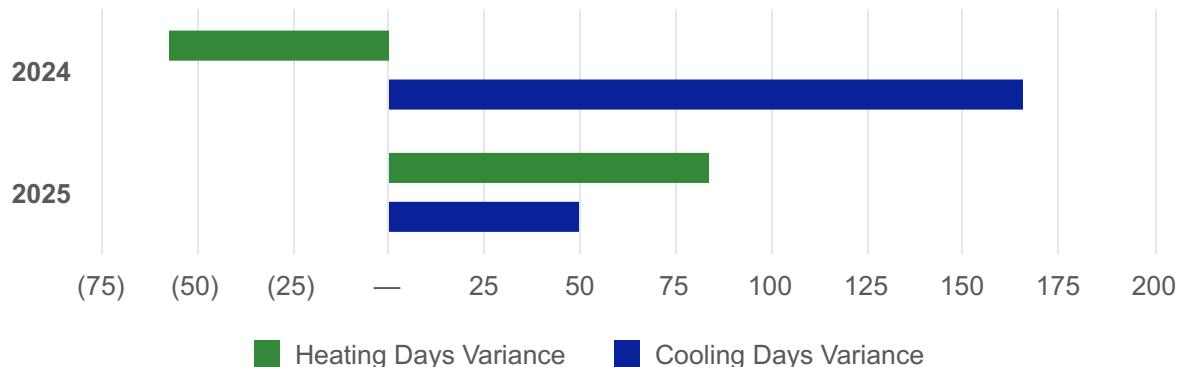
The “Approved” Capital Plan represents the pro-rated annual amount of the Board-approved annual Capital Plan. As there are many dynamics that can impact the timing and spend associated with amounts included in the “Approved” Capital Plan, a “Revised” Capital Plan is included to reflect the most current capital plan estimates.

As of September 30, 2025, the year-to-date capital spend is 9.0 percent lower than the Revised Capital Plan and 14.1 percent lower than the Approved Capital Plan.

## Orlando Utilities Commission Climatological Data

Fiscal Year to Date (September)

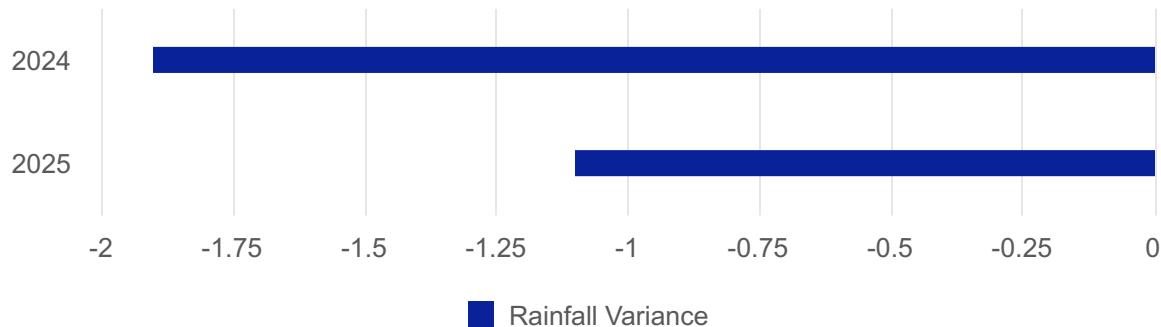
### Number of Heating or Cooling Degree Days (Below) or Above Normal



Cooling Degree Days (CDD) and Heating Degree Days (HDD) are measures used to estimate energy demand for cooling or heating buildings. CDD measures how much the daily average temperature exceeds the normal temperature indicating cooling needs. HDD measures how much the daily average temperature falls below the normal temperature indicating heating needs. Normal degree days are calculated as the average of actual degree days over a 40-year period.

Fiscal Year to Date (September)

### Yearly Rainfall Variance (Below) or Above Normal (inches)



A multi-regression model is used to determine the relationship between rainfall and water sales based on the dependent variable of daily treated water. In this model, daily rainfall is also capped at  $\frac{1}{2}$  inch as excess daily rainfall has no meaningful impact on water sales.