

BENNINK LAW OFFICE

Robert H. Bennink, Jr., Attorney at Law

January 30, 2018

Ms. M. Lynn Jarvis, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Via Electronic Filing

Re: KRJ, Inc., d/b/a KRJ Utilities
Docket No. W-1075, Sub 12 - General Rate Increase Application
Response Providing Additional Information Filed in Compliance
with Provisions of Commission Rule R1-17(b)

Dear Ms. Jarvis:

On January 25, 2017, the Public Staff filed a letter in this docket pursuant to Commission Rule R1-17((f)(1) notifying KRJ, Inc., d/b/a KRJ Utilities (“KRJ Utilities” or “Company”) that it is necessary for the Company to file certain specified information in order to complete its general rate increase application. Enclosed for electronic filing, please find the additional information requested by the Public Staff in compliance with applicable provisions of Commission Rule R1-17(b).

As a matter of clarification regarding the Company’s general rate case application, KRJ Utilities requests that its proposed rates become effective on Friday, February 9, 2018, unless suspended by the Commission. Pursuant to G.S. 62-134(a), this proposed effective date is 30 days subsequent to the filing date of the application, which occurred on January 10, 2018.

As always, thank you and your staff for your assistance; please feel free to contact me if there are any questions or suggestions.

Sincerely,

Electronically Submitted
/s/ Robert H. Bennink, Jr.

North Carolina State Bar No. 6502
Attorney for KRJ, Inc., dba KRJ Utilities

c: Gina C. Holt, Staff Attorney, Public Staff
William E. Grantmyre, Staff Attorney, Public Staff

KRJ, Inc d/b/a KRJ Utilities - W-1075s12

NCUC R1-17(b)(3)

GL Acct#	Description	Sou.Trace	Original Cost	
			Rockbridge Water	Rockbridge Sewer
304200-02-02	WELL SITE # 1		12,287.00	
304201-02-02	WELL HOUSE # 1		24,508.81	
304202-02-02	WELL SITE 2		6,777.65	
304203-02-02	WELL HSE #2		3,161.77	
304204-02-02	WELL SITE # 3		10,247.65	
304205-02-02	WELL HOUSE # 3		12,823.45	
304300-02-03	WATER TREATMENT BUILDING			23,387.10
304500-02-03	WATER SITE IMPROVEMENTS			8,038.18
304501-02-03	OPERATIONS BUILDING			14,775.03
304502-02-03	ELECTRICAL & GENERATOR			132,551.17
307200-02-02	WELL # 1	1,029.28		
307201-02-02	WELL #2	7,435.00		
307202-02-02	WELL # 3	6,285.00		
307205-02-03	WELL 1		65,074.81	
307206-02-03	WELL 2		58,154.40	
307207-02-03	WELL 3		42,078.26	
311200-02-02	WELL PUMP # 1	3,565.11		
311205-02-03	WELL 1 PUMP		10,869.25	
311206-02-03	WELL 2 PUMP		21,489.42	
311207-02-03	WELL 3 PUMP		16,674.27	
311208-02-02	ST WELL # 2 PUMP (2015)	20,171.64		
311209-02-02	WELL 3 PUMP (2016)	7,859.00		
320300-02-02	WATER TREATMENT EQUIPMENT-WELL #1	2,700.88		
320301-02-02	WELL #2 TELEMETRY EQUIPMENT	3,932.85		
320302-02-02	TRT EQUIP - WELL 2	3,557.73		
320303-02-02	REPLACEMENT EQUIP W-1	1,153.63		
320304-02-02	REPLACEMENT EQUIPMENT W02	1,198.08		
320305-02-02	TREATMENT EQUIP - WELL # 3	11,000.00		
320306-02-03	TELEMETRY & CONTROL ELEV TANK		62,217.37	
320310-02-03	WATER TREATMENT EQUIPMENT		78,816.08	
320311-02-03	WRT EQUIPMENT WELL 1		32,217.97	
320312-02-03	LIME SLURRY PUMP		5,775.93	
320313-02-03	URANIUM IX SYSTEM		171,111.89	
330400-02-02	PNEUMATIC TANKS	19,746.08		
330401-02-02	HYDRO PNEUMATIC TANK # 2	26,648.00		
330402-02-03	ELEVATED WATER TANK		310,354.73	
331400-02-02	DISTRIBUTION MAINS			
334401-02-02	METERS - 1996	117.70		
334402-02-02	METERS - 1997	1,571.96		
334403-02-02	METERS - 1998	1,710.47		
334404-02-02	METERS - 1999	813.40		
334405-02-02	METERS - 2000	1,358.69		

KRJ, Inc d/b/a KRJ Utilities - W-1075s12

NCUC R1-17(b)(3)

GL Acct#	Description	Sou.Trace	Original Cost	
			Rockbridge Water	Rockbridge Sewer
334406-02-02	METERS - 2001		1,272.01	
334407-02-02	METERS - 2002		820.90	
334408-02-02	METERS - 2003		704.72	
334409-02-02	METERS - 2004		1,841.57	
334410-02-02	METERS - 2005		2,098.70	
334411-02-02	METERS - 2006		3,145.31	
334412-02-02	METERS - 2007		827.22	
334412-02-03	METERS - 2007			4,133.22
334413-02-02	METERS - 2008		334.86	
334413-02-03	METERS - 2008			2,172.82
334414-02-03	METERS -2009			616.99
334415-02-03	METERS - 2010			2,435.09
334416-02-03	METERS - 2011			2,300.38
334417-02-03	METERS - 2012			868.29
334418-02-03	METERS - 2013			317.15
334419-02-02	METERS - 2014		227.24	
334419-02-03	METERS - 2014			2,097.97
334420-02-02	METERS - 2015		1,002.50	
334420-02-03	METERS - 2015			5,743.51
334421-02-02	METERS - 2016		245.72	
334421-02-03	METERS - 2016			1,318.59
345500-01-03	DSI TRACTOR			15,692.75
345501-01-01	OFFICE EQUIPMENT			420.23
354400-03-03	PLANT STRUCTURE			1,605,864.05
354401-03-03	CHEMICAL FEED & INSTRUMENTATION			62,657.26
354402-03-03	MISC PLANT COST			17,626.09
354500-03-03	WWTP SITE IMPROVEMENTS			263,678.70
354501-03-03	OPERATIONS BUILDING			84,538.85
354502-03-03	ELECTRICAL & GENERATOR			238,384.05
361200-03-03	GRAVITY MAINS - 2007			531,836.00
361201-03-03	GRAV. MAINS - 2014			147,500.00
363200-03-03	SERVICE LINES - 2007			88,015.00
363201-03-03	SERV. LINES - 2014			18,500.00
364400-03-03	FLOW MONITORING EQUIPMENT			14,658.12
381400-03-03	PLANT SEWERS			460,197.07
381401-03-03	INFLUENT PUMP STATION			161,352.27
382400-03-03	IRRIGATION PUMP STATION			188,304.86
382402-03-03	SPRAY REUSE SYSTEM			625,024.97
389401-03-03	LONG TERM STORAGE POND			853,779.18
389402-03-03	UPSET POND			33,911.14
	Totals		204,181.58	1,075,589.87
				5,411,940.59

The above does not reflect any adjustments that may be presented in working papers to be produced during discovery.

2018.01.30

W-1075s12 - KRJ - Accumulated Depreciation of Water & Sewer Systems for Test Year 7/2015-6/2016

per NCUC R1-17(b)(5)

		Asset Value	Date Acquired	Deprec Method	Acc Dep to 06/2016 Sou.Tr Water	Acc Dep to 06/2016 RckBrg Water	Acc Dep to 06/2016 RckBrg Sewer
304200-02-02	WELL SITE # 1	12,287.00	06/30/1996	25-yr SL	9,829.60		
304201-02-02	WELL HOUSE # 1	24,508.81	06/30/1996	25-yr SL	19,607.00		
304202-02-02	WELL SITE 2	6,777.65	06/30/1999	25-yr SL	4,608.87		
304203-02-02	WELL HSE #2	3,161.77	06/30/1999	25-yr SL	2,149.99		
304204-02-02	WELL SITE # 3	10,247.65	06/30/2005	25-yr SL	4,509.01		
304205-02-02	WELL HOUSE # 3	12,823.45	06/30/2005	25-yr SL	5,642.34		
304300-02-03	WATER TREATMENT BUILDING	23,387.10	04/11/2007	25-yr SL		8,625.13	
304500-02-03	WATER SITE IMPROVEMENTS	8,038.18	04/11/2007	25-yr SL		2,964.51	
304501-02-03	OPERATIONS BUILDING	14,775.03	04/11/2007	25-yr SL		5,449.02	
304502-02-03	ELECTRICAL & GENERATOR	132,551.17	04/11/2007	25-yr SL		48,884.90	
307200-02-02	WELL # 1	1,029.28	06/30/1996	25-yr SL	823.40		
307201-02-02	WELL #2	7,435.00	06/30/1999	25-yr SL	5,055.80		
307202-02-02	WELL # 3	6,285.00	06/30/2005	25-yr SL	2,765.40		
307205-02-03	WELL 1	65,074.81	04/11/2007	25-yr SL		23,999.57	
307206-02-03	WELL 2	58,154.40	01/01/2015	25-yr SL		3,466.01	
307207-02-03	WELL 3	42,078.26	04/11/2007	25-yr SL		15,518.46	
311200-02-02	WELL PUMP # 1	3,565.11	06/30/1996	25-yr SL	2,852.00		
311205-02-03	WELL 1 PUMP	10,869.25	07/01/2007	25-yr SL		3,912.93	
311206-02-03	WELL 2 PUMP	21,489.42	01/01/2015	25-yr SL		1,280.77	
311207-02-03	WELL 3 PUMP	16,674.27	07/01/2008	25-yr SL		5,335.77	
320300-02-02	WATER TREATMENT EQUIPMENT-WELL #:	2,700.88	06/30/1996	25-yr SL	2,160.70		
320301-02-02	WELL #2 TELEMETRY EQUIPMENT	3,932.85	06/30/1999	25-yr SL	2,674.34		
320303-02-02	REPLACEMENT EQUIP W-1	1,153.63	08/15/2004	25-yr SL	547.74		
320304-02-02	REPLACEMENT EQUIPMENT W02	1,198.08	09/01/2004	25-yr SL	566.93		
320305-02-02	TREATMENT EQUIP - WELL # 3	11,000.00	06/30/2005	25-yr SL	4,840.00		
320306-02-03	TELEMETRY & CONTROL ELEV TANK	62,217.37	04/11/2007	25-yr SL		22,945.77	
320310-02-03	WATER TREATMENT EQUIPMENT	78,816.08	04/11/2007	25-yr SL		29,067.37	
320311-02-03	WRT EQUIPMENT WELL 1	32,217.97	04/11/2007	25-yr SL		11,881.99	
320312-02-03	LIME SLURRY PUMP	5,775.93	07/01/2009	25-yr SL		1,617.26	
320313-02-03	URANIUM IX SYSTEM	171,111.89	06/21/2016	25-yr SL		136.89	
330400-02-02	PNEUMATIC TANKS	19,746.08	06/30/1996	25-yr SL	15,796.86		
330401-02-02	HYDRO PNEUMATIC TANK # 2	26,648.00	06/30/2005	25-yr SL	11,725.12		
330402-02-03	ELEVATED WATER TANK	310,354.73	04/11/2007	25-yr SL		114,458.82	
331400-02-02	DISTRIBUTION MAINS	89,925.62	n/a	25-yr SL			
331401-02-02	DISTRIB SYS PH.2	42,397.83	n/a	25-yr SL			
331402-02-02	DISTRIB MAINS - PH 3	30,257.50	n/a	25-yr SL			
331403-02-03	DISTRIB. MAINS - 2007	263,210.30	n/a	25-yr SL			
331404-02-03	DIST. MAINS - 2014	62,200.00	n/a	25-yr SL			
333400-02-02	SERVICE LINES - PH.1	16,723.77	n/a	25-yr SL			
333401-02-02	SERVICE LINES - PH.2	10,400.00	n/a	25-yr SL			
333402-02-02	SERV LINES - PH 3	14,136.00	n/a	25-yr SL			
333403-02-03	SERVICE LINES - 2007	47,700.00	n/a	25-yr SL			
333404-02-03	SERV. LINES - 2014	14,800.00	n/a	25-yr SL			
334401-02-02	METERS - 1996	117.70	06/30/1996	25-yr SL	94.16		
334402-02-02	METERS - 1997	1,571.96	06/30/1997	25-yr SL	1,194.69		
334403-02-02	METERS - 1998	1,710.47	06/30/1998	25-yr SL	1,231.54		
334404-02-02	METERS - 1999	813.40	06/30/1999	25-yr SL	553.11		
334405-02-02	METERS - 2000	1,358.69	06/30/2000	25-yr SL	869.56		
334406-02-02	METERS - 2001	1,272.01	06/30/2001	25-yr SL	763.21		
334407-02-02	METERS - 2002	820.90	06/30/2002	25-yr SL	459.70		
334408-02-02	METERS - 2003	704.72	06/30/2003	25-yr SL	366.45		
334409-02-02	METERS - 2004	1,841.57	06/30/2004	25-yr SL	883.95		
334410-02-02	METERS - 2005	2,098.70	06/30/2005	25-yr SL	923.43		
334411-02-02	METERS - 2006	3,145.31	06/30/2006	25-yr SL	1,258.12		
334412-02-02	METERS - 2007	827.22	06/30/2007	25-yr SL	297.80		
334412-02-03	METERS - 2007	4,133.22	06/30/2007	25-yr SL		1,487.96	
334413-02-02	METERS - 2008	334.86	06/30/2008	25-yr SL	107.16		
334413-02-03	METERS - 2008	2,172.82	06/30/2008	25-yr SL		695.30	
334414-02-03	METERS -2009	616.99	06/30/2009	25-yr SL		172.76	
334415-02-03	METERS - 2010	2,435.09	06/30/2010	25-yr SL		584.42	

W-1075s12 - KRJ - Accumulated Depreciation of Water & Sewer Systems for Test Year 7/2015-6/2016

per NCUC R1-17(b)(5)

		Asset	Date	Deprec	Acc Dep	Acc Dep	Acc Dep
		Value	Acquired	Method	to 06/2016	to 06/2016	to 06/2016
					Sou.Tr Water	RckBrg Water	RckBrg Sewer
334416-02-03	METERS - 2011	2,300.38	06/30/2011	25-yr SL		460.08	
334417-02-03	METERS - 2012	868.29	06/30/2012	25-yr SL		138.93	
334418-02-03	METERS - 2013	317.15	06/30/2013	25-yr SL		38.06	
334419-02-02	METERS - 2014	227.24	06/30/2014	25-yr SL	18.18		
334419-02-03	METERS - 2014	2,097.97	06/30/2014	25-yr SL		167.84	
334420-02-02	METERS - 2015	1,002.50	06/30/2015	25-yr SL	40.10		
334420-02-03	METERS - 2015	5,743.51	06/30/2015	25-yr SL		229.74	
334421-02-02	METERS - 2016	245.72	06/30/2015	25-yr SL	9.83		
334421-02-03	METERS - 2016	1,318.59	06/30/2015	25-yr SL		52.74	
345500-01-03	DSI TRACTOR	15,692.75	06/30/2007	25-yr SL			5,649.39
345501-01-01	OFFICE EQUIPMENT	420.23	05/17/2011	25-yr SL			86.06
354400-03-03	PLANT STRUCTURE	1,605,864.05	05/07/2007	25-yr SL			587,746.24
354401-03-03	CHEMICAL FEED & INSTRUMENTATION	62,657.26	05/07/2007	25-yr SL			22,932.56
354402-03-03	MISC PLANT COST	17,626.09	05/07/2007	25-yr SL			6,451.15
354500-03-03	WWTP SITE IMPROVEMENTS	263,678.70	05/07/2007	25-yr SL			96,506.40
354501-03-03	OPERATIONS BUILDING	84,538.85	05/07/2007	25-yr SL			30,941.22
354502-03-03	ELECTRICAL & GENERATOR	238,384.05	05/07/2007	25-yr SL			87,248.56
361200-03-03	GRAVITY MAINS - 2007	531,836.00	05/07/2007	25-yr SL			194,651.98
361201-03-03	GRAV. MAINS - 2014	147,500.00	05/07/2007	25-yr SL			53,985.00
363200-03-03	SERVICE LINES - 2007	88,015.00	05/07/2007	25-yr SL			32,213.49
363201-03-03	SERV. LINES - 2014	18,500.00	05/07/2007	25-yr SL			6,771.00
364400-03-03	FLOW MONITORING EQUIPMENT	14,658.12	05/07/2007	25-yr SL			5,364.87
381400-03-03	PLANT SEWERS	460,197.07	05/07/2007	25-yr SL			168,432.13
381401-03-03	INFLUENT PUMP STATION	161,352.27	05/07/2007	25-yr SL			59,054.93
382400-03-03	IRRIGATION PUMP STATION	188,304.86	05/07/2007	25-yr SL			68,919.58
382402-03-03	SPRAY REUSE SYSTEM	625,024.97	05/07/2007	25-yr SL			228,759.14
389401-03-03	LONG TERM STORAGE POND	853,779.18	05/07/2007	25-yr SL			312,483.18
389402-03-03	UPSET POND	33,911.14	05/07/2007	25-yr SL			12,411.48
					105,226.10	303,572.97	1,980,608.36

The above is based on re-calculated depreciation to end of test year, and does not include any adjustments that may produced during discovery.

2018.01.29

KRJ, Inc. d/b/a KRJ Utilities - W-1075s12
Operating Experience of Utility Systems During Test Year
per NCUC R1-17(b)(8) (a),(b),(c)

	Southern Trace Water	Rockbridge Water	Rockbridge Sewer
Income			
421000-01-01 MISC. UTILITY INCOME	0.27	0.26	
421000-01-02 MISC. UTILITY INCOME	471.96	0.00	
421000-01-03 MISC. UTILITY INCOME		320.52	
461100-02-02 METERED RESIDENTIAL SALES	72,412.57	0.00	
461100-02-03 METERED RESIDENTIAL SALES	0.00	58,927.67	
521100-03-03 FLAT RATE RESIDENTIAL SEWER	0.00	0.00	177,815.96
Total Gross Income	72,884.80	59,248.45	177,815.96
Expenses			
403000-02-02 DEPRECIATION EXPENSE	18,645.26	0.00	
403000-02-03 DEPRECIATION EXPENSE	0.00	14,657.61	
403000-03-03 DEPRECIATION EXPENSE	0.00	0.00	191,554.88
408100-02-02 UTILITY REGULATORY FEES	99.20	0.00	0.00
408100-02-03 UTILITY REGULATORY FEES	0.00	129.12	0.00
408100-03-03 UTILITY REGULATORY FEES	0.00	0.00	231.26
408300-01-01 OTHER TAX & LICENSE	6.66	6.66	6.68
408301-02-02 PROPERTY TAXES	330.29	0.00	0.00
408301-02-03 PROPERTY TAXES	0.00	0.00	0.00
414000-02-02 GAIN/LOSS FROM DISPOSITION OF EQUIP	13,887.74	0.00	0.00
414000-02-03 GAIN/LOSS FROM DISPOSITION OF EQUIP	0.00	10,155.87	0.00
426000-01-01 BANK CHARGES	212.05	175.73	534.18
426001-01-03 LATE CHARGES	0.00	0.00	36.62
615100-01-01 PURCHASED POWER - UNDIVIDED	0.00	0.00	0.00
615100-02-02 PURCHASED POWER - WELLS	6,954.68	0.00	0.00
615100-02-03 PURCHASED POWER - WELLS	0.00	0.00 **	0.00
615101-02-03 PURCHASED POWER - ELEV. TANK	0.00	335.83	0.00
618400-02-02 TREATMENT CHEMICALS	1,253.42	0.00	0.00
618400-02-03 TREATMENT CHEMICALS	0.00	1,764.08	0.00
632800-02-02 CONTRACT ACCOUNTING	700.00	0.00	0.00
633800-02-02 LEGAL EXPENSES	207.50	0.00	0.00
633800-02-03 LEGAL EXPENSES	0.00	3,049.50	0.00
634700-02-02 CONTRACT MANAGEMENT - CUSTOMER ACCT	20,134.10	0.00	0.00
634700-02-03 CONTRACT MANAGEMENT - CUSTOMER ACCT	0.00	14,083.62	0.00
635100-02-02 CONTRACT OPERATION - SOURCE	12,744.00	0.00	0.00
635100-02-03 CONTRACT OPERATION - SOURCE	0.00	15,837.87	0.00
635101-02-02 LAB FEES - SOURCE	1,682.41	0.00	0.00
635101-02-03 LAB FEES - SOURCE	0.00	448.00	0.00
635200-02-02 CONTRACT MAINTENANCE - SOURCE	10,252.93	0.00	0.00
635200-02-03 CONTRACT MAINTENANCE - SOURCE	0.00	349.45	0.00
635400-02-02 CONTRACT TREATMENT MAINTENANCE	3,580.74	0.00	0.00
635400-02-03 CONTRACT TREATMENT MAINTENANCE	0.00	54,947.95	0.00
635403-02-02 CONTR. SITE MAINTENANCE	0.00	0.00	0.00
635500-02-02 CONTRACT MAINTENANCE -DISTRIB.	5,307.25	0.00	0.00
635501-02-02 LAB TEST - DISTRIBUTION SYSTEM	715.00	0.00	0.00
635501-02-03 LAB TEST - DISTRIBUTION SYSTEM	0.00	3,785.49	0.00
635701-02-03 METER READING	0.00	0.00	0.00
659600-02-02 CASUALTY INSURANCE	1,805.18	0.00	0.00
659600-02-03 CASUALTY INSURANCE	0.00	2,047.55	0.00
670700-02-02 BAD DEBT EXPENSE	280.80	0.00	0.00
670700-02-03 BAD DEBT EXPENSE	0.00	358.65	0.00
675508-02-02 PWS PERMIT FEES	420.00	0.00	0.00
675508-02-03 PWS PERMIT FEES	0.00	385.00	0.00
675800-02-02 MISC EXP - ADMIN & GENERAL	120.00	0.00	0.00
675800-02-03 MISC EXP - ADMIN & GENERAL	0.00	240.00	0.00
711500-03-03 SLUDGE REMOVAL/DISPOSAL			6,506.00

KRJ, Inc. d/b/a KRJ Utilities - W-1075s12
Operating Experience of Utility Systems During Test Year
per NCUC R1-17(b)(8) (a),(b),(c)

	Southern Trace Water	Rockbridge Water	Rockbridge Sewer
715500-03-03 PURCHASED POWER - WRF SITE			** 42,045.25
715501-03-03 PURCHASED POWER - SPRAY FIELDS			678.74
717201-03-03 ALARM MONITORING			1,052.40
718500-03-03 CHEMICALS			9,193.97
720600-03-03 TREATMENT MAINTENANCE			1,223.65
733800-03-03 LEGAL EXPENSES			3,049.50
734700-03-03 CONTR MANAGEMENT - CUSTOMER ACCTS			12,058.36
735430-03-03 CONTR SERV - SITE MAINTENANCE			0.00
735400-03-03 CONTR SRV - PUMP STATION MAINT			300.00
735500-03-03 CONTR SERV - TREATMENT OPERATION			50,270.00
735501-03-03 WWTP LAB TESTS			2,421.50
735600-03-03 CONTR SERV - TREATMENT PLANT MAINT			16,290.31
735601-03-03 TRASH PICK-UP AT WWTP			299.52
735602-03-03 SPRAY FIELD MAINTENANCE			0.00
735603-03-03 MAINTENANCE EQUIPMENT REPAIR			0.00
759600-03-03 CASUALTY INSURANCE			2,349.59
770700-03-03 BAD DEBTS			923.59
775500-03-03 TREATMENT - MISC. SUPPLIES			0.00
775508-03-03 DWQ PERMIT FEES			1,310.00
775800-03-03 MISC EXPENSE - ADMIN & GENERAL			240.00
Total Expense	99,339.21	122,757.98	342,576.00
Loss	26,454.41	63,509.53	164,760.04

The above is from directly from General Ledger, excepting division of electric power delivered to all water/sewer treatment facilities and wells at Rockbridge, which is delivered through a single power meter. The calculated value of power for Rockbridge water is \$ 6,703, but is not reported above to maintain consistency. All adjustments are presented in working papers to be produced during discovery.

2018.01.30

KRJ, Inc. d/b/a KRJ Utilities - W-1075s12
Effect of Proposed Increase
per NCUC R1-17(b)(9) (a),(b),(c),(d)

	Southern Trace	Rockbridge	Rockbridge
	Water	Water	Sewer
Gross Revenue for Test Year	72,884.53	59,248.19	178,783.12
Base Revenue Requirement	102,802.35	110,376.72	219,262.51
Net Revenue (7.5%)	7,710.18	8,278.25	16,444.69
Total	110,512.52	118,654.97	235,707.19
Revenue Retention Factor	0.82335	0.82335	0.82335
Total Revenue Requirement	134,223.72	144,113.19	286,279.74
Additional Gross Revenue	61,339.19	84,865.00	107,496.62
Additional Income Tax due to Increased Gross Revenue.	11,041.05	15,275.70	19,349.39

2018.01.30

KRJ, Inc. d/b/a KRJ Utilities - W-1075s12**Balance Sheet as of 06/30/2016**

per NCUC R1-17(b)(10)

	Balance as of 06/30/2016
Current Assets	
131204-01-01 BB&T CHECKING xxxxx0601	3,621.59
131205-01-01 CAP.BANK RCKBRDG - xxxxxx7091	705.61
131206-01-01 ROCKBRIDGE BB&T xxxxxx6530	4,373.68
141000-01-01 CUSTOMER ACCOUNTS RECEIVABLE	16,350.78
141008-01-03 A/R FROM STAFFORD LAND	140.00
304200-02-02 WELL SITE # 1	12,287.00
304201-02-02 WELL HOUSE # 1	24,508.81
304202-02-02 WELL SITE 2	6,777.65
304203-02-02 WELL HSE #2	3,161.77
304204-02-02 WELL SITE # 3	10,247.65
304205-02-02 WELL HOUSE # 3	12,823.45
304300-02-03 WATER TREATMENT BUILDING	23,387.10
304500-02-03 WATER SITE IMPROVEMENTS	8,038.18
304501-02-03 OPERATIONS BUILDING	14,775.03
304502-02-03 ELECTRICAL & GENERATOR	132,551.17
307200-02-02 WELL # 1	1,029.28
307201-02-02 WELL #2	7,435.00
307202-02-02 WELL # 3	6,285.00
307205-02-03 WELL 1	65,074.81
307206-02-03 WELL 2	58,154.40
307207-02-03 WELL 3	42,078.26
311200-02-02 WELL PUMP # 1	3,565.11
311205-02-03 WELL 1 PUMP	10,869.25
311206-02-03 WELL 2 PUMP	21,489.42
311207-02-03 WELL 3 PUMP	16,674.27
311208-02-02 ST WELL # 2 PUMP (2015)	20,171.64
311209-02-02 WELL 3 PUMP (2016)	7,859.00
320300-02-02 WATER TREATMENT EQUIPMENT-WELL #1	2,700.88
320301-02-02 WELL #2 TELEMETRY EQUIPMENT	3,932.85
320302-02-02 TRT EQUIP - WELL 2	3,557.73
320303-02-02 REPLACEMENT EQUIP W-1	1,153.63
320304-02-02 REPLACEMENT EQUIPMENT W02	1,198.08
320305-02-02 TREATMENT EQUIP - WELL # 3	11,000.00
320306-02-03 TELEMETRY & CONTROL ELEV TANK	62,217.37
320310-02-03 WATER TREATMENT EQUIPMENT	78,816.08
320311-02-03 WRT EQUIPMENT WELL 1	32,217.97
320312-02-03 LIME SLURRY PUMP	5,775.93
320313-02-03 URANIUM IX SYSTEM	171,111.89
330400-02-02 PNEUMATIC TANKS	19,746.08
330401-02-02 HYDRO PNEUMATIC TANK # 2	26,648.00

KRJ, Inc. d/b/a KRJ Utilities - W-1075s12

Balance Sheet as of 06/30/2016

per NCUC R1-17(b)(10)

	Balance as of
	06/30/2016
330402-02-03 ELEVATED WATER TANK	310,354.73
331400-02-02 DISTRIBUTION MAINS	89,925.62
331401-02-02 DISTRIB SYS PH.2	42,397.83
331402-02-02 DISTRIB MAINS - PH 3	30,257.50
331403-02-03 DISTRIB. MAINS - 2007	263,210.30
331404-02-03 DIST. MAINS - 2014	62,200.00
333400-02-02 SERVICE LINES - PH.1	16,723.77
333401-02-02 SERVICE LINES - PH.2	10,400.00
333402-02-02 SERV LINES - PH 3	14,136.00
333403-02-03 SERVICE LINES - 2007	47,700.00
333404-02-03 SERV. LINES - 2014	14,800.00
334401-02-02 METERS - 1996	117.70
334402-02-02 METERS - 1997	1,571.96
334403-02-02 METERS - 1998	1,710.47
334404-02-02 METERS - 1999	813.40
334405-02-02 METERS - 2000	1,358.69
334406-02-02 METERS - 2001	1,272.01
334407-02-02 METERS - 2002	820.90
334408-02-02 METERS - 2003	704.72
334409-02-02 METERS - 2004	1,541.56
334410-02-02 METERS - 2005	2,098.70
334411-02-02 METERS - 2006	3,123.05
334412-02-02 METERS - 2007	991.34
334412-02-03 METERS - 2007	4,999.19
334413-02-02 METERS - 2008	334.86
334413-02-03 METERS - 2008	1,522.96
334414-02-02 METERS -2009	526.40
334414-02-03 METERS -2009	505.37
334415-02-03 METERS - 2010	2,435.09
334416-02-03 METERS - 2011	521.54
334417-02-03 METERS - 2012	1,598.61
334418-02-03 METERS - 2013	248.54
334419-02-03 METERS - 2014	2,933.84
334420-02-02 METERS - 2015	563.55
334420-02-03 METERS - 2015	3,021.39
334421-02-02 METERS - 2016	245.72
334421-02-03 METERS - 2016	1,072.87
345500-01-03 DSI TRACTOR	15,692.75
345501-01-01 OFFICE EQUIPMENT	420.23
354400-03-03 PLANT STRUCTURE	1,605,864.05

KRJ, Inc. d/b/a KRJ Utilities - W-1075s12**Balance Sheet as of 06/30/2016**

per NCUC R1-17(b)(10)

	Balance as of
	06/30/2016
354401-03-03 CHEMICAL FEED & INSTRUMENTATION	62,657.26
354402-03-03 MISC PLANT COST	17,626.09
354500-03-03 WWTP SITE IMPROVEMENTS	263,678.70
354501-03-03 OPERATIONS BUILDING	84,538.85
354502-03-03 ELECTRICAL & GENERATOR	238,384.05
361200-03-03 GRAVITY MAINS - 2007	720,977.81
361201-03-03 GRAV. MAINS - 2014	147,500.00
363200-03-03 SERVICE LINES - 2007	88,015.00
363201-03-03 SERV. LINES - 2014	18,500.00
364400-03-03 FLOW MONITORING EQUIPMENT	14,658.12
381400-03-03 PLANT SEWERS	271,055.26
381401-03-03 INFLUENT PUMP STATION	161,352.27
382400-03-03 IRRIGATION PUMP STATION	188,304.86
382402-03-03 SPRAY REUSE SYSTEM	625,024.97
389401-03-03 LONG TERM STORAGE POND	853,779.18
389402-03-03 UPSET POND	33,911.14
Other Assets	
105051-01-03 WRT-CWIP-W2B	358.12
105061-02-03 CWIP - WELL 2/2B PUMP	2,810.31
105062-02-03 CWIP - RADIOLOGICAL ISSUE	0.00
106060-02-03 CWIP - WELL 2/2B	27,945.34
106061-02-03 CWIP - RCK.BRG. WELL 5	7,753.40
108000-01-01 ACCUMULATED DEPRECIATION	-1,988,959.04
110301-01-02 ACCUM AMORT - SUB 3	-1,091.30
110302-02-02 ACCUM AMORT - SUB 4	-9,915.20
110303-01-03 ACCUM AMORT - SUB 5	-73,053.39
174000-01-01 SECURITY DEPOSIT TO VENDOR	2,774.48
174000-01-03 SECURITY DEPOSIT TO VENDOR	3,530.16
271000-02-02 CIAC - DISTRIB SYS - PH 2	-42,397.83
271001-02-02 CIAC - TAP-FEES	-94,500.00
271001-02-03 CIAC - TAP-FEES	-186,000.00
271001-03-03 CIAC - TAP-FEES	-1,488,000.00
271003-02-02 CIAC - DISTRIBUTION SYS - PH 1	-89,925.62
271004-02-02 CIAC - SERVICE LINES - PH.1	-16,723.77
271005-02-02 CIAC - SERV LINES - PH.2	-10,400.00
271006-02-02 CIAC - DISTRIB SYSTEM - PH.3	-30,257.50
271007-02-02 CIAC - SERV LINES - PH. 3	-14,136.00

KRJ, Inc. d/b/a KRJ Utilities - W-1075s12

Balance Sheet as of 06/30/2016

per NCUC R1-17(b)(10)

	Balance as of
	06/30/2016
271008-02-03 CIAC - DIST. MAINS - 2007	-263,210.30
271008-03-03 CIAC - GRAVITY MAINS - 2007	-531,836.00
271009-02-03 CIAC - SERVICE LINES - 2007	-47,700.00
271009-03-03 CIAC - SERVICE LINES - 2007	-88,015.00
271010-02-03 CIAC - DIST MAINS - 2014	-62,200.00
271010-03-03 CIAC - GRAV. MAINS - 2014	-147,500.00
271011-02-03 CIAC - SERV LINES - 2014	-14,800.00
271011-03-03 CIAC - SERV LINES - 2014	-18,500.00
301101-01-01 CORPORATE ORGANIZATION	125.00
301101-02-02 RATE CASE - W-1075, SUB 4	9,915.20
301102-01-03 SUB 5 - ROCKBRIDGE	73,053.39
302100-02-02 SUB 3 - CONTIG. EXPANSION	1,091.30
Long Term Liabilities	
224002-01-01 PAYABLE TO ROCKBRIDGE INVESTORS	-69,471.20
231000-01-01 ACCOUNTS PAYABLE	-137,285.45
231004-01-01 PAYABLE TO VAUGHAN UTILITIES	-1,413.81
235000-01-03 CUSTOMER SECURITY DEPOSITS	-250.00
224000-01-01 LOANS TO FUND OPNS/CAPITAL CONSTR.	-4,994,494.63
224001-01-01 CAP.BANK - ROCKBRIDGE LOAN TO RRS	10,000.00
409100-01-01 CORPORATE INCOME TAX	300.00
Stockholder's Equity	
215000-01-01 RETAINED EARNINGS - Thru 2015	2,924,149.44
215001-01-01 SUB.10 PRIOR YEAR REFUNDS	5,995.12
215001-01-03 SUB.10 PRIOR YEAR REFUNDS	176.32
301004-02-02 SUB 4 ADJUSTMENTS 2004	-11,764.85

The above is directly from General Ledger and does not include any adjustments that may be presented in working papers to be produced during discovery.

2018.01.30

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing **Response Providing Additional Information Filed in Compliance with Provisions of Commission Rule R1-17(b)**, filed by KRJ, Inc., d/b/a KRJ Utilities in Docket No. W-1075, Sub 12, on the Public Staff in accordance with North Carolina Utilities Commission Rule R1-39, either by United States mail, first class postage pre-paid; by hand delivery; or by means of electronic delivery upon agreement of the receiving party.

This the 30th day of January, 2018.

Electronically Submitted
/s/Robert H. Bennink, Jr.
North Carolina State Bar No. 6502

BENNINK LAW OFFICE
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**Attorney for KRJ, Inc., d/b/a KRJ
Utilities**