

Aqua North Carolina

SUMMARY

Rate Division Name
of customers in rate division
Pct of Customers

NC	NC	NC	NC	NC	NC	NC	NC
AQUA NC Water	AQUA NC Sewer	Brookwood Water	FAIRWAYS Water	FAIRWAYS Sewer	Common	Non-Reg	Total
62,982	16,716	14,143	4,802	3,057	-	22	101,722
61.9%	16.4%	13.9%	4.7%	3.0%	0.0%	0.0%	100.0%

Description

Summary	Original Cost Rate Base including Corporate Allocations	129,381,700	57,371,799	22,392,752	2,555,416	10,638,479	-	(2,728)	222,337,418
	Last allowed or filed rate base (for comparison/reference)	114,236,577	43,035,067	19,475,856	3,272,893	10,452,466	-	-	190,472,859
Summary	Return on Rate Base (TTM Net OP Inc/Orig Cost rate base)	4.9%	5.2%	4.4%	8.4%	5.9%	0.0%	0.0%	5.0%
	Last allowed or filed Rate of Return (for comparison/reference)	7.2%	7.2%	7.2%	7.2%	7.2%	0.0%	0.0%	7.2%
Summary	Equity for rate making purposes	64,690,850	28,685,900	11,196,376	1,277,708	5,319,240	-	(1,364)	111,168,709
Summary	Equity per books (allocate based on rate base)	74,123,507	32,868,628	12,828,934	1,464,012	6,094,845	-	(1,563)	127,378,364
Summary	TTM Net Income Running	3,713,253	2,099,531	562,242	165,221	405,472	(15,703)	757	6,930,772
Summary	Return on Equity per books	5.01%	6.39%	4.38%	11.29%	6.65%	0.00%	0.00%	5.44%
	Last allowed Return on Equity (for comparison/reference)	9.7%	9.7%	9.7%	9.7%	9.7%	0.0%	0.0%	9.7%
Blended	Based on Actual Ratebase	58.2%	25.8%	10.1%	1.1%	4.8%	0.0%	0.0%	100.0%
	Last Allowed ROE	5.64%	2.50%	0.98%	0.11%	0.46%	0.00%	0.00%	9.70%
	Rate Base per Customer	2,054.26	3,432.15	1,583.31	532.16	3,480.04			2,185.74

Goodwill Balance 9/30/2019

Equity Portion of Goodwill (50%)

Equity per books LESS Equity Portion of Goodwill

TTM Net Income Running (from above)

Per Books Net Income - Adjusted for Goodwill Equity Balance

Impact of Equity Portion of Goodwill Balance on ROE

14,669,349.52
7,334,674.76 line 24 x 50%
120,043,689.57 line 8 - line 25
6,930,772 from line 10
5.77% line 27 / line 26 (PS DR 22 Q3)
-0.33% Line 13 less line 28

Ties to Per Book Net Income
Exhibit DwrDs (W-218 Sub 5)

PS DR 22 Q1 (line 10 / line 11)

JUL 14 2020

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$$(a) \$ \text{Net Income} = 6,930,772 \div 111,168,709^{(1)} = 6.23\%$$

$$(b) 6,930,772 + 627,466^{(2)} = 7,558,238$$

$$(c) 7,558,238 \div 111,168,709 = 6.77\%$$

(1) Equity for rate making purposes

(2) Increased service revenues W-218 Sub 497 Order dated Dec 18, 2018
Total increased revenues = \$2,896,020 = 241,333/month
241,333 x 2.6 months = \$627,466