

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Summary of Rate Case Adjustments
Test Year: March 31, 2019

W1-10
Updated 10/4/2019

Table of Contents - Summary of Book and Pro-Forma Adjustments

Adjustment #	Updated	Description	Adjustment Amount				Adjustment Category	Adjusted Schedule	Support Schedule
			Uniform Water	Uniform Sewer	BF/FH/TC Water	BF/FH/TC Sewer			
1	N	UA Adjustment - re-allocate Plant In-Service, A/D, ADIT based on 25% ratio for Availability ERC's							
		Plant In-Service	(684,704.50)	(413,722.94)	(81,755.66)	(85,390.87)	UA Adjustment	A-1a, A-1b	Schedule 1
		Accumulated Depreciation	475,530.92	287,332.78	56,779.74	59,304.41	UA Adjustment	A-2a, A-2b	Schedule 1
		Accumulated Deferred Income Taxes	2,045.71	1,236.09	244.26	255.12	UA Adjustment	A-6a, A-6b	Schedule 1
2	N	Add Pace Utilities rate base, O&M not covered by CWSNC Ops							
		Plant In-Service	-	-	125,342.78	-	Pro-Forma	A-1b	Schedule 2
		Accumulated Depreciation	-	-	(60,344.54)	-	Pro-Forma	A-2b	Schedule 2
		Purchased Power	-	-	1,284.49	1,284.49	Pro-Forma	B-6b	Schedule 2
		Maintenance and Repair	-	-	5,057.92	165.00	Pro-Forma	B-8b	Schedule 2
		Chemicals	-	-	585.00	-	Pro-Forma	B-11b	Schedule 2
		Office Supplies & Other Office Exp.	-	-	22.70	-	Pro-Forma	B-14b	Schedule 2
		Office Utilities	-	-	600.00	-	Pro-Forma	B-19b	Schedule 2
		Depreciation	-	-	1,240.57	-	Pro-Forma	B-21b	Schedule 2
		Franchise Tax	-	-	400.00	-	Pro-Forma	B-25b	Schedule 2
		Property Taxes	-	-	499.04	-	Pro-Forma	B-25b	Schedule 2
		Special Assessments	-	-	45.00	-	Pro-Forma	B-25b	Schedule 2
3	Y	Adjust Cash Working Capital for changes in maintenance and general expenses							
		Book Adjustment	(149,179.97)	(73,942.34)	(16,427.52)	(20,388.64)	UA/AA	A-3a, A-3b	A-3a, A-3b
		Pro-Forma Adjustment	142,461.96	101,886.54	27,713.55	19,600.53	Pro-Forma	A-3a, A-3b	A-3a, A-3b
4	N	Adjust book ADIT for state and federal for prior order adjustments not recorded							
		State	100,906.99	38,278.31	56,731.60	(28,125.45)	Pro-Forma	A-6a, A-6b	Schedule 4
		Federal	337,691.98	(969,110.64)	294,611.86	(430,859.52)	Pro-Forma	A-6a, A-6b	Schedule 4
5	N	Include remaining reserve and amortization of Gain on Sale from Cabarrus Woods							
		Gain on Sale reserve	(87,247.72)	(44,446.92)	-	-	AA Adjustment	A-9a	Schedule 5
		Amortization Expense	(87,247.72)	(44,446.92)	-	-	AA Adjustment	B-21a	Schedule 5
6	Y	Include PAA from Riverbend Estates and Pace Utilities Group acquisitions							
		Riverbend - rate base	56,821.28	-	-	-	Pro-Forma	A-10a	Schedule 6
		Pace Utilities - rate base	-	-	4,291.00	21,500.00	Pro-Forma	A-10b	Schedule 6
		Riverbend - amortization expense	1,403.49	-	-	-	Pro-Forma	B-22a	Schedule 6
		Pace Utilities - amortization expense	-	-	105.99	758.95	Pro-Forma	B-22b	Schedule 6
7	N	Include Excess Book Value as approved in W-354, Sub 356							
		Excess Book Value reserve	(331.00)	-	-	-	AA Adjustment	A-11a	Schedule 7
		Amortization Expense	(100.00)	-	-	-	AA Adjustment	B-21a	Schedule 7
8	N	Include Cost Free Capital as approved in W-354, Sub 266	(121,791.00)	(139,708.00)	-	-	AA Adjustment	A-12a	Schedule 8
9	Y	Avg. Tax Accruals - Adjust Regulatory Fee for pro-forma service revenues * 0.13%							
		Book Adjustment	(4,562.00)	(3,487.00)	339.18	545.97	UA/AA	A-13a, A-13b	A-13a, A-13b
		Pro-Forma Adjustment	4,546.34	3,370.10	(290.00)	(484.00)	Pro-Forma	A-13a, A-13b	A-13a, A-13b
10	Y	Include unamortized Federal Protected EDIT							
		Unamortized Federal Protected EDIT reserve	(2,084,991.24)	(1,259,826.25)	(291,776.64)	(304,750.30)	Pro-Forma	A-14a, A-14b	Schedule 10
		Amortization of reserve	(47,476.08)	(28,686.75)	(6,643.87)	(6,939.29)	Pro-Forma	B-21a, B-21b	Schedule 10

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			Uniform Water	Uniform Sewer	BF/FH/TC Water	BF/FH/TC Sewer			
11	N	Adjust Deferred Charges and Amortization of Rate Case Expenses							
		Remove book balances	(405,125.57)	(244,791.35)	(48,113.05)	(50,252.36)	AA Adjustment	A-15a, A-15b	A-15a, A-15b
		Include W-354, Sub 364 Rate Case Deferred Charges with unamortized prior cases	492,273.72	294,934.44	59,182.59	61,700.89	Pro-Forma	A-15a, A-15b	Schedule 11
		Adjust amortization of rate case expenses	2,989.41	(386.84)	(2,642.94)	(2,747.70)	Pro-Forma	B-15a, B-15b	Schedule 11
12	Y	Adjust Deferred Charges - Maintenance and associated amortization for new projects							
		Remove book balances - Accounts 2960, 2975, 2985, 3040, 3110, 3140, 3195	(944,657.61)	(1,607,271.07)	(89,194.36)	(20,681.18)	AA Adjustment	A-15a, A-15b	A-15a, A-15b
		Include Gross Deferred Charges - Maintenance (Accounts 2960, 3040)	2,470,858.98	200,327.48	126,399.47	110,491.69	Pro-Forma	A-15a, A-15b	Schedule 12
		Include Accumulated Amortization of Deferred Charges - Maintenance (Accounts 3110, 3195)	(1,333,462.46)	(197,952.85)	(45,919.53)	(103,875.69)	Pro-Forma	A-15a, A-15b	Schedule 12
13	Y	Include Deferred Charges, amortization expense for Riverbend Estates/Pace Utilities acquisitions							
		Riverbend	120,564.75	-	-	-	Pro-Forma	A-15a, A-15b	Schedule 13
		Pace Utilities	-	-	22,986.14	22,986.14	Pro-Forma	A-15a, A-15b	Schedule 13
		Amortization expense for Riverbend, Pace Utilities	24,112.95	-	4,597.23	4,597.23	Pro-Forma	B-20a, B-20b	Schedule 13
14	N	Remove Deferred Charges - Testing from rate base							
		Def Charges - VOC Testing (Account 3005)	(446,893.59)	(270,029.08)	(13,095.93)	(13,678.23)	AA Adjustment	A-15a, A-15b	A-15a, A-15b
		Amort - VOC Testing (Account 3160)	349,828.00	211,378.59	9,989.68	10,433.86	AA Adjustment	A-15a, A-15b	A-15a, A-15b
15	Y	Adjustments to rate base and depreciation/amortization expense for pro-forma plant additions							
		Add post test year plant additions	812,515.54	357,527.76	-	46,599.50	Pro-Forma	A-1a, A-1b	Schedule 15
		Add post test year A/D	(604,494.21)	(527,861.74)	-	279,338.20	Pro-Forma	A-2a, A-2b	Schedule 15
		Add post test year CIAC	(38,830.00)	(12,763.17)	(4,400.00)	-	Pro-Forma	A-4a, A-4b	Schedule 15
		Add post test year Accumulated CIAC Amortization	227,835.35	204,615.97	13,105.68	48,214.60	Pro-Forma	A-4a, A-4b	Schedule 15
		Add depreciation expense from post test year plant additions	24,871.79	19,653.48	3,100.15	2,109.83	Pro-Forma	B-21a, B-21b	B-21a, B-21b
		Add CIAC amortization expense from post test year plant additions	(1,024.09)	(298.55)	(116.04)	-	Pro-Forma	B-23a, B-23b	B-23a, B-23b
		Include pro-forma plant additions, net of retirements and A/D, to rate base	1,663,772.07	15,474,369.38	-	779,660.95	Pro-Forma	A-16a, A-16b	Schedule 15
		Include depreciation expense on pro-forma plant additions	41,800.00	368,999.81	-	15,911.45	Pro-Forma	B-21a, B-21b	Schedule 15
16	N	UA Adjustment - re-allocate expenses based on 25% ratio for Availability ERC's							
		Capitalized Time Adjustment	33.55	20.27	4.01	4.18	UA Adjustment	B-5a, B-5b	Schedule 16
		Maintenance-Wtr&Swr Plant	(0.90)	(0.55)	(0.11)	(0.11)	UA Adjustment	B-8a, B-8b	Schedule 16
		Fleet Transportation Expens	(38.20)	(23.08)	(4.56)	(4.76)	UA Adjustment	B-12a, B-12b	Schedule 16
		Outside Service Expense	(5,558.35)	(3,358.55)	(663.68)	(693.19)	UA Adjustment	B-13a, B-13b	Schedule 16
		Office/IT/Billing & Customer Service Expense	(10,126.58)	(6,118.84)	(1,209.14)	(1,262.91)	UA Adjustment	B-14a, B-14b	Schedule 16
		Employee Benefits	(31,686.13)	(19,145.89)	(3,783.41)	(3,951.64)	UA Adjustment	B-16a, B-16b	Schedule 16
		Office Utilities/Maintenanc	(6,181.91)	(3,735.33)	(738.14)	(770.96)	UA Adjustment	B-19a, B-19b	Schedule 16
		Miscellaneous and Travel Expense	(1,722.30)	(1,040.67)	(205.65)	(214.79)	UA Adjustment	B-20a, B-20b	Schedule 16
		Depreciation Expense	(17,926.54)	(10,831.85)	(2,140.48)	(2,235.65)	UA Adjustment	B21a, B-21b	Schedule 16
		Payroll Taxes	(2,047.16)	(1,236.96)	(244.44)	(255.30)	UA Adjustment	B25a, B-25b	Schedule 16
		Property & Other Taxes	(444.23)	(268.42)	(53.04)	(55.40)	UA Adjustment	B25a, B-25b	Schedule 16
17	Y	Adjust Service Revenues to pro-forma present rate levels	1,437,434.13	936,463.15	307,320.46	438,176.53	AA Adjustment	B-1a, B-1b	Schedule E
18	N	Adjust Miscellaneous Revenues for updated reconnection fee	28,440.00	4,410.00	4,740.00	-	AA Adjustment	B-1a, B-1b	Schedule 18
19	N	Remove UA ledger Miscellaneous Revenues	(12,779.89)	(7,722.06)	(1,752.36)	(1,830.27)	UA Adjustment	B-1a, B-1b	B-1a, B-1b
20	Y	Update Salaries & Wages and related payroll taxes							
		Update Salaries & Wages for new salary and headcount levels	166,458.94	100,253.53	116,188.14	46,256.87	Pro-Forma	B-4a, B-4b	Schedule 20
		Update FICA for new salary and headcount levels	34,628.74	20,923.92	6,946.55	(7,615.82)	Pro-Forma	B-25a, B-25b	Schedule 20
		Update FUTA for new salary and headcount levels	21,368.61	12,911.68	2,583.57	2,549.59	Pro-Forma	B-25a, B-25b	Schedule 20
		Update SUTA for new salary and headcount levels	(601.84)	(363.65)	24.83	(458.11)	Pro-Forma	B-25a, B-25b	Schedule 20

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			Uniform Water	Uniform Sewer	BF/FH/TC Water	BF/FH/TC Sewer			
21	Y	Adjust Miscellaneous Expense and Deferred Charges for Hurricane Florence							
		Remove OT Labor from Salary Captive	-	-	-	-	AA Adjustment	B-5a, B-5b	Schedule 21
		Include Deferred Charge for insurance proceeds received, net of amortization	(135,700.73)	(138,104.21)	(138,119.17)	(131,424.16)	Pro-Forma	A-15a, A-15b	Schedule 21
		Include annual amortization of insurance proceeds	(10,027.51)	(2,644.57)	(217.14)	(202.03)	Pro-Forma	B-20a, B-20b	Schedule 21
		Include annual amortization of deferred O&M, Depreciation, and Lost Revenues	12,252.94	31,436.13	9,795.23	24,326.37	Pro-Forma	B-20a, B-20b	Schedule 21
22	N	Adjust Power Expense for vendor price changes since start of Test Year	4,081.06	14,703.97	64.61	-	Pro-Forma	B-6a, B-6b	Schedule 22
23	Y	Adjust Purchased Water/Purchased Sewer Expense for vendor price changes since start of Test Year	14,901.10	12,970.84	-	-	Pro-Forma	B-7a	Schedule 23
24	Y	Remove Lobbying Expense and normalize Storm Expenses using 3 year average							
		Remove book Lobbying Expense	(34,572.17)	(20,889.74)	(4,128.02)	(4,311.57)	AA Adjustment	B-13a, B-13b	Schedule 24
		Remove Indirect Lobbying and Sponsorships	(5,910.27)	(3,571.20)	(705.70)	(737.08)	Pro-Forma	B-20a, B-20b	Schedule 24
		Remove book Storm Expense	(69,991.79)	(42,291.54)	(8,536.27)	(8,915.82)	AA Adjustment	B-8a, B-8b	Schedule 24
		Include normalized Storm Expenses	25,748.74	15,558.31	3,074.47	3,211.18	Pro-Forma	B-8a, B-8b	Schedule 24
25	Y	Adjust Deferred Maintenance Expense to pro-forma projects completed							
		Remove book balances	(306,587.05)	(185,250.85)	(37,233.55)	(38,889.12)	AA Adjustment	B-8a, B-8b	B-8a, B-8b
		Include remaining deferred maintenance projects and add pro-forma projects	293,897.79	278,181.64	16,412.68	19,408.00	Pro-Forma	B-8a, B-8b	Schedule 25
26	N	Adjust Expenses for Deferred Accounting Application projects							
		Maintenance Expense - Calibration Meters and Generator Maintenance	-	3,997.25	-	-	Pro-Forma	B-8a	Schedule 26
		Remove meter reading costs	(20,779.15)	-	-	-	Pro-Forma	B-10a	Schedule 26
		Remove Test Year former Chemicals Expense	(4,412.14)	(2,728.99)	-	-	Pro-Forma	B-11a	Schedule 26
		Include Micro-C for Nags Head WWTP	-	28,108.43	-	-	Pro-Forma	B-11a	Schedule 26
27	N	Adjust Maintenance Testing Expense to current testing schedule costs	37,669.39	(10,921.65)	(718.23)	(2,889.00)	Pro-Forma	B-9a, B-9b	Schedule 27
28	N	Adjust Chemicals Expense							
		Book Adjustment to correct allocations	(84,799.99)	84,799.99	12,665.26	(12,665.26)	AA Adjustment	B-10a, B-10b	Schedule 28
		Adjust Chemicals Expense for vendor price changes since start of Test Year	6,269.31	2,572.96	422.96	2.87	Pro-Forma	B-10a, B-10b	Schedule 28
29	N	Remove Test Year activity and include pro-forma Corix cost allocations							
		Include pro-forma Corix costs	395,313.98	238,862.84	47,201.61	49,300.40	Pro-Forma	B-13a, B-13b	Schedule 29
		Remove Test Year activity in account 6030	(156,132.06)	(94,340.57)	(21,100.81)	(22,039.04)	UA Adjustment	B-13a, B-13b	B-13a, B-13b
		Remove Test Year activity in account 5580	(498,311.37)	(301,097.54)	(67,501.19)	(70,502.59)	UA Adjustment	B-14a, B-14b	B-14a, B-14b
30	Y	Adjust Rent Expense for Corporate Office relocation, step increases in NC leases	72,787.50	43,980.81	10,740.92	11,218.51	Pro-Forma	B-17a, B-17b	Schedule 30
31	Y	Adjust Insurance Expense to annualize pro-forma policy premiums	131,859.79	79,674.40	9,929.38	10,370.88	Pro-Forma	B-18a, B-18b	Schedule 31
32	N	Remove unrecoverable expenses							
		Charitable Contributions	(1,006.37)	(608.09)	(92.82)	(96.95)	UA/AA	B-20a, B-20b	B-20a, B-20b
		Penalties/Fines	-	(7,036.67)	-	-	AA Adjustment	B-20a, B-20b	B-20a, B-20b
33	N	Reclassify Customer Deposit Interest as Miscellaneous Expense	13,275.37	8,194.69	1,111.90	1,112.61	AA Adjustment	B-20a, B-20b	Schedule 33
34	Y	Include amortization of Deferred Accounting Petition (W-354, Sub 365) carrying costs	10,221.20	117,834.08	-	-	Pro-Forma	B-21a, B-21b	Schedule 34
35	Y	Adjust Regulatory Fee (Utility/Commission Tax) for proposed revenues	28,070.00	22,851.00	2,150.00	3,186.00	Pro-Forma	B-25a, B-25b	D-3a, D-3b

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Income Statement - Uniform

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Combined Operations	Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates	Change	Adjustment Comments/ Reference
<u>Operating Revenues</u>				
Service Revenues - Water	17,373,666.72	17,485,921.07	112,254.34	
Service Revenues - Sewer	12,496,670.94	12,961,929.23	465,258.29	
Miscellaneous Revenues	286,200.65	286,200.65	-	
Uncollectible Accounts	(212,287.96)	(212,287.96)	-	
Total Operating Revenues	29,944,250.35	30,521,762.99	577,512.63	
<u>Maintenance Expenses</u>				
Salaries and Wages	4,498,895.26	4,447,471.32	(51,423.93)	
Purchased Power	1,894,844.26	1,894,844.26	-	
Purchased Water / Sewer	2,204,218.73	2,204,707.72	488.99	
Maintenance and Repair	2,674,935.64	2,660,120.14	(14,815.50)	
Maintenance Testing	512,687.84	512,687.84	-	
Meter Reading	175,422.21	175,422.21	-	
Chemicals	662,717.91	658,305.77	(4,412.14)	
Transportation	459,252.57	459,252.57	-	
Operating Exp. Charged to Plant	(567,320.60)	(589,212.66)	(21,892.06)	
Outside Services - Other	1,077,965.58	1,077,965.58	-	
Total	13,593,619.40	13,501,564.76	(92,054.64)	
<u>General Expenses</u>				
Salaries and Wages	2,102,070.73	1,880,992.53	(221,078.20)	
Office Supplies & Other Office Exp.	495,870.14	495,870.14	-	
Regulatory Commission Exp.	268,124.29	268,124.29	-	
Pension & Other Benefits	1,302,239.15	1,302,239.15	-	
Rent	340,707.07	340,967.45	260.38	
Insurance	576,341.76	735,853.04	159,511.28	
Office Utilities	662,695.51	662,695.51	-	
Miscellaneous	285,733.92	280,551.35	(5,182.58)	
Total	6,033,782.56	5,967,293.44	(66,489.12)	
Depreciation	5,859,133.34	5,882,291.00	23,157.66	
Amortization of PAA	(127,621.54)	(127,547.44)	74.10	
Payroll Taxes	517,372.32	504,571.10	(12,801.23)	
Franchise Tax	(5,471.25)	(5,471.25)	-	
Gross Receipts Tax	-	-	-	
Property Taxes	247,158.82	247,158.82	-	
Special Assessments	(712.65)	(712.65)	-	
Utility/Commission Tax	-	-	-	
Income Taxes - Federal	672,420.35	913,403.78	240,983.43	
Income Taxes - State	50,710.43	68,884.15	18,173.71	
Amortization of ITC	(579.00)	(579.00)	-	
Amortization of CIAC	(1,301,420.42)	(1,302,743.06)	(1,322.64)	
Total	5,910,990.40	6,179,255.43	268,265.03	
Total Operating Expenses	25,538,392.36	25,648,113.64	109,721.27	
<u>Net Operating Income</u>	4,405,857.99	4,873,649.35	467,791.36	
Other Income				
Interest During Construction				
Interest on Debt	3,100,320.60	3,100,320.60		
Net Income	1,305,537.00	1,773,329.00		

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	Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates	Change	Adjustment Comments/ Reference
Water Operations				
Operating Revenues				
Service Revenues - Water	17,373,666.72	17,485,921.07	112,254.34	Schedule E
Service Revenues - Sewer	-	-	-	
Miscellaneous Revenues	172,036.42	172,036.42	-	
Uncollectible Accounts	(120,322.52)	(120,322.52)	-	
Total Operating Revenues	17,425,380.61	17,537,634.96	112,254.34	
Maintenance Expenses				
Salaries and Wages	2,804,385.36	2,772,534.04	(31,851.32)	Schedule 20
Purchased Power	1,048,857.65	1,048,857.65	-	
Purchased Water / Sewer	1,465,601.22	1,466,090.21	488.99	Schedule 23
Maintenance and Repair	965,128.74	950,313.24	(14,815.50)	Schedule 12, 25
Maintenance Testing	203,811.37	203,811.37	-	
Meter Reading	175,422.21	175,422.21	-	
Chemicals	311,580.45	311,580.45	-	
Transportation	286,274.99	286,274.99	-	
Operating Exp. Charged to Plant	(358,603.50)	(367,285.58)	(8,682.08)	Schedule 21
Outside Services - Other	671,949.60	671,949.60	-	
Total	7,574,408.09	7,519,548.18	(54,859.91)	
General Expenses				
Salaries and Wages	1,310,325.32	1,172,516.28	(137,809.05)	Schedule 20
Office Supplies & Other Office Exp.	309,100.54	309,100.54	-	
Regulatory Commission Exp.	168,502.31	168,502.31	-	
Pension & Other Benefits	811,750.49	811,750.49	-	
Rent	212,379.68	212,541.98	162.31	Schedule 30
Insurance	359,262.51	458,693.83	99,431.32	Schedule 31
Office Utilities	413,091.10	413,091.10	-	
Miscellaneous	168,996.05	167,762.24	(1,233.81)	Schedule 13, 21, 24
Total	3,753,407.99	3,713,958.76	(39,449.23)	
Depreciation	3,071,186.02	3,099,990.94	28,804.92	Schedule 15
Amortization of PAA	(102,638.26)	(102,564.16)	74.10	Schedule 6
Payroll Taxes	322,503.92	314,524.28	(7,979.64)	Schedule 20
Franchise Tax	(3,101.05)	(3,101.05)	-	
Gross Receipts Tax	-	-	-	
Property Taxes	154,066.40	154,066.40	-	
Special Assessments	(444.23)	(444.23)	-	
Utility/ Commission Tax	-	-	-	M-100, Sub 142
Income Taxes - Federal	528,339.13	590,226.26	61,887.14	
Income Taxes - State	39,844.58	44,511.78	4,667.20	
Amortization of ITC	(328.17)	(328.17)	-	
Amortization of CIAC	(684,695.32)	(685,719.41)	(1,024.09)	
Total	3,324,733.02	3,411,162.65	86,429.63	
Total Operating Expenses	14,652,549.10	14,644,669.59	(7,879.51)	
Net Operating Income	2,772,831.52	2,892,965.37	120,133.85	
Other Income				
Interest During Construction				
Interest on Debt	1,747,232.04	1,747,232.04		
Net Income	1,025,600.00	1,145,733.00		

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Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
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	Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates	Change	Adjustment Comments/ Reference
Sewer Operations				
<u>Operating Revenues</u>				
Service Revenues - Water	-	-	-	
Service Revenues - Sewer	12,496,670.94	12,961,929.23	465,258.29	Schedule E
Miscellaneous Revenues	114,164.23	114,164.23	-	
Uncollectible Accounts	(91,965.43)	(91,965.43)	-	
Total Operating Revenues	12,518,869.74	12,984,128.03	465,258.29	
<u>Maintenance Expenses</u>				
Salaries and Wages	1,694,509.89	1,674,937.28	(19,572.61)	Schedule 20
Purchased Power	845,986.62	845,986.62	-	
Purchased Water / Sewer	738,617.52	738,617.52	-	
Maintenance and Repair	1,709,806.90	1,709,806.90	-	
Maintenance Testing	308,876.47	308,876.47	-	
Meter Reading	-	-	-	
Chemicals	351,137.46	346,725.32	(4,412.14)	Schedule 26
Transportation	172,977.58	172,977.58	-	
Operating Exp. Charged to Plant	(208,717.10)	(221,927.08)	(13,209.98)	Schedule 21
Outside Services - Other	406,015.97	406,015.97	-	
Total	6,019,211.32	5,982,016.59	(37,194.73)	
<u>General Expenses</u>				
Salaries and Wages	791,745.40	708,476.25	(83,269.15)	Schedule 20
Office Supplies & Other Office Exp.	186,769.60	186,769.60	-	
Regulatory Commission Exp.	99,621.97	99,621.97	-	
Pension & Other Benefits	490,488.66	490,488.66	-	
Rent	128,327.39	128,425.46	98.07	Schedule 30
Insurance	217,079.25	277,159.21	60,079.96	Schedule 31
Office Utilities	249,604.41	249,604.41	-	
Miscellaneous	116,737.87	112,789.11	(3,948.76)	Schedule 21, 24
Total	2,280,374.56	2,253,334.68	(27,039.89)	
Depreciation	2,787,947.31	2,782,300.05	(5,647.26)	Schedule 15
Amortization of PAA	(24,983.28)	(24,983.28)	-	
Payroll Taxes	194,868.40	190,046.82	(4,821.58)	Schedule 20
Franchise Tax	(2,370.21)	(2,370.21)	-	
Gross Receipts Tax	-	-	-	
Property Taxes	93,092.42	93,092.42	-	
Special Assessments	(268.42)	(268.42)	-	
Utility/ Commission Tax	-	-	-	M-100, Sub 142
Income Taxes - Federal	144,081.22	323,177.52	179,096.29	
Income Taxes - State	10,865.85	24,372.36	13,506.51	
Amortization of ITC	(250.83)	(250.83)	-	
Amortization of CIAC	(616,725.10)	(617,023.65)	(298.55)	
Total	2,586,257.38	2,768,092.78	181,835.40	
Total Operating Expenses	10,885,843.27	11,003,444.05	117,600.78	
<u>Net Operating Income</u>	<u>1,633,026.47</u>	<u>1,980,683.98</u>	<u>347,657.51</u>	
Other Income				
Interest During Construction	-	-	-	
Interest on Debt	1,353,088.56	1,353,088.56	-	
Net Income	279,938.00	627,595.00		

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Income Statement - BE/FH/TC

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Combined Operations	Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates	Change	Adjustment Comments/ Reference
<u>Operating Revenues</u>				
Service Revenues - Water	1,304,231.21	1,304,521.19	289.99	
Service Revenues - Sewer	2,094,947.66	2,099,870.24	4,922.58	
Miscellaneous Revenues	67,079.76	67,079.76	-	
Uncollectible Accounts	(34,059.94)	(34,059.94)	-	
Total Operating Revenues	3,432,198.69	3,437,411.25	5,212.57	
<u>Maintenance Expenses</u>				
Salaries and Wages	644,534.45	636,627.00	(7,907.45)	
Purchased Power	215,878.23	215,878.23	-	
Purchased Water / Sewer	(32,253.99)	(32,253.99)	-	
Maintenance and Repair	280,379.77	287,529.67	7,149.90	
Maintenance Testing	33,575.96	33,575.96	-	
Meter Reading	30,753.48	30,753.48	-	
Chemicals	50,734.33	63,399.58	12,665.26	
Transportation	79,862.49	79,862.49	-	
Operating Exp. Charged to Plant	(48,342.14)	(72,879.28)	(24,537.14)	
Outside Services - Other	141,749.66	141,749.66	-	
Total	1,396,872.24	1,384,242.81	(12,629.43)	
<u>General Expenses</u>				
Salaries and Wages	284,829.97	251,188.74	(33,641.23)	
Office Supplies & Other Office Exp.	73,529.91	73,529.91	-	
Regulatory Commission Exp.	35,360.50	35,360.50	-	
Pension & Other Benefits	228,857.11	228,857.11	-	
Rent	51,845.03	51,884.65	39.62	
Insurance	87,701.31	111,973.97	24,272.66	
Office Utilities	89,032.34	89,032.34	-	
Miscellaneous	70,196.73	62,910.24	(7,286.49)	
Total	921,352.89	904,737.44	(16,615.44)	
Depreciation	540,107.42	544,766.26	4,658.83	
Amortization of PAA	42,280.06	42,280.06	-	
Payroll Taxes	78,727.99	76,780.04	(1,947.95)	
Franchise Tax	5,003.92	5,003.92	-	
Gross Receipts Tax	-	-	-	
Property Taxes	21,575.03	21,575.03	-	
Special Assessments	390.60	390.60	-	
Utility/Commission Tax	-	-	-	
Income Taxes - Federal	56,069.30	62,593.17	6,523.87	
Income Taxes - State	6,846.07	7,642.63	796.56	
Amortization of ITC	-	-	-	
Amortization of CIAC	(184,244.08)	(184,360.12)	(116.04)	
Total	566,756.31	576,671.58	9,915.27	
Total Operating Expenses	2,884,981.43	2,865,651.83	(19,329.60)	
<u>Net Operating Income</u>	547,217.25	571,759.42	24,542.17	
Other Income				
Interest During Construction				
Interest on Debt	336,289.88	336,289.88		
Net Income	210,927.00	235,470.00		

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	Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates	Change	Adjustment Comments/ Reference
Water Operations				
<u>Operating Revenues</u>				
Service Revenues - Water	1,304,231.21	1,304,521.19	289.99	Schedule E
Service Revenues - Sewer	-	-	-	
Miscellaneous Revenues	48,277.46	48,277.46	-	
Uncollectible Accounts	(12,773.95)	(12,773.95)	-	
Total Operating Revenues	1,339,734.71	1,340,024.70	289.99	
<u>Maintenance Expenses</u>				
Salaries and Wages	334,851.56	330,983.82	(3,867.74)	Schedule 20
Purchased Power	69,724.45	69,724.45	-	
Purchased Water / Sewer	(32,253.99)	(32,253.99)	-	
Maintenance and Repair	62,437.66	69,587.56	7,149.90	Schedule 25
Maintenance Testing	8,356.51	8,356.51	-	
Meter Reading	30,753.48	30,753.48	-	
Chemicals	44,189.16	44,189.16	-	
Transportation	39,062.80	39,062.80	-	
Operating Exp. Charged to Plant	(35,647.13)	(35,647.13)	-	
Outside Services - Other	69,333.40	69,333.40	-	
Total	590,807.89	594,090.05	3,282.17	
<u>General Expenses</u>				
Salaries and Wages	156,456.56	140,001.77	(16,454.79)	Schedule 20
Office Supplies & Other Office Exp.	35,976.96	35,976.96	-	
Regulatory Commission Exp.	17,289.49	17,289.49	-	
Pension & Other Benefits	111,939.88	111,939.88	-	
Rent	25,358.73	25,378.11	19.38	Schedule 30
Insurance	42,896.96	54,769.34	11,872.38	Schedule 31
Office Utilities	43,854.52	43,854.52	-	
Miscellaneous	27,371.98	27,255.84	(116.14)	Schedule 13
Total	461,145.09	456,465.92	(4,679.17)	
Depreciation	161,690.62	164,811.11	3,120.49	Schedule 15
Amortization of PAA	11,679.27	11,679.27	-	
Payroll Taxes	46,091.36	45,138.57	(952.79)	Schedule 20
Franchise Tax	2,126.67	2,126.67	-	
Gross Receipts Tax	-	-	-	
Property Taxes	10,552.90	10,552.90	-	
Special Assessments	446.00	446.00	-	
Utility/Commission Tax	-	-	-	M-100, Sub 142
Income Taxes - Federal	1,526.46	1,451.79	(74.67)	
Income Taxes - State	186.38	177.26	(9.12)	
Amortization of ITC	-	-	-	
Amortization of CIAC	(39,600.28)	(39,716.32)	(116.04)	
Total	194,699.37	196,667.24	1,967.87	
Total Operating Expenses	1,246,652.34	1,247,223.21	570.87	
<u>Net Operating Income</u>	93,082.37	92,801.48	(280.88)	
Other Income				
Interest During Construction				
Interest on Debt	87,339.99	87,339.99		
Net Income	5,742.00	5,461.00		

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Carolina Water Service, Inc. of North Carolina
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	Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates	Change	Adjustment Comments/ Reference
Sewer Operations				
<u>Operating Revenues</u>				
Service Revenues - Water	-	-	-	
Service Revenues - Sewer	2,094,947.66	2,099,870.24	4,922.58	Schedule E
Miscellaneous Revenues	18,802.30	18,802.30	-	
Uncollectible Accounts	(21,285.98)	(21,285.98)	-	
Total Operating Revenues	2,092,463.98	2,097,386.56	4,922.58	
<u>Maintenance Expenses</u>				
Salaries and Wages	309,682.89	305,643.18	(4,039.71)	Schedule 20
Purchased Power	146,153.78	146,153.78	-	
Purchased Water / Sewer	-	-	-	
Maintenance and Repair	217,942.11	217,942.11	-	
Maintenance Testing	25,219.45	25,219.45	-	
Meter Reading	-	-	-	
Chemicals	6,545.17	19,210.42	12,665.26	Formula Error
Transportation	40,799.70	40,799.70	-	
Operating Exp. Charged to Plant	(12,695.01)	(37,232.15)	(24,537.14)	Schedule 21
Outside Services - Other	72,416.26	72,416.26	-	
Total	806,064.35	790,152.76	(15,911.60)	
<u>General Expenses</u>				
Salaries and Wages	128,373.42	111,186.97	(17,186.44)	Schedule 20
Office Supplies & Other Office Exp.	37,552.95	37,552.95	-	
Regulatory Commission Exp.	18,071.01	18,071.01	-	
Pension & Other Benefits	116,917.22	116,917.22	-	
Rent	26,486.30	26,506.54	20.24	Schedule 30
Insurance	44,804.35	57,204.63	12,400.28	Schedule 31
Office Utilities	45,177.81	45,177.81	-	
Miscellaneous	42,824.75	35,654.40	(7,170.36)	Schedule 13
Total	460,207.80	448,271.52	(11,936.28)	
Depreciation	378,416.80	379,955.15	1,538.35	Schedule 15
Amortization of PAA	30,600.79	30,600.79	-	
Payroll Taxes	32,636.64	31,641.48	(995.16)	Schedule 20
Franchise Tax	2,877.25	2,877.25	-	
Gross Receipts Tax	-	-	-	
Property Taxes	11,022.13	11,022.13	-	
Special Assessments	(55.40)	(55.40)	-	
Utility/Commission Tax	-	-	-	M-100, Sub 142
Income Taxes - Federal	54,542.85	61,141.38	6,598.53	
Income Taxes - State	6,659.69	7,465.37	805.68	
Amortization of ITC	-	-	-	
Amortization of CIAC	(144,643.80)	(144,643.80)	-	
Total	372,056.94	380,004.34	7,947.40	
Total Operating Expenses	1,638,329.09	1,618,428.62	(19,900.47)	
<u>Net Operating Income</u>	454,134.89	478,957.94	24,823.05	
Other Income				
Interest During Construction	-	-	-	
Interest on Debt	248,949.89	248,949.89	-	
Net Income	205,185.00	230,008.00	24,823.05	

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Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
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Schedule A
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Combined Operations - Uniform
Rate Base and Rate of Return

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Line No.	Description	As-Filed	Update	Change	Adjustment Comments/ Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1.	Net Operating Income	4,405,859	4,873,649		Schedule B
2.	Gross Plant In Service	197,873,467	199,043,510	1,170,043	Schedule 15
3.	Accumulated Depreciation	(51,046,031)	(52,178,387)	(1,132,356)	Schedule 15
4.	Net Plant In Service	146,827,436	146,865,123	37,687	
5.	Cash Working Capital	2,177,898	2,158,019	(19,879)	Per O&M Updates
6.	Contributions In Aid of Construction	(35,689,672)	(35,308,814)	380,858	Schedule 15
7.	Advances in Aid of Construction	(32,940)	(32,940)	-	
8.	Accumulated Deferred Income Taxes	(5,809,403)	(5,809,403)	-	
9.	Customer Deposits	(271,123)	(271,123)	-	
10.	Inventory	268,883	268,883	-	
11.	Gain on Sale and Flowback Taxes	(131,695)	(131,695)	-	
12.	Net Plant Acquisition Adjustment	(1,859,425)	(1,856,425)	3,000	Schedule 6
13.	Excess Book Value	(331)	(331)	-	
14.	Cost Free Capital	(261,499)	(261,499)	-	
15.	Average Tax accruals	116,048	115,600	(447)	at 0.13% Rate
16.	Excess Deferred Taxes	(3,344,817)	(3,344,817)	-	
17.	Deferred Charges	2,040,382	1,900,269	(140,112)	Schedule 12, 21
18.	Pro Forma Plant, Net of Retirements	16,387,565	17,138,141	750,577	Schedule 15
19.	Total Rate Base	120,417,306	121,428,990	1,011,683	
20.	Return on Rate Base	3.66%	4.01%		

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Carolina Water Service, Inc. of North Carolina
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Water Operations - Uniform
Rate Base and Rate of Return

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Line No.	Description	As-Filed	Update	Change	Adjustment Comments/ Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1.	Net Operating Income	<u>2,772,832</u>	<u>2,892,965</u>		Schedule B
2.	Gross Plant In Service	111,829,743	112,642,258	812,516	Schedule 15
3.	Accumulated Depreciation	<u>(28,655,001)</u>	<u>(29,259,495)</u>	(604,494)	Schedule 15
4.	Net Plant In Service	83,174,742	83,382,763	208,021	
5.	Cash Working Capital	1,232,777	1,220,927	(11,850)	Per O&M Updates
6.	Contributions In Aid of Construction	(17,943,076)	(17,754,071)	189,005	Schedule 15
7.	Advances in Aid of Construction	(23,760)	(23,760)	-	
8.	Accumulated Deferred Income Taxes	(3,094,767)	(3,094,767)	-	
9.	Customer Deposits	(169,004)	(169,004)	-	
10.	Inventory	167,608	167,608	-	
11.	Gain on Sale and Flowback Taxes	(87,248)	(87,248)	-	
12.	Net Plant Acquisition Adjustment	(2,152,235)	(2,149,235)	3,000	Schedule 6
13.	Excess Book Value	(331)	(331)	-	
14.	Cost Free Capital	(121,791)	(121,791)	-	
15.	Average Tax accruals	71,990	71,671	(318)	New 0.13% Rate
16.	Excess Deferred Taxes	(2,084,991)	(2,084,991)	-	
17.	Deferred Charges	1,743,073	1,614,534	(128,538)	Schedule 12, 21
18.	Pro Forma Plant, Net of Retirements	<u>1,651,751</u>	<u>1,663,772</u>	12,021	Schedule 15
19.	Total Rate Base	<u>62,364,736</u>	<u>62,636,078</u>	271,341	
20.	Return on Rate Base	<u>4.45%</u>	<u>4.62%</u>		

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Sewer Operations - Uniform
Rate Base and Rate of Return

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Line No.	Description	As-Filed	Update	Change	Adjustment Comments/ Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1.	Net Operating Income	1,633,027	1,980,684		Schedule B
2.	Gross Plant In Service	86,043,725	86,401,252	357,528	Schedule 15
3.	Accumulated Depreciation	(22,391,031)	(22,918,893)	(527,862)	Schedule 15
4.	Net Plant In Service	63,652,694	63,482,360	(170,334)	
5.	Cash Working Capital	945,121	937,092	(8,029)	Per O&M Updates
6.	Contributions In Aid of Construction	(17,746,596)	(17,554,743)	191,853	Schedule 15
7.	Advances in Aid of Construction	(9,180)	(9,180)	-	
8.	Accumulated Deferred Income Taxes	(2,714,636)	(2,714,636)	-	
9.	Customer Deposits	(102,119)	(102,119)	-	
10.	Inventory	101,275	101,275	-	
11.	Gain on Sale and Flowback Taxes	(44,447)	(44,447)	-	
12.	Net Plant Acquisition Adjustment	292,810	292,810	-	
13.	Excess Book Value	-	-	-	
14.	Cost Free Capital	(139,708)	(139,708)	-	
15.	Average Tax accruals	44,058	43,929	(129)	New 0.13% Rate
16.	Excess Deferred Taxes	(1,259,826)	(1,259,826)	-	
17.	Deferred Charges	297,309	285,735	(11,574)	Schedule 21
18.	Pro Forma Plant, Net of Retirements	14,735,814	15,474,369	738,555	Schedule 15
19.	Total Rate Base	58,052,570	58,792,912	740,342	
20.	Return on Rate Base	2.81%	3.37%		

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Carolina Water Service, Inc. of North Carolina
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Combined Operations - BF/FH/TC
Rate Base and Rate of Return

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Line No.	Description	As-Filed	Update	Change	Adjustment Comments/ Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1.	Net Operating Income	547,217	571,759		Schedule B
2.	Gross Plant In Service	19,586,772	19,687,243	100,472	Schedule 15
3.	Accumulated Depreciation	(4,693,725)	(4,420,470)	273,255	Schedule 15
4.	Net Plant In Service	14,893,047	15,266,774	373,727	
				-	
5.	Cash Working Capital	289,778	286,123	(3,656)	Per O&M Updates
6.	Contributions In Aid of Construction	(5,226,433)	(5,169,513)	56,920	Schedule 15
7.	Advances in Aid of Construction	-	-	-	
8.	Accumulated Deferred Income Taxes	(890,536)	(890,536)	-	
9.	Customer Deposits	(32,991)	(32,991)	-	
10.	Inventory	3,072	3,072	-	
11.	Gain on Sale and Flowback Taxes	-	-	-	
12.	Net Plant Acquisition Adjustment	985,691	985,691	-	
13.	Excess Book Value	-	-	-	
14.	Cost Free Capital	-	-	-	
15.	Average Tax accruals	8,966	8,899	(67)	New 0.13% Rate
16.	Excess Deferred Taxes	(596,527)	(596,527)	-	
17.	Deferred Charges	212,263	(113,747)	(326,011)	Schedule 12, 21
18.	Pro Forma Plant, Net of Retirements	807,664	779,661	(28,003)	Schedule 15
19.	Total Rate Base	10,453,994	10,526,905	72,912	
20.	Return on Rate Base	5.23%	5.43%		

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Water Operations - BF/FH/TC
Rate Base and Rate of Return

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Line No.	Description	As-Filed	Update	Change	Adjustment Comments/ Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1.	Net Operating Income	93,083	92,802		Schedule B
2.	Gross Plant In Service	6,124,796	6,178,668	53,872	Schedule 15
3.	Accumulated Depreciation	(1,973,425)	(1,979,508)	(6,083)	Schedule 15
4.	Net Plant In Service	4,151,370	4,199,159	47,789	
5.	Cash Working Capital	131,494	131,319	(175)	Per O&M Updates
6.	Contributions In Aid of Construction	(1,107,296)	(1,098,591)	8,706	Schedule 15
7.	Advances in Aid of Construction	-	-	-	
8.	Accumulated Deferred Income Taxes	(102,079)	(102,079)	-	
9.	Customer Deposits	(16,137)	(16,137)	-	
10.	Inventory	1,503	1,503	-	
11.	Gain on Sale and Flowback Taxes	-	-	-	
12.	Net Plant Acquisition Adjustment	21,257	21,257	-	
13.	Excess Book Value	-	-	-	
14.	Cost Free Capital	-	-	-	
15.	Average Tax accruals	4,285	4,259	(26)	New 0.13% Rate
16.	Excess Deferred Taxes	(291,777)	(291,777)	-	
17.	Deferred Charges	126,015	152,282	26,267	Schedule 12, 21
18.	Pro Forma Plant, Net of Retirements	-	-	-	
19.	Total Rate Base	2,918,635	3,001,196	82,561	
20.	Return on Rate Base	3.19%	3.09%		

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Oct 04 2019

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Summary of Rate Case Adjustments
Test Year: March 31, 2019

Schedule A
Updated, 10/4/19

Sewer Operations - BF/FH/TC
Rate Base and Rate of Return

Page 6 of 6

Line No.	Description	As-Filed	Update	Change	Adjustment Comments/ Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1.	Net Operating Income	454,134	478,957		Schedule B
2.	Gross Plant In Service	13,461,976	13,508,576	46,600	Schedule 15
3.	Accumulated Depreciation	(2,720,300)	(2,440,961)	279,338	Schedule 15
4.	Net Plant In Service	10,741,677	11,067,614	325,938	
5.	Cash Working Capital	158,284	154,803	(3,481)	Per O&M Updates
6.	Contributions In Aid of Construction	(4,119,137)	(4,070,922)	48,215	Schedule 15
7.	Advances in Aid of Construction	-	-	-	
8.	Accumulated Deferred Income Taxes	(788,457)	(788,457)	-	
9.	Customer Deposits	(16,854)	(16,854)	-	
10.	Inventory	1,570	1,570	-	
11.	Gain on Sale and Flowback Taxes	-	-	-	
12.	Net Plant Acquisition Adjustment	964,434	964,434	-	
13.	Excess Book Value	-	-	-	
14.	Cost Free Capital	-	-	-	
15.	Average Tax accruals	4,681	4,640	(41)	New 0.13% Rate
16.	Excess Deferred Taxes	(304,750)	(304,750)	-	
17.	Deferred Charges	86,248	(266,029)	(352,277)	Schedule 12
18.	Pro Forma Plant, Net of Retirements	807,664	779,661	(28,003)	Schedule 15
19.	Total Rate Base	7,535,358	7,525,709	(9,649)	
20.	Return on Rate Base	6.03%	6.36%		

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Narrative of Certain Book and Pro-Forma Adjustments

Adjustment #	
3	<p>Purpose: To recalculate book and pro-forma Cash Working Capital based on accumulated adjustments to O&M expenses.</p> <p>Method: Total Per Books Adjustment, Column D, captures the matching Column D on the Income Statement Schedule B for the applicable Rate Division. Total Pro-Forma Adjustment, Column F, captures the matching Column F on the Income Statement Schedule B for the applicable Rate Division. The amount is the sum on Income Statement B for the total General or Maintenance Expenses. Purchased Water and Sewer Expenses are excluded from the Cash Working Capital rate base amount. Cash Working Capital is calculated as 1/8th of the total Pro-Forma Proposed General and Maintenance Expenses.</p>
9	<p>Purpose: To adjust Regulatory Fee book amounts in Average Tax Accruals for pro-forma present rate service revenues.</p> <p>Method: The Company removed the book balances as a Per Books Adjustment. The Pro-Forma Adjustment multiplies the Regulatory Fee rate of 0.14% by the pro-forma present rate service revenues in Column F, Schedules B-1a and b. 1/5th of the resulting value is used as a rate base deduction. UPDATE: Now uses 0.13% Regulatory Fee as of 7/1/2019.</p>
14	<p>Purpose: To remove maintenance testing deferrals from Deferred Charges, and therefore rate base, as these deferrals are historically not recoverable in rate base.</p> <p>Method: Identified AA ledger balances and reversed Test Year activity to present pro-forma amounts as \$0. The expense levels related to these deferrals are captured in Schedules B-9a and b.</p>
17	<p>Purpose: To reflect, as an AA Per Books Adjustment, the difference between AA ledger service revenues and End of Period Revenues at Present Rates, as shown in Schedule E.</p> <p>Method: Identified End of Period Pro-Forma Present Rate Revenues for each applicable Rate Division from Schedule E, and used that value in Column F for Service Revenues, Schedules B-1a and b. The resulting difference between AA ledger Service Revenues and this value is reflected in Column D of Schedules B-1a and b.</p>
19	<p>Purpose: To remove UA ledger Miscellaneous Revenues, as they are non-recurring amounts without known and measurable values for pro-forma inclusion.</p> <p>Method: Identified UA ledger balances and reversed Test Year activity in Schedules B-1a and b.</p>
32	<p>Purpose: To remove AA and UA ledger Contributions and Penalties/Fines, as these expenses are historically not recoverable in revenue requirement.</p> <p>Method: Identified UA and AA balances in accounts 5795 and 5815 and reversed Test Year activity in Schedules B-20a and b.</p>
35	<p>Purpose: To recalculate Regulatory Fee Expense based on Pro-Forma Proposed Revenues, inclusive of Service Revenues, Miscellaneous Revenues, and Uncollectible Accounts.</p> <p>Method: Multiplies the 0.14% Regulatory Fee rate by the Total Operating Revenues as shown on the Income Statement Schedule B, Column I. UPDATE: Now uses 0.13% Regulatory Fee as of 7/1/2019.</p>

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Test Year: March 31, 2019

W1-10
Updated 10/4/2019
Schedule 6

Supplement to Schedule A-10a and b, and Schedule B-22a and b

Plant Acquisition Adjustment - Pro-Forma Adjustment

Line No.	Item	Plant Acquisition Adjustment Deferral	
	<u>CWSNC Uniform Water:</u>		
1	Riverbend Estates:		
2	Town of Franklin, Purchased Water Outstanding at EO start	\$ 53,821.28	(A)
3	Stuart Sloan Attorney Fees	3,000.00	(A)
4	Total	\$ 56,821.28	
5	Annual Amortization - Water - 2.47%	\$ 1,403.49	(E)
	<u>BF/FFH/TC Water/Sewer:</u>		
	Pace Utilities:		
6	Purchase Price	43,000.00	(B)
7	Less: Net Plant at Acquisition	(17,209.00)	(C)
8	Total (Sum of Lines 6-7)	25,791.00	
9	PAA - Water	4,291.00	(D)
10	PAA - Sewer	21,500.00	(D)
11	Annual Amortization - Water - 2.47%	105.99	(E)
12	Annual Amortization - Sewer - 3.53%	758.95	(E)

Notes:

- (A) Per Final Order 5/16/2019, Docket W-354, Sub 358.
- (B) Per Revised Application filed 2/6/2019, Docket W-354, Sub 361.
- (C) Per Henry Exhibit I, Schedule 1-1, Sub 361
- (D) Per Henry Exhibit I, Schedule 1-2, Sub 361
- (E) Rates per Final Order, Sub 360, page 10.

Purpose:

To incorporate PAA rate base additions to Schedules A-10a and b for pending acquisitions Riverbend Estates and Pace Utilities. Adjustments reflected as pro-forma adjustments and subject to update as each acquisition closes and final journal entries are booked.

Method:

Riverbend: Per Final Order in Sub 358, outstanding balance payable to Johnston County for purchased water at the time CWSNC became Emergency Operator is to be reflected as rate base in this rate case.

Pace Utilities: Per Henry Exhibit I, Pace Utilities net book value was identified, and compared to the \$43,000 purchase price from CWSNC. The resulting PAA was allocated to water and sewer based on the book value of each service system.

PAA amortization rates utilized are those incorporated into the Final Order in Sub 360, consistent with those rates used for other PAA balances of CWSNC.

UPDATE: Seller attorney fees added to PAA, removed from Deferred Charges.

Carolina Water Service, Inc. of North Carolina
W-354, Sub 364
Test Year: March 31, 2019

W1-10

Schedule 10

Supplement to Schedule A-14a and b, and B-21a and b, and update to TCJA unprotected EDIT Rider

Page 1 of 5

EDIT

									CWSNC Uniform - Water	CWSNC Uniform - Sewer	BF/FH/TC - Water	BF/FH/TC - Sewer
Line No.		Legacy Operating Company Number										
Balances per Sub 360:		181	182	183	187	188	191	Total	[a]	[b]	[c]	[d]
1	Protected Excess ADIT in Reg Liab	(23,839.45)	(2,000,773.28)	(871,838.64)	(408,504.29)	(199,333.23)	(256,346.05)	(3,760,634.94)	(1,993,793.72)	(1,204,721.44)	(274,947.21)	(287,172.57)
2	Gross-Up Tax on Protected	(7,270.36)	(610,179.71)	(265,886.32)	(124,582.35)	(60,791.05)	(78,178.36)	(1,146,888.15)	(608,051.14)	(367,406.24)	(83,851.19)	(87,579.58)
3	Unprotected Excess ADIT in Reg Liab	(6,095.74)	(781,466.77)	(12,837.86)	12,251.02	43,657.64	3,789.68	(740,702.03)	(461,272.09)	(278,717.09)	(348.67)	(364.18)
4	Gross-Up Tax on Unprotected	(1,859.03)	(238,325.44)	(3,915.19)	3,736.22	13,314.36	1,155.75	(225,893.33)	(140,675.04)	(85,000.89)	(106.33)	(111.06)
5	Total Reserve	(39,064.58)	(3,630,745.20)	(1,154,478.01)	(517,099.40)	(203,152.28)	(329,578.98)	(5,874,118.45)	(3,203,792.00)	(1,935,845.66)	(359,253.41)	(375,227.39)
6	Protected Balance (L1 + L2)	(31,109.81)	(2,610,952.99)	(1,137,724.96)	(533,086.64)	(260,124.28)	(334,524.41)	(4,907,523.09)	(2,601,844.86)	(1,572,127.68)	(358,798.40)	(374,752.15)
7	Life of Asset (Weighted Average of NC)	45	45	45	45	45	45					
8	Annual Amortization Amount	(691)	(58,021)	(25,283)	(11,846)	(5,781)	(7,434)	(109,056)	(57,818.77)	(34,936.17)	(7,973.30)	(8,327.83)
9	After-Tax Amortization Amount	(530)	(44,462)	(19,374)	(9,078)	(4,430)	(5,697)	(83,570)	(44,306.53)	(26,771.59)	(6,109.94)	(6,381.61)
Adjusted Balance - Protected:												
10	Adjustment per Return - Protected	26,002.55	524,672.70	245,658.30	7,209.99	11,284.97	33,206.08	848,034.59	454,216.61	274,453.92	58,384.02	60,980.03
11	Adjusted Protected Balance (L6 + L10)	(5,107.26)	(2,086,280.29)	(892,066.66)	(525,876.65)	(248,839.31)	(301,318.33)	(4,059,488.50)	(2,147,628.25)	(1,297,673.76)	(300,414.38)	(313,772.11)
12	Amortization thru 3/31/2020	748.94	62,856.28	27,389.67	12,833.57	6,262.25	8,053.37	118,144.07	62,637.01	37,847.52	8,637.74	9,021.81
13	Unamortized Balance	(4,358.32)	(2,023,424.01)	(864,676.99)	(513,043.08)	(242,577.06)	(293,264.96)	(3,941,344.43)	(2,084,991.24)	(1,259,826.25)	(291,776.64)	(304,750.30)
14	Amortization Period Remaining	43.92	43.92	43.92	43.92	43.92	43.92					
15	Adjusted Annual Amortization Amount	(99)	(46,074)	(19,689)	(11,682)	(5,524)	(6,678)	(89,746)	(47,476.08)	(28,686.75)	(6,643.87)	(6,939.29)
16	Adjusted After-Tax Amortization Amount	(76)	(35,486)	(15,164)	(8,998)	(4,254)	(5,143)	(69,122)	(36,566.08)	(22,094.53)	(5,117.11)	(5,344.64)
Adjusted Balance - Unprotected:												
17	Unprotected Balance (L3 + L4)	(7,954.77)	(1,019,792.21)	(16,753.05)	15,987.24	56,972.00	4,945.43	(966,595.36)	(601,947.13)	(363,717.98)	(455.01)	(475.24)
18	Adjustment per Return - Unprotected	91.28	7,204.65	2,606.68	632.68	618.50	540.84	11,694.63	6,382.83	3,856.74	711.71	743.35
19	Adjusted Unprotected Balance	(7,863.49)	(1,012,587.56)	(14,146.37)	16,619.92	57,590.50	5,486.27	(954,900.73)	(595,564.30)	(359,861.24)	256.70	268.11
20	Amortization thru 3/31/2020	2,129.70	274,242.46	3,831.31	(4,501.23)	(15,597.43)	(1,485.86)	258,618.95	161,298.67	97,462.42	(69.52)	(72.61)
21	Unamortized Balance	(5,733.79)	(738,345.10)	(10,315.06)	12,118.69	41,993.07	4,000.41	(696,281.78)	(434,265.64)	(262,398.82)	187.18	195.50
22	Reamortize - 2 Years	2	2	2	2	2	2					
23	Adjusted Annual Amortization Amount	(2,867)	(369,173)	(5,158)	6,059	20,997	2,000	(348,141)	(217,132.82)	(131,199.41)	93.59	97.75
24	Adjusted After-Tax Amortization Amount	(2,208)	(284,337)	(3,972)	4,667	16,172	1,541	(268,138)	(167,235.70)	(101,049.79)	72.08	75.29

Notes:

Column [a] - Companies 181, 182, 187, 188, and 64.93% of Company 183, times 62.33% water allocation

Column [b] - Companies 181, 182, 187, 188, and 64.93% of Company 183, times 37.67% sewer allocation

Column [c] - Company 191 and 35.07% of Company 183, times 48.91% water allocation

Column [d] - Company 191 and 35.07% of Company 183, times 51.09% sewer allocation

Carolina Water Service, Inc. of North Carolina
W-354, Sub 364
Test Year: March 31, 2019

W1-10

Schedule 10

Supplement to Schedule A-14a and b, and B-21a and b, and update to TCJA unprotected EDIT Rider

Page 2 of 5

EDIT - Protected - Per Docket No. W-354, Sub 360

Line No.	Item	Amount
1	<u>Income statement</u>	
2	Regulatory liability for federal tax change related to protected EDIT - NC retail	\$4,907,523 (1)
3	RSGM life of asset	45 (2)
4	Annual amortization of protected EDIT - NC retail (L2 / L3)	109,056
5	Income tax impact	(25,486) (3)
6	Annual amortization of protected EDIT - NC retail, net of tax (L4 + L5)	\$83,570
7	<u>Rate base</u>	
8	Adjustment to regulatory assets and liabilities (L4)	(\$109,056)
9	Composite income tax rate	23.3700%
10	Impact to accumulated deferred income taxes (L8 x L9)	25,486
11	Adjustment to rate base (L8 + L10)	(\$83,570)

- (1) Based on Company amount of \$4,907,523 grossed up per response to ADR34.4.
 (2) Based on information provided by the Company in response to ADR34.4.
 (3) Line 4 times composite income tax rate on Line 9.

Carolina Water Service, Inc. of North Carolina
W-354, Sub 364
Test Year: March 31, 2019

W1-10

Schedule 10

Supplement to Schedule A-14a and b, and B-21a and b, and update to TCJA unprotected EDIT Rider

Page 3 of 5

EDIT - Unprotected - Updated Rider Factor

Line No.	Item	Amount
	<u>Annuity Factor</u>	
1	Number of years	2 (1)
2	Payment per period	1
3	After tax rate of return (L9)	7.395%
4	Present value of 1 dollar over number of years with with 1 payment per year	1.7982
5	1 plus (interest rate divided by two)	1.0370
6	Annuity factor (L4 x L5)	<u>1.8647</u>

	Capital Structure	Cost Rates	Overall Rate of Return	(6)	Net of Tax Rate
	(a)	(b)	(c)		(d)
	<u>After Tax Rate of Return</u>				
7	Long-term debt	50.65% (2)	5.36% (4)	2.71%	2.09% (7)
8	Common equity	49.35% (3)	10.75% (5)	5.31%	5.305% (8)
9	Total	<u>100.00%</u>	<u>8.02%</u>		<u>7.395%</u>

(1) Rider period per page 1.

(2) Schedule D-1a and b

(3) Schedule D-1a and b

(4) Schedule D-1a and b

(5) Schedule D-1a and b

(6) Column (a) times Column (b).

(7) Column (c) times 1 minus the combined income tax rate of 22.98%.

(8) Amount from Column (c).

Carolina Water Service, Inc. of North Carolina
W-354, Sub 364
Test Year: March 31, 2019

W1-10

Schedule 10
Updated 10/4/2019
Page 4 of 5

Supplement to Schedule A-14a and b, and B-21a and b, and update to TCJA unprotected EDIT Rider

EDIT - Unprotected - Updated Rider Factor

Line No.	Item	Year 1 Revenue Requirement (a)	Year 2 Revenue Requirement (b)	Total Revenue Requirement (e)	
	<u>Annuity Factor</u>				
1	Number of years	2	(1)		
2	Payment per period	1			
3	After tax rate of return	7.395%	(2)		
4	Present value of 1 dollar over number of years with				
5	with 1 payment per year	1.7982			
6	1 plus (interest rate divided by two)	1.0370			
7	Annuity factor (L4 x L5)	1.8647			
8	Total NC retail regulatory liability to be amortized	\$696,282	(3)	\$696,282	(3)
9	Annuity factor (L7)	1.8647	1.8647		
10	Levelized rider federal EDIT regulatory liability (L8 / L9)	373,402	373,402	746,804	(6)
11	One minus composite income tax rate	77.02%	(4)	77.02%	(4)
12	Net operating income effect (L10 x L11)	287,594	287,594	575,188	
13	Retention factor	0.769248	(5)	0.769248	(5)
14	Levelized rider federal EDIT credit (L5 / L6)	\$373,864	\$373,864	\$747,728	
15	Authorized Service Revenues	40,104,180	40,104,180		
16	Updated Surcredit Percentage	-0.932%	-0.932%		
(1)	Rider period per Lead Sheet.				
(2)	Exhibit 1, Line 3.				
(3)	Remaining adjusted unprotected federal EDIT per page 1.				
(4)	One minus the composite income tax rate of 22.98%.				
(5)	Net Income retention factor per Schedules D-1a and b.				
(6)	Sum of Columns (a) through Column (c).				

Carolina Water Service, Inc. of North Carolina
W-354, Sub 364
Test Year: March 31, 2019

W1-10

Schedule 10

Supplement to Schedule A-14a and b, and B-21a and b, and update to TCJA unprotected EDIT Rider

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EDIT

Purpose:

To provide updated balances and resulting amortization levels for the federal protected excess deferred income tax regulatory liability. Additionally, to provide updated balances and resulting calculation of federal unprotected EDIT Rider surcredit. In W-354, Sub 360, the unprotected EDIT was excluded from revenue requirement calculations and a 4 year levelized rider surcredit was initiated. The Company has subsequently completed its 2017 federal tax return filings and updated its reserve balances. These updated balances require adjustments to the EDIT reserves and their applicable amortization (protected, included in revenue requirement) and rider surcredit.

Method:

Page 1 summarizes the federal protected and unprotected EDIT balances as utilized in setting of base rates and rider surcredit, respectively, in Sub 360.

Pages 3 and 4 of this Schedule support the calculation of the updated rider surcredit based on balance adjustments for unprotected EDIT, shown on page 1. The Company is proposing the surcredit be updated as of the effective date of this rate case, inclusive of interest, with a 2-year levelized term.

Page 2 of the Schedule identifies the approved federal protected reserve. This reserve balance is updated on page 1 per the Company's book balance as of Test Year end. The adjusted protected EDIT balance shown on page 1 is proposed to be continued to amortize over the remainder of the approved 45 year term as set in Sub 360.

UPDATE: Updated proposed service revenues per Schedule B.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Test Year: March 31, 2019

W1-10
Updated 10/4/2019
Schedule 12

Supplement to Schedules A-15a and b

Deferred Charges - Maintenance

Line No	Item	CWSNC Uniform -Water	CWSNC Uniform - Sewer	BF/FH/TC - Water	BF/FH/TC - Sewer	In-Service Date
<u>Excluded in W-354 Sub 360:</u>						
1	Gross Balance (W-354, Sub 360)		3,424,839.08			
2	Accumulated Amortization @ 3/31/2020		(2,619,353.21)			
3	Unamortized Balance @ 3/31/2020 - (L1 + L2)		805,485.87			
<u>Remaining Balances from W-354 Sub 360:</u>						
4	Deferred elevated storage tank painting	779,037.16				
5	Deferred hydro storage tank painting	439,669.50				
6	Deferred hydro storage tank inspection	539,687.22				
7	WWTP		200,327.48			
8	Deferred elevated storage tank painting			66,027.78		
9	Deferred hydro storage tank inspection			24,622.17		
10	WWTP				110,491.69	
11	Accumulated Amortization @ 3/31/2020	(1,253,016.08)	(197,952.85)	(41,748.75)	(103,875.69)	
	Unamortized Balance @ 3/31/2020 - (L4 to L11)	505,377.80	2,374.63	48,901.20	6,616.00	
<u>Additions</u>						
12	Misty Mountain Tank Painting	63,147.47				5/31/2019
13						
14	Monterey Shores Tank Painting	349,914.99				6/30/2019
15	Hydrotank Evaluations	299,402.64		35,749.52		8/31/2019
16	Accumulated Amortization @ 3/31/2020	(80,446.38)		(4,170.78)		
17	Unamortized Balance @ 3/31/2020 - (L12 to L16)	632,018.71		31,578.75		
<u>Total Pro-Forma Deferred Charges:</u>						
18	Gross Balance/ Additions (L4 to L10 + L12 to L15)	2,470,858.98	200,327.48	126,399.47	110,491.69	
19	Accumulated Amortization (L11 and L16)	(1,333,462.46)	(197,952.85)	(45,919.53)	(103,875.69)	
20	Total - (L10+L11)	1,137,396.51	2,374.63	80,479.95	6,616.00	
21	Pro-Forma - Account 2960	2,470,858.98		126,399.47		
22	Pro-Forma - Account 3040		200,327.48		110,491.69	
23	Pro-Forma - Account 3110	(1,333,462.46)		(45,919.53)		
24	Pro-Forma - Account 3195		(197,952.85)		(103,875.69)	
25	Adjustment to Account 6355 (L12 to L15, divided by 5 years)	142,493.02		7,149.90		to Schedule 25

Purpose:

To adjust book Deferred Charges - Maintenance balances to match amortization schedules utilized in W-354, Sub 360 (Henry Schedule 2-10a), as updated for continued amortization through 3/31/2020 and pro-forma additions to the deferral balance. Additionally, to update Deferred Maintenance Expense for amortization levels consistent with the updated deferred charges balances on Schedule A-15a and b.

Method:

Removed book balances as of Test Year end for Deferred Charges and Accumulated Amortization accounts 2960, 2985, 3040, 3110, 3140, and 3195.

Updated the amortization schedules used in setting of rates in Sub 360, calculating unamortized balances for open deferrals through 3/31/2020. This anticipates rates effective from the current proceeding of 4/1/2020.

Used recalculated unamortized balances from Sub 360, plus unamortized balances of pro-forma additions, net of amortization from in-service date through 3/31/2020 as Pro-Forma Adjustments on Schedules A-15a and b.

Deferred Maintenance Expense due to pro-forma additions was carried to Schedule 25 to be included in pro-forma adjustment for Schedule B-8a and b.

UPDATE: Moved Mt. Mitchell Tank to Pro-Forma Plant. Reallocated Hydrotank Evaluation project to Uniform and BF/FH/TC.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Test Year: March 31, 2019

W1-10
Updated 10/4/2019
Schedule 13

Supplement to Schedule A-15a and b, and Schedule B-20a and b

Deferred Charges - Other

Line No.	Item	Deferred Charges - Acquisition Costs	
<u>CWSNC Uniform Water:</u>			
1	Riverbend Estates:		
2			
3	Unrecovered Costs @ 6/30/19 (includes Due Diligence)	95,564.75	(B)
4	Estimated unrecovered costs thru closing	25,000.00	(E)
5			
6	Total (Sum of Lines 1-5)	\$ 120,564.75	
7	Annual Amortization - 5 years	\$ 24,112.95	
<u>BF/FFH/TC Water/Sewer:</u>			
8	Pace Utilities:		
9	Unrecovered Costs @ 8/31/19 (includes Due Diligence)	45,972.28	(D)
10	Total	45,972.28	
11	Deferred Charges - Other - Water	22,986.14	(C)
12	Deferred Charges - Other - Sewer	22,986.14	(C)
13	Annual Amortization - 5 years - Water	4,597.23	
14	Annual Amortization - 5 years - Sewer	4,597.23	

Notes:

- (A) [REDACTED]
- (B) Per quarterly financial report filed 7/31/2019, Docket W-390, Sub 13. To be updated after closing of acquisition.
- (C) Split 50/50 due to 61 Water and 61 Sewer customers.
- (D) Per Company Financials.
- (E) To be updated to actuals per 3rd Quarter EO Report.

Purpose:

To incorporate operating losses as Emergency Operator, including due diligence acquisition costs, incurred for Riverbend Estates, as well as due diligence costs for Pace Utilities.

Proposing a 5 year amortization period for such costs. Riverbend costs are addressed in W-354, Sub 358, and these costs for both acquisitions are subject to update based on new actual information as closing occurs and final journal entries are posted.

Method:

Riverbend: Per Final Order in Sub 358, unrecovered operating losses since assuming Emergency Operator status, including due diligence costs for closing, are included for deferral and amortization.

Pace Utilities: The Company has compiled its due diligence and related costs to support the acquisition process for Pace Utilities, as tracked on its general ledger.

UPDATE: Riverbend deferral include an estimate of final unrecovered costs. Pace Utilities/Silverton includes an update to actual due diligence costs through transfer.

Line No.	Project ID	System	BU#	Type	Rate Division	Project	Obj Account Code	Actual/Estimated Retirement		Gross Additions to Rate Base	Annual Depreciation %	Annual Depreciation Expense	Net Addition To Rate Base	Actual/Estimated In-Service Date
								Total						
								[a]	[b]	[c]	[d]	[e]	[f]	[g]
1	2017148	Riverpointe	182236	S	Uniform	Replace Effluent Pipe	1420	411,721.73	6,300	405,421.73	1.00%	4,054.22	401,367.51	6/30/2019
2	2018011	Mt. Mitchell	182147	W	Uniform	Tank Replacement	1120	120,357.64	45,000	75,357.64	2.00%	1,507.15	73,850.49	9/6/2019
3	2018022	Connestee Falls	188101	S	Uniform	WWTP Rehab	1300	7,577,326.36	400,000	7,177,326.36	2.50%	179,433.16	6,997,893.20	10/7/2019
4	2018026	Hound Ears	182122	W	Uniform	Water Main Replacement	1125	95,681.38	22,050	73,631.38	1.00%	736.31	72,895.07	5/31/2019
5	2018066	Danby	182189	W	Uniform	Water Softener	1115	183,825.35	-	183,825.35	2.50%	4,595.63	179,229.72	6/30/2019
6	2018067	Hound Ears	182123	S	Uniform	Redzone and Main Replacement	1350	144,674.24	41,975	102,699.24	1.00%	1,026.99	101,672.25	5/31/2019
7	2018073	Nags Head	182209	S	Uniform	WWTP Rehab	1300	6,899,115.52	844,571	6,054,544.52	2.50%	151,363.61	5,903,180.91	9/30/2019
8	2019095	Sugar Mountain	182107	S	Uniform	Collection Rehab	1350	88,720.54	40,860	47,860.54	1.00%	478.61	47,381.93	7/31/2019
9	2018120	Corolla Light	182117	S	Uniform	Forcemain Rehab	1145	27,905.24	-	27,905.24	1.33%	371.24	27,534.00	7/31/2019
10	2018124	Whispering Pines	182144	W	Uniform	Water Main Replacement	1325	195,495.74	13,500	181,995.74	1.00%	1,819.96	180,175.78	4/30/2019
11	2018144	Various	853100	S	Uniform	Lift Station Fall Protection	1353	225,799.20	-	225,799.20	1.00%	2,257.99	223,541.21	9/20/2019
12	2018146	Connestee Falls	188101	S	Uniform	Redzone and Main Replacement	1350	161,949.24	20,400	141,549.24	1.00%	1,415.49	140,133.75	8/31/2019
13	2018162	Connestee Falls	188101	S	Uniform	Lift Station Rehab	1295	1,179,460.56	200,000	979,460.56	2.00%	19,589.21	959,871.35	9/2/2019
14	2018163	Mt. Carmel	182140	S	Uniform	Collection Rehab	1350	574,483.92	58,000	516,483.92	1.00%	5,164.84	511,319.08	9/10/2019
15	2018171	Sapphire Valley	183102	S	Uniform	Lift Station Rehab	1295	97,703.82	45,000	52,703.82	2.00%	1,054.08	51,649.74	9/30/2019
16	2019038	Ashley Hills	182115	S	Uniform	WWTP Rehab	1300	166,614.82	55,000	111,614.82	2.50%	2,790.37	108,824.45	7/31/2019
17	2019043	Fairfield Harbour	183106	S	BF/FH/TC	Lift Station Rehab	1295	470,384.87	250,000	220,384.87	2.00%	4,407.70	215,977.17	9/30/2019
18	2019061	Belvedere	182105	W	Uniform	Well #1 Rehab	1080	74,204.37	-	74,204.37	2.00%	1,484.09	72,720.28	5/31/2019
19	2019070	Danby	182189	W	Uniform	Development of Well #7	1080	184,796.55	-	184,796.55	2.00%	3,695.93	181,100.62	10/31/2019
20	2019029	Abington	182101	S	Uniform	Collection Rehab	1350							12/31/2019
21	2019028	Ski Mountain	182146	W	Uniform	Leak Detection and Replacement	1125	24,243.65	2,000	22,243.65	1.00%	222.44	22,021.21	9/6/2019
22	2019042	Meadow Glen	182211	W	Uniform	New Well	1080	19,903.74	-					

Supplement to Schedule A-1a and b, A-2a and b, A-4a and b

Utility Plant, A/D, CIAC Additions - Post Test Year - thru July 2019			CWSNC Uniform Post Test Year Net Additions			BF/FH/TC Post Test Year Net Additions		
Obj Acct	Account Description	Account Category	Water	Sewer	Total	Water	Sewer	Total
1030	LAND & LAND RIGHTS PUMP	WTR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1040	LAND & LAND RIGHTS TRAN	WTR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1045	LAND & LAND RIGHTS GEN	WTR UTILITY PLANT IN SERVICE	750.00	-	750.00	-	-	-
1050	STRUCT & IMPRV SRC SUPP	WTR UTILITY PLANT IN SERVICE	14,233.17	-	14,233.17	238.06	-	238.06
1055	STRUCT & IMPRV WTR TRT	WTR UTILITY PLANT IN SERVICE	22,936.23	-	22,936.23	1,017.07	-	1,017.07
1060	STRUCT & IMPRV TRANS DI	WTR UTILITY PLANT IN SERVICE	2,841.00	-	2,841.00	-	-	-
1065	STRUCT & IMPRV GEN PLT	WTR UTILITY PLANT IN SERVICE	4,263.95	-	4,263.95	458.74	-	458.74
1080	WELLS & SPRINGS	WTR UTILITY PLANT IN SERVICE	76,082.98	-	76,082.98	-	-	-
1090	SUPPLY MAINS	WTR UTILITY PLANT IN SERVICE	6,328.32	-	6,328.32	-	-	-
1100	ELECTRIC PUMP EQUIP SRC	WTR UTILITY PLANT IN SERVICE	22,184.77	-	22,184.77	2,996.92	-	2,996.92
1105	ELECTRIC PUMP EQUIP WTP	WTR UTILITY PLANT IN SERVICE	56,458.61	-	56,458.61	6,141.55	-	6,141.55
1110	ELECTRIC PUMP EQUIP TRA	WTR UTILITY PLANT IN SERVICE	50,033.01	-	50,033.01	267.37	-	267.37
1115	WATER TREATMENT EQPT	WTR UTILITY PLANT IN SERVICE	216,175.90	-	216,175.90	4,005.09	-	4,005.09
1120	DIST RESV & STANDPIPES	WTR UTILITY PLANT IN SERVICE	14,703.44	-	14,703.44	2,623.72	-	2,623.72
1125	TRANS & DISTR MAINS	WTR UTILITY PLANT IN SERVICE	566,454.78	-	566,454.78	16,210.07	-	16,210.07
1130	SERVICE LINES	WTR UTILITY PLANT IN SERVICE	204,948.34	-	204,948.34	11,281.55	-	11,281.55
1135	METERS	WTR UTILITY PLANT IN SERVICE	32,879.55	-	32,879.55	1,940.10	-	1,940.10
1140	METER INSTALLATIONS	WTR UTILITY PLANT IN SERVICE	13,412.52	-	13,412.52	3,743.06	-	3,743.06
1145	HYDRANTS	WTR UTILITY PLANT IN SERVICE	414.10	-	414.10	713.21	-	713.21
1150	BACKFLOW PREVENTION DEV	WTR UTILITY PLANT IN SERVICE	(113.89)	-	(113.89)	-	-	-
1175	OFFICE STRUCT & IMPRV	WTR UTILITY PLANT IN SERVICE	7,875.92	-	7,875.92	955.00	-	955.00
1180	OFFICE FURN & EQPT	WTR UTILITY PLANT IN SERVICE	4,283.13	-	4,283.13	-	-	-
1185	STORES EQUIPMENT	WTR UTILITY PLANT IN SERVICE	76.05	-	76.05	-	-	-
1190	TOOL SHOP & MISC EQPT	WTR UTILITY PLANT IN SERVICE	5,546.52	-	5,546.52	1,280.50	-	1,280.50
1195	LABORATORY EQUIPMENT	WTR UTILITY PLANT IN SERVICE	1,295.39	-	1,295.39	-	-	-
1200	POWER OPERATED EQUIP	WTR UTILITY PLANT IN SERVICE	2,084.55	-	2,084.55	-	-	-
1205	COMMUNICATION EQPT	WTR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1210	MISC EQUIPMENT	WTR UTILITY PLANT IN SERVICE	24.04	-	24.04	-	-	-
1290	STRUCT/IMPRV COLL PLT	SWR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1295	STRUCT/IMPRV PUMP PLT L	SWR UTILITY PLANT IN SERVICE	2,729.19	-	2,729.19	544,544.32	-	544,544.32
1300	STRUCT/IMPRV TREAT PL	SWR UTILITY PLANT IN SERVICE	180,247.08	-	180,247.08	1,430.98	-	1,430.98
1315	STRUCT/IMPRV GEN PLT	SWR UTILITY PLANT IN SERVICE	3,316.45	-	3,316.45	23,960.18	-	23,960.18
1320	POWER GEN EQUIP COLL PL	SWR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1345	SEWER FORCE MAIN	SWR UTILITY PLANT IN SERVICE	29,121.55	-	29,121.55	2,767.29	-	2,767.29
1350	SEWER GRAVITY MAIN	SWR UTILITY PLANT IN SERVICE	237,651.23	-	237,651.23	11,201.47	-	11,201.47
1353	MANHOLES	SWR UTILITY PLANT IN SERVICE	21,672.22	-	21,672.22	10,701.48	-	10,701.48
1355	SPECIAL COLL STRUCTURES	SWR UTILITY PLANT IN SERVICE	16.84	-	16.84	-	-	-
1360	SERVICES TO CUSTOMERS	SWR UTILITY PLANT IN SERVICE	39,878.58	-	39,878.58	5,455.16	-	5,455.16
1365	FLOW MEASURE DEVICES	SWR UTILITY PLANT IN SERVICE	975.98	-	975.98	-	-	-
1370	FLOW MEASURE INSTALL	SWR UTILITY PLANT IN SERVICE	96.14	-	96.14	-	-	-
1380	PUMPING EQUIPMENT PUMP	SWR UTILITY PLANT IN SERVICE	100,695.46	-	100,695.46	10,859.70	-	10,859.70
1385	PUMPING EQUIPMENT RECLA	SWR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1390	PUMPING EQUIPMENT RCL W	SWR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1395	TREAT/DISP EQUIP LAGOON	SWR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1400	TREAT/DISP EQUIP TRT PL	SWR UTILITY PLANT IN SERVICE	4,313.49	-	4,313.49	5,973.82	-	5,973.82
1405	TREAT/DISP EQUIP RCL WT	SWR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1410	PLANT SEWERS TRTMT PLT	SWR UTILITY PLANT IN SERVICE	4,626.26	-	4,626.26	3,889.40	-	3,889.40
1420	OUTFALL LINES	SWR UTILITY PLANT IN SERVICE	408,438.08	-	408,438.08	-	-	-
1435	OTHER PLT PUMP	SWR UTILITY PLANT IN SERVICE	144.21	-	144.21	-	-	-
1440	OTHER PLT TREATMENT	SWR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1455	OFFICE STRUCT & IMPRV	SWR UTILITY PLANT IN SERVICE	-	-	-	-	-	-
1460	OFFICE FURN & EQPT	SWR UTILITY PLANT IN SERVICE	1,079.94	-	1,079.94	623.37	-	623.37
1465	STORES EQUIPMENT	SWR UTILITY PLANT IN SERVICE	205.43	-	205.43	-	-	-
1470	TOOL SHOP & MISC EQPT	SWR UTILITY PLANT IN SERVICE	5,855.97	-	5,855.97	379.86	-	379.86
1475	LABORATORY EQPT	SWR UTILITY PLANT IN SERVICE	4,110.76	-	4,110.76	-	-	-
1480	POWER OPERATED EQUIP	SWR UTILITY PLANT IN SERVICE	6,465.09	-	6,465.09	-	-	-
1485	COMMUNICATION EQPT	SWR UTILITY PLANT IN SERVICE	48.07	-	48.07	-	-	-
1535	REUSE DIST RESERVOIRS	REUSE PLANT	89.42	-	89.42	-	-	-
1540	REUSE TRANSMISSION & DIS	REUSE PLANT	1,251.89	-	1,251.89	-	-	-
1835	ACC DEPR-ORGANIZATION	ACC DEPR WATER PLANT	(3,829.25)	-	(3,829.25)	(555.79)	-	(555.79)
1840	ACC DEPR-FRANCHISES	ACC DEPR WATER PLANT	(983.84)	-	(983.84)	-	-	-
1845	ACC DEPR-STRUCT&IMPRV S	ACC DEPR WATER PLANT	(22,651.13)	-	(22,651.13)	(934.19)	-	(934.19)
1850	ACC DEPR-STRUCT&IMPRV W	ACC DEPR WATER PLANT	(9,187.77)	-	(9,187.77)	(554.39)	-	(554.39)
1855	ACC DEPR-STRUCT&IMPRV T	ACC DEPR WATER PLANT	(1,771.28)	-	(1,771.28)	(3.08)	-	(3.08)
1860	ACC DEPR-STRUCT&IMPRV G	ACC DEPR WATER PLANT	(2,213.11)	-	(2,213.11)	292.31	-	292.31
1865	ACC DEPR-COLLECTING RES	ACC DEPR WATER PLANT	(87.60)	-	(87.60)	-	-	-

Supplement to Schedule A-1a and b, A-2a and b, A-4a and b

Utility Plant, A/D, CIAC Additions - Post Test Year - thru July 2019			CWSNC Uniform Post Test Year Net Additions			BF/FH/TC Post Test Year Net Additions		
Obj Acct	Account Description	Account Category	Water	Sewer	Total	Water	Sewer	Total
1875	ACC DEPR-WELLS & SPRING	ACC DEPR WATER PLANT	(92,193.09)		(92,193.09)	(3,469.48)		(3,469.48)
1880	ACC DEPR-INFILTRATION G	ACC DEPR WATER PLANT	(376.56)		(376.56)	-		-
1885	ACC DEPR-SUPPLY MAINS	ACC DEPR WATER PLANT	(1,649.00)		(1,649.00)	(2.84)		(2.84)
1890	ACC DEPR-POWER GENERATI	ACC DEPR WATER PLANT	(5,276.28)		(5,276.28)	-		-
1895	ACC DEPR-ELECT PUMP EQU	ACC DEPR WATER PLANT	(111,989.79)		(111,989.79)	352.01		352.01
1900	ACC DEPR-ELECT PUMP EQU	ACC DEPR WATER PLANT	(48,122.57)		(48,122.57)	(5,264.88)		(5,264.88)
1905	ACC DEPR-ELECT PUMP EQU	ACC DEPR WATER PLANT	(125,923.83)		(125,923.83)	(1,055.02)		(1,055.02)
1910	ACC DEPR-WATER TREATMEN	ACC DEPR WATER PLANT	(25,196.66)		(25,196.66)	(1,155.15)		(1,155.15)
1915	ACC DEPR-DIST RESV & ST	ACC DEPR WATER PLANT	(42,310.91)		(42,310.91)	(5,071.43)		(5,071.43)
1920	ACC DEPR-TRANS & DISTR	ACC DEPR WATER PLANT	21,862.05		21,862.05	1,785.09		1,785.09
1925	ACC DEPR-SERVICE LINES	ACC DEPR WATER PLANT	19,279.13		19,279.13	16,898.83		16,898.83
1930	ACC DEPR-METERS	ACC DEPR WATER PLANT	(59,700.16)		(59,700.16)	(1,414.17)		(1,414.17)
1935	ACC DEPR-METER INSTALLS	ACC DEPR WATER PLANT	(13,542.95)		(13,542.95)	(1,558.15)		(1,558.15)
1940	ACC DEPR-HYDRANTS	ACC DEPR WATER PLANT	(9,092.17)		(9,092.17)	(968.60)		(968.60)
1945	ACC DEPR-BACKFLOW PREVE	ACC DEPR WATER PLANT	(735.50)		(735.50)	(1.08)		(1.08)
1955	ACC DEPR-OTH PLANT&MISC	ACC DEPR WATER PLANT	(2.16)		(2.16)	-		-
1960	ACC DEPR-OTH PLANT&MISC	ACC DEPR WATER PLANT	(52.12)		(52.12)	-		-
1970	ACC DEPR-OFFICE STRUCTU	ACC DEPR WATER PLANT	(3,862.18)		(3,862.18)	(213.96)		(213.96)
1975	ACC DEPR-OFFICE FURN/EQ	ACC DEPR WATER PLANT	(12,407.36)		(12,407.36)	(136.52)		(136.52)
1980	ACC DEPR-STORES EQUIPME	ACC DEPR WATER PLANT	(46.55)		(46.55)	(2.60)		(2.60)
1985	ACC DEPR-TOOL SHOP & MI	ACC DEPR WATER PLANT	(21,773.07)		(21,773.07)	(1,608.18)		(1,608.18)
1990	ACC DEPR-LABORATORY EQU	ACC DEPR WATER PLANT	(5,246.03)		(5,246.03)	(251.24)		(251.24)
1995	ACC DEPR-POWER OPERATED	ACC DEPR WATER PLANT	(8,935.74)		(8,935.74)	(109.76)		(109.76)
2000	ACC DEPR-COMMUNICATION	ACC DEPR WATER PLANT	(10,733.82)		(10,733.82)	(1,079.90)		(1,079.90)
2005	ACC DEPR-MISC EQUIPMENT	ACC DEPR WATER PLANT	(2,039.64)		(2,039.64)	(0.60)		(0.60)
2010	ACC DEPR-OTHER TANG PLT	ACC DEPR WATER PLANT	(4,923.40)		(4,923.40)	-		-
2030	ACC DEPR-ORGANIZATION	ACC DEPR SEWER PLANT		(7,570.51)	(7,570.51)		(124.09)	(124.09)
2040	ACC DEPR FRANCHISES INT	ACC DEPR SEWER PLANT		(1,062.32)	(1,062.32)		(135.68)	(135.68)
2050	ACC DEPR-STRUCT/IMPRV C	ACC DEPR SEWER PLANT		(582.40)	(582.40)		-	-
2055	ACC DEPR-STRUCT/IMPRV P	ACC DEPR SEWER PLANT		(49,158.65)	(49,158.65)		315,791.47	315,791.47
2060	ACC DEPR-STRUCT/IMPRV T	ACC DEPR SEWER PLANT		(153,136.79)	(153,136.79)		(17,151.05)	(17,151.05)
2065	ACC DEPR-STRUCT/IMPRV R	ACC DEPR SEWER PLANT		(27.28)	(27.28)		-	-
2070	ACC DEPR-STRUCT/IMPRV R	ACC DEPR SEWER PLANT		(1,493.80)	(1,493.80)		(16.52)	(16.52)
2075	ACC DEPR-STRUCT/IMPRV G	ACC DEPR SEWER PLANT		(9,123.22)	(9,123.22)		16,433.82	16,433.82
2080	ACC DEPR-PWR GEN EQP CO	ACC DEPR SEWER PLANT		(3,587.44)	(3,587.44)		-	-
2085	ACC DEPR-PWR GEN EQP PU	ACC DEPR SEWER PLANT		(1,738.64)	(1,738.64)		(1,369.20)	(1,369.20)
2090	ACC DEPR-PWR GEN EQP TR	ACC DEPR SEWER PLANT		(6,569.56)	(6,569.56)		-	-
2105	ACC DEPR-SEWER FORCE MA	ACC DEPR SEWER PLANT		(14,699.72)	(14,699.72)		3,265.71	3,265.71
2110	ACC DEPR-SEWER GRAVITY	ACC DEPR SEWER PLANT		(13,584.46)	(13,584.46)		(17,476.79)	(17,476.79)
2113	ACC DEPR-MANHOLE	ACC DEPR SEWER PLANT		(1,637.65)	(1,637.65)		1,547.93	1,547.93
2115	ACC DEPR-SPECIAL COLL S	ACC DEPR SEWER PLANT		935.27	935.27		(2.60)	(2.60)
2120	ACC DEPR-SERVICES TO CU	ACC DEPR SEWER PLANT		14,400.89	14,400.89		4,726.00	4,726.00
2125	ACC DEPR-FLOW MEASURE D	ACC DEPR SEWER PLANT		(1,694.04)	(1,694.04)		(174.36)	(174.36)
2130	ACC DEPR-FLOW MEASURE I	ACC DEPR SEWER PLANT		(14.12)	(14.12)		-	-
2135	ACC DEPR-RECEIVING WELL	ACC DEPR SEWER PLANT		(451.44)	(451.44)		-	-
2140	ACC DEPR-PUMP EQP PUMP	ACC DEPR SEWER PLANT		(114,437.75)	(114,437.75)		(28,233.29)	(28,233.29)
2145	ACC DEPR-PUMP EQP RCLM	ACC DEPR SEWER PLANT		(1,186.52)	(1,186.52)		(11.12)	(11.12)
2150	ACC DEPR-PUMP EQP RCLM	ACC DEPR SEWER PLANT		(1,593.56)	(1,593.56)		-	-
2155	ACC DEPR-TREAT/DISP EQP	ACC DEPR SEWER PLANT		(4,841.36)	(4,841.36)		(0.48)	(0.48)
2160	ACC DEPR-TREAT/DISP EQP	ACC DEPR SEWER PLANT		(108,700.04)	(108,700.04)		(8,166.21)	(8,166.21)
2165	ACC DEPR-TREAT/DISP EQP	ACC DEPR SEWER PLANT		(109.12)	(109.12)		-	-
2170	ACC DEPR-PLANT SEWERS T	ACC DEPR SEWER PLANT		(21,554.38)	(21,554.38)		10,164.65	10,164.65
2175	ACC DEPR-PLANT SEWERS R	ACC DEPR SEWER PLANT		(42.96)	(42.96)		-	-
2180	ACC DEPR-OUTFALL LINES	ACC DEPR SEWER PLANT		3,810.08	3,810.08		(51.24)	(51.24)
2185	ACC DEPR-OTHER PLT TANG	ACC DEPR SEWER PLANT		(31.04)	(31.04)		-	-
2190	ACC DEPR-OTHER PLT COLL	ACC DEPR SEWER PLANT		(176.20)	(176.20)		1.48	1.48
2195	ACC DEPR-OTHER PLT PUMP	ACC DEPR SEWER PLANT		(399.96)	(399.96)		(19.60)	(19.60)
2200	ACC DEPR-OTHER PLT TREA	ACC DEPR SEWER PLANT		(310.00)	(310.00)		-	-
2205	ACC DEPR-OTHER PLT RCLM	ACC DEPR SEWER PLANT		(5.40)	(5.40)		(43.24)	(43.24)
2210	ACC DEPR-OTHER PLT RCLM	ACC DEPR SEWER PLANT		(3.84)	(3.84)		-	-
2215	ACC DEPR-OFFICE STRUCTU	ACC DEPR SEWER PLANT		(1,127.68)	(1,127.68)		(346.48)	(346.48)
2220	ACC DEPR-OFFICE FURN/EQ	ACC DEPR SEWER PLANT		(1,034.38)	(1,034.38)		(42.19)	(42.19)
2225	ACC DEPR-STORES EQUIPME	ACC DEPR SEWER PLANT		(53.34)	(53.34)		(13.76)	(13.76)
2230	ACC DEPR-TOOL SHOP & MI	ACC DEPR SEWER PLANT		(3,246.36)	(3,246.36)		(231.46)	(231.46)
2235	ACC DEPR-LABORATORY EQP	ACC DEPR SEWER PLANT		(2,479.09)	(2,479.09)		(138.04)	(138.04)
2240	ACC DEPR-POWER OPERATED	ACC DEPR SEWER PLANT		(5,190.64)	(5,190.64)		(1,549.88)	(1,549.88)
2245	ACC DEPR-COMMUNICATION	ACC DEPR SEWER PLANT		(2,256.60)	(2,256.60)		(33.08)	(33.08)
2250	ACC DEPR-MISC EQUIP SEW	ACC DEPR SEWER PLANT		(466.28)	(466.28)		(134.20)	(134.20)
2255	ACC DEPR-OTHER TANG PLT	ACC DEPR SEWER PLANT		(11,724.84)	(11,724.84)		-	-
2280	ACC DEPR-REUSE DIST RES	ACC DEPR REUSE PLANT		(23.44)	(23.44)		(18.44)	(18.44)
2285	ACC DEPR-REUSE TRANS/DI	ACC DEPR REUSE PLANT		(397.12)	(397.12)		(9.44)	(9.44)

Supplement to Schedule A-1a and b, A-2a and b, A-4a and b

Utility Plant, A/D, CIAC Additions - Post Test Year - thru July 2019

Obj Acct	Account Description	Account Category	CWSNC Uniform			BF/FH/TC		
			Post Test Year Net Additions			Post Test Year Net Additions		
			Water	Sewer	Total	Water	Sewer	Total
3435	CIAC-WATER-TAP	CONTRIBUTIONS IN AID WATER	(27,670.00)		(27,670.00)	(1,850.00)		(1,850.00)
3440	CIAC-WTR MGMT FEE	CONTRIBUTIONS IN AID WATER	(300.00)		(300.00)	-		-
3450	CIAC-WTR PLT MOD FEE	CONTRIBUTIONS IN AID WATER	(6,250.00)		(6,250.00)	-		-
3455	CIAC-WTR PLT MTR FEE	CONTRIBUTIONS IN AID WATER	(4,610.00)		(4,610.00)	(2,550.00)		(2,550.00)
3705	CIAC-SEWER-TAP	CONTRIBUTIONS IN AID SEWER		(11,763.17)	(11,763.17)		-	-
3720	CIAC-SWR PLT MOD FEE	CONTRIBUTIONS IN AID SEWER		(1,000.00)	(1,000.00)		-	-
3725	CIAC-SWR PLT MTR FEE	CONTRIBUTIONS IN AID SEWER		-	-		-	-
3810	ACC AMORT STRUCT & IMPR	ACCUM AMORT OF CIA WATER	423.80	-	423.80	-	-	-
3815	ACC AMORT STRUCT & IMPR	ACCUM AMORT OF CIA WATER	353.92	-	353.92	-	-	-
3840	ACC AMORT WELLS & SPRIN	ACCUM AMORT OF CIA WATER	7,187.16		7,187.16	-		-
3860	ACC AMORT ELEC PUMP EQP	ACCUM AMORT OF CIA WATER	223.52		223.52	-		-
3865	ACC AMORT ELEC PUMP EQP	ACCUM AMORT OF CIA WATER	715.96		715.96	-		-
3870	ACC AMORT ELEC PUMP EQP	ACCUM AMORT OF CIA WATER	1,653.80		1,653.80	-		-
3875	ACC AMORT WATER TREATME	ACCUM AMORT OF CIA WATER	392.44		392.44	-		-
3880	ACC AMORT DIST RESV & S	ACCUM AMORT OF CIA WATER	1,559.84		1,559.84	-		-
3885	ACC AMORT TRANS & DISTR	ACCUM AMORT OF CIA WATER	20,275.96		20,275.96	172.80		172.80
3890	ACC AMORT SERVICE LINES	ACCUM AMORT OF CIA WATER	1,488.40		1,488.40	161.64		161.64
3895	ACC AMORT METERS	ACCUM AMORT OF CIA WATER	255.12		255.12	-		-
3905	ACC AMORT HYDRANTS	ACCUM AMORT OF CIA WATER	2,382.27		2,382.27	466.25		466.25
3910	ACC AMORT BACKFLOW PREV	ACCUM AMORT OF CIA WATER	133.32		133.32	-		-
3970	ACC AMORT MISC EQUIPMEN	ACCUM AMORT OF CIA WATER	1,355.96		1,355.96	-		-
3975	ACC AMORT OTHER TANG PL	ACCUM AMORT OF CIA WATER	149,795.32		149,795.32	9,470.52		9,470.52
3980	ACC AMORT WATER-CIAC TA	ACCUM AMORT OF CIA WATER	31,963.79		31,963.79	2,074.88		2,074.88
3990	ACC AMORT WTR MGMT FEE	ACCUM AMORT OF CIA WATER	171.78		171.78	-		-
3995	ACC AMORT WTR RES CAP F	ACCUM AMORT OF CIA WATER	323.04		323.04	-		-
4000	ACC AMORT WTR PLT MOD F	ACCUM AMORT OF CIA WATER	6,507.64		6,507.64	706.84		706.84
4005	ACC AMORT WTR PLT MTR F	ACCUM AMORT OF CIA WATER	1,450.03		1,450.03	52.75		52.75
4050	ACC AMORTSTRUCT/IMPRV P	ACCUM AMORT OF CIA SEWER		5,349.08	5,349.08		-	-
4055	ACC AMORTSTRUCT/IMPRV T	ACCUM AMORT OF CIA SEWER		3,082.67	3,082.67		-	-
4070	ACC AMORTSTRUCT/IMPRV G	ACCUM AMORT OF CIA SEWER		106,660.28	106,660.28		36,845.20	36,845.20
4100	ACC AMORT SEWER FORCE M	ACCUM AMORT OF CIA SEWER		916.08	916.08		-	-
4105	ACC AMORT SEWER GRAVITY	ACCUM AMORT OF CIA SEWER		12,295.16	12,295.16		398.76	398.76
4107	ACC AMORT MANHOLES	ACCUM AMORT OF CIA SEWER		666.92	666.92		-	-
4115	ACC AMORT SERVICES TO C	ACCUM AMORT OF CIA SEWER		1,304.52	1,304.52		-	-
4155	ACC AMORT TREAT/DISP EQ	ACCUM AMORT OF CIA SEWER		(296.48)	(296.48)		-	-
4260	ACC AMORT OTHER TANG PL	ACCUM AMORT OF CIA SEWER		(3.12)	(3.12)		-	-
4265	ACC AMORT SEWER-TAP	ACCUM AMORT OF CIA SEWER		26,727.00	26,727.00		3,168.64	3,168.64
4270	ACC AMORT SWR MGMT FEE-	ACCUM AMORT OF CIA SEWER		117.64	117.64		-	-
4275	ACC AMORT SWR RES CAP F	ACCUM AMORT OF CIA SEWER		-	-		5,856.68	5,856.68
4280	ACC AMORT SWR PLT MOD F	ACCUM AMORT OF CIA SEWER		47,795.82	47,795.82		1,945.32	1,945.32
4285	ACC AMORT SWR PLT MTR F	ACCUM AMORT OF CIA SEWER		0.40	0.40		-	-

Carolina Water Service, Inc. of North Carolina
W-354, Sub 364
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W1-10
Update 10/4/2019
Schedule 15

Supplement to Schedule A-16a and b

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Pro-Forma Plant Additions

Purpose:

To include plant additions not yet in-service at the end of the Test Year, 3/31/2019, as additions to rate base. Estimated retirements and Accumulated Depreciation are calculated and included as offsets to the gross additions. All listed projectsd are anticipated to be in-service by 9/30/2019. Net rate base additions are included in Schedules A-15a and b, and annualized depreciation is captured in Schedules B-21a and b.

Method:

Per review of planned and in-progress projects with CWSNC Project Manager, list of projects, descriptions, system, project ID, and Rate Division were obtained. Project costs are based on most recent actual level at time of filing plus anticipated remaining costs to close each project. Retirement estimates are based on either actual postings to the general ledger or estimates by the Project Manager, based on company records or the relevent Handy-Whitman index. Depreciation rates used are consistent with those utilized in W-354, Sub 360 (Henry Schedules 3-15a to d). No CIAC is invloved in the listed projects.

UPDATE: Estimated in-service dates, retirments, and additions are updated to actuals where available. Certain projects with in-service dates beyond September will require further updates.

Additionally, non-project additions have been added to Schedules A-1a and b, A-2a and b per the response to discovery (thru July 2019), excluding net additions and accumulated depreciation for projects in service by July 2019 in this Schedule (page 1).

Additional updates for non-project additions will be provided.

Carolina Water Service, Inc. of North Carolina
W-354, Sub 364
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W1-10

Schedule 20
Updated 10/4/2019
Page 1 of 1

Supplement to Schedule B-4a and b, & B-25a and b

Salary & Wages, Payroll Taxes

Line No .	Item	Amount to Be Allocated	Allocation to NC Regulated COs	CWSNC Uniform Allocation - Water	CWSNC Uniform Allocation - Sewer	BE/FH/TC Allocation - Water	BE/FH/TC Allocation - Sewer
	<u>Shared Services</u>	<u>[a]</u>	<u>[b]</u>	<u>[c]</u>	<u>[d]</u>	<u>[e]</u>	<u>[f]</u>
1	Pro-Forma Salaries & Wages	7,169,601.71	1,299,741.94	703,190.16	424,892.63	83,962.90	87,696.25
2	FICA	444,062.10	80,501.84	43,553.34	26,316.48	5,200.39	5,431.62
3	Federal Unemployment Tax	39,060.00	7,081.00	3,830.98	2,314.82	457.43	477.77
4	State Unemployment Tax	15,209.80	2,757.31	1,491.77	901.38	178.12	186.04
	Total	7,667,933.60	1,390,082.09	752,066.25	454,425.31	89,798.84	93,791.69
	<u>NC Leadership</u>						
5	Pro-Forma Salaries & Wages	1,364,252.51	867,479.21	469,326.12	283,583.62	56,038.87	58,530.60
6	FICA	85,632.10	54,450.38	29,458.90	17,800.12	3,517.48	3,673.88
7	Federal Unemployment Tax	4,200.00	2,670.63	1,444.87	873.04	172.52	180.19
8	State Unemployment Tax	2,489.49	2,489.49	1,346.87	813.83	160.82	167.97
	Total	1,456,574.10	927,089.70	501,576.76	303,070.61	59,889.69	62,552.64
	<u>NC Operations</u>						
9	Pro-Forma Salaries & Wages	5,123,614.93	5,123,614.93	2,771,993.02	1,674,937.28	330,983.82	345,700.81
10	FICA	391,956.54	391,956.54	212,057.47	128,132.70	25,320.26	26,446.11
11	Federal Unemployment Tax	34,440.00	34,440.00	18,632.83	11,258.62	2,224.81	2,323.74
12	State Unemployment Tax	8,787.82	8,787.82	4,754.41	2,872.79	567.69	592.93
	Total	5,558,799.29	5,558,799.29	3,007,437.73	1,817,201.39	359,096.58	375,063.59

Notes:

Column [a] - Per Company's records

Column [b] - Amount of Column [a] allocated to North Carolina

Column [c] - Column [b] * 54.10%

Column [d] - Column [b] * 32.69%

Column [e] - Column [b] * 6.46%

Column [f] - Column [b] * 6.75%

Purpose:

To calculate pro-forma salaries and wages, as well as related payroll taxes, deferred compensation.

This adjustment annualizes current pay rates, plus a 3% cost of living adjustment. Vacancies expected to be filled during the rate case are included at estimated pay levels.

Method:

Please see the Direct Testimony of Anthony Gray for a detailed explanation of the method used to calculate these adjustments.

NC Operations flows to Schedule B-4a and b on the Maintenance line, Shared Services and NC Leadership flow to the General line.

UPDATE: Update to current employee headcount, titles, and salaries.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Test Year: March 31, 2019

W1-10
Updated 10/4/2019
Schedule 21

Supplement to Schedule B-5a and b, B-20a and b, A-15 a and b

Deferred Charges - Storm (Hurricane Florence)

Line No.	Item	Total	CWSNC Uniform - Water	CWSNC Uniform - Sewer	BF/FH/TC - Water	BF/FH/TC - Sewer
		[A]	[B]	[C]	[D]	[E]
Per Docket No. W-354, Sub 363, Updated Exhibit 3						
O&M:						
1	Fuel	26,932.91	4,726.68	12,003.09	937.22	9,265.92
2	Maintenance & Repair	88,983.39	20,279.93	61,086.92	5,791.54	1,825.00
3	Labor	46,429.20	8,682.08	13,209.98	-	24,537.14
4	Lodging	5,916.64	-	4,341.31	-	1,575.33
5	Meals	819.18	-	298.78	-	520.40
6	Rentals	5,596.94	2,108.00	2,828.88	-	660.06
7	Office Supplies	1,759.32	35.22	539.44	-	1,184.66
8	Telecom	554.80	-	-	-	554.80
9	Total Expense	176,992.38	35,831.91	94,308.40	6,728.76	40,123.31
Depreciation for Un-reimbursed Plant:						
10	Carolina Forest Main Replacement	926.90	926.90			
11	Fairfield Harbour LS replacements	8,876.01				8,876.01
12	Fairfield Harbour Well equipment	0.45			0.45	
13	Fairfield Harbour Maintenance Building	315.88				315.88
14	Total Depreciation	10,119.25	926.90	-	0.45	9,191.90
Lost Revenues:						
15	Subtotal of account balances	46,320.40			22,656.50	23,663.90
16	Total Costs Deferred (L9 + L29 + L30)	233,432.03	36,758.81	94,308.40	29,385.70	72,979.11
17	Annual Amortization - 3 Years (Other Misc. Expense)	77,810.68	12,252.94	31,436.13	9,795.23	24,326.37
18	Adjust Salary Capttime for one-time Hurricane labor (L3)					
19	Insurance Proceeds To-Date - Include as Deferred Charge Account 2975	(524,470.09)	(138,319.20)	(11,356.84)	(10,566.92)	(364,227.12)
20	Insurance Proceeds Amortization through 3/31/2020 Account 3130	9,928.55	2,618.47	214.99	200.04	6,895.05
21	Annual Amortization of Insurance Proceeds Deferred Charge Account 5825	(10,027.51)	(2,644.57)	(217.14)	(202.03)	(6,963.77)

Purpose:

To include cost deferrals requested in Docket W-354, Sub 363 related to Hurricane Florence. Deferrals are not included in rate base in this proceeding. Request includes amortization of deferrals over a three year term for lost revenues, maintenance costs, and depreciation on replacement capital through 3/31/2020. Salary Capttime AA ledger is also adjusted on Schedule B-5a and b for the OT labor charged to the one-time event of Hurricane Florence.

Method:

The Company captured expense and capital costs related to Hurricane Florence in subledger project codes. As projects were moved into service, they were reclassified to Plant In-Service accounts and depreciation commenced. The Company also identified customers who shut off service due to Florence and utilized prior year bills, with incremental increases for rate changes as applicable, to estimate lost revenues from the month the storm occurred (September 2018) until March 2020. Customers were identified based on the field service order created to facilitate shut off. As OT hours worked by employees to address damage by the storm is a one-time event and would not have otherwise been payable, the Company adjusted the Test Year AA ledger for the amount in the Labor line above. The proposed annual amortization (Line 32) is included as a pro-forma adjustment to Misc. Expense - Other (Account 5825).

UPDATE: A portion of costs incurred by the Company have been reimbursed via insurance. The reimbursement is treated as a Regulatory Liability/Deferred Charge above, and depreciation expense is adjusted to reflect only the expense related to un-reimbursed plant additions.

Additionally, it was identified in discovery that the capttime adjustment requested above should be removed.

Carolina Water Service, Inc. of North Carolina
W-354, Sub 364
Test Year: March 31, 2019

W1-10
Updated 10/4/2019
Schedule 23

Supplement to Schedule B-7a

Purchased Water and Purchase Sewer Treatment Expense

Vendor	Subdivision(s)	Date of Rate Change	Old Volume Rate/TG	New Volume Rate/TG	Test Year Expenses Prior to Rate Change			Pro-Forma Adjustment	
					CWSNC Uniform - Water	CWSNC Uniform - Sewer	Percent Increase	CWSNC Uniform - Water	CWSNC Uniform - Sewer
Purchased Water Expense:									
JOHNSTON CNTY DEPT PUBLIC UTIL	Willowbrook, White Oak Plantation	10/1/2019	2.40	2.65	84,579.18		10.42%	8,810.33	
PUBLIC WORKS COMMISSION	Bent Creek	5/1/2019	5.15	5.43	57,668.37		5.44%	3,135.37	
CITY OF ASHEVILLE	Tanglewood Estates	7/1/2018	4.12	4.18	16,167.70		1.83%	295.40	
CITY OF GASTONIA	Kings Grant - Charlotte	7/1/2018	5.90	6.05	1,483.33		2.54%	37.71	
WINSTON-SALEM/FORSYTH CTY	Yorktown	7/1/2018	5.42	5.61	2,193.08		3.51%	76.97	
LANCASTER CTY WTR & SWR DISTRI	Danby	7/1/2018	4.06	4.10	35,901.90		0.99%	353.71	
HENDERSONVILLE WATER & SEWER D	High Vista	8/2/2018	3.25	3.43	17,514.20		5.38%	943.07	
CHARLOTTE, CITY OF	Riverpointe	7/1/2018	6.30	6.48	25,553.13		2.97%	759.54	
TOWN OF FRANKLIN	Riverbend	7/1/2018	6.86	7.20	9,866.06		4.96%	488.99	
TOWN OF SOUTHERN PINES	Whispering Pines	7/1/2019	3.18	3.28	279,394.03		3.14%	8,785.98	
					250,926.95			14,901.10	
Purchased Sewer Treatment Expense:									
JOHNSTON CNTY DEPT PUBLIC UTIL	White Oak Plantation	10/1/2019	5.06	5.57		122,403.66	10.08%		12,337.13
METROPOLITAN SEWAGE DISTRICT	Mt. Carmel	7/1/2018	6.94	7.11		20,264.23	2.45%		496.39
CITY OF GASTONIA	Kings Grant - Charlotte	7/1/2018	3.88	3.98		5,328.08	2.58%		137.32
CLAY COUNTY WATER AND SEWER DI	The Ridges at Mountain Harbor	10/1/2019	1,621.24	1,864.43		9,889.56	15.00%		1,483.43
						147,995.97			12,970.84

Purpose:

To adjust Test Year actual purchased services expenses for rate changes from vendors occurring after the start of the Test Year (4/1/2018). This allows for pro-forma adjustments to reflect the annualized costs for Purchased Water/Sewer Treatment Expense for CWSNC in this rate case.

Method:

The Company reviewed bills from and corresponded with its vendors to identify where rates changed since 4/1/2018, or who had issued notice that their rates will change in the near future. CWSNC identified invoices paid during the Test Year before the effective date of the rate change and increased those bill amounts by the effective rate increase for the vendor.

The Company compared invoices to the vendor website rate schedule or a copy of prior rates effective to identify the percent of rate change. Johnston County issued a notice that their rates would change as of 10/1/2019. All other rate increases noted are identified from vendor invoices or the provider's rate schedules per its website.

UPDATE: Included updated rates for Southern Pines and Clay County.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Lobbying and Storm Cost - Book and Pro-Forma Adjustments
Supplement to Schedules B-8a and b, B-13a and b, and B-20 a and b
Test Year: March 31, 2019

W-10
Updated 10/4/2019
Schedule 24

Line No.	Account #	Description	Schedule Reference	Total Per AA Books	Per Books Adjustment	CWSNC Uniform Allocation - Water	CWSNC Uniform Allocation - Sewer	BE/FH/TC - Water	BE/FH/TC - Sewer
				[A]	[B]	[C]	[D]	[E]	[F]
1	6050	Lobbying	B-13a/b	60,529.00	(60,529.00)	(32,747.58)	(19,787.26)	(3,910.15)	(4,084.02)
2	6025	Lobbying	B-13a/b	3,372.50	(3,372.50)	(1,824.60)	(1,102.49)	(217.86)	(227.55)
3	Total			63,901.50	(63,901.50)	(34,572.17)	(20,889.74)	(4,128.02)	(4,311.57)

Line No.	Account #	Description		Per Books Adjusted	Pro-Forma Adjustment	CWSNC Uniform Allocation - Water	CWSNC Uniform Allocation - Sewer	BE/FH/TC - Water	BE/FH/TC - Sewer
				[G]	[B]	[C]	[D]	[E]	[F]
4	6390	Storm Costs	B-8a/b	-	47,592.70	25,748.74	15,558.31	3,074.47	3,211.18
5	5810	Lobbying/Sponsorships	B-20a/b	45,465.09	(10,924.25)	(5,910.27)	(3,571.20)	(705.70)	(737.08)

Notes:

Column [A] - Per Companies Financials at March 31, 2019.
Column [B] Lobbying - Remove book balances.
Column [B] Storm Costs - Three-year average 2016 to 2018 actual storm costs incurred, excluding Hurricane Florence, per Docket W-354, Sub 363, DR# 4-1.
Column [C] - Column [B] * 54.10%
Column [D] - Column [B] * 32.69%
Column [E] - Column [B] * 6.46%
Column [F] - Column [B] * 6.75%
Column [G] - Per Schedule B-13, Column [F].

Purpose:

To remove AA ledger lobbying and storm-related costs from the Test Year. Storm-related costs are recalculated for pro-forma purposes to replace Test Year actuals, as Hurricane Florence costs are addressed in Schedule 21. The resulting storm-related pro-forma costs are a reasonable representation of ongoing storm costs for CWSNC.

Method:

All costs related to lobbying efforts are removed from the Test Year data. This includes costs related to Public Sector Group (Account 6050) and Sanford Law Office (Account 6025). In addition, storm-related costs captured in Account 6390 were removed, as the Test Year data included all expenses related to Hurricane Florence. Florence costs are addressed in Docket W-354, Sub 363, which has since been merged with this rate case, and are presented in detail in Schedule 21. The Company then averaged the 2016-2018 storm costs in Account 6390 (excluding Florence) and presents this three-year average in Column B as the pro-forma amount. These historical amounts were presented in Sub 363 in Discovery Response #4-1.

UPDATE: Included indirect lobbying and sponsorship expenses identified during discovery that are to be excluded.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Test Year: March 31, 2019

W1-10
Updated 10/4/2019
Schedule 25

Supplement to Schedules B-8a and b

Deferred Maintenance Expense

<u>Line No</u>	<u>Item</u>	<u>Annual Amortization</u>	
<u>Deferred maintenance - CWSNC Uniform Water</u>			
1	Deferred elevated storage tank painting	77,903.73	
2	Deferred hydro storage tank painting	17,255.04	
3	Deferred hydro storage tank inspection	56,246.00	
4	Deferred maintenance - additions	142,493.02	from Schedule 12
5	Total deferred maintenance - water (Sum of L1 thru L4)	293,897.79	
<u>Deferred maintenance - CWSNC Uniform Sewer</u>			
6	Belvedere pump and haul	275,357.74	
7	WWTP	2,823.90	
8	Total deferred maintenance - sewer (L6 + L7)	278,181.64	
<u>Deferred maintenance - BF/FF/TC Water</u>			
9	Deferred elevated storage tank painting	6,602.78	
10	Deferred maintenance - additions	7,149.90	from Schedule 12
11	Deferred hydro storage tank inspection	2,660.00	
12	Total deferred maintenance - sewer (L9 + L10 + L11)	16,412.68	
<u>Deferred maintenance - BF/FF/TC Sewer</u>			
13	WWTP	19,408.00	
14	Total (L5 + L8 + L12 + L14)	607,900.12	

Purpose:

To adjust Deferred Maintenance Expense (account 6355) for pro-forma expenses per amortizations schedules approved in W-354, Sub 360.

Method:

Using approved amortization schedules from Sub 360, carried amortization activity through 3/31/2020, anticipating new rates effective 4/1/2020. Pro-forma deferred maintenance additions were included per estimated costs from Schedule 12, using a 5 year amortization period. Deferred maintenance items from Sub 360 were annualized based on their respective March 2020 amortization expense amount.

UPDATE: Moved Mt. Mitchell Tank to Pro-Forma Plant. Reallocated Hydrotank Evaluation project to Uniform and BF/FH/TC.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Test Year: March 31, 2019

W1-10
Updated 10/4/2019
Schedule 30

Supplement to Schedule B-17a and b

Rent Expense

Line No	Vendor	Description	Rent Payment Period	Payment Rate @ 3/31/2020	Annual Rate @ 3/31/2020	CWSNC Uniform - Water	CWSNC Uniform - Sewer	BE/FH/TC - Water	BE/FH/TC - Sewer
			[A]	[B]	[C]	[D]	[E]	[F]	[G]
	CWSNC:								
1	ARROWRIDGE ACQUISITIONS LLC.	Charlotte Warehouse	Monthly	3,557	42,681	23,091	13,953	2,757	2,880
2	GARNER COMMERCIAL CENTER ASSOC	Garner Office	Monthly	850	10,200	5,518	3,334	659	688
3	HARTZOG, LAURIE THOMAS	Lake Lure Office	Monthly	504	6,048	3,272	1,977	391	408
4	NC Owner, LLC	Charlotte Office	Monthly	14,414	172,970	93,581	56,545	11,174	11,671
5	TRIP BETTY PETER MHC, LLC	Hestron Park Sewer	Annually	100	100	54	33	6	7
6	USDA FOREST SERVICE	Mt. Mitchell Land Use	Annually	984	984	532	322	64	66
7	VILLAGE OF WHISPERING PINES	Whispering Pines Office	Monthly	300	3,600	1,948	1,177	233	243
8	WEST RIDGE CORPORATION	Whispering Pines Office	Monthly	550	6,600	3,571	2,158	426	445
9									
10	Total CWSNC			21,259	243,183	131,567	79,498	15,710	16,408
11									
12	Allocated:								
13	Public Storage	WSC Off-site Storage	Monthly	2,366	5,147	[1]	2,785	1,683	347
14	Piedmont Realty Trust	WSC Office	Monthly	66,434	144,522	[1]	78,190	47,245	9,751
15									
16	Total Allocated			68,800	149,669	80,975	48,928	9,669	10,099
17									
18	Total - for Pro-Forma Proposed, Schedules B-17a and b			90,059	392,852	212,542	128,425	25,378	26,507

Notes:

Column [A] - Per applicable agreements and company financials.

Column [B] - Per applicable agreements and company financials.

Column [C] - Column [B] * 12 months or 1 year.

Column [D] - Column [C] * 54.10%

Column [E] - Column [C] * 32.69%

Column [F] - Column [C] * 6.46%

Column [G] - Column [C] * 6.75%

[1] - Column [B] times 12 months times 18.13%

Purpose:

To annualize most current rent expense levels for lease locations in North Carolina and for WSC.

Method:

The Company reviewed its rental property list to identify changes in lease payments. The Company identified in its lease agreements those leases which utilize step increase rates (Charlotte Office), as well as those that pass through operating cost variances (Charlotte Warehouse). For the Charlotte Office, the annualized lease cost at 3/31/2020 was utilized for pro-forma purposes. For the Charlotte Warehouse, the annualized lease cost at 3/31/2020, plus a projected O&M variance true up charge was calculated based on the average annual percent increase incurred for Years 1 through 6 of the existing agreement, as supported by invoices paid. All other CWSNC rent is computed as the annualization of the most recent invoice paid. The same was done for the WSC Public Storage rent. For the new WSC office, the leveled rent schedule was used to determine the monthly rent expense at 3/31/2020, which was annualized to provide a pro-forma expense level.

UPDATE: Corrected monthly rent for Garner Office.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Test Year: March 31, 2019

W1-10
Updated 10/4/2019
Schedule 31

Supplement to Schedule B-18a and b

Insurance Expense

Line No	Description	Allocation Method	Gross Annual Charge @ 3/31/2019	Allocated Annual Charge @ 3/31/2019	Percent increase from 2018 to 2019	Allocated Annual Charge @ 3/31/2020	CWSNC Uniform - Water	CWSNC Uniform - Sewer	BF/FH/TC - Water	BF/FH/TC - Sewer
			[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]
	Allocated:									
1	Worker's Compensation	Headcount	\$ 649,631	\$ 98,132	45.26%	\$ 142,545	\$ 77,120	\$ 46,599	\$ 9,208	\$ 9,618
2	Auto	Vehicles	508,079	97,060	11.85%	108,561	58,734	35,489	7,013	7,325
3	General Liability	Revenue	445,588	79,959	18.40%	94,671	51,219	30,948	6,116	6,388
4	Property	Revenue	259,950	46,647	199.61%	139,757	75,612	45,687	9,028	9,430
5	Excess (\$10, 15, 25MM)	ERC	445,538	80,769	22.46%	98,912	53,514	32,335	6,390	6,674
6	Pollution	Revenue	615,443	110,439	0.00%	110,439	59,750	36,103	7,134	7,452
7	Surety Bonds	Revenue	17,510	3,142	3.00%	3,236	1,751	1,058	209	218
8	D&O	ERC	82,789	15,008	2.08%	15,320	8,289	5,008	990	1,034
9	Deductibles	Revenue	654,757	117,493	10.00%	129,243	69,923	42,250	8,349	8,720
10	Cyber	ERC	27,039	4,902	4.93%	5,143	2,783	1,681	332	347
11										
12	Total		\$ 3,706,323	\$ 653,552		\$ 847,827	\$ 458,694	\$ 277,159	\$ 54,769	\$ 57,205
13	Account 5705						\$ 388,771	\$ 234,909	\$ 46,420	\$ 48,484
14	Account 5715						\$ 69,923	\$ 42,250	\$ 8,349	\$ 8,720

Notes:

Column [A] - Per company financials.
Column [B] - Column [A] * allocation method's allocation factor.
Column [C] - Percent increase in policy premium from 2018 policy year to 2019. Will be updated during case with actuals.
Column [D] - Column [B] * Column [C].
Column [E] - Column [D] * 54.10%
Column [F] - Column [D] * 32.69%
Column [G] - Column [D] * 6.46%
Column [H] - Column [D] * 6.75%

Allocation Factors @ 3/31/2019:

	NC	UI	NC %
Headcount:	82	541	15.11%
Vehicles:	98	513	19.10%
Revenue:	30,804,490	171,664,648	17.94%
ERC:	52,636	290,348	18.13%

Purpose:

To annualize current insurance premiums for business insurance, based on applicable currently active policies. Allocations are done based on headcount, revenues, vehicle count, or CWSNC's adjusted ERC count as of the Test Year end, 3/31/2019.

Method:

The Company identified the currently active insurance policies obtained by Utilities, Inc. for the benefit of all it's subsidiaries. The policy premium paid for the period encompassing the Test Year end was identified for Column A. Column B shows the allocation after applying the allocation factor for each policy. The policy increase from the 2018 plan year to the 2019 plan year was used for annual renewal policies (all but Pollution). The Excess and D&O policies above reflect a blended rate of the sub-policies for this coverage. The resulting projected allocated premiums were then allocated to the respective Rate Division based on ERC allocation. These pro-forma amounts equal the pro-forma proposed column on Schedule B-18a and b.

UPDATE: Corrected Revenue allocation inputs, and updated 2019-20 premium estimates. Actual policy premiums will be available in October 2019.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 364
Test Year: March 31, 2019

W1-10
Updated 10/4/2019
Schedule 34

Supplement to Schedule B-21a

Deferred Accounting Petition - Calculation of Deferral

Line No.	Item	Costs	Notes
CWSNC Uniform Sewer:			
1	Conneestee Falls WWTP: In-Service 10/7/2019		
2	Net Plant Additions	7,177,326.36	Per Schedule 15, line 3, Column C
3	Rate of Return on Net Plant Additions (10/2019-3/2020)	278,121.40	L2 * 6 months * RoR
4	Depreciation Expense (10/2019-3/2020)	753.58	Per Schedule 15, line 3, Column E * 6 months
5		-	
6	Total Deferred Carrying Costs (L3 + L4)	\$ 278,874.97	
7	Nags Head WWTP: In-Service 8/31/2019		
8	Net Plant Additions	6,054,544.52	Per Schedule 15, line 7, Column C
9	Rate of Return on Net Plant Additions (10/2019-3/2020)	234,613.60	L8 * 6 months * RoR
10	Depreciation Expense (10/2019-3/2020)	75,681.81	Per Schedule 15, line 7, Column E * 6 months
11		-	
12	Total Deferred Carrying Costs (L9 + L10)	\$ 310,295.41	
13	Total Uniform Sewer Deferred Costs (L6 + L12)	\$ 589,170.38	
14	Annual Amortization, 5-year term	\$ 117,834.08	
CWSNC Uniform Water:			
14	Fairfield Mountain AMR: In-Service 8/31/2019		
15	Net Plant Additions	409,485.04	Per Schedule 15, line 24, Column C
16	Rate of Return on Net Plant Additions (9/2019-3/2020)	18,512.14	L15 * 7 months * RoR
17	Depreciation Expense (9/2019-3/2020)	7,962.21	Per Schedule 15, line 24, Column E * 7 months
18		-	
19	Total Deferred Carrying Costs (L3 + L4)	26,474.35	
20	Conneestee Falls AMR: In-Service 8/31/2019		
21	Net Plant Additions	380,983.87	Per Schedule 15, line 23, Column C
22	Rate of Return on Net Plant Additions (9/2019-3/2020)	17,223.65	L21 * 7 months * RoR
23	Depreciation Expense (9/2019-3/2020)	7,408.02	Per Schedule 15, line 23, Column E * 7 months
24		-	
25	Total Deferred Carrying Costs (L3 + L4)	24,631.67	
26	Total Uniform Water Deferred Costs (L19 + L25)	\$ 51,106.01	
27	Annual Amortization, 5-year term	\$ 10,221.20	

Purpose:

To include proposed deferred accounting treatment for capital projects included in W-354, Sub 365 petition. Calculates carrying cost drag between estimated in-service date and anticipated effective date of Final Order in this rate case, 4/1/2020.

Method:

The Company utilized the net plant additions (gross additions less retirements) for the four projects identified in the Deferred Accounting petition. CWSNC calculate the rate of return on a base from the in-service date to the anticipated rate case effective date for each project, based on the Pro-Forma Plant Additions support Schedule 15. The return utilized is 7.75% as approved in Sub 360. The return and depreciation were combined to represent the estimated deferred costs to be amortized in rates in this rate case. The Company proposes a 5-year term for amortization of the deferred costs. Amortization is captured on Schedule B-21a.

UPDATE: Updated above calculations based on updates to Schedule 15.