# EXHIBIT 3

# The Atlantic City Sewerage Company

## CALCULATION OF 2027 TREATMENT RATE:

| | | | | REFERENCE | |
|---|---|---|---|---|---|
| 1 | **Net 2026 (Over) / Under Collection** | **$ 14,226** | | **ACSC-3** | Estimate |
| 2 | **Adjustment for Actual 2026 Treatment Costs** | **(334,184)** | | **ACSC-5** | Actual |
| 3 | | | | | |
| 4 | **Other: Interest on net Over recovery** | **0** | | **ACSC-3, col 12** | |
| 5 | **Net (Over) / Under Collected Position from 2026 - Due to Ratepayer** | | **(319,958)** | | |
| 6 | **Projected 2027 Treatment Cost** | **9,424,929** | | **ACSC-4** | Estimate |
| 7 | **Projected 2027 Charge/ (Credit) for 2026 Treatment Flows** | **735,798** | | **ACSC-4** | Estimate |
| 8 | **Net Projected Treatment Cost** | | **10,160,726** | **ACSC-4** | |
| 9 | **Projected Filing Costs (shared 50/50)** | | **4,500** | **ACSC-7** | Estimate |
| 10 | **Total 2027 Treatment Cost Recovery** | | **$ 9,845,268** | | |
| 11 | **Calculation of New Treatment Rate:** | | | | |
| 12 | **Total 2027 Treatment Cost Recovery** | **$ 9,845,268** | | **line 10** | |
| 13 | **Projected 2027 Mcf (divided by)** | **329,174** | | **ACSC-2** | Estimate |
| 14 | **2027 Volumetric Treatment Rate** | **$ 29.909** | | | |

| | | | | |
|---|---|---|---|---|
| 15 | Current Rate - effective 1/1/26 | $ | 31.609 | |
| 16 | New Rate | $ | 29.909 | |
| 17 | difference in rate | **$** | **(1.700)** | **-5.38%** |
| 18 | Volume projection | | 329,174 | |
| 19 | Revenue Impact | $ | (559,596) | |

## The Atlantic City Sewerage Company

### 2027 PROJECTED BILLING FLOWS (in Mcf)

| | BILLING MONTH | Mcf Billed in 2026 (a) | Anticipated Additional Usage in 2027 | | PROJECTED 2027 Mcf | |
|---|---|---|---|---|---|---|
| 1 | **January** | 82,956.0 | 28.0 | (b) | **82,984.0** | Estimate |
| 2 | **February** | 17,038.0 | 118.0 | (c) | **17,156.0** | Estimate |
| 3 | **March** | 48,076.6 | 30.0 | (d) | **48,106.6** | Estimate |
| 4 | **April** | 55,835.0 | 30.0 | (e) | **55,865.0** | Estimate |
| 5 | **May** | 19,142.0 | 103.0 | (f) | **19,245.0** | Estimate |
| 6 | **June** | 43,687.4 | 30.0 | (g) | **43,717.4** | Estimate |
| 7 | **July** | 23,512.5 | 118.0 | (h) | **23,630.5** | Estimate |
| 8 | **August** | 37,824.6 | 645.0 | (i) | **38,469.6** | Estimate |
| 9 | | | | | | |
| 10 | **Total** | 328,072.1 | 1,102.0 | | **329,174.1** | |
| 11 | | | | | to ACSC-1, line 13 | |

12 **NOTE: Based on 2026 "estimated" billings unless otherwise indicated.**

13 (a) 2026 Flows from schedule ACSC-3, column 4.

14 **NOTE: Estimated Construction resulting in additional contribution**

(b) Tennessee Container Park - Retail Complex - 28 Mcf
(c) N. South Carolina Ave - 6 single family - 88 Mcf
Top Hat - retail and 1 apartment- 30 Mcf
(d) Connecticut Ave - 2 single family homes - 30 Mcf
(e) Beach Ave - 2 single family homes - 30 Mcf
(f) Lighthouse Row II - single family - 103 Mcf
(g) Magellan Ave - 2 single family homes - 30 Mcf
(h) Snake Alley - 8 townhomes - 118 Mcf
(i) Terraces @ Absecon Inlet- 38 townhomes - 557 Mcf
Arizona Ave - 6 townhomes - 88 Mcf

**The Atlantic City Sewerage Company**

**2026 OVER (UNDER) RECOVERY**

**As of September 30, 2026**

| | | Actual (1) | Actual (2) | Actual (3) | Estimate (4) | Estimate (5) | Actual (6) | Estimate (7) | Estimate (8) | Estimate (9) | Estimate (10) | Actual (11) | Estimate (12) | Actual (13) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | BILLING MONTH | PSTAC Approved Mcf | 2026 TREATMENT RATE | APPROVED TREATMENT REVENUES (1) x (2) | BILLED 2026 Mcf | 2026 BILLED TREATMENT REVENUES (4) x Applic Rate (31.609) | 2026 PSTAC Supplemental Billing | MONTHLY OVER (UNDER) COLLECTION (5)+(6) - (3) | PRIOR YEAR ADJ (Mcf) TO ACTUAL (4)-(11)-ACSC6-ACSC8 | PRIOR YEAR TREATMENT $'s (8) x PY appropriate rate (26.418) | NET MONTHLY CUMLATIVE OVER (UNDER) (7)+(9)+prior mo.'s | BILLED READINGS 2025 Mcf [from prior [ year col (4)] | Interest Calculation - Due to (From) (10) x (13)/12 | Approved ROR |
| 1 | January | 86,110.5 | 31.609 | 2,721,867 | 82,956.0 | 2,622,156 | 0 | (99,711) | (2,963.5) | (78,290) | (178,001) | 85,904.5 | 0 | 7.21% |
| 2 | February | 16,755.0 | 31.609 | 529,609 | 17,038.0 | 538,554 | 7,362 | 16,307 | 328.0 | 8,665 | (153,028) | 16,695.0 | 0 | 7.21% |
| 3 | March | 48,140.1 | 31.609 | 1,521,660 | 48,076.6 | 1,519,653 | 40,327 | 38,320 | 10.5 | 277 | (114,430) | 48,066.1 | 0 | 7.21% |
| 4 | April | 56,301.4 | 31.609 | 1,779,631 | 55,835.0 | 1,764,889 | 72,027 | 57,285 | (438.2) | (11,576) | (68,722) | 56,270.7 | 0 | 7.21% |
| 5 | May | 19,820.2 | 31.609 | 626,497 | 19,142.0 | 605,059 | 33,339 | 11,901 | (517.7) | (13,677) | (70,498) | 19,619.7 | 0 | 7.21% |
| 6 | June | 43,990.5 | 31.609 | 1,390,496 | 43,687.4 | 1,380,915 | 94,049 | 84,468 | (107.1) | (2,829) | 11,141 | 43,784.5 | 0 | 7.21% |
| 7 | July | 24,014.9 | 31.609 | 759,087 | 23,512.5 | 743,207 | 61,552 | 45,672 | (409.4) | (10,816) | 45,997 | 23,919.4 | 0 | 7.21% |
| 8 | August | 40,362.9 | 31.609 | 1,275,831 | 37,824.6 | 1,195,598 | 119,740 | 39,507 | (3,774.9) | (99,725) | (14,222) | 41,554.8 | 0 | 7.21% |
| 9 | September | 0.0 | | 0 | 0.0 | 0 | 0 | 0 | 0.0 | 0 | (14,222) | 0.0 | 0 | 7.21% |
| 10 | October | 0.0 | | 0 | 0.0 | 0 | 0 | 0 | 0.0 | 0 | (14,222) | 0.0 | 0 | 7.21% |
| 11 | November | 0.0 | | 0 | 0.0 | 0 | 0 | 0 | 0.0 | 0 | (14,222) | 0.0 | 0 | 7.21% |
| 12 | December | 0.0 | | 0 | 0.0 | 0 | 0 | 0 | 0.0 | 0 | (14,222) | 0.0 | 0 | 7.21% |
| 13 | | | | | | | | | | | | | | |
| 14 | Rounding | | | 4 | | | | (4) | | | (14,226) | | | |
| 15 | | | | (z) | | (X) | (Y) | | | | | | | |
| 16 | Totals | 335,495.5 | | $ 10,604,682 | 328,072.1 | $ 10,370,031 | $ 428,396 | $ 193,745 | (7,872.3) | $ (207,970) | | 335,814.7 | $ - | |
| 17 | | | | | -2.21% | | | | | | | | | |

| | | | |
|---|---|---|---|
| 18 | | | |
| 19 | Total Approved Treatment Recovery Amount | $ 10,604,682 | (Z) |
| 20 | Over/(under) recovery on actual 2026 customer billings | 193,745 | (x)+(y)-(z) |
| 21 | | | |
| 22 | Over/(under) recovery on 2025 adjust to actual usage | (207,970) | col (9) |
| 23 | | | |
| 24 | Over/(Under) Balance Expected 12/31/2026 | $ (14,226) | |

# The Atlantic City Sewerage Company

## 2027 PROJECTED TREATMENT COST
## ANNUAL BILLING

| | (1) | (2) | | (3) | | (4) |
|---|---|---|---|---|---|---|
| | | | | *Estimated (a)* | | |
| | 2026 | 2027 | | March | | 2027 |
| | TREATMENT | 2.00% | (c) | 2027 | | TREATMENT COST |
| | COST | *Est. Increase* | | (CREDIT)/CHARGE | | (1)+(2)+(3) |
| | $ 9,240,126 | $ 184,803 | | $ 735,798 | (b) | $ 10,160,726 |

**(a) Actual 2026 treatment costs (column 1) will be available late December, while the final true up amount (column 3) will not be available until mid-January 2027 This true-up will be applied against the Company's March Treatment Invoice.**

**(b) Based on ACUA's current projection of ACSC's 2026 flows to the ACUA treatment plant of 37.46%, which is higher than the total flows of 34.66% originally budgeted.**

**(c) Based on ACUA's current projection of ACUA's likely budget increase for 2027 after conversation with ACUA VP of Finance. Final numbers will be available late December 2026.**

## The Atlantic City Sewerage Company

**2026 TREATMENT BILLINGS ADJUSTMENT**
**(Including the ACUA Credit/Surcharge for Prior Year)**

| | AMOUNT | | |
|---|---|---|---|
| 2026 Actual Treatment Billing | $ 9,240,126 | | |
| Less: Actual True-up Charge for 2025 Flows | $ (69,671) | | |
| Net Actual Cost for 2026 | | $ 9,170,455 | |
| LESS: | | | |
| 2026 Estimated Treatment Billing | $ 9,373,956 | | |
| Less: Estimated True-Up Charge for 2025 Flows included in approved filing | $ 130,683 | | |
| Net Estimated Cost for 2026 | | $ 9,504,639 | |
| Treatment Cost Adjustment (Due To) Due From Ratepayers | | $ (334,184) | To ACSC-1 |

# The Atlantic City Sewerage Company

| | | | |
|---|---|---|---|
| 1 | **2026 NEW ACCOUNTS BILLED*** | **Thru September 30, 2026** | |
| 2 | | | |
| 3 | | **MCF** | **Assumptions** |
| 4 | **MONTH** | **AMOUNT** | **and Notations:** |
| 5 | | | |
| 6 | **January** | **15.0** | |
| 7 | **February** | **15.0** | |
| 8 | **March** | **0.0** | |
| 9 | **April** | **2.5** | |
| 10 | **May** | **40.0** | |
| 11 | **June** | **10.0** | |
| 12 | **July** | **2.5** | |
| 13 | **August** | **44.7** | |
| 14 | | | |
| 15 | **Total** | **129.7** | |
| 16 | | | |
| 17 | * **These accounts are billed in advance with no adjustment for prior year usage required.** | | |
| 18 | | | |
| 19 | | | |
| 20 | | | |
| 21 | | | |

**The Atlantic City Sewerage Company**

**2027 PSTAC - PROJECTED EXPENSES**

| | AMOUNT | |
|---|---|---|
| Legal Fees for 2027 PSTAC | $ 8,000 | |
| Postage, Publication & Copying | $ 1,000 | |
| Other: | $ - | |
| Projected 2027 PSTAC Costs | $ 9,000 | |
| Total Projected Expenses (shared 50/50) | $ 4,500 | To ACSC-1 |

**RESERVED FOR FUTURE USE**

**ATLANTIC CITY SEWERAGE COMPANY**
**2027 - Impact of Annual Rate Change on Average Customer**

**Impact of PSTAC Increase on Average Residential Customer (8.6 MCF)**

| | Rate 5/8" Meter | Existing | Proposed | Change $ | Change % |
|---|---|---|---|---|---|
| 2 | **Fixed Charge (A)** | $289.10 | $289.10 | $0.00 | **0.00%** |
| 3 | **Rate/MCF** | | | | |
| 4 | Collection | $9.098 | $9.098 | **$0.00** | **0.00%** |
| 5 | PSTAC | $31.609 | $29.909 | **-$1.70** | **-5.38%** |
| 6 | **Variable Charges (B)** | | | | |
| 7 | Collection | $78.24 | $78.24 | $0.00 | **0.00%** |
| 8 | PSTAC | $271.84 | $257.22 | **-$14.62** | **-5.38%** |
| 9 | **Total (A) + (B)** | $639.18 | $624.56 | **-$14.62** | **-2.29%** |

**The Atlantic City Sewerage Company**
**PROJECTED ACUA TRUE-UP CHARGE IN 2026 RATE as of 9/30/2026**

| | | |
|---|---|---|
| **Budgeted Contribution by ACSC** | **34.66%** | |
| **Updated Flow Projection** | **37.42%** | |
| **Increase in ACSC Contribution** | | **2.76%** |
| **Treatment Plant Total User Charges** | | **$ 26,659,337** |
| **Estimated Charge/(Credit) from ACUA in 2027 for Increased/(Decreased) Flows during Calendar Year 2026** | | **$ 735,798** |

to ACSC-1, line