



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

November 22, 2022

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Docket No. W-354, Sub 400 – Application by Carolina Water Service, Inc. of North Carolina for Authority to Adjust and Increase Rates and Charges for Water and Sewer Utility Service in All Service Areas of North Carolina and Approval of a Three-Year Water and Sewer Investment Plan

Dear Ms. Dunston:

Attached for filing on behalf of the Public Staff in the above-referenced docket is the Joint Corrected and Settlement Testimony of Darrell Brown, Fenge Zhang, and Charles Junis.

By copy of this letter, I am forwarding a copy to all parties of record by electronic delivery.

Sincerely,

Electronically submitted

/s/ Gina C. Holt
Manager, Legal Division, Water, Sewer,
Telephone, & Transportation Sections
gina.holt@psncuc.nc.gov

/s/ John D. Little
Staff Attorney
john.little@psncuc.nc.gov

Attachment

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Water/Telephone
(919) 733-5610

1 **Q. Mr. Brown, please state your name, business address, and**
2 **present position.**

3 A. My name is Darrell Brown. My business address is 430 North
4 Salisbury Street, Raleigh, North Carolina. I am a Financial Analyst III
5 with the Accounting Division of the Public Staff – North Carolina
6 Utilities Commission (Public Staff).

7 **Q. Ms. Zhang, please state your name, business address, and**
8 **present position.**

9 A. My name is Fenge Zhang. My business address is 430 North
10 Salisbury Street, Raleigh, North Carolina. I am the Financial
11 Manager - Electric Section with the Accounting Division of the Public
12 Staff.

13 **Q. Mr. Junis, please state your name, business address, and**
14 **present position.**

15 A. My name is Charles Junis. My business address is 430 North
16 Salisbury Street, Raleigh, North Carolina. I am the Director of the
17 Public Staff's Water, Sewer, and Telephone Division.

18 **Q. Are you the same Darrell Brown, Fenge Zhang, and Charles**
19 **Junis who submitted direct testimony on behalf of the Public**
20 **Staff in this proceeding?**

1 A. Yes.

2 **Q. Mr. Brown, Ms. Zhang, and Mr. Junis, what is the purpose of**
3 **your corrected and settlement testimony in this proceeding?**

4 A. The purpose of our corrected and settlement testimony is to (1)
5 support the Agreement and Stipulation of Partial Settlement
6 (Stipulation) between Carolina Water Service, Inc. of North Carolina
7 (CWSNC or Company) and the Public Staff (Stipulating Parties)
8 regarding certain issues related to the Company's pending
9 applications for a general rate increase and the water and sewer
10 investment plan (WSIP); (2) present the non-settled accounting and
11 ratemaking adjustments; (3) recommend adjustments as a result of
12 information provided by the Company, subsequent to the filing of the
13 Public Staff's original testimonies; and (4) make corrections to the
14 Public Staff's original base and WSIP testimonies in this proceeding.

15 **Q. What updated revenue increase is the Public Staff**
16 **recommending for the base year under the WSIP?**

17 A. Based on the level of rate base, revenue, and expenses annualized
18 at August 31, 2022, with certain updates, the Public Staff is
19 recommending an increase in annual base rate operating revenue of
20 \$776,826 for CWSNC Water, \$1,099,303 for CWSNC Sewer,
21 \$129,596 for BF/FH/TC Water, and \$147,501 for BF/FH Sewer. This
22 updated revenue increase is calculated using the Public Staff's

1 recommended return on equity (ROE) of 9.25%. We note that only
2 after the Commission makes a determination regarding the
3 unresolved issues, including ROE, and the Public Staff's audit of
4 updated regulatory commission expense is complete, can the
5 accounting and ratemaking adjustments be finalized, and the
6 resulting rate base, net operating income, and rate increase be
7 calculated.

8 **Q. What updated revenue increase or decrease is the Public Staff**
9 **recommending for the WSIP rate years 1 to 3?**

A. The revenue increases or decreases are shown on Public Staff
Settlement Exhibit 1, Schedules 3(a)(1), 3(a)(2), and 3(a)(3) to
Schedules 3(d)(1), 3(d)(2), and 3(d)(3). Please note that these
revenue increases or decreases are prior to application of the 5%
statutory revenue cap.

10 **Q. What adjustments have you corrected in the calculating the**
11 **Public Staff's proposed revenue requirement for the base year?**

12 A. The Public Staff has corrected the following adjustments for the base
13 year:

- 14 1) Depreciation expense for allocated plant in-service from the
15 CWSNC Cost Center (primarily vehicles);
- 16 2) Depreciation expense for re-classified wastewater treatment
17 plant investment;

- 1 3) Uncollectibles rate calculated based on five-year average of
2 service revenues and bad debt expenses, including test year
3 results; and
4 4) Regulatory commission expense.

5 **Q. What adjustments have you corrected to calculate the Public**
6 **Staff's proposed revenue requirements for the WSIP rate years?**

7 A. In addition to correcting adjustments in the base year that are carried
8 forward to the WSIP rate years, the Public Staff corrected the
9 following adjustments for the WSIP rate years:

- 10 1) Direct accumulated depreciation for WSIP rate years 1 to 3 for
11 plant retirements; and
12 2) Deferred maintenance and repair for Connestee Falls and
13 Nags Head WWTP annual amortization for rate years 1 and
14 2.

15 **Q. Please briefly describe the Stipulation.**

16 A. The Stipulation sets forth the agreement between the Stipulating
17 Parties regarding the following revenue requirement issues:

- 18 1) Capital structure and embedded cost of long-term debt;
19 2) Service revenues;
20 3) Uncollectibles;
21 4) Forfeited discounts;
22 5) Miscellaneous revenues;

- 1 6) Plant in service;
- 2 7) Depreciation expense and accumulated depreciation;
- 3 8) Cash working capital and average tax accruals;
- 4 9) Accumulated deferred income tax;
- 5 10) Deferred charges;
- 6 11) Salaries and wages;
- 7 12) Purchased power expense;
- 8 13) Maintenance and repair expense;
- 9 14) Chemicals expense;
- 10 15) Transportation expense;
- 11 16) Regulatory commission expense amortization;
- 12 17) Pension and other benefits expense;
- 13 18) Amortization of purchase acquisition adjustment;
- 14 19) Meter reading;
- 15 20) Payroll taxes;
- 16 21) Outside services;
- 17 22) Capitalized time;
- 18 23) Insurance expense;
- 19 24) Miscellaneous expense;
- 20 25) Regulatory fee;
- 21 26) Growth factors in certain expenses utilized in WSIP rate
22 years 1 through 3;
- 23 27) Inflation factors utilized in WSIP rate years 1 through 3;
- 24 28) Estimated plant additions, retirements, and recurring spend
25 for WSIP rate years 1 through 3; and

1 29) Recommended Performance-based Metrics (PBMs) for
2 WSIP rate years 1 through 3.

3 The details of the agreements in these areas are set forth in the
4 Stipulation.

5 **Q. Does the Stipulation mitigate the Public Staff's concerns**
6 **regarding the Company's WSIP application?**

7 A. While the terms of the Stipulation mitigate the Public Staff's concerns
8 regarding implementation of a WSIP, the Public Staff intends to
9 closely monitor operation of the WSIP under the prescribed statutory
10 guidelines and the terms of the Stipulation.

11 **Q. What benefits does the Stipulation provide for ratepayers?**

12 A. From the perspective of the Public Staff, the most important benefits
13 provided by the Stipulation are as follows:

14 (a) An aggregate reduction in the specific expense items listed
15 above from the levels requested in the Company's general
16 rate case and WSIP applications, resulting from the
17 adjustments agreed to by the Stipulating Parties.

18 (b) The avoidance of protracted litigation between the Stipulating
19 Parties before the Commission and possibly the appellate
20 courts.

1 Based on these ratepayer benefits, as well as the other provisions of
2 the Stipulation, the Public Staff believes the Stipulation is in the
3 public interest and should be approved.

4 **Q. Are there any areas about which the Stipulating Parties did not**
5 **reach agreement?**

6 A. Yes. The Stipulating Parties did not reach agreement regarding the
7 ROE and the application of the 5% statutory revenue cap. The Public
8 Staff fully supports its previously filed positions on these particular
9 issues and intends to demonstrate the appropriateness and
10 reasonableness of its positions through litigation in this case.

11 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

12 A. Yes, it does.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
For The Test Year Ended March 31, 2022

W-354, Sub 400
Brown and Feasel Exhibit I
Schedule 1(a) Settlement

CWSNC WATER OPERATIONS

Line No.	Item	Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Embedded Cost [3] (c)	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
Present Rates:						
1	Debt	50.00%	\$35,522,472 [2]	4.64% [1]	2.32%	\$1,648,243 [8]
2	Equity	50.00%	35,522,471 [2]	7.57% [6]	3.79%	2,688,314 [9]
3	Total	<u>100.00%</u>	<u>\$71,044,943 [3]</u>		<u>6.11%</u>	<u>\$4,336,557 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$35,522,472 [4]	4.64% [1]	2.32%	\$1,648,243 [8]
5	Equity	50.00%	35,522,471 [4]	11.08% [6]	5.54%	3,937,079 [11]
6	Total	<u>100.00%</u>	<u>\$71,044,943 [3]</u>		<u>7.86%</u>	<u>\$5,585,322 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$35,522,472 [5]	4.64% [1]	2.32%	\$1,648,243 [8]
8	Equity	50.00%	35,522,471 [5]	9.25% [1]	4.63%	3,285,829 [13]
9	Total	<u>100.00%</u>	<u>\$71,044,943 [3]</u>		<u>6.95%</u>	<u>\$4,934,072 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.

[2] Column (a) multiplied by Line 3, Column (b).

[3] Brown and Feasel Exhibit I, Schedule 2(a), Column (c), Line 18.

[4] Column (a) multiplied by Line 6, Column (b).

[5] Column (a) multiplied by Line 9, Column (b).

[6] Column (e) divided by Column (b).

[7] Column (a) multiplied by Column (c).

[8] Column (b) multiplied by Column (c).

[9] Line 3 minus Line 1, Column (e).

[10] Brown and Feasel Exhibit I, Schedule 3(a), Column (c), Line 38.

[11] Line 6 minus Line 4, Column (e).

[12] Brown and Feasel Exhibit I, Schedule 3(a), Column (e), Line 38.

[13] Line 9 minus Line 7, Column (e).

[14] Brown and Feasel Exhibit I, Schedule 3(a), Column (g), Line 38.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Test Year Ended March 31, 2022

W-354, Sub 400
 Brown and Feasel Exhibit I
 Schedule 1(b) Settlement

CWSNC SEWER OPERATIONS

Line No.	Item	Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Embedded Cost [3] (c)	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
Present Rates:						
1	Debt	50.00%	\$33,415,998 [2]	4.64% [1]	2.32%	\$1,550,502 [8]
2	Equity	50.00%	33,415,997 [2]	6.72% [6]	3.36%	2,245,426 [9]
3	Total	<u>100.00%</u>	<u>\$66,831,995</u> [3]		<u>5.68%</u>	<u>\$3,795,928</u> [10]
Company Proposed Rates:						
4	Debt	50.00%	\$33,415,998 [4]	4.64% [1]	2.32%	\$1,550,502 [8]
5	Equity	50.00%	33,415,997 [4]	10.77% [6]	5.39%	3,600,075 [11]
6	Total	<u>100.00%</u>	<u>\$66,831,995</u> [3]		<u>7.71%</u>	<u>\$5,150,577</u> [12]
Public Staff Recommended Rates:						
7	Debt	50.00%	\$33,415,998 [5]	4.64% [1]	2.32%	\$1,550,502 [8]
8	Equity	50.00%	33,415,997 [5]	9.25% [1]	4.63%	3,090,980 [13]
9	Total	<u>100.00%</u>	<u>\$66,831,995</u> [3]		<u>6.95%</u>	<u>\$4,641,482</u> [14]

[1] Per Public Staff Financial Analyst Hilton.

[2] Column (a) multiplied by Line 3, Column (b).

[3] Brown and Feasel Exhibit I, Schedule 2(b), Column (c), Line 18.

[4] Column (a) multiplied by Line 6, Column (b).

[5] Column (a) multiplied by Line 9, Column (b).

[6] Column (e) divided by Column (b).

[7] Column (a) multiplied by Column (c).

[8] Column (b) multiplied by Column (c).

[9] Line 3 minus Line 1, Column (e).

[10] Brown and Feasel Exhibit I, Schedule 3(b), Column (c), Line 38.

[11] Line 6 minus Line 4, Column (e).

[12] Brown and Feasel Exhibit I, Schedule 3(b), Column (e), Line 38.

[13] Line 9 minus Line 7, Column (e).

[14] Brown and Feasel Exhibit I, Schedule 3(b), Column (g), Line 38.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Test Year Ended March 31, 2022

W-354, Sub 400
 Brown and Feasel Exhibit I
 Schedule 1(c) Settlement

BF/FH/TC WATER OPERATIONS

Line No.	Item	Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Embedded Cost [3] (c)	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
Present Rates:						
1	Debt	50.00%	\$1,798,501 [2]	4.64% [1]	2.32%	\$83,450 [8]
2	Equity	50.00%	1,798,500 [2]	3.71% [6]	1.86%	66,679 [9]
3	Total	<u>100.00%</u>	<u>\$3,597,001 [3]</u>		<u>4.18%</u>	<u>\$150,129 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$1,798,501 [4]	4.64% [1]	2.32%	\$83,450 [8]
5	Equity	50.00%	1,798,500 [4]	13.71% [6]	6.86%	246,662 [11]
6	Total	<u>100.00%</u>	<u>\$3,597,001 [3]</u>		<u>9.18%</u>	<u>\$330,112 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$1,798,501 [5]	4.64% [1]	2.32%	\$83,450 [8]
8	Equity	50.00%	1,798,500 [5]	9.25% [1]	4.63%	166,361 [13]
9	Total	<u>100.00%</u>	<u>\$3,597,001 [3]</u>		<u>6.95%</u>	<u>\$249,811 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.

[2] Column (a) multiplied by Line 3, Column (b).

[3] Brown and Feasel Exhibit I, Schedule 2(c), Column (c), Line 18.

[4] Column (a) multiplied by Line 6, Column (b).

[5] Column (a) multiplied by Line 9, Column (b).

[6] Column (e) divided by Column (b).

[7] Column (a) multiplied by Column (c).

[8] Column (b) multiplied by Column (c).

[9] Line 3 minus Line 1, Column (e).

[10] Brown and Feasel Exhibit I, Schedule 3(c), Column (c), Line 38.

[11] Line 6 minus Line 4, Column (e).

[12] Brown and Feasel Exhibit I, Schedule 3(c), Column (e), Line 38.

[13] Line 9 minus Line 7, Column (e).

[14] Brown and Feasel Exhibit I, Schedule 3(c), Column (g), Line 38.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Test Year Ended March 31, 2022

W-354, Sub 400
 Brown and Feasel Exhibit I
 Schedule 1(d) Settlement

BF/FH SEWER OPERATIONS

Line No.	Item	Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Embedded Cost [3] (c)	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
<u>Present Rates:</u>						
1	Debt	50.00%	\$4,889,613 [2]	4.64% [1]	2.32%	\$226,878 [8]
2	Equity	50.00%	4,889,613 [2]	6.93% [6]	3.47%	338,831 [9]
3	Total	<u>100.00%</u>	<u>\$9,779,226 [3]</u>		<u>5.79%</u>	<u>\$565,709 [10]</u>
<u>Company Proposed Rates:</u>						
4	Debt	50.00%	\$4,889,613 [4]	4.64% [1]	2.32%	\$226,878 [8]
5	Equity	50.00%	4,889,613 [4]	13.13% [6]	6.57%	642,166 [11]
6	Total	<u>100.00%</u>	<u>\$9,779,226 [3]</u>		<u>8.89%</u>	<u>\$869,044 [12]</u>
<u>Public Staff Recommended Rates:</u>						
7	Debt	50.00%	\$4,889,613 [5]	4.64% [1]	2.32%	\$226,878 [8]
8	Equity	50.00%	4,889,613 [5]	9.25% [1]	4.63%	452,289 [13]
9	Total	<u>100.00%</u>	<u>\$9,779,226 [3]</u>		<u>6.95%</u>	<u>\$679,167 [14]</u>

<p>[1] Per Public Staff Financial Analyst Hilton. [2] Column (a) multiplied by Line 3, Column (b). [3] Brown and Feasel Exhibit I, Schedule 2(d), Column (c), Line 18. [4] Column (a) multiplied by Line 6, Column (b). [5] Column (a) multiplied by Line 9, Column (b). [6] Column (e) divided by Column (b). [7] Column (a) multiplied by Column (c).</p>	<p>[8] Column (b) multiplied by Column (c). [9] Line 3 minus Line 1, Column (e). [10] Brown and Feasel Exhibit I, Schedule 3(d), Column (c), Line 38. [11] Line 6 minus Line 4, Column (e). [12] Brown and Feasel Exhibit I, Schedule 3(d), Column (e), Line 38. [13] Line 9 minus Line 7, Column (e). [14] Brown and Feasel Exhibit I, Schedule 3(d), Column (g), Line 38.</p>
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CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ORIGINAL COST RATE BASE

For The Test Year Ended March 31, 2022

W-354, Sub 400

Brown and Feasel Exhibit I

Schedule 2(a) Settlement

CWSNC WATER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)
1	Plant in service	\$130,462,447	(\$1,117,751)	\$ 129,344,696 [3]
2	Accumulated depreciation	(36,715,615)	141,005	(36,574,610) [4]
3	Net plant in service (L1 + L2)	93,746,832	(976,745)	92,770,087
4	Cash working capital	1,596,378	(54,221)	1,542,157 [5]
5	Contributions in aid of construction	(16,524,392)	(36,030)	(16,560,422) [6]
6	Advances in aid of construction	(20,631)	0	(20,631)
7	Accumulated deferred income taxes	(2,667,340)	(107,357)	(2,774,697) [7]
8	Customer deposits	(208,631)	0	(208,631)
9	Inventory	91,908	0	91,908
10	Gain on sale and flow back taxes	(196,947)	0	(196,947) [8]
11	Plant acquisition adjustment	(1,784,523)	61,588	(1,722,935) [9]
12	Excess book value	0	0	0
13	Cost-free capital	(121,791)	0	(121,791)
14	Average tax accruals	74,463	(148,693)	(74,230) [10]
15	Regulatory liability for excess deferred taxes	(2,667,246)	0	(2,667,246)
16	Deferred charges	1,059,646	(71,324)	988,322 [11]
17	Pro forma plant	0	0	0
18	Original cost rate base (Sum of L3 thru L17)	\$72,377,726	(\$1,332,783)	\$71,044,943

[1] Column (c) minus Column (a).

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Brown and Feasel Exhibit I, Schedule 2-1(a), Column (c), Line 3.

[4] Brown and Feasel Exhibit I, Schedule 2-1(a), Column (c), Line 6.

[5] Brown and Feasel Exhibit I, Schedule 2-3, Column (a), Line 4.

[6] Brown and Feasel Exhibit I, Schedule 2-4, Column (c), Line 8.

[7] Brown and Feasel Exhibit I, Schedule 2-5, Column (d), Line 27.

[8] Brown and Feasel Exhibit I, Schedule 2-6, Column (a), Line 6.

[9] Brown and Feasel Exhibit I, Schedule 2-7, Column (c), Line 7.

[10] Brown and Feasel Exhibit I, Schedule 2-3, Column (a), Line 9.

[11] Brown and Feasel Exhibit I, Schedule 2-8, Column (a), Line 3.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ORIGINAL COST RATE BASE

For The Test Year Ended March 31, 2022

W-354, Sub 400

**Brown and Feasel Exhibit I
Schedule 2(b) Settlement****CWSNC SEWER OPERATIONS**

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)
1	Plant in service	\$116,603,269	(\$1,177,191)	\$ 115,426,078 [3]
2	Accumulated depreciation	(29,683,192)	178,891	(29,504,301) [4]
3	Net plant in service (L1 + L2)	86,920,077	(998,300)	85,921,777
4	Cash working capital	1,138,522	1,162	1,139,684 [5]
5	Contributions in aid of construction	(16,400,002)	(55,814)	(16,455,816) [6]
6	Advances in aid of construction	(12,309)	0	(12,309) [7]
7	Accumulated deferred income taxes	(3,065,187)	(29,440)	(3,094,627) [7]
8	Customer deposits	(124,471)	0	(124,471)
9	Inventory	54,833	0	54,833
10	Gain on sale and flow back taxes	(92,681)	0	(92,681) [8]
11	Plant acquisition adjustment	396,418	(3,297)	393,121 [9]
12	Excess book value	0	0	0
13	Cost-free capital	(139,708)	0	(139,708)
14	Average tax accruals	57,936	(115,643)	(57,707) [10]
15	Regulatory liability for excess deferred taxes	(1,591,295)	0	(1,591,295)
16	Deferred charges	941,229	(50,035)	891,194 [11]
17	Pro forma plant	0	0	0
18	Original cost rate base (Sum of L3 thru L17)	\$68,083,362	(\$1,251,367)	\$66,831,995

[1] Column (c) minus Column (a).

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Brown and Feasel Exhibit I, Schedule 2-1(b), Column (c), Line 3.

[4] Brown and Feasel Exhibit I, Schedule 2-1(b), Column (c), Line 6.

[5] Brown and Feasel Exhibit I, Schedule 2-3, Column (b), Line 4.

[6] Brown and Feasel Exhibit I, Schedule 2-4, Column (f), Line 8.

[7] Brown and Feasel Exhibit I, Schedule 2-5, Column (e), Line 27.

[8] Brown and Feasel Exhibit I, Schedule 2-6, Column (b), Line 6.

[9] Brown and Feasel Exhibit I, Schedule 2-7, Column (f), Line 7.

[10] Brown and Feasel Exhibit I, Schedule 2-3, Column (b), Line 9.

[11] Brown and Feasel Exhibit I, Schedule 2-8, Column (b), Line 3.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ORIGINAL COST RATE BASE

For The Test Year Ended March 31, 2022

W-354, Sub 400

Brown and Feasel Exhibit I

Schedule 2(c) Settlement

BF/FH/TC WATER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)
1	Plant in service	\$7,360,146	(\$19,729)	\$7,340,417 [3]
2	Accumulated depreciation	(2,519,662)	(6,395)	(2,526,057) [4]
3	Net plant in service (L1 + L2)	4,840,484	(26,124)	4,814,360
4	Cash working capital	191,559	(288)	191,271 [5]
5	Contributions in aid of construction	(1,093,905)	11,942	(1,081,963) [6]
6	Advances in aid of construction	0	0	0
7	Accumulated deferred income taxes	(19,782)	(12,241)	(32,023) [7]
8	Customer deposits	(18,525)	0	(18,525)
9	Inventory	3,355	0	3,355
10	Gain on sale and flow back taxes	0	0	0
11	Plant acquisition adjustment	(21,646)	(7,647)	(29,293) [8]
12	Excess book value	0	0	0
13	Cost-free capital	0	0	0
14	Average tax accruals	4,415	(8,811)	(4,396) [9]
15	Regulatory liability for excess deferred taxes	(362,366)	0	(362,366)
16	Deferred charges	124,685	(8,103)	116,582 [10]
17	Pro forma plant	0	0	0
18	Original cost rate base (Sum of L3 thru L17)	\$3,648,274	(\$51,273)	\$3,597,001

[1] Column (c) minus Column (a).

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Brown and Feasel Exhibit I, Schedule 2-1(c), Column (c), Line 3.

[4] Brown and Feasel Exhibit I, Schedule 2-1(c), Column (c), Line 6.

[5] Brown and Feasel Exhibit I, Schedule 2-3, Column (c), Line 4.

[6] Brown and Feasel Exhibit I, Schedule 2-4, Column (i), Line 8.

[7] Brown and Feasel Exhibit I, Schedule 2-5, Column (f), Line 27.

[8] Brown and Feasel Exhibit I, Schedule 2-7, Column (i), Line 7.

[9] Brown and Feasel Exhibit I, Schedule 2-3, Column (c), Line 9.

[10] Brown and Feasel Exhibit I, Schedule 2-8, Column (c), Line 3.

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CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ORIGINAL COST RATE BASE

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 2(d)

Settlement

BF/FH SEWER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)
1	Plant in service	\$16,528,468	(\$25,264)	\$16,503,204 [3]
2	Accumulated depreciation	(3,444,878)	15,492	(3,429,386) [4]
3	Net plant in service (L1 + L2)	13,083,590	(9,772)	13,073,818
4	Cash working capital	203,468	(6,159)	197,309 [5]
5	Contributions in aid of construction	(3,630,087)	(6,981)	(3,637,068) [6]
6	Advances in aid of construction	0	0	0
7	Accumulated deferred income taxes	(393,654)	28,206	(365,448) [7]
8	Customer deposits	(18,963)	0	(18,963)
9	Inventory	3,434	0	3,434
10	Gain on sale and flow back taxes	0	0	0
11	Plant acquisition adjustment	851,982	(28,232)	823,750 [8]
12	Excess book value	0	0	0
13	Cost-free capital	0	0	0
14	Average tax accruals	5,647	(11,260)	(5,613) [9]
15	Regulatory liability for excess deferred taxes	(370,918)	0	(370,918)
16	Deferred charges	86,204	(7,279)	78,925 [10]
17	Pro forma plant	0	0	0
18	Original cost rate base (Sum of L3 thru L17)	\$9,820,703	(\$41,477)	\$9,779,226

[1] Column (c) minus Column (a).

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Brown and Feasel Exhibit I, Schedule 2-1(d), Column (c), Line 3.

[4] Brown and Feasel Exhibit I, Schedule 2-1(d), Column (c), Line 6.

[5] Brown and Feasel Exhibit I, Schedule 2-3, Column (d), Line 4.

[6] Brown and Feasel Exhibit I, Schedule 2-4, Column (l), Line 8.

[7] Brown and Feasel Exhibit I, Schedule 2-5(b), Column (g), Line 27.

[8]

[8] Brown and Feasel Exhibit I, Schedule 2-7, Column (l), Line 7.

[9] Brown and Feasel Exhibit I, Schedule 2-3, Column (d), Line 9.

[10] Brown and Feasel Exhibit I, Schedule 2-8, Column (d), Line 3.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**CALCULATION OF PLANT IN SERVICE AND
ACCUMULATED DEPRECIATION**
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-1(a)
Settlement

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Amount Per Updates</u> (a)	<u>Public Staff Adjustments</u> [1] (b)	<u>Amount Per Public Staff</u> [2] (c)
	<u>Plant In Service:</u>			
1	Combined plant in service	\$130,462,447	\$ (1,117,751)	\$129,344,696 [3]
2			0	
3	Total plant in service (L1 + L2)	<u>\$130,462,447</u>	<u>(\$1,117,751)</u>	<u>\$129,344,696</u>
	<u>Accumulated Depreciation:</u>			
4	Combined accumulated depreciation	(\$36,715,615)	\$141,005	(\$36,574,610) [4]
5			0	
6	Total accumulated depr. (L4 + L5)	<u>(\$36,715,615)</u>	<u>\$141,005</u>	<u>(\$36,574,610)</u>

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Brown and Feasel Exhibit I, Schedule 2-1(a)(1), Column (k), Line 53.

[4] Brown and Feasel Exhibit I, Schedule 2-2, Column (a), Line 9.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**CALCULATION OF PLANT IN SERVICE AND
ACCUMULATED DEPRECIATION**
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-1(b)
Settlement

CWSNC SEWER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustments (b)	Amount Per Public Staff (c) [2]
Plant In Service:				
1	Combined plant in service	\$116,603,269	(\$1,177,191)	\$115,426,078 [3]
2			0	
3	Total plant in service (L1 + L2)	<u>\$116,603,269</u>	<u>(\$1,177,191)</u>	<u>\$115,426,078</u>
Accumulated Depreciation:				
4	Combined accumulated depreciation	(\$29,683,192)	\$178,891	(\$29,504,301) [4]
5			0	
6	Total accumulated depr. (L4 + L5)	<u>(\$29,683,192)</u>	<u>\$178,891</u>	<u>(\$29,504,301)</u>

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Brown and Feasel Exhibit I, Schedule 2-1(a)(2), Column (k), Line 70.

[4] Brown and Feasel Exhibit I, Schedule 2-2, Column (b), Line 9.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**CALCULATION OF PLANT IN SERVICE AND
ACCUMULATED DEPRECIATION**
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-1(c)
Settlement

BF/FH/TC WATER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustments (b)	Amount Per Public Staff (c)
Plant In Service:				
1	Combined plant in service	\$7,360,146	(\$19,729)	\$7,340,417 [3]
2		0	0	0
3	Total plant in service (L1+ L2)	<u>\$7,360,146</u>	<u>(\$19,729)</u>	<u>\$7,340,417</u>
Accumulated Depreciation:				
4	Combined accumulated depreciation	(\$2,519,662)	(\$6,395)	(\$2,526,057) [4]
5		0	0	0
6	Total accumulated depr. (L4 + L5)	<u>(\$2,519,662)</u>	<u>(\$6,395)</u>	<u>(\$2,526,057)</u>

- [1] Column (c) minus Column (a), unless otherwise footnoted.
[2] Column (a) plus Column (b), unless otherwise footnoted.
[3] Brown and Feasel Exhibit I, Schedule 2-1(a)(3), Column (k), Line 43.
[4] Brown and Feasel Exhibit I, Schedule 2-2, Column (c), Line 9.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**CALCULATION OF PLANT IN SERVICE AND
ACCUMULATED DEPRECIATION**
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-1(d)
Settlement

BF/FH SEWER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustments (b)	Amount Per Public Staff (c) [2]
Plant In Service:				
1	Combined plant in service	\$16,528,468	(\$25,264)	\$16,503,204 [3]
2		0	0	0
3	Total plant in service (L1+ L2)	<u>\$16,528,468</u>	<u>(\$25,264)</u>	<u>\$16,503,204</u>
Accumulated Depreciation:				
4	Combined accumulated depreciation	(\$3,444,878)	\$15,492	(\$3,429,386) [4]
5		0	0	0
6	Total accumulated depr. (L4 + L5)	<u>(\$3,444,878)</u>	<u>\$15,492</u>	<u>(\$3,429,386)</u>

- [1] Column (c) minus Column (a), unless otherwise footnoted.
[2] Column (a) plus Column (b), unless otherwise footnoted.
[3] Brown and Feasel Exhibit I, Schedule 2-1(a)(4), Column (k), Line 52.
[4] Brown and Feasel Exhibit I, Schedule 2-2, Column (d), Line 9.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 400
CALCULATION OF PLANT IN SERVICE
Test Year March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-1(a)(1)
Settlement

CWSNC WATER OPERATIONS

Line No.	New Account No.	Item	(a)		(b)		(c)		(d)		(e)		(f)		(g)		(h)		(i)		(j)		(k)		(l)		
			Amount per Updates	Direct	Amount per Updates	Allocated	Company Proforma	remove	Company Proforma	Actual	PTY Additions	S Adjustment / Engineering	ERC Adjustment	Florence Proceeds	AFUDC Adjustments	Reclassification	Amount per PS	PS Adj.									
1.	141201	Organization	\$ 410,367		\$ 73,688		\$ 521		\$ (521)		\$ 521		\$ -		\$ -		\$ -		\$ -		\$ 484,577		\$ -				
2.	141202	Franchises	140,283		89,232		0		0		0		0		0		0		0		229,516		0				
3.	141102	Land & land rights pump	0		50,818		0		0		0		0		0		0		0		50,818		0				
4.	141501	Computer Hardware	0		703		(37)		37		0		(30)		0		0		0		573		7				
5.	141502	Desktop/Laptop Computers	0		15,859		40,053		(40,053)		0		(679)		0		0		0		15,181		(40,731)				
6.	141101	Land & land rights gen. pit.	0		717,824		150,596		(150,596)		150,596		0		0		0		0		868,420		0				
7.	141204	Struct & improv. src. supply	4,465,609		16,279		27,059		(27,059)		24,011		0		0		0		0		4,505,898		(3,048)				
8.	141205	Struct & improv. wtr. trt. pit.	1,572,780		31,094		39,175		(39,175)		34,026		0		0		0		0		1,637,901		(5,148)				
9.	141206	Struct & improv. trans. dist.	288,439		3,978		2,389		(2,389)		1,587		0		0		0		0		294,004		(802)				
10.	141203	Struct & improv. gen. pit.	371,949		2,709		51,504		(51,504)		50,103		0		0		0		0		424,761		(1,401)				
11.	141221	Collecting reservoirs	14,695		0		717,687		(717,687)		717,687		0		0		0		0		732,382		0				
12.	141223	Wells & springs	14,603,514		213,136		31,115		(31,115)		24,871		0		0		(1,077)		0		14,840,443		(7,321)				
13.	141224	Infiltration gallery	45,185		0		0		0		0		0		0		0		0		45,185		0				
14.	141225	Supply mains	788,510		303		74,366		(74,366)		65,241		0		0		0		0		854,054		(9,125)				
15.	141226	Power generation equip.	162,616		0		4,857		(4,857)		4,805		0		0		0		0		167,421		(52)				
16.	141227	Electric pump equip. src. pit.	2,944,455		3,127		82,461		(82,461)		77,797		(180)		(4)		(4)		0		3,025,195		(4,849)				
17.	141228	Electric pump equip. wtp.	8,885,752		296,055		208,094		(208,094)		184,086		0		0		0		0		9,365,894		(24,009)				
18.	141229	Electric pump equip. trans.	3,899,131		2,157		895,639		(895,639)		890,004		(2,921)		0		0		0		4,788,370		(8,557)				
19.	141230	Water treatment equip.	5,625,934		184,273		384,494		(384,494)		62,593		(5,951)		(649)		(649)		0		5,865,660		(328,502)				
20.	141231	Dist. resv. & standpipes	8,196,939		683,659		58,316		(58,316)		46,879		0		(179)		(179)		0		8,927,298		(11,617)				
21.	141232	Trans. & distr. mains	35,491,938		442,856		516,345		(516,345)		335,205		(178,375)		(138)		(138)		0		36,091,486		(359,653)				
22.	141233	Service lines	14,406,827		147,037		614,916		(614,916)		543,961		(437)		0		0		0		15,087,388		(71,392)				
23.	141234	Meters	6,324,924		188,747		42,553		(42,553)		36,746		0		(46)		(46)		0		6,550,372		(5,853)				
24.	141235	Meter installations	2,057,561		615		43,542		(43,542)		39,195		0		(973)		(973)		0		2,096,397		(5,321)				
25.	141236	Hydrants	1,413,906		767		43,796		(43,796)		39,089		0		0		0		0		1,453,761		(4,707)				
26.	141237	Backflow prevention devic.	45,312		0		16,215		(16,215)		16,034		0		0		0		0		61,347		(181)				
27.	141268	Other pit. & misc. equip. src. su.	0		260		0		0		0		0		0		0		0		260		0				
28.	141269	Other pit. & misc. equip. wtp.	20,187		1,597		3,185		(3,185)		3,185		0		0		0		0		24,969		0				
29.	141220	Office struct & improv.	99,061		487,148		244,803		(244,803)		10,933		(14,618)		(17)		(17)		0		582,507		(248,505)				
30.	141303	Office furn. & equip.	89,664		499,273		10,487		(10,487)		978		(10,384)		0		0		0		579,532		1,081				
31.	141305	Stores equipment	15,973		202		292		(292)		91		(8)		0		0		0		16,258		(209)				
32.	141308	Tool shop & misc. equip.	502,559		579,059		8,897		(8,897)		8,470		(89)		0		0		0		1,089,999		(516)				
33.	141306	Laboratory equipment	66,989		64,560		401		(401)		269		0		0		0		0		131,819		(132)				
34.	141309	Power operated equip.	360,477		2,740		11,654		(11,654)		11,116		0		0		0		0		374,333		(538)				
35.	141310	Communication equip.	155,341		158,446		12,841		(12,841)		14,310		(1,513)		0		0		0		326,583		(45)				
36.	141311	Misc. equipment	193,043		7,655		15,193		(15,193)		14,504		0		0		0		0		215,202		(689)				
37.	141278	Water plant allocated	207,809		0		0		0		0		0		0		0		0		207,809		0				
38.	141271	Other tangible pit. water	1,181		37,219		10,327		(10,327)		10,327		0		0		0		0		48,727		0				
39.	141248	Receiving Wells	176,744		0		0		0		0		0		(141)		(141)		0		176,603		(141)				
40.	141401	Transportation equip.	0		2,053,046		276,107		(276,107)		307,182		(214)		0		0		0		2,360,014		30,861				
41.	141503	Mainframe computer - wtr	0		133,851		(5,733)		5,733		(4,591)		0		0		0		0		129,260		1,141				
42.	141504	Mini computer - wtr	9,712		1,293,864		(36,690)		36,690		1,295		(42,957)		0		0		0		1,261,915		(4,972)				
43.	141602	Comp. system cost - wtr	0		3,323,886		(168,429)		168,429		0		(136,755)		0		0		0		3,187,131		31,673				
44.	141603	Micro system cost - wtr	0		65,896		(2,956)		2,956		0		(2,375)		0		0		0		63,521		580				
45.	141255	Plant Sewers Treatment Pit	23,751		0		0		0		0		0		0		0		0		(23,751)		0		(23,751)		
46.	141299	Utility Plant Clearing	0		0		(0)		0		(0)		0		0		0		0		(0)		0				
47.	141699	Computer Clearing	0		0		0		0		0		0		0		0		0		0		(0)				
48.	141601	Computer Software	0		104,466		6,861		(6,861)		0		(4,470)		0		0		0		99,996		(11,331)				
49.	141103	Land and Rights Water	0		357,109		0		0		0		0		0		0		0		357,109		0				
50.	141104	Land and Rights Trans	0		18,896		0		0		0		0		0		0		0		18,896		0				
51.	141293	Plant Held for Future Use	0		(382,146)		0		0		0		0		0		0		0		(382,146)		0				
52.	141399	Building and Equipment Clearing	0		0		0		(0)		0		0		0		0		0		0		0				
53. Total plant in service (Sum of L1 thru L52)			\$ 114,078,577		\$ 11,971,944		\$ 4,411,925		\$ (4,411,925)		\$ 3,727,699		\$ (218,683)		\$ (187,864)		\$ (3,225)		\$ (23,751)		\$ 129,344,696		\$ (1,117,751)				

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CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-1(a)(2)
Settlement

CWSNC SEWER OPERATIONS

Line No.	No.	Item	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
			Amount per Updates Direct	Amount per Updates Allocated	Company Proforma remove	Company Proforma	Actual PTY Additions	S Adjustment / Engineering	ERC Adjustment	Florence Proceeds	AFUDC Adjustments	Reclassification	Amount per PS	PS Adj.
1.	141201	Organization	\$ 883,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 883,492	\$ -
2.	141202	Franchises intang. ptt.	127,476	0	0	0	0	0	0	0	0	0	127,476	0
3.	141107	Land & land rights trmnt ptt	0	39,167	0	0	0	0	0	0	0	0	39,167	0
4.	141108	Land & land rights reclaim.	0	1,150	0	0	0	0	0	0	0	0	1,150	0
5.	141101	Land and Rights General	0	0	0	0	0	0	0	0	0	0	0	0
6.	141207	Struct/improv. coll. ptt.	103,601	979	4,356	(4,356)	4,001	0	0	0	0	0	108,582	(354)
7.	141208	Struct/improv. pump ptt. ls.	11,299,690	18,599	125,558	(125,558)	121,979	0	(180)	(2,090)	0	0	11,437,999	(5,848)
8.	141209	Struct/improv. treat. ptt.	20,050,256	0	22,537	(22,537)	22,993	0	(4,621)	(31)	0	0	20,068,597	(4,197)
9.	141210	Struct/improv. reclaim. wtr.	2,586	685	0	0	0	0	0	0	0	0	3,271	0
10.	141211	Struct/improv. reclaim. wtr.	180,481	0	16	(16)	0	0	0	0	0	0	180,481	(16)
11.	141203	Struct/improv. gen. ptt.	1,683,989	0	25,430	(25,430)	23,256	0	0	0	0	0	1,707,245	(2,174)
12.	141238	Power gen. equip. coll. ptt.	107,623	0	0	0	0	0	0	0	0	0	107,623	0
13.	141239	Power gen. equip. pump ptt.	53,341	0	14	(14)	0	0	0	0	0	0	53,341	(14)
14.	141240	Power gen. equip. treat. ptt.	308,117	0	6,287	(6,287)	5,100	0	0	0	0	0	313,217	(1,187)
15.	141241	Sewer force main/serv. lin.	3,802,928	61,991	608,705	(608,705)	601,749	0	(283)	(37)	0	0	4,466,350	(7,274)
16.	141242	Sewer gravity main	17,893,123	494,361	2,054,567	(2,054,567)	949,079	0	0	(122)	0	0	19,336,441	(1,105,610)
17.	141243	Manholes	1,477,376	229,482	52,144	(52,144)	44,389	0	0	(69)	0	0	1,751,178	(7,824)
18.	141244	Special coll. structures	7,032	0	21	(21)	0	0	0	0	0	0	7,032	(21)
19.	141245	Services to customers	2,179,151	0	86,014	(86,014)	69,241	0	0	0	1,055	0	2,249,446	(15,718)
20.	141246	Flow measure devices	143,165	0	3,084	(3,084)	5,503	0	(2,935)	0	0	0	145,734	(515)
21.	141247	Flow measure install	1,106	0	2	(2)	0	0	0	0	0	0	1,106	(2)
22.	141248	Receiving wells	211,824	0	25,449	(25,449)	22,160	0	0	0	0	0	233,985	(3,288)
23.	141249	Pumping equipment pump ptt.	4,834,611	470	323,264	(323,264)	309,978	0	(2,327)	0	0	0	5,142,732	(15,613)
24.	141250	Pumping equipment reclaim.	37,868	0	1,869	(1,869)	1,782	0	0	0	0	0	39,650	(87)
25.	141251	Pumping equipment rcl. wtr.	80,351	0	3,427	(3,427)	3,104	0	0	0	0	0	83,456	(322)
26.	141252	Treat./disp. equip. lagoon	594,849	210	3,214	(3,214)	2,680	0	0	0	0	0	597,738	(534)
27.	141253	Treat./disp. equip. trt. ptt.	18,763,604	690,274	132,773	(132,773)	113,414	0	(1,467)	0	0	0	19,565,824	(20,826)
28.	141254	Treat./disp. equip. rcl. wtr. ptt.	16,414	0	13,760	(13,760)	12,973	0	0	0	0	0	29,387	(787)
29.	141255	Plant sewers treat. ptt.	17,924,214	0	42,634	(42,634)	41,767	0	(3,577)	(178)	0	23,751	17,985,978	19,130
30.	141256	Plant sewers reclaim wtr.	5,802	0	2,277	(2,277)	2,263	0	0	0	0	0	8,065	(14)
31.	141257	Outfa l lines	645,213	0	15,146	(15,146)	11,576	0	0	(446)	0	0	656,343	(4,017)
32.	141271	Other ptt. lang ble	14,761	0	194	(194)	0	0	0	0	0	0	14,761	(194)
33.	141272	Other ptt. collection	10,854	10,612	798	(798)	0	0	0	0	0	0	22,253	(11)
34.	141273	Other ptt. pump	468,119	2,931	3,094	(3,094)	2,976	0	0	0	0	0	474,026	(117)
35.	141274	Other ptt. treatment	334,705	5,329	1,401	(1,401)	111	0	(1,401)	(76)	0	0	340,069	(1,367)
36.	141275	Other ptt. reclaim wtr. trt.	0	650	0	0	0	0	0	0	0	0	650	0
37.	141276	Other ptt. reclaim wtr. dis.	460	0	0	0	0	0	0	0	0	0	460	0
38.	141220	Office struct & improv.	47,616	275,108	4,120	(4,120)	13,962	0	(8,721)	0	0	0	327,965	1,121
39.	141303	Office furn. & equip.	49,603	286,995	(6,993)	6,993	0	0	(6,195)	0	0	0	330,403	798
40.	141305	Stores equipment	6,961	113	1,218	(1,218)	1,155	0	(5)	0	0	0	8,224	(69)
41.	141308	Tool shop & misc. equip.	207,772	345,148	19,112	(19,112)	18,835	0	(53)	0	0	0	571,703	(330)
42.	141306	Laboratory equipment	156,399	38,517	3,214	(3,214)	2,888	0	0	0	0	0	197,804	(326)
43.	141309	Power operated equip.	458,893	1,544	20,874	(20,874)	19,245	0	0	0	0	0	479,682	(1,629)
44.	141310	Communication equip.	94,049	93,245	9,804	(9,804)	10,425	0	(903)	0	0	0	196,817	(282)
45.	141311	Misc equip. sewer	37,147	4,567	30,241	(30,241)	29,617	0	0	0	0	0	71,331	(623)
46.	141278	Sewer plant allocated	526,952	0	0	0	0	0	0	0	0	0	526,952	0
47.	0	Other tangible ptt. sewer	0	0	0	0	0	0	0	0	0	0	0	0
48.	141263	Reuse dist. reservoirs	3,507	0	2	(2)	0	0	0	0	0	0	3,507	(2)
49.	141264	Reuse transmission & dist.	85,783	0	36,199	(36,199)	35,336	0	0	0	0	0	121,119	(862)
50.	141401	Transportation equip.	0	1,224,860	164,727	(164,727)	183,267	0	(128)	0	0	0	1,407,999	18,413
51.	141502	Desktop computer - wtr	0	9,462	23,896	(23,896)	0	0	(405)	0	0	0	9,057	(24,301)
52.	141503	Mainframe computer - wtr	0	79,857	(3,420)	3,420	0	0	(2,739)	0	0	0	77,118	681
53.	141504	Mini computer - wtr	1,659	776,062	(21,889)	21,889	1,026	0	(25,628)	0	0	0	753,119	(2,713)
54.	141602	Comp. system cost - wtr	109,012	1,874,038	(100,485)	100,485	0	0	(81,589)	0	0	0	1,901,461	18,897
55.	141603	Micro system cost - wtr	0	39,314	(1,784)	1,784	0	0	(1,417)	0	0	0	37,897	347
56.	141501	Computer Hardware	0	418	(22)	22	0	0	(18)	0	0	0	4	4
57.	141601	Computer Software	0	62,326	4,093	(4,093)	0	0	(2,667)	0	0	0	59,659	(6,760)
58.	141699	Computer Clearing	0	0	0	(0)	0	0	0	0	0	0	0	(0)
59.	141231	Dist Resv and Standpipes	0	20,648	(75)	75	0	0	0	0	0	0	20,648	75
60.	141232	Trans and Distr Mains	0	68,271	(248)	248	0	0	0	0	0	0	68,271	248
61.	141299	Utility Plant Clearing	0	0	(0)	0	(0)	0	0	0	0	0	(0)	0
62.	141399	Building and Equipment Clearing	0	0	(0)	0	(0)	0	0	0	0	0	0	0
63.	141233	Service Lines	935	0	20	(20)	0	0	0	0	0	(1,055)	(120)	(1,075)
64.	141293	Ptt. held for future use	0	(227,990)	0	0	0	0	0	0	0	0	(227,990)	0
66.	141205		0	0	0	0	0	0	0	0	0	0	0	0
67.	141230		0	0	0	0	0	0	0	0	0	0	0	0
68.	113101		0	0	0	0	0	0	0	0	0	0	0	0
69.	141226		297,974	0	772	(772)	772	0	0	0	0	0	298,746	0
		Pro forma plant additions											0	0
70.		Total plant in service (Sum of L1 thru L69)	\$ 106,332,448	\$ 6,529,393	\$ 3,741,429	\$ (3,741,429)	\$ 2,689,391	\$ (130,468)	\$ (15,389)	\$ (3,048)	\$ 23,751	\$ 115,426,978	\$ (1,177,191)	

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CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-1(a)(3)
Settlement

BF/FH WATER OPERATIONS

Line No.	No.	Item	(a) Amount per Updates Direct	(b) Amount per Updates Allocated	(c) Company Proforma remove	(d) Company Proforma	(e) Actual PTY Additions	(f) S Adjustment / Engineering	(g) ERC Adjustment	(h) Florence Proceeds	(i) AFUDC Adjustments	(j) Reclassification	(k) Amount per PS	(l) PS Adj.
1.	141101	Land and Rights General	\$ -	\$ 13,990	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,990	\$ -
2.	141102	Land and Rights Pump	0	21,025	0	0	0	0	0	0	0	0	21,025	0
3.	141201	Organization	79,800	21,066	0	0	0	0	0	0	0	0	100,866	0
4.	141202	Franchises	51,240	0	0	0	0	0	0	0	0	0	51,240	0
5.	141203	Struct and Improv General Plant	2,244	0	28	(28)	0	0	0	0	0	0	2,244	(28)
6.	141204	Struct and Improv Service Supplies	201,885	393	13,624	(13,624)	12,751	0	0	0	0	0	215,009	(672)
7.	141205	Struct and Improv Water Treat Plt	147,167	0	219	(219)	118	0	0	0	0	0	147,285	(100)
8.	141206	Struct and Improv Trans Dist Plt	461	0	0	0	0	0	0	0	0	0	461	0
9.	141220	Struct and Improv Office	26,735	60,836	(1,910)	1,910	0	0	(1,756)	0	0	0	85,815	153
10.	141223	Wells and Springs	518,778	0	(7,642)	7,642	3,080	0	0	(11,344)	0	0	510,515	(621)
11.	141225	Supply Mains	8,005	0	3,082	(3,082)	2,990	0	0	0	0	0	10,995	(91)
12.	141227	Electric Pump Equip Sec Pump	53,376	46	10,187	(10,187)	9,883	0	0	0	0	0	63,305	(304)
13.	141228	Electric Pump Equip WTP	385,584	0	15,602	(15,602)	14,631	0	0	0	0	0	400,215	(971)
14.	141229	Electric Pump Equip Trans Dist	63,012	82	295	(295)	0	0	0	0	0	0	63,093	(295)
15.	141230	Water Treatment Equipment	146,770	0	6,299	(6,299)	5,926	0	0	0	0	0	152,696	(373)
16.	141231	Dist Resv and Standpipes	901,355	4,949	23,271	(23,271)	19,519	0	0	0	0	0	925,823	(3,752)
17.	141232	Trans and Distr Mains	1,892,092	16,540	10,660	(10,660)	7,951	0	0	0	0	0	1,916,583	(2,709)
18.	141233	Service Lines	842,783	457	37,710	(37,710)	31,291	0	0	0	0	0	874,530	(6,419)
19.	141234	Meters	198,359	397	9,950	(9,950)	8,874	0	0	0	0	0	197,830	(1,075)
20.	141235	Meter Installations	179,596	0	7,272	(7,272)	6,643	0	0	0	0	0	186,239	(629)
21.	141236	Hydrants	185,968	18	93,502	(93,502)	92,989	0	0	0	0	0	278,975	(612)
22.	141237	Backflow Prevention Devices	151	0	3	(3)	0	0	0	0	0	0	151	(3)
23.	141299	Utility Plant Clearing	0	0	0	0	0	0	0	0	0	0	0	0
24.	141303	Office Furniture	4,185	42,577	(1,303)	1,303	55	0	(1,248)	0	0	0	45,570	111
25.	141305	Stores Equipment	349	27	1	(1)	0	0	(1)	0	0	0	375	(2)
26.	141306	Lab Equipment	14,469	0	97	(97)	71	0	0	0	0	0	14,540	(26)
27.	141308	Tool Shop Equipment	102,393	836	113	(113)	0	0	(11)	0	0	0	103,219	(124)
28.	141309	Power Operated Equipment	11,291	354	2,089	(2,089)	2,000	0	0	0	0	0	13,645	(89)
29.	141310	Communications Equipment	75,413	4,975	3,027	(3,027)	2,657	0	(182)	0	0	0	82,864	(551)
30.	141311	Misc Equipment	389	0	146	(146)	139	0	0	0	0	0	528	(8)
31.	141401	Vehicles	0	222,410	(3,910)	3,910	0	0	(26)	0	0	0	222,384	3,884
32.	141501	Computer Hardware	0	97	(4)	4	0	0	(4)	0	0	0	93	1
33.	141502	Desktop/Laptop Computers	0	2,181	5,533	(5,533)	0	0	(82)	0	0	0	2,099	(5,614)
34.	141503	Mainframe Computers	0	18,407	(678)	678	0	0	(552)	0	0	0	17,855	127
35.	141504	Mini Comp Wtr	1,687	176,361	(4,206)	4,206	0	0	(5,161)	0	0	0	172,887	(955)
36.	141601	Computer Software	0	14,365	1,047	(1,047)	0	0	(537)	0	0	0	13,828	(1,585)
37.	141602	Comp Systems	0	439,500	(20,069)	20,069	0	0	(16,431)	0	0	0	423,069	3,638
38.	141603	Micro Systems	0	9,062	(350)	350	0	0	(285)	0	0	0	8,776	65
39.	141699	Computer Clearing	0	0	0	(0)	0	0	0	0	0	0	0	(0)
40.	141221	Collecting Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0
41.	141269	Other and Misc Equip WTP	0	0	0	0	0	0	0	0	0	0	0	0
42.	141399	Building and Equipment Clearing	0	0	0	0	0	0	0	0	0	0	0	0
43.	Total plant in service (Sum of L1 thru L42)		\$ 6,085,515	\$ 1,070,950	\$ 203,682	\$ (203,682)	\$ 221,569	\$ -	\$ (26,274)	\$ (11,344)	\$ -	\$ -	\$ 7,340,417	\$ (19,730)

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CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-1(a)(4)
Settlement

BFIFH SEWER OPERATIONS

Line No.	No.	Item	(a) Amount per Updates Direct	(b) Amount per Updates Allocated	(c) Company Proforma remove	(d) Company Proforma	(e) Actual PTY Additions	(f) S Adjustment / Engineering	(g) ERC Adjustment	(h) Florence Proceeds	(i) AFUDC Adjustments	(j) Reclassification	(k) Amount per PS	(l) PS Adj.
1.	141201	Organization	\$ 14,682	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,682	\$ -
2.	141202	Franchises	41,938	0	0	0	0	0	0	0	0	0	41,938	0
3.	141203	Struct and Improv General Plant	287,214	0	(18,722)	18,722	247	0	0	(20,368)	0	0	267,093	(1,398)
4.	141207	Struct and Improv Collect Plant	150	0	3	(3)	0	0	0	0	0	0	150	(3)
5.	141208	Struct and Improv Pump Plant	2,159,370	185	(468,230)	468,230	2,227	0	0	(470,662)	(80)	0	1,691,039	(286)
6.	141209	Struct and Improv Treatment Plant	1,837,412	0	1,018	(1,018)	142	0	0	0	0	0	1,837,554	(875)
7.	141211	Struct and Improv Reclaim Wtr Dist	2,477	0	0	0	0	0	0	0	0	0	2,477	0
8.	141220	Struct and Improv Office	71,239	62,096	3,099	(3,099)	5,000	0	(1,798)	0	0	0	136,538	104
9.	141227	Electric Pump Equip Src Pump	0	0	(2,538)	2,538	0	0	0	(2,538)	0	0	(2,538)	0
10.	141230	Water Treatment Equipment	956,340	0	(11,588)	11,588	(11,588)	0	0	0	0	(944,752)	0	(944,752)
11.	141231	Dist Resv and Standpipes	0	5,051	(4)	4	0	0	0	0	0	0	5,051	4
12.	141232	Trans and Distr Mains	0	16,702	(15)	15	0	0	0	0	0	0	16,702	15
13.	141239	Power Gen Equip Pump Pit	68,264	0	45,039	(45,039)	44,211	0	0	0	0	0	112,475	(828)
14.	141241	Sewer Force Main	227,006	0	914	(914)	0	0	0	0	0	0	227,006	(914)
15.	141242	Sewer Gravity Main	5,330,923	(0)	4,986	(4,986)	983	0	0	0	0	0	5,331,906	(4,003)
16.	141243	Manholes	49,843	0	3,860	(3,860)	3,269	0	0	0	0	0	53,112	(592)
17.	141244	Special Collection Structures	775	0	0	0	0	0	0	0	0	0	775	0
18.	141245	Service to Customers	272,829	0	75,040	(75,040)	66,387	0	0	0	0	0	339,216	(8,653)
19.	141246	Flow Measure Devices	17,806	0	12	(12)	0	0	0	0	0	0	17,806	(12)
20.	141249	Pumping Equip Pump Pit	817,088	0	10,662	(10,662)	9,664	0	0	0	0	0	826,753	(1,018)
21.	141250	Pumping Equip Reclaim WTP	78,717	0	18,436	(18,436)	17,502	0	0	0	0	0	96,219	(933)
22.	141252	Treat/Disp Equip Lagoon	56	0	0	0	0	0	0	0	0	0	56	0
23.	141253	Treat/Disp Equip Trt Pit	2,828,541	0	3,840	(3,840)	1,820	0	0	0	0	944,752	3,775,113	942,732
24.	141255	Plant Sewers Treatment Pit	398,182	0	(4,135)	4,135	4,124	0	0	(8,856)	0	0	393,451	(597)
25.	141257	Outfall Lines	37,906	0	38,028	(38,028)	36,794	0	0	0	0	0	74,700	(1,235)
26.	141263	Reuse Dist Reservoirs	2,763	0	0	0	0	0	0	0	0	0	2,763	0
27.	141264	Reuse Transmission and Dist	2,491	0	27	(27)	0	0	0	0	0	0	2,491	(27)
28.	141271	Other Tangible Plant	0	0	79,334	(79,334)	79,334	0	0	0	0	0	79,334	0
29.	141272	Other Plant Collection	(224)	0	0	0	0	0	0	0	0	0	(224)	0
30.	141273	Other Plant Pump	3,442	0	12	(12)	0	0	0	0	0	0	3,442	(12)
31.	141275	Other Plant Reclaim Water Trt	8,372	0	4,387	(4,387)	4,306	0	0	0	0	0	12,677	(81)
32.	141299	Utility Plant Clearing	0	0	(0)	0	(0)	0	0	0	0	0	(0)	0
33.	141303	Office Furniture	1,593	43,452	(1,353)	1,353	0	0	(1,277)	0	0	0	43,768	76
34.	141305	Stores Equipment	2,799	28	(1)	1	0	0	(1)	0	0	0	2,826	(1)
35.	141306	Lab Equipment	6,227	0	509	(509)	507	0	0	0	0	0	6,734	(2)
36.	141308	Tool Shop Equipment	19,929	751	1,501	(1,501)	1,428	0	(11)	0	0	0	22,097	(83)
37.	141309	Power Operated Equipment	53,242	362	769	(769)	689	0	0	0	0	0	54,233	(81)
38.	141310	Communications Equipment	32,790	5,064	26,258	(26,258)	25,754	0	(186)	0	0	0	63,423	(689)
39.	141311	Misc Equipment	33,788	0	35,877	(35,877)	35,209	0	0	0	0	0	68,996	(668)
40.	141399	Building and Equipment Clearing	0	0	0	(0)	0	0	0	0	0	0	0	0
41.	141401	Vehicles	0	227,659	(4,002)	4,002	0	0	(26)	0	0	0	227,632	3,975
42.	141501	Computer Hardware	0	99	(5)	5	0	0	(4)	0	0	0	95	1
43.	141502	Desktop/Laptop Computers	0	2,232	5,663	(5,663)	0	0	(83)	0	0	0	2,149	(5,747)
44.	141503	Mainframe Computers	0	18,841	(695)	695	0	0	(565)	0	0	0	18,276	130
45.	141504	Mini Comp Wtr	0	162,250	(4,305)	4,305	0	0	(5,283)	0	0	0	176,967	(978)
46.	141601	Computer Software	0	14,705	1,072	(1,072)	0	0	(550)	0	0	0	14,156	(1,521)
47.	141602	Comp Systems	0	449,872	(20,542)	20,542	0	0	(16,819)	0	0	0	433,053	3,724
48.	141603	Micro Systems	0	9,276	(359)	359	0	0	(292)	0	0	0	8,984	67
49.	141699	Computer Clearing	0	0	0	(0)	0	0	0	0	0	0	0	(0)
50.	141251	Pumping Equip Rcl Wtr Dist	0	0	0	0	0	0	0	0	0	0	0	0
51.	141254	Treat/Disp Equip Rclm Wtr	0	0	0	0	0	0	0	0	0	0	0	0
52.	Total plant in service (Sum of L1 thru L51)			\$ 15,665,970	\$ 1,038,624	\$ (176,127)	\$ 176,127	\$ 328,009	\$ (26,894)	\$ (502,424)	\$ (80)	\$ (80)	\$ 16,503,204	\$ (25,264)

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CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO DIRECT ACCUMULATED DEPRECIATION
For The Test Year Ended March 31, 2022

Brown and Feasel Exh bit I
Schedule 2-2
Settlement

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Accumulated depreciation per Company updates	(\$36,543,210)	(\$29,573,021)	(\$2,511,133)	(\$3,434,669)
2	Adjustment to include company updates 9.19.2022	(172,405)	(110,171)	(8,529)	(10,209)
3	Accumulated depreciation after adjusted for company updates (L1 + L2)	(36,715,615)	(29,683,192)	(2,519,662)	(3,444,878)
4	Remove Company adjustment (-L2)	1,192,338	1,184,607	37,393	154,008
5	Adjustment to include actual general ledger A/D additions through 8/31/2022	(1,007,169) [1]	(1,024,721) [1]	(32,242) [1]	(127,951) [1]
6	Adjustments to add back ERC book adjustment	175,230 [1]	104,543 [1]	21,053 [1]	21,550 [1]
7	Adjustment to reflect annual level of depreciation	(219,394) [1]	(85,538) [1]	(32,599) [1]	(32,115) [1]
8	Adjustment to accumulated depreciation (Sum of L4 thru L7)	141,005	178,891	(6,395)	15,492
9	Accumulated depreciation per Public Staff (L3 + L8)	<u>(36,574,610)</u>	<u>(29,504,301)</u>	<u>(2,526,057)</u>	<u>(3,429,386)</u>

[1] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF CASH WORKING CAPITAL
For The Test Year Ended March 31, 2022

Brown and Feasel Exh bit I
Schedule 2-3
Settlement

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
Cash Working Capital:					
1	Maintenance expenses, less purchased water and sewer	\$2,966,452 [1]	\$3,507,843 [5]	\$417,235 [9]	\$439,311 [13]
2	General expenses	9,370,806 [2]	5,609,629 [6]	1,112,930 [10]	1,139,158 [14]
3	Total cash working capital expenses (L1 + L2)	<u>\$12,337,259</u>	<u>\$9,117,472</u>	<u>\$1,530,165</u>	<u>\$1,578,469</u>
4	Cash working capital (L3 x 1/8)	<u>1,542,157</u>	<u>1,139,684</u>	<u>191,271</u>	<u>197,309</u>
Average Tax Accruals:					
5	Property taxes	135,969 [3]	105,629 [7]	7,746 [11]	9,754 [15]
6	Average accrual (L5 x 1/2)	<u>67,985</u>	<u>52,815</u>	<u>3,873</u>	<u>4,877</u>
7	Regulatory fee	31,226 [4]	24,462 [8]	2,615 [12]	3,679 [16]
8	Average accrual (L7 x 1/5)	<u>6,245</u>	<u>4,892</u>	<u>523</u>	<u>736</u>
9	Total tax accrual (L6 + L8)	<u>74,230</u>	<u>57,707</u>	<u>4,396</u>	<u>5,613</u>
10	Total cash working capital (L4 - L9)	<u>\$1,467,927</u>	<u>\$1,081,977</u>	<u>\$186,875</u>	<u>\$191,696</u>

[1] Brown and Feasel Exhibit I, Schedule 3(a), Column (c), Line 15 minus Line 7. [9] Brown and Feasel Exh bit I, Schedule 3(c), Column (c), Line 15 mi
 [2] Brown and Feasel Exhibit I, Schedule 3(a), Column (c), Line 24. [10] Brown and Feasel Exh bit I, Schedule 3(c), Column (c), Line 24.
 [3] Brown and Feasel Exhibit I, Schedule 3(a), Column (c), Line 30. [11] Brown and Feasel Exh bit I, Schedule 3(c), Column (c), Line 30.
 [4] Brown and Feasel Exhibit I, Schedule 3(a), Column (c), Line 32. [12] Brown and Feasel Exh bit I, Schedule 3(c), Column (c), Line 32.
 [5] Brown and Feasel Exhibit I, Schedule 3(b), Column (c), Line 15 minus Line 7. [13] Brown and Feasel Exh bit I, Schedule 3(d), Column (c), Line 15 mi
 [6] Brown and Feasel Exhibit I, Schedule 3(b), Column (c), Line 24. [14] Brown and Feasel Exh bit I, Schedule 3(d), Column (c), Line 24.
 [7] Brown and Feasel Exhibit I, Schedule 3(b), Column (c), Line 30. [15] Brown and Feasel Exh bit I, Schedule 3(d), Column (c), Line 30.
 [8] Brown and Feasel Exhibit I, Schedule 3(b), Column (c), Line 32. [16] Brown and Feasel Exh bit I, Schedule 3(d), Column (c), Line 32.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**ADJUSTMENT TO CONTRIBUTIONS IN AID OF
CONSTRUCTION, NET OF AMORTIZATION**
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-4
Settlement

Line No.	Item	CWSNC Water Operations			CWSNC Sewer Operations			BF/FH/TC Water Operations		
		CIAC (a)	Accumulated Amortization (b)	CIAC, Net of Amortization [2] (c)	CIAC (d)	Accumulated Amortization (e)	CIAC, Net of Amortization [3] (f)	CIAC (g)	Accumulated Amortization (h)	CIAC, Net of Amortization [4] (i)
1	CIAC and accumulated amortization per application	<u>(\$29,657,361)</u>	<u>\$13,169,634</u>	<u>(\$16,487,727)</u>	<u>(\$28,776,974)</u>	<u>\$12,350,678</u>	<u>(\$16,426,296)</u>	<u>(\$2,336,301)</u>	<u>\$1,289,262</u>	<u>(\$1,047,039)</u>
2	Adjustment to include company updates 9.19.2022	(27,088)	(9,576)	(36,664)	25,522	772	26,294	(40,515)	(6,351)	(46,866)
3	CIAC and accumulated amortization after adjusted for company updates (L1 + L2)	<u>(29,684,449)</u>	<u>13,160,058</u>	<u>(16,524,391)</u>	<u>(28,751,452)</u>	<u>12,351,450</u>	<u>(16,400,002)</u>	<u>(2,376,816)</u>	<u>1,282,911</u>	<u>(1,093,905)</u>
4	Remove Company adjustment (-L2)	27,088	(356,834)	(329,746)	(25,522)	(313,858)	(339,380)	40,515	(22,040)	18,475
5	Adjustment to include actual general ledger additions through 8/31/2022	(27,088) [1]	295,704 [1]	268,616	25,522 [1]	261,736 [1]	287,258	(40,515) [1]	17,231 [1]	(23,284)
6	Adjustment to reflect annual level of amortization	0	25,099 [1]	25,099	0	(3,692) [1]	(3,692)	0	16,751 [1]	16,751
7	Adjustment to CIAC (L4 + L5 + L6)	0	(36,031)	(36,031)	0	(55,814)	(55,814)	0	11,942	11,942
8	CIAC per Public Staff (L3 + L7)	<u>(\$29,684,449)</u>	<u>\$13,124,027</u>	<u>(\$16,560,422)</u>	<u>(\$28,751,452)</u>	<u>\$12,295,636</u>	<u>(\$16,455,816)</u>	<u>(\$2,376,816)</u>	<u>\$1,294,853</u>	<u>(\$1,081,963)</u>

[1] Per examination of Company's financial records.
[2] Column (a) plus Column (b).
[3] Column (d) plus Column (e).
[4] Column (g) plus Column (h).
[5] Column (j) plus Column (k).

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**ADJUSTMENT TO CONTRIBUTIONS IN AID OF
CONSTRUCTION, NET OF AMORTIZATION**
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-4
Settlement

Line No.	Item	BF/FH Sewer Operations		
		CIAC (j)	Accumulated Amortization (k)	CIAC, Net of Amortization (l) [5]
1	CIAC and accumulated amortization per application	<u>(\$7,106,629)</u>	<u>\$3,478,864</u>	<u>(\$3,627,765)</u>
2	Adjustment to include company updates 9.19.2022	-	(2,322)	(2,322)
3	CIAC and accumulated amortization after adjusted for company updates (L1 + L2)	<u>(7,106,629)</u>	<u>3,476,542</u>	<u>(3,630,087)</u>
4	Remove Company adjustment (-L2)	-	(72,996)	(72,996)
5	Adjustment to include actual general ledger additions through 8/31/2022	0 [1]	60,442 [1]	60,442
6	Adjustment to reflect annual level of amortization	<u>0</u>	<u>5,573 [1]</u>	<u>5,573</u>
7	Adjustment to CIAC (L4 + L5 + L6)	<u>0</u>	<u>(6,981)</u>	<u>(6,981)</u>
8	CIAC per Public Staff (L3 + L7)	<u>(\$7,106,629)</u>	<u>\$3,469,561</u>	<u>(\$3,637,068)</u>

[1] Per examination of Company's financial records.
[2] Column (a) plus Column (b).
[3] Column (d) plus Column (e).
[4] Column (g) plus Column (h).
[5] Column (j) plus Column (k).

CAROLINA WATER SERVICE, INC. OF NC
 Docket No. W-354, Sub 400
CALCULATION OF ACCUMULATED DEFERRED INCOME TAXES
 For The Test Year Ended March 31, 2022
CWSNC Uniform and BF/FH/TC OPERATIONS

Brown and Feasel Exhibit I
 Schedule 2-5
 Settlement

Line No.	Item	Total ADIT Per Updates [1] (a)	Public Staff Adjustments [2] (b)	Amount To Be Allocated Per Public Staff [3] (c)	CWSNC Uniform Water (d)	CWSNC Uniform Sewer (e)	BF/FH/TC Water [7] (f)	BF/FH Sewer [7] (g)
1	ACCUM DEF INCOME TAX-FED	\$603,395	\$0	\$603,395	\$327,979	\$195,674	\$39,406	\$40,336
2	DEF FED TAX - CIAC PRE 19	0	0	0	0	0	0	0
3	DEF FED TAX - TAP FEE POS	2,650,562	0	2,650,562	1,440,730	859,548	173,100	177,185
4	DEF FED TAX - RATE CASE	(346,316)	143,197	(203,119) [4]	(110,405) [8]	(65,869) [8]	(13,267) [8]	(13,578) [8]
5	DEF FED TAX - DEF MAINT	(190,812)	(234,049)	(424,861) [4]	(202,359) [9]	(182,472) [9]	(23,870) [9]	(16,160) [9]
6	DEF FED TAX - ORGN EXP	(217,030)	0	(217,030)	(117,968)	(70,380)	(14,174)	(14,508)
7	DEF FED TAX - BAD DEBT	245,405	0	245,405	133,391	79,582	16,027	16,405
8	DEF FED TAX - Post TY Plant Additions	0	(23,048)	(23,048) [5]	(11,098) [10]	(9,904) [10]	(630) [10]	(1,416) [10]
9	DEF FED TAX - DEPRECIATIO	(11,730,213)	0	(11,730,213)	(5,648,397)	(5,040,580)	(320,551)	(720,684)
10	DEF FED TAX - NOL	3,469,797	0	3,469,797	1,746,809	1,368,691	147,222	207,074
11	Total Federal ADIT (Sum of L1 thru L10)	(5,515,211)	(113,900)	(5,629,111)	(2,441,317)	(2,865,710)	3,263	(325,346)
12	ACCUM DEF INCOME TAX - ST	(376,048)	0	(376,048)	(204,403)	(\$121,948)	(\$24,558)	(\$25,138)
13	DEF ST TAX - CIAC PRE 198	0	0	0	0	0	0	0
14	DEF ST TAX - TAP FEE POS	56,220	0	56,220	30,559	18,231	3,672	3,758
15	DEF ST TAX - RATE CASE	(53,036)	28,235	(24,801) [6]	(13,481) [8]	(8,043) [8]	(1,620) [8]	(1,658) [8]
16	DEF ST TAX - DEF MA NT	(22,696)	(29,180)	(51,876) [6]	(24,708) [9]	(22,280) [9]	(2,915) [9]	(1,973) [9]
17	DEF ST TAX - ORGN EXP	(60,379)	0	(60,379)	(32,819)	(19,580)	(3,943)	(4,036)
18	DEF ST TAX - BAD DEBT	(3,894)	0	(3,894)	(2,116)	(1,263)	(254)	(260)
19	DEF ST TAX - Post TY Plant Additions	0	(2,814)	(2,814) [5]	(1,355) [10]	(1,209) [10]	(77) [10]	(173) [10]
20	DEF ST TAX - DEPRECIATION	(122,431)	0	(122,431)	(58,954)	(52,610)	(3,346)	(7,522)
21	DEF ST TAX - NOL	(49,329)	0	(49,329)	(24,834)	(19,458)	(2,093)	(2,944)
22	Total State ADIT (Sum of L12 thru L21)	(631,593)	(3,759)	(635,352)	(332,111)	(228,160)	(35,134)	(39,946)
23	Total Direct ADIT (L11 + L22)	(6,146,805)	(117,659)	(6,264,464)	(2,773,428)	(3,093,870)	(31,871)	(365,292)
24	ADIT allocated from WSC	(2,335)	0	(2,335)	(1,269)	(757)	(152)	(156)
25	Total ADIT (L23 + L24)	(6,149,140)	(117,659)	(6,266,799)	(2,774,697)	(3,094,627)	(32,023)	(365,448)
26	Excess deferred income tax	0	0	0	0	0	0	0
27	Total ADIT, after EDIT impact	(\$6,149,140)	(\$117,659)	(\$6,266,799)	(\$2,774,697)	(\$3,094,627)	(\$32,023)	(\$365,448)

[1] Form W-1, tem 10, Supplemental Schedules.
 [2] Column (c) minus Column (a), unless otherwise footnoted.
 [3] Column (a) plus Column (b), unless otherwise footnoted.
 [4] Total unamortized balance per Public Staff multiplied by federal income tax rate of 21%.
 [5] Calculated ADIT impact based on Post TY Additions.
 [6] Total unamortized balance per Public Staff multiplied by state income tax rate of 2.5%.
 [7] Column (c) allocated based on customers, unless otherwise footnoted.
 [8] Column (c) allocated based on unamortized rate case expense.
 [9] Column (c) allocated based on unamortized deferred maintenance.
 [10] Column (c) allocated based on Post TY Additions.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO GAIN ON SALE
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-6
Settlement

<u>Line No.</u>	<u>Item</u>	<u>CWSNC Water (a)</u>	<u>CWSNC Sewer (b)</u>
1	Gain on sale per updates	<u>(\$196,947)</u>	<u>(\$92,681)</u>
2	Gain on sale of systems sold to CMUD	<u>(152,858) [1]</u>	<u>(77,871) [1]</u>
3	Less: accumulated amortization	<u>152,858 [2]</u>	<u>77,871 [2]</u>
4	Gain on sale of systems, net of amortization (L2 + L3)	<u>0</u>	<u>0</u>
5	Gain on sale and flow back of taxes	<u>(196,947) [1]</u>	<u>(92,681) [1]</u>
6	Gain on sale per Public Staff (L4 + L5)	<u>(196,947)</u>	<u>(92,681)</u>
7	Adjustment to gain on sale (L6 - L1)	<u>\$0</u>	<u>\$0</u>
8	Gain on sale amortization expense per application	\$0 [1]	\$0 [1]
9	Gain on sale amortization expense per Public Staff	0 [3]	0 [3]
10	Adjustment to gain on sale amortization expense (L9 - L8)	<u>\$0</u>	<u>\$0</u>

[1] Per examination of Company's financial records.

[2] Gain on sale of systems sold to CMUD fully amortized by March 31, 2022.

[3] Calculated \$0 amortization expense due to fully amortized gain on sale of systems sold to CMUD.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PURCHASE ACQUISITION

ADJUSTMENT, NET OF AMORTIZATION

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 2-7

Page 1 of 2

Settlement

Line No.	Item	CWSNC Water Operations			CWSNC Sewer Operations		
		PAA	Accumulated Amortization	PAA, Net of Amortization [2]	PAA	Accumulated Amortization	PAA, Net of Amortization [3]
		(a)	(b)	(c)	(d)	(e)	(f)
1	PAA and accumulated amortization per application	<u>(\$4,221,508)</u>	<u>\$2,436,986</u>	<u>(\$1,784,522)</u>	<u>(\$627,070)</u>	<u>\$1,023,488</u>	<u>\$396,418</u>
2	Adjustment to include company updates 9.19.2022	<u>(\$1) [1]</u>	<u>\$0</u>	<u>(\$1)</u>	<u>\$0</u>	<u>(\$0)</u>	<u>(\$0)</u>
3	PAA and accumulated amortization after adjusted for company updates (L1 + L2)	<u>(\$4,221,509)</u>	<u>\$2,436,986</u>	<u>(\$1,784,523)</u>	<u>(\$627,070)</u>	<u>\$1,023,488</u>	<u>\$396,418</u>
4	Adjustment to include actual general ledger additions through 8/31/2022	<u>0</u>	<u>42,851 [1]</u>	<u>42,851</u>	<u>0</u>	<u>14,942 [1]</u>	<u>14,942</u>
5	Adjustment to reflect annual level of amortization	<u>0</u>	<u>18,737 [1]</u>	<u>18,737</u>	<u>0</u>	<u>(18,240) [1]</u>	<u>(18,240)</u>
6	Total adjustment to PAA (L4 + L5)	<u>0</u>	<u>61,588</u>	<u>61,588</u>	<u>0</u>	<u>(3,298)</u>	<u>(3,298)</u>
7	PAA per Public Staff (L3 + L6)	<u>(\$4,221,509)</u>	<u>\$2,498,574</u>	<u>(\$1,722,935)</u>	<u>(\$627,070)</u>	<u>\$1,020,190</u>	<u>\$393,121</u>

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Column (d) plus Column (e).

[4] Column (g) plus Column (h).

[5] Column (j) plus Column (k).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PURCHASE ACQUISITION

ADJUSTMENT, NET OF AMORTIZATION

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 2-7

Page 2 of 2

Settlement

Line No.	Item	BF/FH/TC Water Operations			BF/FH Sewer Operations		
		PAA (g)	Accumulated Amortization (h)	PAA, Net of Amortization [4] (i)	PAA (j)	Accumulated Amortization (k)	PAA, Net of Amortization [5] (l)
1	PAA and accumulated amortization per application	<u>\$607,431</u>	<u>(\$629,079)</u>	<u>(\$21,648)</u>	<u>\$1,680,077</u>	<u>(\$828,094)</u>	<u>\$851,982</u>
2	Adjustment to include company updates 9.19.2022	\$1	\$0	1	\$0	\$0	0
3	PAA and accumulated amortization after adjusted for company updates (L1 + L2)	<u>\$607,432</u>	<u>(\$629,079)</u>	<u>(\$21,646)</u>	<u>\$1,680,077</u>	<u>(\$828,094)</u>	<u>\$851,982</u>
4	Adjustment to include actual general ledger additions through 8/31/2022	0	(4,864) [1]	(4,864)	0	(12,596) [1]	(12,596)
5	Adjustment to reflect annual level of amortization	<u>0</u>	<u>(2,783)</u> [1]	<u>(2,783)</u>	<u>0</u>	<u>(15,637)</u> [1]	<u>(15,637)</u>
6	Total adjustment to PAA (L4 + L5)	<u>0</u>	<u>(7,647)</u>	<u>(7,647)</u>	<u>0</u>	<u>(28,233)</u>	<u>(28,233)</u>
7	PAA per Public Staff (L3 + L6)	<u>\$607,432</u>	<u>(\$636,726)</u>	<u>(\$29,293)</u>	<u>\$1,680,077</u>	<u>(\$856,327)</u>	<u>\$823,750</u>

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Column (d) plus Column (e).

[4] Column (g) plus Column (h).

[5] Column (j) plus Column (k).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF DEFERRED CHARGES

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 2-8

Settlement

<u>Line No.</u>	<u>Item</u>	<u>CWSNC Water</u> (a)	<u>CWSNC Sewer</u> (b)	<u>BF/FH/TC Water</u> (c)	<u>BF/FH Sewer</u> (d)
1	Unamortized deferred maintenance - water	\$988,322 [1]	\$0	\$116,582 [3]	\$0
2	Unamortized deferred maintenance - sewer	0	891,194 [2]	0	78,925 [4]
3	Unamortized deferred charges per Public Staff (L1 + L2)	<u>\$988,322</u>	<u>\$891,194</u>	<u>\$116,582</u>	<u>\$78,925</u>

[1] Brown and Feasel Exhibit I, Schedule 2-8(a), Column (f), Line 5.

[2] Brown and Feasel Exhibit I, Schedule 2-8(a), Column (f), Line 7 plus Line 8.

[3] Brown and Feasel Exhibit I, Schedule 2-8(a), Column (f), Line 14.

[4] Brown and Feasel Exhibit I, Schedule 2-8(a), Column (f), Line 17.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF DEFERRED MAINTENANCE
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 2-8(a)
Settlement

Line No.	Item	Total Cost Per Public Staff [1]	Amortization Period In Years [1]	Date Amortization Began [1]	Annual Amortization [2]	Accumulated Amortization [3]	Unamortized Balance [4]
		(a)	(b)	(c)	(d)	(e)	(f)
<u>Deferred maintenance - CWSNC Uniform Water</u>							
1	Deferred elevated storage tank painting	\$781,597	10	Various	\$78,160	\$677,588	\$104,009
2	Deferred hydro storage tank painting	586,086	5	Various	117,217	515,660	70,426
3	Deferred hydro storage tank inspection	981,963	5	Various	196,393	803,856	178,107
4	Fusion Oracle ERP	915,162	9	Various	102,635	279,382	635,780
5	Total deferred maintenance - water (Sum of L1 thru L4)	<u>3,264,808</u>			<u>494,405</u>	<u>2,276,486</u>	<u>988,322</u>
<u>Deferred maintenance - CWSNC Uniform Sewer</u>							
6	Belvedere pump and haul	3,424,839	10	Various	342,484	3,259,312	165,527
7	WWTP	1,065,076	5	Various	213,015	551,467	513,609
8	Fusion Oracle ERP	543,508	9	Various	60,390	165,923	377,585
9	Total deferred maintenance - sewer (L6 + L7 + L8)	<u>5,033,423</u>			<u>615,889</u>	<u>3,976,702</u>	<u>1,056,721</u>
<u>Deferred maintenance - BF/FH/TC Water</u>							
10	Deferred elevated storage tank painting	66,028	10	Various	6,603	37,416	28,612
11	Deferred hydro storage tank painting	36,500	5	Various	7,300	36,500	0
12	Deferred hydro storage tank inspection	62,089	5	Various	12,418	51,306	10,783
13	Fusion Oracle ERP	111,106	9	Various	12,345	33,919	77,188
14	Total deferred maintenance - water (Sum of L10 thru L13)	<u>275,723</u>			<u>38,666</u>	<u>159,141</u>	<u>116,582</u>
<u>Deferred maintenance - BF/FH Sewer</u>							
15	WWTP	110,492	5	Various	22,098	110,492	0
16	Fusion Oracle ERP	113,608	9	Various	12,623	34,682	78,925
17	Total deferred maintenance - sewer (L15 + L16)	<u>224,099</u>			<u>34,721</u>	<u>145,174</u>	<u>78,925</u>
18	Total deferred maintenance (L5 + L9 +L14 +L17)	<u>\$8,798,053</u>			<u>\$1,183,681</u>	<u>\$6,557,503</u>	<u>\$2,240,551</u>

[1] Per examination of Company's financial records.
[2] Column (a) divided by Column (b).
[3] Total monthly amortization through March 31, 2023.
[4] Column (a) minus Column (e).

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
NET OPERATING INCOME FOR A RETURN
 For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
 Schedule 3(a)
 Page 1 of 2
 Settlement

CWSNC WATER OPERATIONS

Line No.	Item	Present Rates		Company Proposed Rates			Public Staff Recommended Rates		
		Amount Per Updates	Public Staff Adjustments [1]	Amount Per Public Staff [2]	Net Company Increase [26]	Operations After Rate Increase [27]	Net Public Staff Increase [33]	Operations After Rate Increase [34]	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	
Operating Revenues									
1	Service revenues	\$22,816,174	(\$516,339)	\$22,299,835 [3]	\$1,631,125	\$23,930,960 [3]	\$780,467	\$23,080,302 [35]	
2	Miscellaneous revenues	90,390	81,621	172,011 [4]	4,627	176,638 [28]	2,214	174,225 [36]	
3	Uncollectible accounts	(222,895)	55,646	(167,249) [5]	(12,233)	(179,482) [29]	(5,853)	(173,102) [37]	
4	Total operating revenues (Sum of L1 thru L3)	22,683,669	(379,072)	22,304,597	1,623,519	23,928,116	776,828	23,081,425	
Maintenance Expenses									
5	Salaries and wages	0	0	0	0	0	0	0	
6	Purchased power	1,073,063	(1,966)	1,071,097 [6]	0	1,071,097	0	1,071,097	
7	Purchased water	1,665,457	0	1,665,457	0	1,665,457	0	1,665,457	
8	Maintenance and repair	1,201,678	(6,052)	1,195,626 [7]	0	1,195,626	0	1,195,626	
9	Maintenance testing	195,388	0	195,388	0	195,388	0	195,388	
10	Meter reading	229,336	(6,724)	222,612 [8]	0	222,612	0	222,612	
11	Chemicals	395,379	(58,754)	336,625 [9]	0	336,625	0	336,625	
12	Transportation	280,606	6,486	287,092 [10]	0	287,092	0	287,092	
13	Operating expenses charged to plant	(450,858)	(4,287)	(455,145) [11]	0	(455,145)	0	(455,145)	
14	Outside services - other	124,388	(11,230)	113,158 [12]	0	113,158	0	113,158	
15	Total maintenance expenses (Sum of L5 thru L14)	4,714,437	(82,528)	4,631,909	0	4,631,909	0	4,631,909	
General Expenses									
16	Salaries and wages	3,949,931	(77,887)	3,872,044 [13]	0	3,872,044	0	3,872,044	
17	Office supplies and other office expense	319,242	0	319,242	0	319,242	0	319,242	
18	Regulatory commission expense	400,430	(143,223)	257,207 [14]	0	257,207	0	257,207	
19	Pension and other benefits	976,152	(39,702)	936,450 [15]	0	936,450	0	936,450	
20	Rent	211,794	0	211,794	0	211,794	0	211,794	
21	Insurance	714,402	90,767	805,169 [16]	0	805,169	0	805,169	
22	Office utilities	180,673	0	180,673	0	180,673	0	180,673	
23	Miscellaneous	2,969,417	(181,190)	2,788,227 [17]	0	2,788,227	0	2,788,227	
24	Total general expenses (Sum of L16 thru L23)	9,722,041	(351,235)	9,370,806	0	9,370,806	0	9,370,806	
Depreciation and Taxes									
25	Depreciation expense	4,035,064	(453,577)	3,581,487 [18]	0	3,581,487	0	3,581,487	
26	Amortization of CIAC	(733,560)	0	(733,560) [19]	0	(733,560)	0	(733,560)	
27	Amortization of PAA	(117,358)	(4,221)	(121,579) [20]	0	(121,579)	0	(121,579)	
28	Amortization of ITC	(265)	0	(265)	0	(265)	0	(265)	
29	Franchise and other taxes	56,485	0	56,485	0	56,485	0	56,485	
30	Property taxes	135,969	0	135,969	0	135,969	0	135,969	
31	Payroll taxes	304,405	(6,480)	297,925 [21]	0	297,925	0	297,925	
32	Regulatory fee	32,392	(1,166)	31,226 [22]	2,273	33,499 [30]	1,088	32,314 [38]	
33	Deferred Income Tax	0	(64,882)	(64,882) [23]	0	(64,882)	0	(64,882)	
34	State income tax	122,738	(37,589)	85,149 [24]	40,531	125,680 [31]	19,393	104,542 [39]	
35	Federal income tax	1,005,225	(307,857)	697,368 [25]	331,950	1,029,318 [32]	158,833	856,201 [40]	
36	Total depreciation and taxes (Sum of L25 thru L35)	4,841,095	(875,772)	3,965,323	374,754	4,340,077	179,314	4,144,637	
37	Total operating revenue deductions (L15 + L24 + L36)	19,277,573	(1,309,534)	17,968,039	374,754	18,342,793	179,314	18,147,353	
38	Net operating income for a return (L4 - L37)	\$3,406,096	\$930,461	\$4,336,557	\$1,248,765	\$5,585,322	\$597,514	\$4,934,071	

CAROLINA WATER SERVICE, INC., OF NC
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CWSNC SEWER OPERATIONS

Line No.	Item	Present Rates		Company Proposed Rates		Public Staff Recommended Rates		
		Amount Per Updates	Public Staff Adjustments [1]	Amount Per Public Staff [2]	Net Company Increase [25]	Operations After Rate Increase [26]	Net Public Staff Increase [32]	Operations After Rate Increase [33]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
Operating Revenues								
1	Service revenues	\$17,559,952	(\$87,187)	\$17,472,765 [3]	\$1,769,711	\$19,242,476 [3]	\$1,104,629	\$18,577,394 [34]
2	Miscellaneous revenues	73,544	57,775	131,319 [4]	4,742	136,061 [27]	2,960	134,279 [35]
3	Uncollectible accounts	(171,546)	40,500	(131,046) [5]	(13,273)	(144,319) [28]	(8,284)	(139,330) [36]
4	Total operating revenues (Sum of L1 thru L3)	17,461,950	11,088	17,473,038	1,761,180	19,234,218	1,099,305	18,572,343
Maintenance Expenses								
5	Salaries and wages	0	0	0	0	0	0	0
6	Purchased power	838,500	(13,484)	825,016 [6]	0	825,016	0	825,016
7	Purchased sewer	1,048,540	0	1,048,540	0	1,048,540	0	1,048,540
8	Maintenance and repair	1,662,107	143,662	1,805,769 [7]	0	1,805,769	0	1,805,769
9	Maintenance testing	305,558	0	305,558	0	305,558	0	305,558
10	Meter reading	3,024	0	3,024	0	3,024	0	3,024
11	Chemicals	587,472	13,756	601,228 [8]	0	601,228	0	601,228
12	Transportation	167,411	3,869	171,280 [9]	0	171,280	0	171,280
13	Operating expenses charged to plant	(268,985)	(2,558)	(271,543) [10]	0	(271,543)	0	(271,543)
14	Outside services - other	74,211	(6,701)	67,510 [11]	0	67,510	0	67,510
15	Total maintenance expenses (Sum of L5 thru L14)	4,417,838	138,545	4,556,383	0	4,556,383	0	4,556,383
General Expenses								
16	Salaries and wages	2,356,552	(46,468)	2,310,084 [12]	0	2,310,084	0	2,310,084
17	Office supplies and other office expense	190,462	0	190,462	0	190,462	0	190,462
18	Regulatory commission expense	238,899	(85,446)	153,453 [13]	0	153,453	0	153,453
19	Pension and other benefits	582,378	(23,686)	558,692 [14]	0	558,692	0	558,692
20	Rent	126,358	0	126,358	0	126,358	0	126,358
21	Insurance	426,217	54,151	480,368 [15]	0	480,368	0	480,368
22	Office utilities	106,857	0	106,857	0	106,857	0	106,857
23	Miscellaneous	1,711,160	(27,805)	1,683,355 [16]	0	1,683,355	0	1,683,355
24	Total general expenses (Sum of L16 thru L23)	5,738,883	(129,254)	5,609,629	0	5,609,629	0	5,609,629
Depreciation and Taxes								
25	Depreciation expense	3,456,269	(277,350)	3,178,919 [17]	0	3,178,919	0	3,178,919
26	Amortization of CIAC	(625,462)	(0)	(625,462) [18]	0	(625,462)	0	(625,462)
27	Amortization of PAA	(17,433)	(188)	(17,621) [19]	0	(17,621)	0	(17,621)
28	Amortization of ITC	0	0	(254) [20]	0	(254)	0	(254)
29	Franchise and other taxes	48,173	0	48,173	0	48,173	0	48,173
30	Property taxes	105,629	0	105,629	0	105,629	0	105,629
31	Payroll taxes	181,610	(3,866)	177,744 [20]	0	177,744	0	177,744
32	Regulatory fee	25,609	(1,147)	24,462 [21]	2,466	26,928 [29]	1,539	26,001 [37]
33	Deferred Income Tax	0	(38,709)	(38,709) [22]	0	(38,709)	0	(38,709)
34	State income tax	115,456	(43,833)	71,623 [23]	43,968	115,591 [30]	27,445	99,068 [38]
35	Federal income tax	945,582	(358,987)	586,595 [24]	360,097	946,692 [31]	224,768	811,363 [39]
36	Total depreciation and taxes (Sum of L25 thru L35)	4,235,179	(724,080)	3,511,099	406,531	3,917,630	253,752	3,764,851
37	Total operating revenue deductions (L15 + L24 + L36)	14,391,900	(714,789)	13,677,111	406,531	14,083,642	253,752	13,930,863
38	Net operating income for a return (L4 - L37)	\$3,070,050	\$725,878	\$3,795,928	\$1,354,649	\$5,150,577	\$845,553	\$4,641,481

CAROLINA WATER SERVICE, INC., OF NC
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BF/FH/TC WATER OPERATIONS

Line No.	Present Rates				Company Proposed Rates		Public Staff Recommended Rates	
	Amount Per Updates	Public Staff Adjustments [1]	Amount Per Public Staff [2]	Net Company Increase [23]	Operations After Rate Increase [24]	Net Public Staff Increase [30]	Operations After Rate Increase [31]	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
Operating Revenues								
1	Service revenues	\$1,881,112	(\$1,668)	\$1,879,444 [3]	\$236,594	\$2,116,038 [3]	\$131,036	\$2,010,480 [32]
2	Miscellaneous revenues	7,861	6,471	14,332 [4]	666	14,998 [25]	369	14,701 [33]
3	Uncollectible accounts	(29,540)	3,604	(25,936) [5]	(3,265)	(29,201) [26]	(1,809)	(27,745) [34]
4	Total operating revenues (Sum of L1 thru L3)	1,859,433	8,407	1,867,840	233,995	2,101,835	129,596	1,997,436
Maintenance Expenses								
5	Salaries and wages	0	0	0	0	0	0	0
6	Purchased power	70,432	0	70,432	0	70,432	0	70,432
7	Purchased water	609	0	609	0	609	0	609
8	Maintenance and repair	195,200	12,756	207,956 [6]	0	207,956	0	207,956
9	Maintenance testing	10,196	0	10,196	0	10,196	0	10,196
10	Meter reading	47,602	0	47,602	0	47,602	0	47,602
11	Chemicals	86,232	(32)	86,200 [7]	0	86,200	0	86,200
12	Transportation	38,572	(2,405)	36,167 [8]	0	36,167	0	36,167
13	Operating expenses charged to plant	(65,538)	(515)	(66,053) [9]	0	(66,053)	0	(66,053)
14	Outside services - other	24,735	0	24,735	0	24,735	0	24,735
15	Total maintenance expenses (Sum of L5 thru L14)	408,040	9,804	417,844	0	417,844	0	417,844
General Expenses								
16	Salaries and wages	474,573	(9,357)	465,216 [10]	0	465,216	0	465,216
17	Office supplies and other office expense	36,081	0	36,081	0	36,081	0	36,081
18	Regulatory commission expense	49,468	(17,204)	32,264 [11]	0	32,264	0	32,264
19	Pension and other benefits	117,282	(4,770)	112,512 [12]	0	112,512	0	112,512
20	Rent	25,446	0	25,446	0	25,446	0	25,446
21	Insurance	85,834	10,904	96,738 [13]	0	96,738	0	96,738
22	Office utilities	17,363	0	17,363	0	17,363	0	17,363
23	Miscellaneous	318,995	8,315	327,310 [14]	0	327,310	0	327,310
24	Total general expenses (Sum of L16 thru L23)	1,125,042	(12,112)	1,112,930	0	1,112,930	0	1,112,930
Depreciation and Taxes								
25	Depreciation expense	205,217	(28,609)	176,608 [15]	0	176,608	0	176,608
26	Amortization of CIAC	(57,707)	0	(57,707) [16]	0	(57,707)	0	(57,707)
27	Amortization of PAA	15,854	(1,397)	14,457 [17]	0	14,457	0	14,457
28	Amortization of ITC	0	0	0	0	0	0	0
29	Franchise and other taxes	(1,321)	0	(1,321)	0	(1,321)	0	(1,321)
30	Property taxes	7,746	0	7,746	0	7,746	0	7,746
31	Payroll taxes	36,573	(778)	35,795 [18]	0	35,795	0	35,795
32	Regulatory fee	2,710	(95)	2,615 [19]	328	2,943 [27]	181	2,796 [35]
33	Deferred Income Tax	0	(8,585)	(8,585) [20]	0	(8,585)	0	(8,585)
34	State income tax	6,187	(4,301)	1,886 [21]	5,841	7,727 [28]	3,235	5,121 [36]
35	Federal income tax	50,669	(35,226)	15,443 [22]	47,843	63,286 [29]	26,498	41,941 [37]
36	Total depreciation and taxes (Sum of L25 thru L35)	265,928	(78,991)	186,937	54,012	240,949	29,914	216,851
37	Total operating revenue deductions (L15 + L24 + L36)	1,799,010	(81,299)	1,717,711	54,012	1,771,723	29,914	1,747,625
38	Net operating income for a return (L4 - L37)	\$60,423	\$89,706	\$150,129	\$179,983	\$330,112	\$99,682	\$249,811

CAROLINA WATER SERVICE, INC., OF NC
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NET OPERATING INCOME FOR A RETURN
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BF/FH SEWER OPERATIONS

Line No.	Item	Present Rates		Company Proposed Rates		Public Staff Recommended Rates		
		Amount Per Updates	Public Staff Adjustments [1]	Amount Per Public Staff [2]	Net Company Increase [21]	Operations After Rate Increase [22]	Net Public Staff Increase [28]	Operations After Rate Increase [29]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
Operating Revenues								
1	Service revenues	\$2,633,654	\$9,864	\$2,643,518 [3]	\$398,799	\$3,042,317 [3]	\$149,164	\$2,792,682 [30]
2	Miscellaneous revenues	12,471	8,304	20,775 [4]	1,070	21,845 [23]	400	21,175 [31]
3	Uncollectible accounts	(41,357)	4,876	(36,481) [5]	(5,503)	(41,984) [24]	(2,058)	(38,539) [32]
4	Total operating revenues (Sum of L1 thru L3)	2,604,768	23,044	2,627,812	394,366	3,022,178	147,506	2,775,318
Maintenance Expenses								
5	Salaries and wages	0	0	0	0	0	0	0
6	Purchased power	149,604	0	149,604	0	149,604	0	149,604
7	Purchased sewer	0	0	0	0	0	0	0
8	Maintenance and repair	236,104	(29,050)	207,054 [6]	0	207,054	0	207,054
9	Maintenance testing	24,179	0	24,179	0	24,179	0	24,179
10	Meter reading	1,041	0	1,041	0	1,041	0	1,041
11	Chemicals	67,536	(4,833)	62,704	0	62,704	0	62,704
12	Transportation	39,483	(2,461)	37,022	0	37,022	0	37,022
13	Operating expenses charged to plant	(67,085)	(527)	(67,612) [7]	0	(67,612)	0	(67,612)
14	Outside services - other	25,319	0	25,319	0	25,319	0	25,319
15	Total maintenance expenses (Sum of L5 thru L14)	476,181	(36,870)	439,311	0	439,311	0	439,311
General Expenses								
16	Salaries and wages	485,774	(9,579)	476,195 [8]	0	476,195	0	476,195
17	Office supplies and other office expense	36,933	0	36,933	0	36,933	0	36,933
18	Regulatory commission expense	50,635	(17,613)	33,022 [9]	0	33,022	0	33,022
19	Pension and other benefits	120,050	(4,883)	115,167 [10]	0	115,167	0	115,167
20	Rent	26,047	0	26,047	0	26,047	0	26,047
21	Insurance	87,859	11,162	99,021 [11]	0	99,021	0	99,021
22	Office utilities	17,772	0	17,772	0	17,772	0	17,772
23	Miscellaneous	326,492	8,509	335,001 [12]	0	335,001	0	335,001
24	Total general expenses (Sum of L16 thru L23)	1,151,562	(12,404)	1,139,158	0	1,139,158	0	1,139,158
Depreciation and Taxes								
25	Depreciation expense	479,039	(29,017)	450,022 [13]	0	450,022	0	450,022
26	Amortization of CIAC	(150,635)	(0)	(150,635) [14]	0	(150,635)	0	(150,635)
27	Amortization of PAA	43,850	2,016	45,866 [15]	0	45,866	0	45,866
28	Amortization of ITC	0	0	0	0	0	0	0
29	Franchise and other taxes	(1,352)	0	(1,352)	0	(1,352)	0	(1,352)
30	Property taxes	9,754	0	9,754	0	9,754	0	9,754
31	Payroll taxes	37,437	(797)	36,640 [16]	0	36,640	0	36,640
32	Regulatory fee	3,851	(172)	3,679 [17]	552	4,231 [25]	206	3,885 [33]
33	Deferred Income Tax	0	(8,786)	(8,786) [18]	0	(8,786)	0	(8,786)
34	State income tax	16,654	(5,942)	10,712 [19]	9,846	20,558 [26]	3,683	14,395 [34]
35	Federal income tax	136,397	(48,663)	87,734 [20]	80,633	168,367 [27]	30,159	117,893 [35]
36	Total depreciation and taxes (Sum of L25 thru L35)	574,995	(91,361)	483,634	91,031	574,665	34,048	517,682
37	Total operating revenue deductions (L15 + L24 + L36)	2,202,738	(140,635)	2,062,103	91,031	2,153,134	34,048	2,096,151
38	Net operating income for a return (L4 - L37)	\$402,030	\$163,679	\$565,709	\$303,335	\$869,044	\$113,458	\$679,167

CAROLINA WATER SERVICE, INC., OF NC

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FOOTNOTES TO SCHEDULE 3(a)
For The Test Year Ended March 31, 2022

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- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Brown and Feasel Exhibit I, Schedule 3-1(a), Column (c), Line 4.
- [5] Brown and Feasel Exhibit I, Schedule 3-2, Column (a), Line 6.
- [6] Brown and Feasel Exhibit I, Schedule 3-4, Column (a), Line 5.
- [7] Brown and Feasel Exhibit I, Schedule 3-5, Column (a), Line 7.
- [8] Brown and Feasel Exhibit I, Schedule 3-6, Column (a), Line 6.
- [9] Based on review of the Company's data.
- [10] Brown and Feasel Exhibit I, Schedule 3-7, Column (a), Line 7.
- [11] Brown and Feasel Exhibit I, Schedule 3-8, Column (a), Line 6.
- [12] Brown and Feasel Exhibit I, Schedule 3-9, Column (a), Line 8.
- [13] Brown and Feasel Exhibit I, Schedule 3-3, Column (a), Line 5.
- [14] Brown and Feasel Exhibit I, Schedule 3-10, Column (d), Line 11.
- [15] Brown and Feasel Exhibit I, Schedule 3-11, Column (a), Line 5.
- [16] Brown and Feasel Exhibit I, Schedule 3-12, Column (a), Line 10.
- [17] Brown and Feasel Exhibit I, Schedule 3-13, Column (a), Line 8.
- [18] Brown and Feasel Exhibit I, Schedule 3-14, Column (a), Line 5.
- [19] Calculated based on the company's data.
- [20] Brown and Feasel Exhibit I, Schedule 3-14, Column (a), Line 13.
- [21] Brown and Feasel Exhibit I, Schedule 3-16, Column (a), Line 5.
- [22] Line 4 Column (c) multiplied by 0.14%.
- [23] Calculated based on the Public Staff's workpaper.
- [24] Brown and Feasel Exhibit I, Schedule 3-17(a), Column (a), Line 16.
- [25] Brown and Feasel Exhibit I, Schedule 3-17(a), Column (a), Line 18.
- [26] Column (e) minus Column (c), unless otherwise footnoted.
- [27] Column (c) plus Column (d), unless otherwise footnoted.
- [28] Brown and Feasel Exhibit I, Schedule 3-1(a), Column (c), Line 8.
- [29] Brown and Feasel Exhibit I, Schedule 3-2, Column (a), Line 9.
- [30] Line 4 Column (e) multiplied by 0.14%.
- [31] Brown and Feasel Exhibit I, Schedule 3-17(a), Column (b), Line 16.
- [32] Brown and Feasel Exhibit I, Schedule 3-17(a), Column (b), Line 18.
- [33] Column (g) minus Column (c), unless otherwise footnoted.
- [34] Column (c) plus Column (f), unless otherwise footnoted.
- [35] Revenue requirement as calculated by the Public Staff.
- [36] Brown and Feasel Exhibit I, Schedule 3-1(a), Column (c), Line 12.
- [37] Brown and Feasel Exhibit I, Schedule 3-2, Column (a), Line 12.
- [38] Line 4 Column (g) multiplied by 0.14%.
- [39] Brown and Feasel Exhibit I, Schedule 3-17(a), Column (c), Line 16.
- [40] Brown and Feasel Exhibit I, Schedule 3-17(a), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC

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**FOOTNOTES TO SCHEDULE 3(b)
For The Test Year Ended March 31, 2022**

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- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Brown and Feasel Exhibit I, Schedule 3-1(b), Column (c), Line 4.
- [5] Brown and Feasel Exhibit I, Schedule 3-2, Column (b), Line 6.
- [6] Brown and Feasel Exhibit I, Schedule 3-4, Column (b), Line 5.
- [7] Brown and Feasel Exhibit I, Schedule 3-6, Column (b), Line 7.
- [8] Based on review of the Company's data.
- [9] Brown and Feasel Exhibit I, Schedule 3-7, Column (b), Line 7.
- [10] Brown and Feasel Exhibit I, Schedule 3-8, Column (b), Line 6.
- [11] Brown and Feasel Exhibit I, Schedule 3-9, Column (b), Line 8.
- [12] Brown and Feasel Exhibit I, Schedule 3-3, Column (b), Line 5.
- [13] Brown and Feasel Exhibit I, Schedule 3-10, Column (e), Line 11.
- [14] Brown and Feasel Exhibit I, Schedule 3-11, Column (b), Line 5.
- [15] Brown and Feasel Exhibit I, Schedule 3-12, Column (b), Line 10.
- [16] Brown and Feasel Exhibit I, Schedule 3-13, Column (b), Line 8.
- [17] Brown and Feasel Exhibit I, Schedule 3-14, Column (b), Line 5.
- [18] Calculated based on the company's data.
- [19] Brown and Feasel Exhibit I, Schedule 3-14, Column (b), Line 13.
- [20] Brown and Feasel Exhibit I, Schedule 3-16, Column (b), Line 5.
- [21] Line 4 Column (c) multiplied by 0.14%.
- [22] Calculated based on the Public Staff's workpaper.
- [23] Brown and Feasel Exhibit I, Schedule 3-17(b), Column (a), Line 16.
- [24] Brown and Feasel Exhibit I, Schedule 3-17(b), Column (a), Line 18.
- [25] Column (e) minus Column (c), unless otherwise footnoted.
- [26] Column (c) plus Column (d), unless otherwise footnoted.
- [27] Brown and Feasel Exhibit I, Schedule 3-1(b), Column (c), Line 8.
- [28] Brown and Feasel Exhibit I, Schedule 3-2, Column (b), Line 9.
- [29] Line 4 Column (e) multiplied by 0.14%.
- [30] Brown and Feasel Exhibit I, Schedule 3-17(b), Column (b), Line 16.
- [31] Brown and Feasel Exhibit I, Schedule 3-17(b), Column (b), Line 18.
- [32] Column (g) minus Column (c), unless otherwise footnoted.
- [33] Column (c) plus Column (f), unless otherwise footnoted.
- [34] Revenue requirement as calculated by the Public Staff.
- [35] Brown and Feasel Exhibit I, Schedule 3-1(b), Column (c), Line 12.
- [36] Brown and Feasel Exhibit I, Schedule 3-2, Column (b), Line 12.
- [37] Line 4 Column (g) multiplied by 0.14%.
- [38] Brown and Feasel Exhibit I, Schedule 3-17(b), Column (c), Line 16.
- [39] Brown and Feasel Exhibit I, Schedule 3-17(b), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400
FOOTNOTES TO SCHEDULE 3(c)
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit
Schedule 3(c)
Page 2 of 2

BF/FH/TC WATER OPERATIONS

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Brown and Feasel Exhibit I, Schedule 3-1(c), Column (c), Line 4.
- [5] Brown and Feasel Exhibit I, Schedule 3-2, Column (c), Line 6.
- [6] Brown and Feasel Exhibit I, Schedule 3-5, Column (c), Line 7.
- [7] Based on review of the Company's data.
- [8] Brown and Feasel Exhibit I, Schedule 3-7, Column (c), Line 7.
- [9] Brown and Feasel Exhibit I, Schedule 3-8, Column (c), Line 6.
- [10] Brown and Feasel Exhibit I, Schedule 3-3, Column (c), Line 5.
- [11] Brown and Feasel Exhibit I, Schedule 3-10, Column (f), Line 11.
- [12] Brown and Feasel Exhibit I, Schedule 3-11, Column (c), Line 5.
- [13] Brown and Feasel Exhibit I, Schedule 3-12, Column (c), Line 10.
- [14] Brown and Feasel Exhibit I, Schedule 3-13, Column (c), Line 8.
- [15] Brown and Feasel Exhibit I, Schedule 3-14, Column (c), Line 5.
- [16] Calculated based on the company's data.
- [17] Brown and Feasel Exhibit I, Schedule 3-14, Column (c), Line 13.
- [18] Brown and Feasel Exhibit I, Schedule 3-16, Column (c), Line 5.
- [19] Line 4 Column (c) multiplied by 0.14%.
- [20] Calculated based on the Public Staff's workpaper.
- [21] Brown and Feasel Exhibit I, Schedule 3-17(c), Column (a), Line 16.
- [22] Brown and Feasel Exhibit I, Schedule 3-17(c), Column (a), Line 18.
- [23] Column (e) minus Column (c), unless otherwise footnoted.
- [24] Column (c) plus Column (d), unless otherwise footnoted.
- [25] Brown and Feasel Exhibit I, Schedule 3-1(c), Column (c), Line 8.
- [26] Brown and Feasel Exhibit I, Schedule 3-2, Column (c), Line 9.
- [27] Line 4 Column (e) multiplied by 0.14%.
- [28] Brown and Feasel Exhibit I, Schedule 3-17(c), Column (b), Line 16.
- [29] Brown and Feasel Exhibit I, Schedule 3-17(c), Column (b), Line 18.
- [30] Column (g) minus Column (c), unless otherwise footnoted.
- [31] Column (c) plus Column (f), unless otherwise footnoted.
- [32] Revenue requirement as calculated by the Public Staff.
- [33] Brown and Feasel Exhibit I, Schedule 3-1(c), Column (c), Line 12.
- [34] Brown and Feasel Exhibit I, Schedule 3-2, Column (c), Line 12.
- [35] Line 4 Column (g) multiplied by 0.14%.
- [36] Brown and Feasel Exhibit I, Schedule 3-17(c), Column (c), Line 16.
- [37] Brown and Feasel Exhibit I, Schedule 3-17(c), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
FOOTNOTES TO SCHEDULE 3(d)
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit
Schedule 3(d)
Page 2 of 2

BF/FH SEWER OPERATIONS

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Brown and Feasel Exhibit I, Schedule 3-1(d), Column (c), Line 4.
- [5] Brown and Feasel Exhibit I, Schedule 3-2, Column (d), Line 6.

- [6] Brown and Feasel Exhibit I, Schedule 3-5, Column (d), Line 7.

- [7] Brown and Feasel Exhibit I, Schedule 3-9, Column (d), Line 6.
- [8] Brown and Feasel Exhibit I, Schedule 3-3, Column (d), Line 5.
- [9] Brown and Feasel Exhibit I, Schedule 3-10, Column (g), Line 11.
- [10] Brown and Feasel Exhibit I, Schedule 3-11, Column (d), Line 5.
- [11] Brown and Feasel Exhibit I, Schedule 3-12, Column (d), Line 10.
- [12] Brown and Feasel Exhibit I, Schedule 3-13, Column (d), Line 8.
- [13] Brown and Feasel Exhibit I, Schedule 3-14, Column (d), Line 5.
- [14] Calculated based on the company's data.
- [15] Brown and Feasel Exhibit I, Schedule 3-14, Column (d), Line 13.
- [16] Brown and Feasel Exhibit I, Schedule 3-16, Column (d), Line 5.
- [17] Line 4 Column (c) multiplied by 0.14%.
- [18] Calculated based on the Public Staff's workpaper.
- [19] Brown and Feasel Exhibit I, Schedule 3-17(d), Column (a), Line 16.
- [20] Brown and Feasel Exhibit I, Schedule 3-17(d), Column (a), Line 18.
- [21] Column (e) minus Column (c), unless otherwise footnoted.
- [22] Column (c) plus Column (d), unless otherwise footnoted.
- [23] Brown and Feasel Exhibit I, Schedule 3-1(d), Column (c), Line 8.
- [24] Brown and Feasel Exhibit I, Schedule 3-2, Column (d), Line 9.
- [25] Line 4 Column (e) multiplied by 0.14%.
- [26] Brown and Feasel Exhibit I, Schedule 3-17(d), Column (b), Line 16.
- [27] Brown and Feasel Exhibit I, Schedule 3-17(d), Column (b), Line 18.
- [28] Column (g) minus Column (c), unless otherwise footnoted.
- [29] Column (c) plus Column (f), unless otherwise footnoted.
- [30] Revenue requirement as calculated by the Public Staff.
- [31] Brown and Feasel Exhibit I, Schedule 3-1(d), Column (c), Line 12.
- [32] Brown and Feasel Exhibit I, Schedule 3-2, Column (d), Line 12.
- [33] Line 4 Column (g) multiplied by 0.14%.
- [34] Brown and Feasel Exhibit I, Schedule 3-17(d), Column (c), Line 16.
- [35] Brown and Feasel Exhibit I, Schedule 3-17(d), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS REVENUES
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-1(a)
Settlement

CWSNC WATER OPERATIONS

Line No.	Item	Amount Per Before Adjustment (a)	Public Staff Adjustments [3] (b)	Amount Per Public Staff [4] (c)
<u>Present Rates:</u>				
1	Forfeited discounts	\$0 [1]	\$63,248	\$63,248 [5]
2	Other water/sewer revenues	90,390 [1]	(0)	90,390 [6]
3	Sale of utility property	0 [1]	18,373	18,373 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	\$90,390	\$81,620	\$172,011
<u>Company Proposed Rates:</u>				
5	Forfeited discounts	\$63,248 [2]	\$4,627	\$67,875 [8]
6	Other water/sewer revenues	90,390 [2]	0	90,390
7	Sale of utility property	18,373 [2]	0	18,373
8	Total miscellaneous revenues (Sum of L5 thru L7)	\$172,011	\$4,627	\$176,638
<u>Public Staff Recommended Rates:</u>				
9	Forfeited discounts	\$63,248 [2]	\$2,214	\$65,462 [9]
10	Other water/sewer revenues	90,390 [2]	0	90,390
11	Sale of utility property	18,373 [2]	0	18,373
12	Total miscellaneous revenues (Sum of L9 thru L11)	\$172,011	\$2,214	\$174,225

- [1] Per examination of Company's financial records.
- [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
- [3] Column (c) minus Column (a), unless otherwise footnoted.
- [4] Column (a) plus Column (b), unless otherwise footnoted.
- [5] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (a), Line 6.
- [6] Update other revenues through August 2022 per Company's information.
- [7] Added missing other revenue per examination of Company's records
- [8] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (a), Line 9.
- [9] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (a), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS REVENUES
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-1(b)

CWSNC SEWER OPERATIONS

Line No.	Item	Amount Per Before Adjustment (a)	Public Staff Adjustments [3] (b)	Amount Per Public Staff [4] (c)
<u>Present Rates:</u>				
1	Forfeited discounts	\$0 [1]	\$46,814	\$46,814 [5]
2	Other water/sewer revenues	73,544 [1]	(0)	73,544 [6]
3	Sale of utility property	0 [1]	10,961	10,961 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	\$73,544	\$57,775	\$131,319
<u>Company Proposed Rates:</u>				
5	Forfeited discounts	\$46,814 [2]	\$4,742	\$51,556 [8]
6	Other water/sewer revenues	73,544 [2]	0	73,544
7	Sale of utility property	10,961 [2]	0	10,961
8	Total miscellaneous revenues (Sum of L5 thru L7)	\$131,319	\$4,742	\$136,061
<u>Public Staff Recommended Rates:</u>				
9	Forfeited discounts	\$46,814 [2]	\$2,960	\$49,774 [9]
10	Other water/sewer revenues	73,544 [2]	0	73,544
11	Sale of utility property	10,961 [2]	0	10,961
12	Total miscellaneous revenues (Sum of L9 thru L11)	\$131,319	\$2,960	\$134,279

- [1] Per examination of Company's financial records.
- [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
- [3] Column (c) minus Column (a), unless otherwise footnoted.
- [4] Column (a) plus Column (b), unless otherwise footnoted.
- [5] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (b), Line 6.
- [6] Update other revenues through August 2022 per Company's information.
- [7] Added missing other revenue per examination of Company's records
- [8] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (b), Line 9.
- [9] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (b), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS REVENUES
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-1(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Amount Per Before Adjustment (a)		Public Staff Adjustments [3] (b)		Amount Per Public Staff [4] (c)
<u>Present Rates:</u>						
1	Forfeited discounts	\$0 [1]		\$5,289		\$5,289 [5]
2	Other water/sewer revenues	7,861 [1]		0		7,861 [6]
3	Sale of utility property	0 [1]		1,182		1,182 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	<u>\$7,861</u>		<u>\$6,472</u>		<u>\$14,332</u>
<u>Company Proposed Rates:</u>						
5	Forfeited discounts	\$5,289 [2]		\$666		\$5,955 [8]
6	Other water/sewer revenues	7,861 [2]		0		7,861
7	Sale of utility property	1,182 [2]		0		1,182
8	Total miscellaneous revenues (Sum of L5 thru L7)	<u>\$14,332</u>		<u>\$666</u>		<u>\$14,998</u>
<u>Public Staff Recommended Rates:</u>						
9	Forfeited discounts	\$5,289 [2]		\$369		\$5,658 [9]
10	Other water/sewer revenues	7,861 [2]		0		7,861
11	Sale of utility property	1,182 [2]		0		1,182
12	Total miscellaneous revenues (Sum of L9 thru L11)	<u>\$14,332</u>		<u>\$369</u>		<u>\$14,701</u>

- [1] Per examination of Company's financial records.
- [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
- [3] Column (c) minus Column (a), unless otherwise footnoted.
- [4] Column (a) plus Column (b), unless otherwise footnoted.
- [5] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (c), Line 6.
- [6] Update other revenues through August 2022 per Company's information.
- [7] Added missing other revenue per examination of Company's records
- [8] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (c), Line 9.
- [9] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (c), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS REVENUES
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-1(d)

BF/FH SEWER OPERATIONS

Line No.	Item	Amount Per Before Adjustment (a)		Public Staff Adjustments [3] (b)		Amount Per Public Staff [4] (c)
<u>Present Rates:</u>						
1	Forfeited discounts	\$0 [1]		\$7,094		\$7,094 [5]
2	Other water/sewer revenues	12,471 [1]		(0)		12,471 [6]
3	Sale of utility property	0 [1]		1,210		1,210 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	<u>\$12,471</u>		<u>\$8,304</u>		<u>\$20,775</u>
<u>Company Proposed Rates:</u>						
5	Forfeited discounts	\$7,094 [2]		\$1,070		\$8,164 [8]
6	Other water/sewer revenues	12,471 [2]		0		12,471
7	Sale of utility property	1,210 [2]		0		1,210
8	Total miscellaneous revenues (Sum of L5 thru L7)	<u>\$20,775</u>		<u>\$1,070</u>		<u>\$21,845</u>
<u>Public Staff Recommended Rates:</u>						
9	Forfeited discounts	\$7,094 [2]		\$400		\$7,494 [9]
10	Other water/sewer revenues	12,471 [2]		0		12,471
11	Sale of utility property	1,210 [2]		0		1,210
12	Total miscellaneous revenues (Sum of L9 thru L11)	<u>\$20,775</u>		<u>\$400</u>		<u>\$21,175</u>

- [1] Per examination of Company's financial records.
[2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
[3] Column (c) minus Column (a), unless otherwise footnoted.
[4] Column (a) plus Column (b), unless otherwise footnoted.
[5] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (d), Line 6.
[6] Update other revenues through August 2022 per Company's information.
[7] Added missing other revenue per examination of Company's records
[8] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (d), Line 9.
[9] Brown and Feasel Exhibit I, Schedule 3-1(a)(1), Column (d), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF FORFEITED DISCOUNTS
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-1(a)(1)
Settlement

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
Test Year:					
1	Forfeited discount rate - 5 Yr Sum	1.42% [1]	1.34% [1]	1.41% [1]	1.34% [1]
2	Forfeited discounts - 5 YR	5 [1]	5 [1]	5 [1]	5 [1]
3	Forfeited discounts 5 Yr Average (Ln1 / Ln 2)	<u>0.28%</u>	<u>0.27%</u>	<u>0.28%</u>	<u>0.27%</u>
Present Rates:					
4	Service revenues	\$22,299,835 [2]	\$17,472,765 [5]	\$1,879,444 [8]	\$2,643,518 [11]
5	Forfeited discounts percentage (L3)	<u>0.28%</u>	<u>0.27%</u>	<u>0.28%</u>	<u>0.27%</u>
6	Forfeited discounts (L4 x L5)	<u>\$63,248</u>	<u>\$46,814</u>	<u>\$5,289</u>	<u>\$7,094</u>
Company Proposed Rates:					
7	Service revenues	\$23,930,960 [3]	\$19,242,476 [6]	\$2,116,038 [9]	\$3,042,317 [12]
8	Forfeited discounts percentage (L3)	<u>0.28%</u>	<u>0.27%</u>	<u>0.28%</u>	<u>0.27%</u>
9	Forfeited discounts (L7 x L8)	<u>\$67,875</u>	<u>\$51,556</u>	<u>\$5,955</u>	<u>\$8,164</u>
Public Staff Recommended Rates:					
10	Service revenues	\$23,080,302 [4]	\$18,577,394 [7]	\$2,010,480 [10]	\$2,792,682 [13]
11	Forfeited discounts percentage (L3)	<u>0.28%</u>	<u>0.27%</u>	<u>0.28%</u>	<u>0.27%</u>
12	Forfeited discounts (L10 x L11)	<u>\$65,462</u>	<u>\$49,774</u>	<u>\$5,658</u>	<u>\$7,494</u>

[1] Per examination of Company's financial records.

[2] Brown and Feasel Exhibit I, Schedule 3(a), Column (c), Line 1.

[3] Brown and Feasel Exhibit I, Schedule 3(a), Column (e), Line 1.

[4] Brown and Feasel Exhibit I, Schedule 3(a), Column (g), Line 1.

[5] Brown and Feasel Exhibit I, Schedule 3(b), Column (c), Line 1.

[6] Brown and Feasel Exhibit I, Schedule 3(b), Column (e), Line 1.

[7] Brown and Feasel Exhibit I, Schedule 3(b), Column (g), Line 1.

[8] Brown and Feasel Exhibit I, Schedule 3(c), Column (c), Line 1

[9] Brown and Feasel Exhibit I, Schedule 3(c), Column (e), Line 1

[10] Brown and Feasel Exhibit I, Schedule 3(c), Column (g), Line 1

[11] Brown and Feasel Exhibit I, Schedule 3(d), Column (c), Line 1

[12] Brown and Feasel Exhibit I, Schedule 3(d), Column (e), Line 1

[13] Brown and Feasel Exhibit I, Schedule 3(d), Column (g), Line 1

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF UNCOLLECTIBLE ACCOUNTS
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-2
Settlement

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
Test Year:					
1	Uncollectible 5 Year Sum	3.75% [1]	3.75% [1]	6.90% [1]	6.90% [1]
2	Uncollectible 5 Years	<u>5</u> [1]	<u>5</u> [1]	<u>5</u> [1]	<u>5</u> [1]
3	Uncollectible 5 Year Average (Ln1 / L2)	<u>0.75%</u>	<u>0.75%</u>	<u>1.38%</u>	<u>1.38%</u>
Present Rates:					
4	Service revenues	\$22,299,835 [2]	\$17,472,765 [5]	\$1,879,444 [8]	\$2,643,518 [11]
5	Uncollectible accounts percentage (L3)	<u>0.75%</u>	<u>0.75%</u>	<u>1.38%</u>	<u>1.38%</u>
6	Uncollectible accounts (L4 x L5)	<u>\$167,249</u>	<u>\$131,046</u>	<u>\$25,936</u>	<u>\$36,481</u>
Company Proposed Rates:					
7	Service revenues	\$23,930,960 [3]	\$19,242,476 [6]	\$2,116,038 [9]	\$3,042,317 [12]
8	Uncollectible accounts percentage (L3)	<u>0.75%</u>	<u>0.75%</u>	<u>1.38%</u>	<u>1.38%</u>
9	Uncollectible accounts (L7 x L8)	<u>\$179,482</u>	<u>\$144,319</u>	<u>\$29,201</u>	<u>\$41,984</u>
Public Staff Recommended Rates:					
10	Service revenues	\$23,080,302 [4]	\$18,577,394 [7]	\$2,010,480 [10]	\$2,792,682 [13]
11	Uncollectible accounts percentage (L3)	<u>0.75%</u>	<u>0.75%</u>	<u>1.38%</u>	<u>1.38%</u>
12	Uncollectible accounts (L10 x L11)	<u>\$173,102</u>	<u>\$139,330</u>	<u>\$27,745</u>	<u>\$38,539</u>

[1] Per examination of Company's financial records.
 [2] Brown and Feasel Exhibit I, Schedule 3(a), Column (c), Line 1.
 [3] Brown and Feasel Exhibit I, Schedule 3(a), Column (e), Line 1.
 [4] Brown and Feasel Exhibit I, Schedule 3(a), Column (g), Line 1.
 [5] Brown and Feasel Exhibit I, Schedule 3(b), Column (c), Line 1.
 [6] Brown and Feasel Exhibit I, Schedule 3(b), Column (e), Line 1.
 [7] Brown and Feasel Exhibit I, Schedule 3(b), Column (g), Line 1.

[8] Brown and Feasel Exhibit I, Schedule 3(c), Column (c), Line 1
 [9] Brown and Feasel Exhibit I, Schedule 3(c), Column (e), Line 1
 [10] Brown and Feasel Exhibit I, Schedule 3(c), Column (g), Line 1
 [11] Brown and Feasel Exhibit I, Schedule 3(d), Column (c), Line 1
 [12] Brown and Feasel Exhibit I, Schedule 3(d), Column (e), Line 1
 [13] Brown and Feasel Exhibit I, Schedule 3(d), Column (g), Line 1

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO SALARY AND WAGES GENERAL
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-3
Settlement

Line No.	<u>Item</u>	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Salaries & Wages general per application	<u>\$ 3,925,866</u>	<u>\$2,342,194</u>	<u>\$471,682</u>	<u>\$482,814</u>
2	Adjustment to include company 09.19.2022 updates	24,065	14,358	2,891	2,960
3	Salaries & Wages general adjusted for company updates (L1 + L2)	3,949,931	2,356,552	474,573	485,774
4	Adjustments to update employee salaries through August 31, 2022	<u>(77,887) [1]</u>	<u>(46,468) [1]</u>	<u>(9,357) [1]</u>	<u>(9,579) [1]</u>
5	Salaries & Wages general per Public Staff (L3 + L4)	<u><u>\$ 3,872,044</u></u>	<u><u>\$ 2,310,084</u></u>	<u><u>\$ 465,216</u></u>	<u><u>\$ 476,195</u></u>

[1] Per examination of the company's financial records

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PURCHASE POWER

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-4
Settlement

<u>Line No.</u>	<u>Item</u>	<u>CWSNC Water (a)</u>	<u>CWSNC Sewer (b)</u>	<u>BF/FH/TC Water (c)</u>	<u>BF/FH/TC Sewer (d)</u>
1	Purchase power per application	<u>\$1,073,063</u>	<u>\$838,500</u>	<u>\$70,432</u>	<u>\$149,604</u>
2	Adjustment to include company 09.19.2022 updates	-	-	-	-
3	Purchase power after the Company's 09.19.22 updates (L1 + L2)	1,073,063	838,500	70,432	149,604
4	Adjustment to purchased power	<u>(1,966)</u> [1]	<u>(13,484)</u> [1]	<u>-</u>	<u>-</u>
5	Purchase power per Public Staff (L3 + L4)	<u>\$ 1,071,097</u>	<u>\$ 825,016</u>	<u>\$ 70,432</u>	<u>\$ 149,604</u>

[1] Provided by Public Staff witness Mike Franklin.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE AND REPAIR
 For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
 Schedule 3-5
 Settlement

Line No.	<u>Item</u>	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Maintenance and repair per application	<u>\$1,201,678</u>	<u>\$1,662,107</u>	<u>\$195,200</u>	<u>\$236,104</u>
2	Adjustment to include company 09.19.2022 updates	-	-	-	-
3	Maintenance and repair after adjusted for updated (L1 + L2)	1,201,678	1,662,107	195,200	236,104
4	Adjustment to deferred maintenance and repair per update	28,528 [1]	158,801 [1]	12,756 [1]	(8,938) [1]
5	Adjustment to sludge hauling - remove non-recurring expenses	(34,580) [2]	(15,139) [2]	0	(20,112) [2]
6	Total adjustment to maintenance and repair (L4 + L5)	<u>(6,052)</u>	<u>143,662</u>	<u>12,756</u>	<u>(29,050)</u>
7	Maintenance and repair per Public Staff (L3 + L6)	<u><u>1,195,626</u></u>	<u><u>1,805,769</u></u>	<u><u>207,956</u></u>	<u><u>207,054</u></u>

[1] Per examination of Company's financial records.
 [2] Provided by Public Staff witness Mike Franklin.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO DEFERRED MAINTENANCE AND REPAIR
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-5(a)
Settlement

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Annual deferred maintenance and repair per Public Staff	249,413 [1]	421,795 [1]	26,967 [1]	13,161 [1]
2	Deferred maintenance and repair per application	<u>220,885</u> [2]	<u>262,993</u> [2]	<u>14,211</u> [2]	<u>22,098</u> [2]
3	Adjustment to deferred maintenance and repair (L1 - L2)	<u>\$28,528</u>	<u>\$158,801</u>	<u>\$12,756</u>	<u>(\$8,938)</u>

[1] Annual depreciation expense of systems that have not been fully retired per reviewing the Company's records
[2] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO METER READING

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-6
Settlement

<u>Line No.</u>	<u>Item</u>	<u>CWSNC Water</u> (a)	<u>CWSNC Sewer</u> (b)	<u>BF/FH/TC Water</u> (c)	<u>BF/FH/TC Sewer</u> (d)
1	Meter reading per application	<u>\$229,336</u>	<u>\$3,024</u>	<u>\$47,602</u>	<u>\$1,041</u>
2	Adjustment to include company 09.19.2022 updates	-	-	-	-
3	Meter reading after adjusted for updated (L1 + L2)	229,336	3,024	47,602	1,041
4	Adjustment to remove ineligible meter reading expense	(6,724) [1]	-	-	-
5	Total adjustment (L4)	<u>(6,724)</u>	<u>0</u>	<u>0</u>	<u>0</u>
6	Meter reading per Public Staff (L3 + L5)	<u>222,612</u>	<u>3,024</u>	<u>47,602</u>	<u>1,041</u>

[1] Provided by Public Staff witness Mike Franklin.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO TRANSPORTATION

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-7

Settlement

<u>Line No.</u>	<u>Item</u>	<u>CWSNC Water</u> (a)	<u>CWSNC Sewer</u> (b)	<u>BF/FH/TC Water</u> (c)	<u>BF/FH Sewer</u> (d)
1	Transportation per application	<u>\$280,606</u> [1]	<u>\$167,411</u> [1]	<u>\$38,572</u> [1]	<u>\$39,483</u>
2	Adjustment to include company 9.19.2022 updates	- [1]	- [1]	- [1]	- [1]
3	Transportation after adjusted for updated (L1 + L2)	280,606 [1]	167,411 [1]	38,572 [1]	39,483 [1]
4	Remove Company adjustment (-L2)	0 [1]	0 [1]	0 [1]	0 [1]
	Fuel expense adjustment	6,486 [2]	3,869 [2]	(2,405) [2]	(2,461) [2]
6	Total adjustments to transportation (L2 + L4 + L5)	<u>6,486</u>	<u>3,869</u>	<u>(2,405)</u>	<u>(2,461)</u>
7	Transportation per Public Staff (L1 + L4)	<u>\$287,092</u>	<u>\$171,280</u>	<u>\$36,167</u>	<u>\$37,022</u>

[1] Per examination of the company's response to accounting data requests

[2] Provided by Public Staff witness Evan Houser.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO CAPITALIZED TIME ADJUSTMENT
 For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
 Schedule 3-8
 Settlement

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Operating expenses charged to plant per application	(\$450,858)	(\$268,985)	(\$65,538)	(\$67,085)
2	Adjustment to include company 09.19.2022 updates	-	-	-	-
3	Operating expenses charged to plant after adjusted per updates (L1 + L2)	(450,858)	(268,985)	(65,538)	(67,085)
4	Adjust FP&A Captive to 1/4 to align with WSIP period	(4,287) [1]	(2,558) [1]	(515) [1]	(527) [1]
5	Total adjustments to capitalized time (L4)	(4,287)	(2,558)	(515)	(527)
6	Operating expenses charged to plant per Public Staff (L3 + L5)	(\$455,145)	(\$271,543)	(\$66,053)	(\$67,612)

[1] Per examination of the company's response to accounting data requests and settlement agreement with CWSNC.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO OUTSIDE SERVICE OTHER
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-9
Settlement

<u>Line No.</u>	<u>Item</u>	<u>CWSNC Water</u> (a)	<u>CWSNC Sewer</u> (b)	<u>BF/FH/TC Water</u> (c)	<u>BF/FH Sewer</u> (d)
1	Outside service per application	<u>\$124,388</u>	<u>\$74,211</u>	<u>\$24,735</u>	<u>\$25,319</u>
2	Adjustments to include company updates 09.19.2022	0	0	0	0
3	Outside service after adjusted per updates (L1 + L2)	124,388	74,211	24,735	25,319
4	Acquisition of Echota Development Water System	(5,777) [1]	(3,447) [1]	[1]	[1]
5	Acquisition of the Seven Devils Resort WWTP	<u>(5,453) [1]</u>	<u>(3,254) [1]</u>	<u>[1]</u>	<u>[1]</u>
7	Total adjustments to outside service other (Sum of L2 thru L4)	<u>(11,230)</u>	<u>(6,701)</u>	<u>0</u>	<u>0</u>
8	Outside service other per Public Staff (L1 + L5)	<u>113,158</u>	<u>67,510</u>	<u>24,735</u>	<u>25,319</u>

[1] Per examination of the company's response to accounting data requests

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF REGULATORY COMMISSION EXPENSE
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
Schedule 3-10
Settlement

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustment [1] (b)	Amount Per Public Staff (c)	CWSNC Water (d)	CWSNC Sewer (e)	BF/FH/TC Water (f)	BF/FH Sewer (g)
1	Rate case expenses for current proceeding	<u>\$750,000</u>	<u>(\$382,523)</u>	\$367,477 [2]				
2	Amortization period in years			<u>4</u>				
3	Annual rate case expense for current proceeding (L1 / L2)			<u>91,869</u>	\$49,935 [4]	\$29,792 [5]	\$6,001 [6]	\$6,141 [7]
4	Unamortized balance of current rate case expense (L1 - L3)			<u>275,608</u>	149,806 [4]	89,376 [5]	18,002 [6]	18,424 [7]
5	Sub 384 and prior rate cases unamortized rate case expense	<u>\$955,238</u>	<u>\$0</u>	955,238 [3]				
6	Amortization period in years			<u>4</u>				
7	Sub 384 and prior rate cases unamortized annual rate case expense (L5 / L6)			<u>238,810</u>	129,804 [4]	77,443 [5]	15,598 [6]	15,964 [7]
8	Unamortized balance of prior rate case expense (L5 - L7)			<u>716,428</u>	389,412 [4]	232,329 [5]	46,794 [6]	47,892 [7]
9	Total annual rate case expense (L3 + L7)			\$330,679	\$179,739	\$107,235	\$21,599	\$22,105
10	Miscellaneous regulatory matters per application			\$4,726 [2]	\$2,518 [2]	\$1,502 [2]	\$349 [2]	\$357 [2]
11	Other regulatory expenses per application (account 612900)			\$140,543	\$74,950	\$44,716	\$10,317	\$10,560 [2]
12	Total regulatory commission expense per Public Staff (L9 + L10 + L11)			<u>\$475,948</u>	<u>\$257,207</u>	<u>\$153,453</u>	<u>\$32,264</u>	<u>\$33,022</u>
13	Total unamortized balance of rate case expense (L4 + L8)			<u>\$992,036</u>	<u>\$539,218</u>	<u>\$321,705</u>	<u>\$64,796</u>	<u>\$66,316</u>

[1] Column (c) minus Column (a).
[2] Per examination of the company's response to accounting data requests
[3] Calculated based on amount approved in prior rate cases.
[4] Column (c) multiplied by CWSNC Uniform water allocation factor
[5] Column (c) multiplied by CWSNC Uniform sewer allocation factor
[6] Column (c) multiplied by BF/FH water allocation factor
[7] Column (c) multiplied by BF/FH sewer allocation factor

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PENSION AND BENEFITS

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-11

Settlement

<u>Line No.</u>	<u>Item</u>	<u>CWSNC Water</u> (a)	<u>CWSNC Sewer</u> (b)	<u>BF/FH/TC Water</u> (c)	<u>BF/FH Sewer</u> (d)
1	Pension and benefits per application	<u>\$856,975</u>	<u>\$511,276</u>	<u>\$109,030</u>	<u>\$111,603</u>
2	Adjustments to include company updates 9.19.2022	\$119,177	\$71,102	\$8,252	\$8,447
3	Pension and benefits expense after adjusted per updates (L1 + L2)	\$976,152	\$582,378	\$117,282	\$120,050
4	Adjustments to update employee benefits through August 31, 2022	(39,702) [1]	(23,686) [1]	(4,770) [1]	(4,883) [1]
5	Pension and benefits per Public Staff (L3 + L4)	<u><u>936,450</u></u>	<u><u>558,692</u></u>	<u><u>112,512</u></u>	<u><u>115,167</u></u>

[1] Calculated per the company's response for accounting data request

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ALLOCATION OF INSURANCE

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-12

Settlement

No.	Item	CWSNC	CWSNC	BF/FH/TC	BF/FH	Total [3]
		Water (a)	Sewer (b)	Water (c)	Sewer (d)	
1	Auto	\$88,072 [1]	\$52,545 [1]	\$10,582 [1]	\$10,831 [1]	\$162,030
2	Workers compensation	41,370 [1]	24,681 [1]	4,970 [1]	5,088 [1]	76,109
3	Property insurance	368,678 [1]	219,955 [1]	44,296 [1]	45,341 [1]	678,270
4	General Liability and Umbrella insurance	153,340 [1]	91,484 [1]	18,423 [1]	18,858 [1]	282,106
5	Excess Liability	23,907 [1]	14,263 [1]	2,872 [1]	2,940 [1]	43,982
6	Insurance deductibles	51,304 [1]	30,608 [1]	6,164 [1]	6,309 [1]	94,385
7	Cyber security insurance	13,019 [1]	7,767 [1]	1,564 [1]	1,601 [1]	23,951
8	Pollution liability	26,872 [1]	16,032 [1]	3,229 [1]	3,305 [1]	49,437
9	Broker fee	38,607 [1]	23,033 [1]	4,638 [1]	4,748 [1]	71,026
10	Total insurance per Public Staff (Sum of L1 thru L9)	805,169	480,368	96,738	99,021	1,481,296
11	Less: Company updates on 9.19.2022	51,380 [2]	30,654 [2]	6,174 [2]	6,319 [2]	94,527
12	Less: Amount per Company in original filing	663,022 [2]	395,563 [2]	79,660 [2]	81,540 [2]	1,219,785
13	Total adjustment to insurance expense (L10 - L11 - L12)	\$90,767	\$54,151	\$10,904	\$11,162	\$166,983

[1] Column (f) times customer ratios for each rate division.

[2] Based on information provided by the Company.

[3] Brown and Feasel Exhibit I, Schedule 3-12(a), Column (c).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INSURANCE

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-12 (a)

Settlement

Line No.	Item	Annual Premium (a)	CWSNC Percentage [1] (b)	CWSNC Insurance Expense [6] (c)
1	Auto	\$761,407	21.28% [2]	\$162,030
2	Workers compensation	662,302	11.49% [3]	76,109
3	Property insurance	2,915,322	23.27% [4]	678,270
4	General Liability and Umbrella insurance	1,941,424	14.53% [5]	282,106
5	Excess Liability	302,681	14.53% [5]	43,982
6	Insurance deductibles	503,000	18.76% [6]	94,385
7	Cyber security insurance	124,290	19.27% [5]	23,951
8	Pollution liability	212,490	23.27% [4]	49,437
9	Broker fee	488,797	14.53% [5]	71,026
10	Total insurance per Public Staff (Sum of L1 thru L9)			\$1,481,296

[1] Based on current insurance policies and information provided by Company.

[2] Percentage of CWSNC automobiles covered under current policy.

[3] Percentage of CWSNC workers compensation insurance based on CSWNC payroll.

[4] Percentage of CWSNC property insurance based on CSWNC value of property covered.

[5] Percentage of CWSNC insurance based on revenue.

[6] Based on the ERC percentage provided by the company.

[7] Column (a) X Column (b).

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS EXPENSE
 For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
 Schedule 3-13
 Settlement

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Miscellaneous expense per application	<u>\$3,141,337</u>	<u>\$1,813,728</u>	<u>\$339,650</u>	<u>\$347,635</u>
2	Adjustment to reflect company's updates 9.19.2022	(171,920) [1]	(102,568) [1]	(20,655) [1]	(21,143) [1]
3	Miscellaneous expense after adjusted for company's updates (L1 + L2)	2,969,417	1,711,160	318,995	326,492
4	Adjustments to remove unqualified miscellaneous expense	(2,261) [1]	(1,343) [1]	(270) [1]	(277) [1]
5	Adjustment to remove Echota and Seven Devils pro-forma acquisition opex	(243,811) [1]	(65,171)	-	-
6	Excess deferred taxes reclassified to deferred income taxes	64,882 [1]	38,709 [1]	8,585 [1]	8,786 [1]
7	Total miscellaneous adjustments (Sum of L4 thru L6)	<u>(181,190)</u>	<u>(27,805)</u>	<u>8,315</u>	<u>8,509</u>
8	Miscellaneous expense per Public Staff (L3 + L7)	<u><u>2,788,227</u></u>	<u><u>1,683,355</u></u>	<u><u>327,310</u></u>	<u><u>335,001</u></u>

[1] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF DEPRECIATION AND AMORTIZATION EXPENSE

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-14

Settlement

Line No.		CWSNC	CWSNC	BF/FH/TC	BF/FH
		Water	Sewer	Water	Sewer
		(a)	(b)	(c)	(d)
1	Depreciation on direct plant	\$3,378,788 [1]	\$3,065,342 [6]	\$149,231 [9]	\$422,108 [12]
2	Depreciation on allocated plant	202,699 [2]	113,577 [2]	27,377 [2]	27,914 [2]
3	Gain on sale	0 [3]	0 [3]	0 [3]	0 [3]
4	Excess book value	0 [3]	0 [3]	0 [3]	0 [3]
5	Total depreciation expense (Sum of L1 thru L4)	<u>\$3,581,487</u>	<u>\$3,178,919</u>	<u>\$176,608</u>	<u>\$450,022</u>
6	Depreciable AIA	0 [3]	0 [3]	0 [3]	0 [3]
7	Amortization rate	2.88% [4]	2.81% [7]	2.38% [10]	2.73% [13]
8	AIA amortization expense (L6 x L7)	\$0	\$0	\$0	\$0
9	CIAC amortization expense	<u>(733,560) [2]</u>	<u>(625,462) [2]</u>	<u>(57,707) [2]</u>	<u>(150,635) [2]</u>
10	CIAC and AIAC amortization expense (L8 + L9)	<u>(733,560)</u>	<u>(625,462)</u>	<u>(57,707)</u>	<u>(150,635)</u>
11	Purchase acquisition adjustment	(\$4,221,509) [5]	(\$627,070) [8]	\$607,432 [11]	\$1,680,077 [14]
12	Amortization rate	2.88% [4]	2.81% [7]	2.38% [10]	2.73% [13]
13	PAA amortization expense (L11 x L12)	<u>(\$121,579)</u>	<u>(\$17,621)</u>	<u>\$14,457</u>	<u>\$45,866</u>

[1] Brown and Feasel Exhibit I, Schedule 3-14-1(a), Column (c), Line 54.

[2] Calculated by the Public Staff based on information provided by the Company.

[3] Per examination of Company's financial records.

[4] Brown and Feasel Exhibit I, Schedule 3-14-1(a), Column (d),

[5] Brown and Feasel Exhibit I, Schedule 2-7, Column (a), Line 7.

[6] Brown and Feasel Exhibit I, Schedule 3-14-1(b), Column (c), Line 71.

[7] Brown and Feasel Exhibit I, Schedule 3-14-1(b), Column (d), Line 71.

[8] Brown and Feasel Exhibit I, Schedule 2-7, Column (d), Line

[9] Brown and Feasel Exhibit I, Schedule 3-14-1(c), Column (c)

[10] Brown and Feasel Exhibit I, Schedule 3-14-1(c), Column (d)

[11] Brown and Feasel Exhibit I, Schedule 2-7, Column (g), Line

[12] Brown and Feasel Exhibit I, Schedule 3-14-1(d), Column (c)

[13] Brown and Feasel Exhibit I, Schedule 3-14-1(d), Column (d)

[14] Brown and Feasel Exhibit I, Schedule 2-7, Column (j), Line

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-14-1(a)

Settlement

CWSNC WATER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate [4]
			(a)	(b)	(c)	(d)
1	141201	Organization	\$410,888	2 50%	\$10,272	
2	141202	Franchises	\$140,283	2 50%	3,507	
3	141102	Land & land rights pump	\$0	0 00%	0	
4	141103	Land and Rights Water	\$0	0 00%	0	
5	141104	Land and Rights Trans	\$0	0 00%	0	
6	141101	Land & land rights gen. plt.	\$150,596	0 00%	0	
7	141204	Struct & improv. src. supply	\$4,489,620	2 00%	89,792	
8	141205	Struct & improv. wtr. trt. plt.	\$1,606,807	2 00%	32,136	
9	141206	Struct & improv. trans. dist.	\$290,026	2 00%	5,801	
10	141203	Struct & improv. gen. plt.	\$422,052	2 00%	8,441	
11	141221	Collecting reservoirs	\$732,382	2 00%	14,648	
12	141223	Wells & springs	\$14,627,308	2 00%	292,546	
13	141224	Infiltration gallery	\$45,185	2 50%	1,130	
14	141225	Supply mains	\$853,751	1 00%	8,538	
15	141226	Power generation equip.	\$167,421	10 00%	16,742	
16	141227	Electric pump equip. src. plt.	\$3,022,067	14 29%	431,853	
17	141228	Electric pump equip. wtp.	\$9,069,838	3 33%	302,026	
18	141229	Electric pump equip. trans.	\$4,786,213	14 29%	683,950	
19	141230	Water treatment equip.	\$5,681,387	2 50%	142,035	
20	141231	Dist. resv. & standpipes	\$8,243,639	2 00%	164,873	
21	141232	Trans. & distr. mains	\$35,648,630	1 00%	356,486	
22	141233	Service lines	\$14,950,351	2 00%	299,007	
23	141234	Meters	\$6,361,624	3 33%	211,842	
24	141235	Meter installations	\$2,095,782	3 33%	69,790	
25	141236	Hydrants	\$1,452,995	2 50%	36,325	
26	141237	Backflow prevention devic.	\$61,347	10 00%	6,135	
27	141268	Other plt. & misc. equip. src. su.	\$0	2 50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$23,372	2 50%	584	
29	141220	Office struct & improv.	\$95,359	10 00%	9,536	
30	141303	Office furn. & equip.	\$80,259	10 00%	8,026	
31	141305	Stores equipment	\$16,056	3 33%	535	
32	141308	Tool shop & misc. equip.	\$510,940	5 00%	25,547	
33	141306	Laboratory equipment	\$67,258	10 00%	6,726	
34	141309	Power operated equip.	\$371,593	10 00%	37,159	
35	141310	Communication equip.	\$168,137	10 00%	16,814	
36	141311	Misc. equipment	\$207,547	3 33%	6,911	
37	141278	Water plant allocated	\$207,809	6 67%	13,861	
38	141271	Other tangible plt. water	\$11,508	2 50%	288	
39	141248	Receiving Wells	\$176,603	2 00%	3,532	
40	141401	Transportation equip.	\$306,968	20 00%	61,394	
41	141503	Mainframe computer - wtr	(\$4,591)	0 00%	0	
42	141504	Mini computer - wtr	(\$31,950)	0 00%	0	
43	141602	Comp. system cost - wtr	(\$136,755)	0 00%	0	
44	141603	Micro system cost - wtr	(\$2,375)	0 00%	0	
45	141255	Plant Sewers Treatment Pit	\$0	2 50%	0	
46	141299	Utility Plant Clearing	(\$0)	0 00%	0	
47	141699	Computer Clearing	\$0	0 00%	0	
48	141601	Computer Software	(\$4,470)	0 00%	0	
49	141501	Computer Hardware	(\$30)	0 00%	0	
50	141502	Desktop/Laptop Computers	(\$679)	0 00%	0	
51	141293	Plant Held for Future Use	\$0	0 00%	0	
52	141399	Building and Equipment Clearing	\$0	0 00%	0	
53		Pro forma plant additions	\$0	0 00%	0	
54		Total plant in service (Sum of L1 thru L51)	<u>\$117,372,752</u>		<u>\$3,378,788</u>	<u>2 88%</u> [4]

[1] Brown and Feasel Exhibit I, Schedule 2-1(a)(1), Column (d).

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 54.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-14-1(b)

Settlement

CWSNC SEWER OPERATIONS

Line No.	New Account No.	tem	Plant In Service (a)	Depreciation Rate (b)	Annual Depreciation (c)	Composite Rate (d)
1	141201	Organization	\$883,492	2 50%	\$22,087	
2	141202	Franchises intang. plt.	\$127,476	2 50%	3,187	
3	141107	Land and Rights Treatment	\$0	0 00%	0	
4	141108	Land and Rights Reclaim	\$0	0 00%	0	
5	141101	Land & land rights gen. plt.	\$0	0 00%	0	
6	141207	Struct/improv. coll. plt.	\$107,603	2 00%	2,152	
7	141208	Struct/improv. pump plt. is.	\$11,419,401	2 00%	228,388	
8	141209	Struct/improv. treat. plt.	\$20,068,597	2 50%	501,715	
9	141210	Struct/improv. reclaim. wtp.	\$2,586	2 50%	65	
10	141211	Struct/improv. reclaim. wtr.	\$180,481	2 50%	4,512	
11	141203	Struct/improv. gen. plt.	\$1,707,245	2 00%	34,145	
12	141238	Power gen. equip. coll. plt.	\$107,623	10 00%	10,762	
13	141239	Power gen. equip. pump plt.	\$53,341	10 00%	5,334	
14	141240	Power gen. equip. treat. plt.	\$313,217	10 00%	31,322	
15	141241	Sewer force main/serv. lin.	\$4,404,358	1 33%	58,578	
16	141242	Sewer gravity main	\$18,842,080	1 00%	188,421	
17	141243	Manholes	\$1,521,696	1 00%	15,217	
18	141244	Special coll. structures	\$7,032	2 00%	141	
19	141245	Services to customers	\$2,249,446	1 33%	29,918	
20	141246	Flow measure devices	\$145,734	4 00%	5,829	
21	141247	Flow measure install	\$1,106	4 00%	44	
22	141248	Receiving wells	\$233,985	2 00%	4,680	
23	141249	Pumping equipment pump plt.	\$5,142,262	14 29%	734,829	
24	141250	Pumping equipment reclaim.	\$39,650	14 29%	5,666	
25	141251	Pumping equipment rcl. wtr.	\$83,456	14 29%	11,926	
26	141252	Treat /disp. equip. lagoon	\$597,528	2 50%	14,938	
27	141253	Treat /disp. equip. trt. plt.	\$18,875,550	2 50%	471,889	
28	141254	Treat /disp. equip. rct. wtp.	\$29,387	2 50%	735	
29	141255	Plant sewers treat. plt.	\$17,985,978	2 50%	449,649	
30	141256	Plant sewers reclaim wtp.	\$8,065	2 50%	202	
31	141257	Outfall lines	\$656,343	1 00%	6,563	
32	141271	Other plt. tangible	\$14,761	2 50%	369	
33	141272	Other plt. collection	\$11,641	2 00%	233	
34	141273	Other plt. pump	\$471,095	2 50%	11,777	
35	141274	Other plt. treatment	\$334,740	2 50%	8,369	
36	141275	Other plt. reclaim wtr. trt.	\$0	2 50%	0	
37	141276	Other plt. reclaim wtr. dis.	\$460	2 50%	11	
38	141220	Office struct & improv.	\$52,857	10 00%	5,286	
39	141303	Office furn. & equip.	\$43,408	10 00%	4,341	
40	141305	Stores equipment	\$8,111	3 33%	270	
41	141308	Tool shop & misc. equip.	\$226,555	5 00%	11,328	
42	141306	Laboratory equipment	\$159,287	10 00%	15,929	
43	141309	Power operated equip.	\$478,138	10 00%	47,814	
44	141310	Communication equip.	\$103,571	10 00%	10,357	
45	141311	Misc equip. sewer	\$66,764	3 33%	2,223	
46	141278	Sewer plant allocated	\$526,952	6 67%	35,148	
47	0	Other tangible plt. sewer	\$0	2 50%	0	
48	141263	Reuse dist. reservoirs	\$3,507	2 00%	70	
49	141264	Reuse transmission & dist.	\$121,119	2 00%	2,422	
50	141401	Transportation equip.	\$183,139	20 00%	36,628	
51	141502	Desktop computer - wtr	(\$405)	0 00%	0	
52	141503	Mainframe computer - wtr	(\$2,739)	0 00%	0	
53	141504	Mini computer - wtr	(\$22,943)	0 00%	0	
54	141602	Comp. system cost - wtr	\$27,423	0 00%	0	
55	141603	Micro system cost - wtr	(\$1,417)	0 00%	0	
56	141501	Computer Hardware	(\$18)	0 00%	0	
57	141299	Utility Plant Clearing	(\$0)	0 00%	0	
58	141399	Building and Equipment Clearing	\$0	0 00%	0	
59	141233	Service Lines	(\$120)	2 00%	(2)	
60	141699	Computer Clearing	\$0	0 00%	0	
62	141601	Computer Software	(\$2,667)	0 00%	0	
63	141231	Dist Resv and Standpipes	\$0	2 00%	0	
64	141232	Trans and Distr Mains	\$0	1 00%	0	
65	141293	Plt. held for future use	\$0	0 00%	0	
66	141205	Struct and Improv Water Treat Plt	\$0	2 00%	0	
67	141230	Water Treatment Equipment	\$0	2 50%	0	
68	141226	Power Generation Equipment	\$298,745	10 00%	29,875	
69	113101		\$0	0 00%	0	
70		Pro forma plant additions	\$0	0 00%	0	
71		Total plant in service (Sum of L1 thru L64)	<u>\$108,896,685</u>		<u>\$3,065,342</u>	<u>2 81%</u> [4]

[1] Brown and Brown and Brown and Feasel Exhibit I, Schedule 2-1(b)(1), Column (d).

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 71.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-14-1(c)

Settlement

BF/FH/TC WATER OPERATIONS

Line No.	New Account No.	tem	Plant In Service (a)	Depreciation Rate (b)	Annual Depreciation (c)	Composite Rate (d)
1	141201	Organization	\$79,800	2 50%	\$1,995	
2	141202	Franchises	\$51,240	2 50%	1,281	
3	141501	Computer Hardware	(\$4)	16 67%	(1)	
4	141502	Desktop/Laptop Computers	(\$82)	16 67%	(14)	
5	141601	Computer Software	(\$537)	0 00%	0	
6	141101	Land & land rights gen. plt.	\$0	0 00%	0	
7	141204	Struct & improv. src. supply	\$214,617	2 00%	4,292	
8	141205	Struct & improv. wtr. trt. plt.	\$147,285	2 00%	2,946	
9	141206	Struct & improv. trans. dist.	\$461	2 00%	9	
10	141203	Struct & improv. gen. plt.	\$2,244	2 00%	45	
11	141221	Collecting reservoirs	\$0	2 00%	0	
12	141223	Wells & springs	\$510,515	2 00%	10,210	
13	141224	Infiltration gallery	\$0	2 50%	0	
14	141225	Supply mains	\$10,995	1 00%	110	
15	141226	Power generation equip.	\$0	10 00%	0	
16	141227	Electric pump equip. src. plt.	\$63,258	14 29%	9,040	
17	141228	Electric pump equip. wtp.	\$400,215	3 33%	13,327	
18	141229	Electric pump equip. trans.	\$63,012	14 29%	9,004	
19	141230	Water treatment equip.	\$152,696	2 50%	3,817	
20	141231	Dist. resv. & standpipes	\$920,874	2 00%	18,417	
21	141232	Trans. & distr. mains	\$1,900,043	1 00%	19,000	
22	141233	Service lines	\$874,073	2 00%	17,481	
23	141234	Meters	\$197,234	3 33%	6,568	
24	141235	Meter installations	\$186,239	3 33%	6,202	
25	141236	Hydrants	\$278,957	2 50%	6,974	
26	141237	Backflow prevention devic.	\$151	10 00%	15	
27	141268	Other plt. & misc. equip. src. su.	\$0	2 50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$0	2 50%	0	
29	141220	Office struct & improv.	\$24,979	10 00%	2,498	
30	141303	Office furn. & equip.	\$2,993	10 00%	299	
31	141305	Stores equipment	\$348	3 33%	12	
32	141308	Tool shop & misc. equip.	\$102,382	5 00%	5,119	
33	141306	Laboratory equipment	\$14,540	10 00%	1,454	
34	141309	Power operated equip.	\$13,291	10 00%	1,329	
35	141310	Communication equip.	\$77,889	10 00%	7,789	
36	141311	Misc. equipment	\$528	3 33%	18	
37	141278	Water plant allocated	\$0	6 67%	0	
38	141271	Other tangible plt. water	\$0	2 50%	0	
39	141401	Transportation equip.	(\$26)	20 00%	(5)	
40	141503	Mainframe computer - wtr	(\$552)	0 00%	0	
41	141504	Mini computer - wtr	(\$3,474)	0 00%	0	
42	141602	Comp. system cost - wtr	(\$16,431)	0 00%	0	
43	141603	Micro system cost - wtr	(\$285)	0 00%	0	
44	141293	Plt. held for future use	\$0	0 00%	0	
45	141699	Computer Clearing	\$0	0 00%	0	
46	141299	Utility Plant Clearing	\$0	0 00%	0	
47	141102	Land & land rights pump	\$0	0 00%	0	
48	141399	Building and Equipment Clearing	\$0	0 00%	0	
49		Total plant in service (Sum of L1 thru L45)	<u>\$6,269,466</u>		<u>\$149,231</u>	<u>2 38%</u> [4]

[1] Brown and Feasel Exhibit I, Schedule 2-1(c)(1), Column (d)

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 49.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-14-1(d)

Settlement

BF/FH SEWER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service	Rate	Depreciation	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$14,682	2 50%	\$367	
2	141202	Franchises	\$41,938	2 50%	1,048	
3	141203	Struct and Improv General Plant	\$267,093	2 00%	5,342	
4	141207	Struct and Improv Collect Plant	\$150	0 00%	0	
5	141208	Struct and Improv Pump Plant	\$1,690,854	2 00%	33,817	
6	141209	Struct and Improv Treatment Plant	\$1,837,554	2 50%	45,939	
7	141211	Struct and Improv Reclaim Wtr Dist	\$2,477	2 50%	62	
8	141220	Struct and Improv Office	\$74,442	10 00%	7,444	
9	141227	Electric Pump Equip Src Pump	(\$2,538)	0 00%	0	
10	141230	Water Treatment Equipment	\$0	0 00%	0	
11	141231	Dist Resv and Standpipes	\$0	2 00%	0	
12	141232	Trans and Distr Mains	\$0	1 00%	0	
13	141239	Power Gen Equip Pump Pit	\$112,475	10 00%	11,247	
14	141241	Sewer Force Main	\$227,006	1 33%	3,019	
15	141242	Sewer Gravity Main	\$5,331,906	1 00%	53,319	
16	141243	Manholes	\$53,112	1 00%	531	
17	141244	Special Collection Structures	\$775	2 00%	16	
18	141245	Service to Customers	\$339,216	1 33%	4,512	
19	141246	Flow Measure Devices	\$17,806	4 00%	712	
20	141249	Pumping Equip Pump Pit	\$826,753	14 29%	118,143	
21	141250	Pumping Equip Reclaim WTP	\$96,219	14 29%	13,750	
22	141252	Treat/Disp Equip Lagoon	\$56	2 50%	1	
23	141253	Treat/Disp Equip Trt Pit	\$3,775,113	2 50%	94,378	
24	141255	Plant Sewers Treatment Pit	\$393,451	2 50%	9,836	
25	141257	Outfall Lines	\$74,700	1 00%	747	
26	141263	Reuse Dist Reservoirs	\$2,763	2 00%	55	
27	141264	Reuse Transmission and Dist	\$2,491	2 00%	50	
28	141271	Other Tangible Plant	\$79,334	2 50%	1,983	
29	141272	Other Plant Collection	(\$224)	2 00%	(4)	
30	141273	Other Plant Pump	\$3,442	2 50%	86	
31	141275	Other Plant Reclaim Water Trt	\$12,677	2 50%	317	
32	141299	Utility Plant Clearing	(\$0)	0 00%	0	
33	141303	Office Furniture	\$316	10 00%	32	
34	141305	Stores Equipment	\$2,798	3 33%	93	
35	141306	Lab Equipment	\$6,734	10 00%	673	
36	141308	Tool Shop Equipment	\$21,346	5 00%	1,067	
37	141309	Power Operated Equipment	\$53,931	10 00%	5,393	
38	141310	Communications Equipment	\$58,359	10 00%	5,836	
39	141311	Misc Equipment	\$68,996	3 33%	2,298	
40	141399	Building and Equipment Clearing	\$0	0 00%	0	
41	141401	Vehicles	(\$26)	0 00%	0	
42	141501	Computer Hardware	(\$4)	16 67%	(1)	
43	141502	Desktop/Laptop Computers	(\$83)	0 00%	0	
44	141503	Mainframe Computers	(\$565)	0 00%	0	
45	141504	Mini Comp Wtr	(\$5,283)	0 00%	0	
46	141601	Computer Software	(\$550)	0 00%	0	
47	141602	Comp Systems	(\$16,819)	0 00%	0	
48	141603	Micro Systems	(\$292)	0 00%	0	
49	141699	Computer Clearing	\$0	0 00%	0	
50	141251	Pumping Equip Rcl Wtr Dist	\$0	14 29%	0	
51	141254	Treat/Disp Equip Rclm Wtr	\$0	2 50%	0	
52						
53		Total plant in service (Sum of L1 thru L57)	\$15,464,580		\$422,108	2.73% [4]

[1] Brown and Feasel Exhibit I, Schedule 2-1(d)(1), Column (d).

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 53.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF CIAC AMORTIZATION
 For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
 Schedule 3-15
 Page 1 of 4
 Settlement

CWS - NC Uniform - Water

Line No.	G/L Account	Description	CIAC Per Books -	CIAC (Additions)	Amortizable Basis	Amortization	Annualized
			Test Year	Retirements -		Rates	Amortization
			(4/1/2021 - 3/31/2022) [1]	(4/1/2022 - 8/31/2022) [1]	[2]	[3]	[4]
			[a]	[b]	[c]	[d]	[e]
1	271003	CIAC - Structure/Improvement Src	(51,493)	-	(51,493)	2.00%	(1,030)
2	271004	CIAC - Structure/Improvement WTF	(43,000)	-	(43,000)	2.00%	(860)
3	271008	CIAC - Structure/Improvement Trea	-	-	-	2.50%	-
4	271017	CIAC - Wells and Springs	(1,013,273)	-	(1,013,273)	2.00%	(20,265)
5	271019	CIAC - Electric Pump Equipment Sr	(27,158)	-	(27,158)	14.29%	(3,881)
6	271020	CIAC - Electric Pump Equipment W	(86,987)	-	(86,987)	3.33%	(2,897)
7	271021	CIAC - Electric Pump Equipment Tr	(200,932)	-	(200,932)	14.29%	(28,713)
8	271022	CIAC - Water Treatment Equipmen	(47,681)	-	(47,681)	2.50%	(1,192)
9	271023	CIAC - Dist Resv and S	(183,881)	-	(183,881)	2.00%	(3,678)
10	271024	CIAC - Trans and Distr Mains	(2,907,825)	-	(2,907,825)	1.00%	(29,078)
11	271025	CIAC - Service Lines	(268,291)	-	(268,291)	2.00%	(5,366)
12	271026	CIAC - Meters	(25,400)	-	(25,400)	3.33%	(846)
13	271028	CIAC - Hydrants	(336,477)	-	(336,477)	2.50%	(8,412)
14	271029	CIAC - Backflow Prevent D	(4,000)	-	(4,000)	10.00%	(400)
15	271034	CIAC - Misc Equipment	(164,750)	-	(164,750)	3.33%	(5,486)
16	271035	CIAC - Other Tangible Plant	(18,508,745)	-	(18,508,745)	2.50%	(462,719)
17	271036	CIAC - Tap Fee	(4,594,318)	(7,052)	(4,601,369)	2.73%	(125,617)
18	271037	CIAC - Management Fee	(21,294)	(150)	(21,444)	2.73%	(585)
19	271039	CIAC - Res Cap Fee	(39,250)	-	(39,250)	2.73%	(1,072)
20	271040	CIAC - Plant Mod Fee	(854,673)	(13,125)	(867,798)	2.73%	(23,691)
21	271041	CIAC - Plant Meter Fee	(277,934)	(6,762)	(284,696)	2.73%	(7,772)
22	271043	CIAC - Sewer Gravity Main	-	-	-	1.00%	-
23	271044	CIAC - Manholes	-	-	-	1.00%	-
24		Totals - Water (Sum of L1 thru L23)	<u>(29,657,361)</u>	<u>(27,088)</u>	<u>(29,684,450)</u>		<u>(733,560)</u>

[1] Per General Ledger Balances for Corresponding Periods
 [2] Sum of Columns [a] and [b]
 [3] Per Company Update (9.19.2022) and Settlement in Docket No. W-354, Sub 364
 [4] Column [c] multiplied by Column [d]

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF CIAC AMORTIZATION
 For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
 Schedule 3-15
 Page 2 of 4
 Settlement

CWS - NC Uniform - Sewer

Line No.	G/L Account	Description	CIAC Per Books -	CIAC (Additions)	Amortizable Basis	Amortization	Annualized
			Test Year	Retirements -		Rates	Amortization
			(4/1/2021 - 3/31/2022) [1]	Post Test Year	[2]	[3]	[4]
			[a]	(4/1/2022 - 8/31/2022) [1]	[c]	[d]	[e]
25	271007	CIAC - Structure/Improvement Pum	(644,068)	-	(644,068)	2.00%	(12,881)
26	271008	CIAC - Structure/Improvement Trea	(402,017)	-	(402,017)	2.50%	(10,050)
27	271011	CIAC - Structure/Improvement Gen	(15,422,145)	-	(15,422,145)	2.00%	(308,443)
28	271035	CIAC - Other Tangible Plant	372	-	372	2.50%	9
29	271036	CIAC - Tap Fee	(3,522,407)	25,522	(3,496,885)	2.78%	(97,213)
30	271037	CIAC - Management Fee	(10,056)	-	(10,056)	2.78%	(280)
31	271040	CIAC - Plant Mod Fee	(6,073,903)	-	(6,073,903)	2.78%	(168,855)
32	271041	CIAC - Plant Meter Fee	(283)	-	(283)	2.78%	(8)
33	271042	CIAC - Sewer Force Main	(167,394)	-	(167,394)	1.33%	(2,226)
34	271043	CIAC - Sewer Gravity Main	(2,020,083)	-	(2,020,083)	1.00%	(20,201)
35	271044	CIAC - Manholes	(306,298)	-	(306,298)	1.00%	(3,063)
36	271046	CIAC - Service to Customers	(253,491)	-	(253,491)	1.33%	(3,371)
37	271054	CIAC - Treatment/Disp Equipment	44,800	-	44,800	2.50%	1,120
38		Totals - Sewer (Sum of L25 thru L37)	<u>(28,776,974)</u>	<u>25,522</u>	<u>(28,751,451)</u>		<u>(625,462)</u>

[1] Per General Ledger Balances for Corresponding Periods
 [2] Sum of Columns [a] and [b]
 [3] Per Company Update (9.19.2022) and Settlement in Docket No. W-354, Sub 364
 [4] Column [c] multiplied by Column [d]

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF CIAC AMORTIZATION
 For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
 Schedule 3-15
 Page 3 of 4
 Settlement

BF/FH/TC - Water

Line No.	G/L Account	Description	CIAC Per Books - Test Year (4/1/2021 - 3/31/2022) [1]	CIAC (Additions) Retirements - Post Test Year (4/1/2022 - 8/31/2022) [1]	Amortizable Basis [2]	Amortization Rates [3]	Annualized Amortization [4]
			[a]	[b]	[c]	[d]	[e]
39	271008	CIAC - Structure/Improvement Trea	-	-	-	2.50%	-
40	271024	CIAC - Trans and Distr Mains	(25,920)	-	(25,920)	1.00%	(259)
41	271025	CIAC - Service Lines	(24,247)	-	(24,247)	2.00%	(485)
42	271028	CIAC - Hydrants	(68,395)	-	(68,395)	2.50%	(1,710)
43	271035	CIAC - Other Tangible Plant	(1,711,201)	-	(1,711,201)	2.50%	(42,780)
44	271036	CIAC - Tap Fee	(380,409)	(39,465)	(419,874)	2.28%	(9,573)
45	271037	CIAC - Management Fee	-	-	-	2.28%	-
46	271040	CIAC - Plant Mod Fee	(111,840)	-	(111,840)	2.28%	(2,550)
47	271041	CIAC - Plant Meter Fee	(14,288)	(1,050)	(15,338)	2.28%	(350)
48	271043	CIAC - Sewer Gravity Main	-	-	-	1.00%	-
49	271044	CIAC - Manholes	-	-	-	1.00%	-
50		Totals - Water (Sum of L39 thru L49)	(2,336,301)	(40,515)	(2,376,815)		(57,707)

[1] Per General Ledger Balances for Corresponding Periods
 [2] Sum of Columns [a] and [b]
 [3] Per Company Update (9.19.2022) and Settlement in Docket No. W-354, Sub 364
 [4] Column [c] multiplied by Column [d]

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF CIAC AMORTIZATION
For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I
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Settlement

BF/FH - Sewer

Line No.	G/L Account	Description	CIAC Per Books - Test Year (4/1/2021 - 3/31/2022) [1]	CIAC (Additions) Retirements - Post Test Year (4/1/2022 - 8/31/2022) [1]	Amortizable Basis [2]	Amortization Rates [3]	Annualized Amortization [4]
			[a]	[b]	[c]	[d]	[e]
51	271008	CIAC - Structure/Improvement Trea	-	-	-	2.50%	-
52	271011	CIAC - Structure/Improvement Gen	(5,554,903)	-	(5,554,903)	2.00%	(111,098)
53	271036	CIAC - Tap Fee	(492,942)	-	(492,942)	2.61%	(12,866)
54	271039	CIAC - Res Cap Fee	(707,193)	-	(707,193)	2.61%	(18,458)
55	271040	CIAC - Plant Mod Fee	(291,780)	-	(291,780)	2.61%	(7,615)
56	271041	CIAC - Plant Meter Fee	-	-	-	2.61%	-
57	271042	CIAC - Sewer Force Main	-	-	-	1.33%	-
58	271043	CIAC - Sewer Gravity Main	(59,811)	-	(59,811)	1.00%	(598)
59	271044	CIAC - Manholes	-	-	-	1.00%	-
60		Total - Sewer (Sum of L51 thru L59)	(7,106,629)	-	(7,106,629)		(150,635)

- [1] Per General Ledger Balances for Corresponding Periods
- [2] Sum of Columns [a] and [b]
- [3] Per Company Update (9.19.2022) and Settlement in Docket No. W-354, Sub 364
- [4] Column [c] multiplied by Column [d]

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PAYROLL TAX

For The Test Year Ended March 31, 2022

Brown and Feasel Exh bit I

Schedule 3-16

Settlement

<u>Line No.</u>	<u>Item</u>	<u>CWSNC Water (a)</u>	<u>CWSNC Sewer (b)</u>	<u>BF/FH/TC Water (c)</u>	<u>BF/FH Sewer (d)</u>
1	Payroll taxes per application	<u>\$ 302,217</u>	<u>\$179,305</u>	<u>\$36,311</u>	<u>\$37,168</u>
2	Adjustment to include company 09.19.2022 updates	2,188	2,305	262	269
3	Payroll taxes adjusted for company updates (L1 + L2)	304,405	181,610	36,573	37,437
4	Adjustments to update payroll taxes through August 31, 2022	<u>(6,480) [1]</u>	<u>(3,866) [1]</u>	<u>(778) [1]</u>	<u>(797) [1]</u>
5	Payroll taxes per Public Staff (L3 + L4)	<u>\$ 297,925</u>	<u>\$ 177,744</u>	<u>\$ 35,795</u>	<u>\$ 36,640</u>

[1] Per examination of the company's response to accounting data requests.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INCOME TAXES

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-17(a)

Settlement

CWSNC WATER OPERATIONS

Line No.	Item	Present Rates [1] (a)	Company Proposed Rates [3] (b)	Public Staff Recommended Rates [5] (c)
1	Operating revenue	\$22,304,597	\$23,928,116	\$23,081,425
	Operating revenue deductions:			
2	Maintenance expenses	4,631,909	4,631,909	4,631,909
3	General expenses	9,370,806	9,370,806	9,370,806
4	Depreciation expense	3,581,487	3,581,487	3,581,487
5	Amortization of CIAC	(733,560)	(733,560)	(733,560)
6	Amortization of PAA	(121,579)	(121,579)	(121,579)
7	Amortization of ITC	(265)	(265)	(265)
8	Franchise and other taxes	56,485	56,485	56,485
9	Property taxes	135,969	135,969	135,969
10	Payroll taxes	297,925	297,925	297,925
11	Regulatory fee	31,226	33,499	32,314
12	Gross receipts tax	0	0	0
13	Interest expense	1,648,243 [2]	1,648,243 [4]	1,648,243 [6]
14	Total deductions (Sum of L2 thru L13)	18,898,647	18,900,920	18,899,735
15	Taxable income (L1 - L14)	3,405,949	5,027,195	4,181,689
16	State income tax (L15 x 2.5%)	85,149	125,680	104,542
17	Federal taxable income after state income tax (L15 - L16)	3,320,800	4,901,515	4,077,147
18	Federal income tax (L17 x 21%)	697,368	1,029,318	856,201
19	Excess deferred income tax amortization	(64,882)	(64,882)	(64,882)
20	Net amount (L15 - L16 - L18 - L19)	2,688,314	3,937,079	3,285,828
21	Add: Interest expense	1,648,243 [2]	1,648,243 [4]	1,648,243 [6]
22	Net income for a return (L20 + L21)	\$4,336,557	\$5,585,322	\$4,934,071

[1] Feasel Exhibit I, Schedule 3(a), Column (c).

[2] Feasel Exhibit I, Schedule 1(a), Column (e), Line 1.

[3] Feasel Exhibit I, Schedule 3(a), Column (e).

[4] Feasel Exhibit I, Schedule 1(a), Column (e), Line 4.

[5] Feasel Exhibit I, Schedule 3(a), Column (g).

[6] Feasel Exhibit I, Schedule 1(a), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INCOME TAXES

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-17(b)

CWSNC SEWER OPERATIONS

Line No.	Item	Present Rates [1] (a)	Company Proposed Rates [3] (b)	Public Staff Recommended Rates [5] (c)
1	Operating revenue	\$17,473,038	\$19,234,218	\$18,572,343
	Operating revenue deductions:			
2	Maintenance expenses	4,556,383	4,556,383	4,556,383
3	General expenses	5,609,629	5,609,629	5,609,629
4	Depreciation expense	3,178,919	3,178,919	3,178,919
5	Amortization of CIAC	(625,462)	(625,462)	(625,462)
6	Amortization of PAA	(17,621)	(17,621)	(17,621)
7	Amortization of ITC	(254)	(254)	(254)
8	Franchise and other taxes	48,173	48,173	48,173
9	Property taxes	105,629	105,629	105,629
10	Payroll taxes	177,744	177,744	177,744
11	Regulatory fee	24,462	26,928	26,001
12	Gross receipts tax	0	0	0
13	Interest expense	1,550,502 [2]	1,550,502 [4]	1,550,502 [6]
14	Total deductions (Sum of L2 thru L13)	14,608,104	14,610,570	14,609,643
15	Taxable income (L1 - L14)	2,864,935	4,623,649	3,962,701
16	State income tax (L15 x 2.5%)	71,623	115,591	99,068
17	Federal taxable income after state income tax (L15 - L16)	2,793,312	4,508,058	3,863,633
18	Federal income tax (L17 x 21%)	586,595	946,692	811,363
19	Excess deferred income tax amortization	(38,709)	(38,709)	(38,709)
20	Net amount (L15 - L16 - L18 - L19)	2,245,426	3,600,075	3,090,979
21	Add: Interest expense	1,550,502 [2]	1,550,502 [4]	1,550,502 [6]
22	Net income for a return (L20 + L21)	\$3,795,928	\$5,150,577	\$4,641,481

[1] Feasel Exhibit I, Schedule 3(b), Column (c).

[2] Feasel Exhibit I, Schedule 1(b), Column (e), Line 1.

[3] Feasel Exhibit I, Schedule 3(b), Column (e).

[4] Feasel Exhibit I, Schedule 1(b), Column (e), Line 4.

[5] Feasel Exhibit I, Schedule 3(b), Column (g).

[6] Feasel Exhibit I, Schedule 1(b), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INCOME TAXES

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-17(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Present Rates [1] (a)	Company Proposed Rates [3] (b)	Public Staff Recommended Rates [5] (c)
1	Operating revenue	\$1,867,840	\$2,101,835	\$1,997,436
	Operating revenue deductions:			
2	Maintenance expenses	417,844	417,844	417,844
3	General expenses	1,112,930	1,112,930	1,112,930
4	Depreciation expense	176,608	176,608	176,608
5	Amortization of CIAC	(57,707)	(57,707)	(57,707)
6	Amortization of PAA	14,457	14,457	14,457
7	Amortization of ITC	0	0	0
8	Franchise and other taxes	(1,321)	(1,321)	(1,321)
9	Property taxes	7,746	7,746	7,746
10	Payroll taxes	35,795	35,795	35,795
11	Regulatory fee	2,615	2,943	2,796
12	Gross receipts tax	0	0	0
13	Interest expense	83,450 [2]	83,450 [4]	83,450 [6]
14	Total deductions (Sum of L2 thru L13)	1,792,417	1,792,745	1,792,598
15	Taxable income (L1 - L14)	75,423	309,090	204,838
16	State income tax (L15 x 2.5%)	1,886	7,727	5,121
17	Federal taxable income after state income tax (L15 - L16)	73,537	301,363	199,717
18	Federal income tax (L17 x 21%)	15,443	63,286	41,941
19	Excess deferred income tax amortization	(8,585)	(8,585)	(8,585)
20	Net amount (L15 - L16 - L18 - L19)	66,679	246,662	166,361
21	Add: Interest expense	83,450 [2]	83,450 [4]	83,450 [6]
22	Net income for a return (L20 + L21)	\$150,129	\$330,112	\$249,811

[1] Feasel Exhibit I, Schedule 3(c), Column (c).

[2] Feasel Exhibit I, Schedule 1(c), Column (e), Line 1.

[3] Feasel Exhibit I, Schedule 3(c), Column (e).

[4] Feasel Exhibit I, Schedule 1(c), Column (e), Line 4.

[5] Feasel Exhibit I, Schedule 3(c), Column (g).

[6] Feasel Exhibit I, Schedule 1(c), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INCOME TAXES

For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit I

Schedule 3-17(d)

BF/FH SEWER OPERATIONS

Line No.	Item	Present Rates [1] (a)	Company Proposed Rates [3] (b)	Public Staff Recommended Rates [5] (c)
1	Operating revenue	\$2,627,812	\$3,022,178	\$2,775,318
	Operating revenue deductions:			
2	Maintenance expenses	439,311	439,311	439,311
3	General expenses	1,139,158	1,139,158	1,139,158
4	Depreciation expense	450,022	450,022	450,022
5	Amortization of CIAC	(150,635)	(150,635)	(150,635)
6	Amortization of PAA	45,866	45,866	45,866
7	Amortization of ITC	0	0	0
8	Franchise and other taxes	(1,352)	(1,352)	(1,352)
9	Property taxes	9,754	9,754	9,754
10	Payroll taxes	36,640	36,640	36,640
11	Regulatory fee	3,679	4,231	3,885
12	Gross receipts tax	0	0	0
13	Interest expense	226,878 [2]	226,878 [4]	226,878 [6]
14	Total deductions (Sum of L2 thru L13)	2,199,321	2,199,873	2,199,527
15	Taxable income (L1 - L14)	428,491	822,305	575,791
16	State income tax (L15 x 2.5%)	10,712	20,558	14,395
17	Federal taxable income after state income tax (L15 - L16)	417,779	801,747	561,396
18	Federal income tax (L17 x 21%)	87,734	168,367	117,893
19	Excess deferred income tax amortization	(8,786)	(8,786)	(8,786)
20	Net amount (L15 - L16 - L18 - L19)	338,831	642,166	452,289
21	Add: Interest expense	226,878 [2]	226,878 [4]	226,878 [6]
22	Net income for a return (L20 + L21)	\$565,709	\$869,044	\$679,167

[1] Feasel Exhibit I, Schedule 3(d), Column (c).

[2] Feasel Exhibit I, Schedule 1(d), Column (e), Line 1.

[3] Feasel Exhibit I, Schedule 3(d), Column (e).

[4] Feasel Exhibit I, Schedule 1(d), Column (e), Line 4.

[5] Feasel Exhibit I, Schedule 3(d), Column (g).

[6] Feasel Exhibit I, Schedule 1(d), Column (e), Line 7.

CAROLINA WATER SERVICE, INC. OF NC
 Docket No. W-354, Sub 400
CALCULATION OF GROSS REVENUE
IMPACT OF PUBLIC STAFF ADJUSTMENTS
 For The Test Year Ended March 31, 2022

Brown and Feasel Exhibit II
 Settlement

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH/TC Sewer (d)	Total
1	Increase/(decrease) in total revenue per Company application	\$ 1,651,225	\$ 1,747,307	\$ 233,033	\$ 390,704	\$ 4,022,269
2	Company 09.19.22 update	403,404	319,362	(18,203)	(51,783)	652,780
3	Increase/(decrease) in total revenue per Company updates	<u>2,054,629</u>	<u>2,066,669</u>	<u>214,830</u>	<u>338,921</u>	<u>4,675,049</u>
4	Difference in calculation of revenue requirement based on Company amounts	(1)	1	(1)	4	3
5	Amort. of ITC not included in oper. rev. deduct.	0	0	0	0	0
6	GRT included in error by the Company	0	0	0	0	0
7	Adjust capital structure to 50% debt and 50% equity	0	0	0	0	0
8	Adjust return on equity from 10.45% to 9.25%	(564,589)	(531,092)	(28,458)	(76,609)	(1,200,748)
9	Adjust debt cost rate from 4.64% to 4.64%	0	0	0	0	0
10	Adjustment to uncollectibles	(55,646)	(40,500)	(3,604)	(4,876)	(104,626)
11	Adjustment to forfeited discounts	(63,248)	(46,814)	(5,289)	(7,094)	(122,445)
12	Adjustment to miscellaneous revenues	(18,372)	(10,961)	(1,183)	(1,210)	(31,725)
13	Update revenues to 8/31/2022	516,339	87,187	1,668	(9,864)	595,330
14	Adjustment to reclassify utility accounts	(1,980)	1,980	0	0	0
15	Adjustment from engineer for PIS	0	0	0	0	0
16	Adjustment to over booked AFUDC	(269)	(254)	0	(7)	(530)
17	Adjustment to customer deposits	0	0	0	0	0
18	Adjustment to inventory	0	0	0	0	0
19	Adjustment to excess book value	0	0	0	0	0
20	Adjustment to average tax accruals	(12,395)	(9,640)	(735)	(939)	(23,709)
21	Adjustment to remove Company proposed additions to add PS post TY adc	(295,883)	(241,436)	(12,322)	21,436	(528,205)
22	Adjustment to add back ERC book adjustment	(3,622)	(2,161)	(435)	(446)	(6,664)
23	Adjustment to gain on sale	0	0	0	0	0
24	Adjustment to include actual post TY GL additions	252,756	163,964	13,436	20,666	450,822
25	Adjustment to reflect annual level of depreciation	(14,635)	(8,959)	(1,553)	(3,516)	(28,663)
26	Adjustments - Hurricane Florence proceeds	(15,661)	(1,283)	(946)	(41,884)	(59,774)
27	Adjustment to cash working capital	(4,520)	97	(24)	(513)	(4,960)
28	Adjustment to ADIT	(8,950)	(2,454)	(1,020)	2,351	(10,073)
29	Adjustment for excess deferred taxes	(84,353)	(50,326)	(11,161)	(11,423)	(157,263)
30	Adjustment to deferred charges	(5,946)	(4,171)	(675)	(607)	(11,399)
31	Adjustment to purchased power	(1,969)	(13,503)	0	0	(15,472)
32	Adjustment to maintenance and repair	(6,061)	143,864	12,774	(29,090)	121,487
33	Adjustment to maintenance testing	0	0	0	0	0
34	Adjustment to chemicals	(58,837)	13,776	(32)	(4,839)	(49,932)
35	Adjustment to transportation	6,495	3,874	(2,408)	(2,464)	5,497
36	Adjustment to office utility	0	0	0	0	0
37	Adjustment to amortization expense - CIAC	0	0	0	0	0
38	Adjustment to franchise tax	0	0	0	0	0
39	Adjustment to regulatory commission expense	(143,423)	(85,566)	(17,228)	(17,637)	(263,854)
40	Adjustment to pension and benefits	(39,758)	(23,719)	(4,777)	(4,890)	(73,144)
41	Adjustment to amortization expense - PAA	(4,227)	(188)	(1,399)	2,019	(3,795)
42	Adjustment to meter reading	(6,733)	0	0	0	(6,733)
43	Adjustment to property tax	0	0	0	0	0
44	Adjustment to general salaries and wages	(77,996)	(46,533)	(9,371)	(9,592)	(143,492)
45	Adjustment to payroll tax	(6,489)	(3,871)	(779)	(798)	(11,937)
46	Adjustment to depreciation expense	(454,213)	(277,739)	(28,649)	(29,058)	(789,659)
47	Adjustment to outside services - other	(11,246)	(6,710)	0	0	(17,956)
48	Adjustment to office supplies and other office exp.	0	0	0	0	0
49	Adjustment to capitalized time	(4,293)	(2,562)	(516)	(528)	(7,899)
50	Adjustment to rent	0	0	0	0	0
51	Adjustment to insurance	90,894	54,227	10,919	11,178	167,218
52	Adjustment to miscellaneous	(181,444)	(27,844)	8,327	8,521	(192,440)
53	Adjustment to purchased water/sewer	0	0	0	0	0
54	Adjustment to reflect regulatory rate change impact on operating deduction	1,817	1,334	175	205	3,531
55	Adjustment to reflect regulatory rate change impact on rate base	653	615	34	88	1,390
56	Rounding	0	0	0	0	0
57	Revenue impact of Public Staff adjustments (Sum of L4 thru L56)	<u>(1,277,805)</u>	<u>(967,367)</u>	<u>(85,232)</u>	<u>(191,416)</u>	<u>(2,521,819)</u>
58	Increase/(decrease) per Public Staff (L3 + L57)	<u>\$ 776,824</u>	<u>\$ 1,099,302</u>	<u>\$ 129,598</u>	<u>\$ 147,505</u>	<u>\$ 2,153,230</u>
59	Public Staff recommended increase(decrease) (L58)	776,824	1,099,302	129,598	147,505	2,153,230
60	Federal Unprotected EDIT Rider	0	0	0	0	0
61	Public Staff Recommended change in revenue requirement (L59 + L60)	<u>\$ 776,824</u>	<u>\$ 1,099,302</u>	<u>\$ 129,598</u>	<u>\$ 147,505</u>	<u>\$ 2,153,230</u>

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
 Schedule 1(a)

CWSNC WATER OPERATIONS

Line No.	Item	Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Base Year	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
				Embedded Cost [3] (c)		
Present Rates:						
1	Debt	50.00%	\$35,522,471 [2]	4.64% [1]	2.32%	\$1,648,243 [8]
2	Equity	50.00%	35,522,472 [2]	7.57% [6]	3.79%	2,688,313 [9]
3	Total	100.00%	\$71,044,943 [3]		6.11%	\$4,336,556 [10]
Company Proposed Rates:						
4	Debt	50.00%	\$35,522,471 [4]	4.64% [1]	2.32%	\$1,648,243 [8]
5	Equity	50.00%	35,522,472 [4]	11.08% [6]	5.54%	3,937,078 [11]
6	Total	100.00%	\$71,044,943 [3]		7.86%	\$5,585,321 [12]
Public Staff Recommended Rates:						
7	Debt	50.00%	\$35,522,471 [5]	4.64% [1]	2.32%	\$1,648,243 [8]
8	Equity	50.00%	35,522,472 [5]	9.25% [1]	4.63%	3,285,829 [13]
9	Total	100.00%	\$71,044,943 [3]		6.95%	\$4,934,072 [14]

[1] Per Public Staff Financial Analyst Hilton.

[2] Column (a) multiplied by Line 3, Column (b).

[3] Public Staff Settlement Exhibit 1, Schedule 2(a), Column (c), Line 18 [10] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 37.

[4] Column (a) multiplied by Line 6, Column (b).

[5] Column (a) multiplied by Line 9, Column (b).

[6] Column (e) divided by Column (b).

[7] Column (a) multiplied by Column (c).

[8] Column (b) multiplied by Column (c).

[9] Line 3 minus Line 1, Column (e).

[10] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 37.

[11] Line 6 minus Line 4, Column (e).

[12] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (e), Line 37.

[13] Line 9 minus Line 7, Column (e).

[14] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

RETURN ON ORIGINAL COST RATE BASE

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 1(b)

CWSNC SEWER OPERATIONS

Line No.	Item	Capitalization Ratio [1]	Original Cost Rate Base [2]	Base Year		Overall Cost Rate [7]	Net Operating Income [8]
				Embedded Cost [3]	Overall Cost Rate [7]		
		(a)	(b)	(c)	(d)	(e)	
Present Rates:							
1	Debt	50.00%	\$33,415,997 [2]	4.64% [1]	2.32%	\$1,550,502 [8]	
2	Equity	50.00%	33,415,997 [2]	6.72% [6]	3.36%	2,245,425 [9]	
3	Total	100.00%	\$66,831,994 [3]		5.68%	\$3,795,927 [10]	
Company Proposed Rates:							
4	Debt	50.00%	\$33,415,997 [4]	4.64% [1]	2.32%	\$1,550,502 [8]	
5	Equity	50.00%	33,415,997 [4]	10.77% [6]	5.39%	3,600,075 [11]	
6	Total	100.00%	\$66,831,994 [3]		7.71%	\$5,150,577 [12]	
Public Staff Recommended Rates:							
7	Debt	50.00%	\$33,415,997 [5]	4.64% [1]	2.32%	\$1,550,502 [8]	
8	Equity	50.00%	33,415,997 [5]	9.25% [1]	4.63%	3,090,980 [13]	
9	Total	100.00%	\$66,831,994 [3]		6.95%	\$4,641,482 [14]	

[1] Per Public Staff Financial Analyst Hilton.
 [2] Column (a) multiplied by Line 3, Column (b).
 [3] Public Staff Settlement Exhibit 1, Schedule 2(b), Column (c), Line 18
 [4] Column (a) multiplied by Line 6, Column (b).
 [5] Column (a) multiplied by Line 9, Column (b).
 [6] Column (e) divided by Column (b).
 [7] Column (a) multiplied by Column (c).
 [8] Column (b) multiplied by Column (c).
 [9] Line 3 minus Line 1, Column (e).
 [10] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (c), Line 37.
 [11] Line 6 minus Line 4, Column (e).
 [12] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (e), Line 37.
 [13] Line 9 minus Line 7, Column (e).
 [14] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

RETURN ON ORIGINAL COST RATE BASE

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 1(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Capitalization Ratio [1]	Original Cost Rate Base [2]	<u>Base Year</u>	Overall Cost Rate [7]	Net Operating Income [8]
				Embedded Cost [3]		
		(a)	(b)	(c)	(d)	(e)
Present Rates:						
1	Debt	50.00%	\$1,798,501 [2]	4.64% [1]	2.32%	\$83,450 [8]
2	Equity	50.00%	1,798,500 [2]	3.71% [6]	1.86%	66,680 [9]
3	Total	100.00%	\$3,597,001 [3]		4.18%	\$150,130 [10]
Company Proposed Rates:						
4	Debt	50.00%	\$1,798,501 [4]	4.64% [1]	2.32%	\$83,450 [8]
5	Equity	50.00%	1,798,500 [4]	13.71% [6]	6.86%	246,662 [11]
6	Total	100.00%	\$3,597,001 [3]		9.18%	\$330,112 [12]
Public Staff Recommended Rates:						
7	Debt	50.00%	\$1,798,501 [5]	4.64% [1]	2.32%	\$83,450 [8]
8	Equity	50.00%	1,798,500 [5]	9.25% [1]	4.63%	166,361 [13]
9	Total	100.00%	\$3,597,001 [3]		6.95%	\$249,811 [14]

[1] Per Public Staff Financial Analyst Hilton.

[2] Column (a) multiplied by Line 3, Column (b).

[3] Public Staff Settlement Exhibit 1, Schedule 2(c), Column (c), Line 18

[4] Column (a) multiplied by Line 6, Column (b).

[5] Column (a) multiplied by Line 9, Column (b).

[6] Column (e) divided by Column (b).

[7] Column (a) multiplied by Column (c).

[8] Column (b) multiplied by Column (c).

[9] Line 3 minus Line 1, Column (e).

[10] Public Staff Settlement Exhibit 1, Schedule 3(c), Column (c), Line 37.

[11] Line 6 minus Line 4, Column (e).

[12] Public Staff Settlement Exhibit 1, Schedule 3(c), Column (e), Line 37.

[13] Line 9 minus Line 7, Column (e).

[14] Public Staff Settlement Exhibit 1, Schedule 3(c), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

RETURN ON ORIGINAL COST RATE BASE

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 1(d)

BF/FH SEWER OPERATIONS

Line No.	Item	Capitalization Ratio [1]	Original Cost Rate Base [2]	Base Year	Overall Cost Rate [7]	Net Operating Income [8]
				Embedded Cost [3]		
		(a)	(b)	(c)	(d)	(e)
Present Rates:						
1	Debt	50.00%	\$4,889,613 [2]	4.64% [1]	2.32%	\$226,878 [8]
2	Equity	50.00%	4,889,613 [2]	6.93% [6]	3.47%	338,834 [9]
3	Total	100.00%	\$9,779,226 [3]		5.79%	\$565,712 [10]
Company Proposed Rates:						
4	Debt	50.00%	\$4,889,613 [4]	4.64% [1]	2.32%	\$226,878 [8]
5	Equity	50.00%	4,889,613 [4]	13.13% [6]	6.57%	642,169 [11]
6	Total	100.00%	\$9,779,226 [3]		8.89%	\$869,047 [12]
Public Staff Recommended Rates:						
7	Debt	50.00%	\$4,889,613 [5]	4.64% [1]	2.32%	\$226,878 [8]
8	Equity	50.00%	4,889,613 [5]	9.25% [1]	4.63%	452,289 [13]
9	Total	100.00%	\$9,779,226 [3]		6.95%	\$679,167 [14]

[1] Per Public Staff Financial Analyst Hilton.
 [2] Column (a) multiplied by Line 3, Column (b).
 [3] Public Staff Settlement Exhibit 1, Schedule 2(d), Column (c), Line 18
 [4] Column (a) multiplied by Line 6, Column (b).
 [5] Column (a) multiplied by Line 9, Column (b).
 [6] Column (e) divided by Column (b).
 [7] Column (a) multiplied by Column (c).
 [8] Column (b) multiplied by Column (c).
 [9] Line 3 minus Line 1, Column (e).
 [10] Public Staff Settlement Exhibit 1, Schedule 3(d), Column (c), Line 37.
 [11] Line 6 minus Line 4, Column (e).
 [12] Public Staff Settlement Exhibit 1, Schedule 3(d), Column (e), Line 37.
 [13] Line 9 minus Line 7, Column (e).
 [14] Public Staff Settlement Exhibit 1, Schedule 3(d), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Rate Year 1 Ended March 31, 2024

Public Staff Settlement Exhibit 1
 Schedule 1(a)(1)

CWSNC WATER OPERATIONS

Line No.	Item	Rate Year 1				
		Capitalization Ratio [1]	Original Cost Rate Base (b)	Embedded Cost (c)	Overall Cost Rate [7] (d)	Net Operating Income (e)
Present Rates:						
1	Debt	50.00%	\$40,396,826 [2]	4.64% [1]	2.32%	\$1,874,413 [8]
2	Equity	50.00%	40,396,827 [2]	7.90% [6]	3.95%	3,190,623 [9]
3	Total	<u>100.00%</u>	<u>\$80,793,653</u> [3]		<u>6.27%</u>	<u>\$5,065,036</u> [10]
Company Proposed Rates:						
4	Debt	50.00%	\$40,396,826 [4]	4.64% [1]	2.32%	\$1,874,413 [8]
5	Equity	50.00%	40,396,827 [4]	12.01% [6]	6.01%	4,850,063 [11]
6	Total	<u>100.00%</u>	<u>\$80,793,653</u> [3]		<u>8.33%</u>	<u>\$6,724,476</u> [12]
Public Staff Recommended Rates:						
7	Debt	50.00%	\$40,396,826 [5]	4.64% [1]	2.32%	\$1,874,413 [8]
8	Equity	50.00%	40,396,827 [5]	9.25% [1]	4.63%	3,736,706 [13]
9	Total	<u>100.00%</u>	<u>\$80,793,653</u> [3]		<u>6.95%</u>	<u>\$5,611,119</u> [14]

[1] Per Public Staff Financial Analyst Hilton.

[2] Column (a) multiplied by Line 3, Column (b).

[3] Public Staff Settlement Exhibit 1, Schedule 2(a), Column (c), Line 18.

[4] Column (a) multiplied by Line 6, Column (b).

[5] Column (a) multiplied by Line 9, Column (b).

[6] Column (e) divided by Column (b).

[7] Column (a) multiplied by Column (c).

[8] Column (b) multiplied by Column (c).

[9] Line 3 minus Line 1, Column (e).

[10] Public Staff Settlement Exhibit 1, Sch 3(a)(1), Column (c), Line 37.

[11] Line 6 minus Line 4, Column (e).

[12] Public Staff Settlement Exhibit 1, Sch 3(a)(1), Column (e), Line 37.

[13] Line 9 minus Line 7, Column (e).

[14] Public Staff Settlement Exhibit 1, Sch 3(a), Column (g)(1), Line 37.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
For The Rate Year 1 Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 1(b)(1)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 1				
		Capitalization Ratio [1]	Original Cost Rate Base [2]	Embedded Cost [3]	Overall Cost Rate [7]	Net Operating Income [4]
		(a)	(b)	(c)	(d)	(e)
Present Rates:						
1	Debt	50.00%	\$40,850,220 [2]	4.64% [1]	2.32%	\$1,895,450 [8]
2	Equity	50.00%	40,850,220 [2]	6.95% [6]	3.48%	2,837,196 [9]
3	Total	<u>100.00%</u>	<u>\$81,700,440 [3]</u>		<u>5.80%</u>	<u>\$4,732,646 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$40,850,220 [4]	4.64% [1]	2.32%	\$1,895,450 [8]
5	Equity	50.00%	40,850,220 [4]	11.09% [6]	5.55%	4,530,637 [11]
6	Total	<u>100.00%</u>	<u>\$81,700,440 [3]</u>		<u>7.87%</u>	<u>\$6,426,087 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$40,850,220 [5]	4.64% [1]	2.32%	\$1,895,450 [8]
8	Equity	50.00%	40,850,220 [5]	9.25% [1]	4.63%	3,778,645 [13]
9	Total	<u>100.00%</u>	<u>\$81,700,440 [3]</u>		<u>6.95%</u>	<u>\$5,674,095 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.
[2] Column (a) multiplied by Line 3, Column (b).
[3] Public Staff Settlement Exhibit 1, Schedule 2(b), Column (c), Line 18.
[4] Column (a) multiplied by Line 6, Column (b).
[5] Column (a) multiplied by Line 9, Column (b).
[6] Column (e) divided by Column (b).
[7] Column (a) multiplied by Column (c).
[8] Column (b) multiplied by Column (c).
[9] Line 3 minus Line 1, Column (e).
[10] Public Staff Settlement Exhibit 1, Sch3(b)(1), Column (c), Line 37.
[11] Line 6 minus Line 4, Column (e).
[12] Public Staff Settlement Exhibit 1, Sch 3(b)(1), Column (e), Line 37.
[13] Line 9 minus Line 7, Column (e).
[14] Public Staff Settlement Exhibit 1, Sch 3(b)(1), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Rate Year 1 Ended March 31, 2024

Public Staff Settlement Exhibit 1
 Schedule 1(c)(1)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1				
		Capitalization Ratio [1]	Original Cost Rate Base (b)	Embedded Cost (c)	Overall Cost Rate [7]	Net Operating Income (e)
Present Rates:						
1	Debt	50.00%	\$2,946,619 [2]	4.64% [1]	2.32%	\$136,723 [8]
2	Equity	50.00%	2,946,618 [2]	4.21% [6]	2.11%	123,960 [9]
3	Total	<u>100.00%</u>	<u>\$5,893,237 [3]</u>		<u>4.43%</u>	<u>\$260,683 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$2,946,619 [4]	4.64% [1]	2.32%	\$136,723 [8]
5	Equity	50.00%	2,946,618 [4]	14.40% [6]	7.20%	424,242 [11]
6	Total	<u>100.00%</u>	<u>\$5,893,237 [3]</u>		<u>9.52%</u>	<u>\$560,965 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$2,946,619 [5]	4.64% [1]	2.32%	\$136,723 [8]
8	Equity	50.00%	2,946,618 [5]	9.25% [1]	4.63%	272,562 [13]
9	Total	<u>100.00%</u>	<u>\$5,893,237 [3]</u>		<u>6.95%</u>	<u>\$409,285 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.
 [2] Column (a) multiplied by Line 3, Column (b).
 [3] Public Staff Settlement Exhibit 1, Schedule 2(c), Column (c), Line 18.
 [4] Column (a) multiplied by Line 6, Column (b).
 [5] Column (a) multiplied by Line 9, Column (b).
 [6] Column (e) divided by Column (b).
 [7] Column (a) multiplied by Column (c).
 [8] Column (b) multiplied by Column (c).
 [9] Line 3 minus Line 1, Column (e).
 [10] Public Staff Settlement Exhibit 1, Sch 3(c)(1), Column (c), Line 37
 [11] Line 6 minus Line 4, Column (e).
 [12] Public Staff Settlement Exhibit 1, Sch 3(c)(1), Column (e), Line 37
 [13] Line 9 minus Line 7, Column (e).
 [14] Public Staff Settlement Exhibit 1, Sch 3(c)91), Column (g), Line 37

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
For The Rate Year 1 Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 1(d)(1)

BF/FH SEWER OPERATIONS

Line No.	Item	Rate Year 1				
		Capitalization Ratio [1]	Original Cost Rate Base [2]	Embedded Cost [3]	Overall Cost Rate [7]	Net Operating Income [8]
		(a)	(b)	(c)	(d)	(e)
Present Rates:						
1	Debt	50.00%	\$5,414,034 [2]	4.64% [1]	2.32%	\$251,211 [8]
2	Equity	50.00%	5,414,034 [2]	12.09% [6]	5.15%	556,918 [9]
3	Total	<u>100.00%</u>	<u>\$10,828,068 [3]</u>		<u>7.47%</u>	<u>\$808,129 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$5,414,034 [4]	4.64% [1]	2.32%	\$251,211 [8]
5	Equity	50.00%	5,414,034 [4]	12.07% [6]	6.04%	653,505 [11]
6	Total	<u>100.00%</u>	<u>\$10,828,068 [3]</u>		<u>8.36%</u>	<u>\$904,716 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$5,414,034 [5]	4.64% [1]	2.32%	\$251,211 [8]
8	Equity	50.00%	5,414,034 [5]	9.25% [1]	4.63%	500,798 [13]
9	Total	<u>100.00%</u>	<u>\$10,828,068 [3]</u>		<u>6.95%</u>	<u>\$752,009 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.
[2] Column (a) multiplied by Line 3, Column (b).
[3] Public Staff Settlement Exhibit 1, Schedule 2(d), Column (c), Line 18.
[4] Column (a) multiplied by Line 6, Column (b).
[5] Column (a) multiplied by Line 9, Column (b).
[6] Column (e) divided by Column (b).
[7] Column (a) multiplied by Column (c).
[8] Column (b) multiplied by Column (c).
[9] Line 3 minus Line 1, Column (e).
[10] Public Staff Settlement Exhibit 1, Sch 3(d)(1), Column (c), Line 37.
[11] Line 6 minus Line 4, Column (e).
[12] Public Staff Settlement Exhibit 1, Sch 3(d)(1), Column (e), Line 37.
[13] Line 9 minus Line 7, Column (e).
[14] Public Staff Settlement Exhibit 1, Sch 3(d)(1), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Rate Year 2 Ended March 31, 2025

Public Staff Settlement Exhibit 1
 Schedule 1(a)(2)

CWSNC WATER OPERATIONS

Line No.	Item	Rate Year 2				
		Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Embedded Cost [3] (c)	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
Present Rates:						
1	Debt	50.00%	\$44,066,317 [2]	4.64% [1]	2.32%	\$2,044,677 [8]
2	Equity	50.00%	44,066,317 [2]	9.42% [6]	4.71%	4,152,082 [9]
3	Total	<u>100.00%</u>	<u>\$88,132,634 [3]</u>		<u>7.03%</u>	<u>\$6,196,759 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$44,066,317 [4]	4.64% [1]	2.32%	\$2,044,677 [8]
5	Equity	50.00%	44,066,317 [4]	11.40% [6]	5.70%	5,023,368 [11]
6	Total	<u>100.00%</u>	<u>\$88,132,634 [3]</u>		<u>8.02%</u>	<u>\$7,068,045 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$44,066,317 [5]	4.64% [1]	2.32%	\$2,044,677 [8]
8	Equity	50.00%	44,066,317 [5]	9.25% [1]	4.63%	4,076,134 [13]
9	Total	<u>100.00%</u>	<u>\$88,132,634 [3]</u>		<u>6.95%</u>	<u>\$6,120,811 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.
 [2] Column (a) multiplied by Line 3, Column (b).
 [3] Public Staff Settlement Exhibit 1, Schedule 2(a), Column (f), Ln 18.
 [4] Column (a) multiplied by Line 6, Column (b).
 [5] Column (a) multiplied by Line 9, Column (b).
 [6] Column (e) divided by Column (b).
 [7] Column (a) multiplied by Column (c).
 [8] Column (b) multiplied by Column (c).
 [9] Line 3 minus Line 1, Column (e).
 [10] Public Staff Settlement Exhibit 1, Schedule 3(a)(2), Column (c), Line 37.
 [11] Line 6 minus Line 4, Column (e).
 [12] Public Staff Settlement Exhibit 1, Schedule 3(a)(2), Column (e), Line 37.
 [13] Line 9 minus Line 7, Column (e).
 [14] Public Staff Settlement Exhibit 1, Schedule 3(a)(2), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Rate Year 2 Ended March 31, 2025

Public Staff Settlement Exhibit 1
 Schedule 1(b)(2)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 2				
		Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Embedded Cost [3] (c)	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
Present Rates:						
1	Debt	50.00%	\$42,360,474 [2]	4.64% [1]	2.32%	\$1,965,526 [8]
2	Equity	50.00%	42,360,473 [2]	9.97% [6]	4.99%	4,224,763 [9]
3	Total	<u>100.00%</u>	<u>\$84,720,947</u> [3]		<u>7.31%</u>	<u>\$6,190,289</u> [10]
Company Proposed Rates:						
4	Debt	50.00%	\$42,360,474 [4]	4.64% [1]	2.32%	\$1,965,526 [8]
5	Equity	50.00%	42,360,473 [4]	12.29% [6]	6.15%	5,206,602 [11]
6	Total	<u>100.00%</u>	<u>\$84,720,947</u> [3]		<u>8.47%</u>	<u>\$7,172,128</u> [12]
Public Staff Recommended Rates:						
7	Debt	50.00%	\$42,360,474 [5]	4.64% [1]	2.32%	\$1,965,526 [8]
8	Equity	50.00%	42,360,473 [5]	9.25% [1]	4.63%	3,918,344 [13]
9	Total	<u>100.00%</u>	<u>\$84,720,947</u> [3]		<u>6.95%</u>	<u>\$5,883,870</u> [14]

[1] Per Public Staff Financial Analyst Hilton.
 [2] Column (a) multiplied by Line 3, Column (b).
 [3] Public Staff Settlement Exhibit 1, Schedule 2(b), Column (f), Ln 18.
 [4] Column (a) multiplied by Line 6, Column (b).
 [5] Column (a) multiplied by Line 9, Column (b).
 [6] Column (e) divided by Column (b).
 [7] Column (a) multiplied by Column (c).
 [8] Column (b) multiplied by Column (c).
 [9] Line 3 minus Line 1, Column (e).
 [10] Public Staff Settlement Exhibit 1, Schedule 3(b)(2), Column (c), Line 37.
 [11] Line 6 minus Line 4, Column (e).
 [12] Public Staff Settlement Exhibit 1, Schedule 3(b)(2), Column (e), Line 37.
 [13] Line 9 minus Line 7, Column (e).
 [14] Public Staff Settlement Exhibit 1, Schedule 3(b)(2), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Rate Year 2 Ended March 31, 2025

Public Staff Settlement Exhibit 1
 Schedule 1(c)(2)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 2				Net Operating Income
		Capitalization Ratio [1] (a)	Original Cost Rate Base (b)	Embedded Cost (c)	Overall Cost Rate [7] (d)	
Present Rates:						
1	Debt	50.00%	\$3,410,969 [2]	4.64% [1]	2.32%	\$158,269 [8]
2	Equity	50.00%	3,410,969 [2]	10.35% [6]	5.18%	353,107 [9]
3	Total	<u>100.00%</u>	<u>\$6,821,938</u> [3]		<u>7.50%</u>	<u>\$511,376</u> [10]
Company Proposed Rates:						
4	Debt	50.00%	\$3,410,969 [4]	4.64% [1]	2.32%	\$158,269 [8]
5	Equity	50.00%	3,410,969 [4]	13.71% [6]	6.86%	467,482 [11]
6	Total	<u>100.00%</u>	<u>\$6,821,938</u> [3]		<u>9.18%</u>	<u>\$625,751</u> [12]
Public Staff Recommended Rates:						
7	Debt	50.00%	\$3,410,969 [5]	4.64% [1]	2.32%	\$158,269 [8]
8	Equity	50.00%	3,410,969 [5]	9.25% [1]	4.63%	315,515 [13]
9	Total	<u>100.00%</u>	<u>\$6,821,938</u> [3]		<u>6.95%</u>	<u>\$473,784</u> [14]

[1] Per Public Staff Financial Analyst Hilton.
 [2] Column (a) multiplied by Line 3, Column (b).
 [3] Public Staff Settlement Exhibit 1, Schedule 2(c), Column (f), Ln 18.
 [4] Column (a) multiplied by Line 6, Column (b).
 [5] Column (a) multiplied by Line 9, Column (b).
 [6] Column (e) divided by Column (b).
 [7] Column (a) multiplied by Column (c).
 [8] Column (b) multiplied by Column (c).
 [9] Line 3 minus Line 1, Column (e).
 [10] Public Staff Settlement Exhibit 1, Schedule 3(c)(2), Column (c), Line 37.
 [11] Line 6 minus Line 4, Column (e).
 [12] Public Staff Settlement Exhibit 1, Schedule 3(c)(2), Column (e), Line 37.
 [13] Line 9 minus Line 7, Column (e).
 [14] Public Staff Settlement Exhibit 1, Schedule 3(c)(2), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Rate Year 2 Ended March 31, 2025

Public Staff Settlement Exhibit 1
 Schedule 1(d)(2)

BF/FH SEWER OPERATIONS

Line No.	Item	Capitalization Ratio [1]	Original Cost Rate Base [2]	Rate Year 2		Net Operating Income [8]
				Embedded Cost [3]	Overall Cost Rate [7]	
		(a)	(b)	(c)	(d)	(e)
Present Rates:						
1	Debt	50.00%	\$8,597,494 [2]	4.64% [1]	2.32%	\$398,924 [8]
2	Equity	50.00%	8,597,494 [2]	4.60% [6]	2.30%	395,283 [9]
3	Total	<u>100.00%</u>	<u>\$17,194,988</u> [3]		<u>4.62%</u>	<u>\$794,207</u> [10]
Company Proposed Rates:						
4	Debt	50.00%	\$8,597,494 [4]	4.64% [1]	2.32%	\$398,924 [8]
5	Equity	50.00%	8,597,494 [4]	6.84% [6]	3.42%	588,483 [11]
6	Total	<u>100.00%</u>	<u>\$17,194,988</u> [3]		<u>5.74%</u>	<u>\$987,407</u> [12]
Public Staff Recommended Rates:						
7	Debt	50.00%	\$8,597,494 [5]	4.64% [1]	2.32%	\$398,924 [8]
8	Equity	50.00%	8,597,494 [5]	9.25% [1]	4.63%	795,268 [13]
9	Total	<u>100.00%</u>	<u>\$17,194,988</u> [3]		<u>6.95%</u>	<u>\$1,194,192</u> [14]

[1] Per Public Staff Financial Analyst Hilton.
 [2] Column (a) multiplied by Line 3, Column (b).
 [3] Public Staff Settlement Exhibit 1, Schedule 2(d), Column (f), Ln 18.
 [4] Column (a) multiplied by Line 6, Column (b).
 [5] Column (a) multiplied by Line 9, Column (b).
 [6] Column (e) divided by Column (b).
 [7] Column (a) multiplied by Column (c).
 [8] Column (b) multiplied by Column (c).
 [9] Line 3 minus Line 1, Column (e).
 [10] Public Staff Settlement Exhibit 1, Schedule 3(d)(2), Column (c), Line 37.
 [11] Line 6 minus Line 4, Column (e).
 [12] Public Staff Settlement Exhibit 1, Schedule 3(d)(2), Column (e), Line 37.
 [13] Line 9 minus Line 7, Column (e).
 [14] Public Staff Settlement Exhibit 1, Schedule 3(d)(2), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
RETURN ON ORIGINAL COST RATE BASE
 For The Rate Year 3 Ended March 31, 2026

Public Staff Settlement Exhibit 1
 Schedule 1(a)(3)

CWSNC WATER OPERATIONS

Line No.	Item	Rate Year 3				
		Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Embedded Cost [3] (c)	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
Present Rates:						
1	Debt	50.00%	\$45,200,262 [2]	4.64% [1]	2.32%	\$2,097,292 [8]
2	Equity	50.00%	45,200,261 [2]	10.44% [6]	5.22%	4,720,503 [9]
3	Total	<u>100.00%</u>	<u>\$90,400,523 [3]</u>		<u>7.54%</u>	<u>\$6,817,795 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$45,200,262 [4]	4.64% [1]	2.32%	\$2,097,292 [8]
5	Equity	50.00%	45,200,261 [4]	12.38% [6]	6.19%	5,595,606 [11]
6	Total	<u>100.00%</u>	<u>\$90,400,523 [3]</u>		<u>8.51%</u>	<u>\$7,692,898 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$45,200,262 [5]	4.64% [1]	2.32%	\$2,097,292 [8]
8	Equity	50.00%	45,200,261 [5]	9.25% [1]	4.63%	4,181,024 [13]
9	Total	<u>100.00%</u>	<u>\$90,400,523 [3]</u>		<u>6.95%</u>	<u>\$6,278,316 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.
 [2] Column (a) multiplied by Line 3, Column (b).
 [3] Public Staff Settlement Exhibit 1, Schedule 2(a), Column (i), Ln 18.
 [4] Column (a) multiplied by Line 6, Column (b).
 [5] Column (a) multiplied by Line 9, Column (b).
 [6] Column (e) divided by Column (b).
 [7] Column (a) multiplied by Column (c).
 [8] Column (b) multiplied Column (c).
 [9] Line 3 minus Line 1, Column (e).
 [10] Public Staff Settlement Exhibit 1, Schedule 3(a)(3), Column (c), Line 37.
 [11] Line 6 minus Line 4, Column (e).
 [12] Public Staff Settlement Exhibit 1, Schedule 3(a)(3), Column (e), Line 37.
 [13] Line 9 minus Line 7, Column (e).
 [14] Public Staff Settlement Exhibit 1, Schedule 3(a)(3), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

RETURN ON ORIGINAL COST RATE BASE

For The Rate Year 3 Ended March 31, 2026

Public Staff Settlement Exhibit 1

Schedule 1(b)(3)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 3				
		Capitalization Ratio [1] (a)	Original Cost Rate Base (b)	Embedded Cost (c)	Overall Cost Rate [7] (d)	Net Operating Income (e)
Present Rates:						
1	Debt	50.00%	\$50,727,923 [2]	4.64% [1]	2.32%	\$2,353,776 [8]
2	Equity	50.00%	50,727,924 [2]	9.00% [6]	4.50%	4,564,667 [9]
3	Total	<u>100.00%</u>	<u>\$101,455,847 [3]</u>		<u>6.82%</u>	<u>\$6,918,443 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$50,727,923 [4]	4.64% [1]	2.32%	\$2,353,776 [8]
5	Equity	50.00%	50,727,924 [4]	11.09% [6]	5.55%	5,627,141 [11]
6	Total	<u>100.00%</u>	<u>\$101,455,847 [3]</u>		<u>7.87%</u>	<u>\$7,980,917 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$50,727,923 [5]	4.64% [1]	2.32%	\$2,353,776 [8]
8	Equity	50.00%	50,727,924 [5]	9.25% [1]	4.63%	4,692,333 [13]
9	Total	<u>100.00%</u>	<u>\$101,455,847 [3]</u>		<u>6.95%</u>	<u>\$7,046,109 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.

[2] Column (a) multiplied by Line 3, Column (b).

[3] Public Staff Settlement Exhibit 1, Schedule 2(b), Column (i), Ln 18.

[4] Column (a) multiplied by Line 6, Column (b).

[5] Column (a) multiplied by Line 9, Column (b).

[6] Column (e) divided by Column (b).

[7] Column (a) multiplied by Column (c).

[8] Column (b) multiplied Column (c).

[9] Line 3 minus Line 1, Column (e).

[10] Public Staff Settlement Exhibit 1, Schedule 3(b)(3), Column (c), Line 37.

[11] Line 6 minus Line 4, Column (e).

[12] Public Staff Settlement Exhibit 1, Schedule 3(b)(3), Column (e), Line 37.

[13] Line 9 minus Line 7, Column (e).

[14] Public Staff Settlement Exhibit 1, Schedule 3(b)(3), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

RETURN ON ORIGINAL COST RATE BASE

For The Rate Year 3 Ended March 31, 2026

Public Staff Settlement Exhibit 1

Schedule 1(c)(3)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 3				
		Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Embedded Cost [3] (c)	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
Present Rates:						
1	Debt	50.00%	\$3,411,611 [2]	4.64% [1]	2.32%	\$158,299 [8]
2	Equity	50.00%	3,411,612 [2]	12.61% [6]	6.31%	430,036 [9]
3	Total	<u>100.00%</u>	<u>\$6,823,223 [3]</u>		<u>8.63%</u>	<u>\$588,335 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$3,411,611 [4]	4.64% [1]	2.32%	\$158,299 [8]
5	Equity	50.00%	3,411,612 [4]	15.10% [6]	7.55%	515,249 [11]
6	Total	<u>100.00%</u>	<u>\$6,823,223 [3]</u>		<u>9.87%</u>	<u>\$673,548 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$3,411,611 [5]	4.64% [1]	2.32%	\$158,299 [8]
8	Equity	50.00%	3,411,612 [5]	9.25% [1]	4.63%	315,574 [13]
9	Total	<u>100.00%</u>	<u>\$6,823,223 [3]</u>		<u>6.95%</u>	<u>\$473,873 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.

[2] Column (a) multiplied by Line 3, Column (b).

[3] Public Staff Settlement Exhibit 1, Schedule 2(c), Column (i), Ln 18.

[4] Column (a) multiplied by Line 6, Column (b).

[5] Column (a) multiplied by Line 9, Column (b).

[6] Column (e) divided by Column (b).

[7] Column (a) multiplied by Column (c).

[8] Column (b) multiplied Column (c).

[9] Line 3 minus Line 1, Column (e).

[10] Public Staff Settlement Exhibit 1, Schedule 3(c)(3), Column (c), Line 37.

[11] Line 6 minus Line 4, Column (e).

[12] Public Staff Settlement Exhibit 1, Schedule 3(c)(3), Column (e), Line 37.

[13] Line 9 minus Line 7, Column (e).

[14] Public Staff Settlement Exhibit 1, Schedule 3(c)(3), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

RETURN ON ORIGINAL COST RATE BASE

For The Rate Year 3 Ended March 31, 2026

Public Staff Settlement Exhibit 1

Schedule 1(d)(3)

BF/FH SEWER OPERATIONS

Line No.	Item	Rate Year 3				
		Capitalization Ratio [1] (a)	Original Cost Rate Base [2] (b)	Embedded Cost [3] (c)	Overall Cost Rate [7] (d)	Net Operating Income [8] (e)
Present Rates:						
1	Debt	50.00%	\$8,733,625 [2]	4.64% [1]	2.32%	\$405,240 [8]
2	Equity	50.00%	8,733,626 [2]	6.21% [6]	3.11%	542,353 [9]
3	Total	<u>100.00%</u>	<u>\$17,467,251 [3]</u>		<u>5.43%</u>	<u>\$947,593 [10]</u>
Company Proposed Rates:						
4	Debt	50.00%	\$8,733,625 [4]	4.64% [1]	2.32%	\$405,240 [8]
5	Equity	50.00%	8,733,626 [4]	7.43% [6]	3.72%	649,192 [11]
6	Total	<u>100.00%</u>	<u>\$17,467,251 [3]</u>		<u>6.04%</u>	<u>\$1,054,432 [12]</u>
Public Staff Recommended Rates:						
7	Debt	50.00%	\$8,733,625 [5]	4.64% [1]	2.32%	\$405,240 [8]
8	Equity	50.00%	8,733,626 [5]	9.25% [1]	4.63%	807,860 [13]
9	Total	<u>100.00%</u>	<u>\$17,467,251 [3]</u>		<u>6.95%</u>	<u>\$1,213,100 [14]</u>

[1] Per Public Staff Financial Analyst Hilton.

[2] Column (a) multiplied by Line 3, Column (b).

[3] Public Staff Settlement Exhibit 1, Schedule 2(d), Column (i), Ln 18.

[4] Column (a) multiplied by Line 6, Column (b).

[5] Column (a) multiplied by Line 9, Column (b).

[6] Column (e) divided by Column (b).

[7] Column (a) multiplied by Column (c).

[8] Column (b) multiplied Column (c).

[9] Line 3 minus Line 1, Column (e).

[10] Public Staff Settlement Exhibit 1, Schedule 3(d)(3), Column (c), Line 37.

[11] Line 6 minus Line 4, Column (e).

[12] Public Staff Settlement Exhibit 1, Schedule 3(d)(3), Column (e), Line 37.

[13] Line 9 minus Line 7, Column (e).

[14] Public Staff Settlement Exhibit 1, Schedule 3(d)(3), Column (g), Line 37.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ORIGINAL COST RATE BASE
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2(a)

CWSNC WATER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Base Year	
			Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)
1	Plant in service	\$130,462,447	(\$1,117,751)	\$ 129,344,696 [3]
2	Accumulated depreciation	(36,715,615)	141,005	(36,574,610) [4]
3	Net plant in service (L1 + L2)	93,746,832	(976,746)	92,770,087
4	Cash working capital	1,596,378	(54,221)	1,542,157 [5]
5	Contributions in aid of construction	(16,524,392)	(36,031)	(16,560,422) [6]
6	Advances in aid of construction	(20,631)	0	(20,631)
7	Accumulated deferred income taxes	(2,667,340)	(107,358)	(2,774,697) [7]
8	Customer deposits	(208,631)	0	(208,631) [8]
9	Inventory	91,908	0	91,908 [9]
10	Gain on sale and flow back taxes	(196,947)	0	(196,947) [10]
11	Plant acquisition adjustment	(1,784,523)	61,588	(1,722,935) [11]
12	Excess book value	0	0	0
13	Cost-free capital	(121,791)	0	(121,791)
14	Average tax accruals	74,463	(148,693)	(74,230) [12]
15	Regulatory liability for excess deferred taxes	(2,667,246)	0	(2,667,246)
16	Deferred charges	1,059,646	(71,323)	988,322 [13]
17	Pro forma plant	0	0	0 [14]
18	Original cost rate base (Sum of L3 thru L17)	\$72,377,726	(\$1,332,783)	\$71,044,943

- [1] Column (c) minus Column (a).
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Public Staff Settlement Exhibit 1, Schedule 2-1(a), Column (c), Line 2.
- [4] Public Staff Settlement Exhibit 1, Schedule 2-1(a), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 2-3, Column (a), Line 4.
- [6] Public Staff Settlement Exhibit 1, Schedule 2-4, Column (c), Line 81
- [7] Public Staff Settlement Exhibit 1, Schedule 2-5(a), Column (d), Line 27.
- [8] Public Staff Settlement Exhibit 1, Schedule 2-6, Column (a), Line 3.
- [9] Calculated based on Company's response to data request.
- [10] Public Staff Settlement Exhibit 1, Schedule 2-7, Column (a), Line 6.
- [11] Public Staff Settlement Exhibit 1, Schedule 2-8, Column (c), Line 7.
- [12] Public Staff Settlement Exhibit 1, Schedule 2-3, Column (a), Line 9.
- [13] Public Staff Settlement Exhibit 1, Schedule 2-9, Column (a), Line 3.
- [14] To remove estimated plant cost in the future.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ORIGINAL COST RATE BASE
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2(b)

CWSNC SEWER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Base Year	Amount Per Public Staff (c)
			Public Staff Adjustments [1] (b)	
1	Plant in service	\$116,603,269	(\$1,177,192)	\$ 115,426,078 [3]
2	Accumulated depreciation	(29,683,192)	178,891	(29,504,301) [4]
3	Net plant in service (L1 + L2)	86,920,077	(998,301)	85,921,777
4	Cash working capital	1,138,522	1,162	1,139,684 [5]
5	Contributions in aid of construction	(16,400,002)	(55,813)	(16,455,816) [6]
6	Advances in aid of construction	(12,309)	0	(12,309)
7	Accumulated deferred income taxes	(3,065,187)	(29,441)	(3,094,628) [7]
8	Customer deposits	(124,471)	0	(124,471) [8]
9	Inventory	54,833	0	54,833 [9]
10	Gain on sale and flow back taxes	(92,681)	0	(92,681) [10]
11	Plant acquisition adjustment	396,418	(3,298)	393,121 [11]
12	Excess book value	0	0	0
13	Cost-free capital	(139,708)	0	(139,708)
14	Average tax accruals	57,936	(115,643)	(57,707) [12]
15	Regulatory liability for excess deferred taxes	(1,591,295)	0	(1,591,295)
16	Deferred charges	941,229	(50,035)	891,194 [13]
17	Pro forma plant		0	0 [14]
18	Original cost rate base (Sum of L3 thru L17)	\$68,083,364	(\$1,251,370)	\$66,831,994

- [1] Column (c) minus Column (a).
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Public Staff Settlement Exhibit 1, Schedule 2-1(b), Column (c), Line 2.
- [4] Public Staff Settlement Exhibit 1, Schedule 2-1(b), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 2-3, Column (b), Line 4.
- [6] Public Staff Settlement Exhibit 1, Schedule 2-4, Column (f), Line 8.
- [7] Public Staff Settlement Exhibit 1, Schedule 2-5(a), Column (e), Line 27.
- [8] Public Staff Settlement Exhibit 1, Schedule 2-6, Column (b), Line 3.
- [9] Calculated based on Company's response to data request.
- [10] Public Staff Settlement Exhibit 1, Schedule 2-7, Column (b), Line 6.
- [11] Public Staff Settlement Exhibit 1, Schedule 2-8, Column (f), Line 7.
- [12] Public Staff Settlement Exhibit 1, Schedule 2-3, Column (b), Line 9.
- [13] Public Staff Settlement Exhibit 1, Schedule 2-9, Column (b), Line 3.
- [14] To remove estimated plant cost in the future.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ORIGINAL COST RATE BASE
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Base Year	Amount Per Public Staff (c)
			Public Staff Adjustments [1] (b)	
1	Plant in service	\$7,360,146	(\$19,729)	\$7,340,417 [3]
2	Accumulated depreciation	(2,519,662)	(6,395)	(2,526,057) [4]
3	Net plant in service (L1 + L2)	4,840,485	(26,124)	4,814,360
4	Cash working capital	191,559	(289)	191,270 [5]
5	Contributions in aid of construction	(1,093,905)	11,942	(1,081,963) [6]
6	Advances in aid of construction	0	0	0
7	Accumulated deferred income taxes	(19,782)	(12,241)	(32,023) [7]
8	Customer deposits	(18,525)	0	(18,525) [8]
9	Inventory	3,355	0	3,355
10	Gain on sale and flow back taxes	0	0	0
11	Plant acquisition adjustment	(21,646)	(7,647)	(29,293) [9]
12	Excess book value	0	0	0
13	Cost-free capital	0	0	0
14	Average tax accruals	4,415	(8,811)	(4,396) [10]
15	Regulatory liability for excess deferred taxes	(362,366)	0	(362,366)
16	Deferred charges	124,685	(8,103)	116,582 [11]
17	Pro forma plant		0	0 [12]
18	Original cost rate base (Sum of L3 thru L17)	\$3,648,275	(\$51,274)	\$3,597,001

- [1] Column (c) minus Column (a).
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Public Staff Settlement Exhibit 1, Schedule 2-1(c), Column (c), Line 2.
- [4] Public Staff Settlement Exhibit 1, Schedule 2-1(c), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 2-3, Column (c), Line 4.
- [6] Public Staff Settlement Exhibit 1, Schedule 2-4, Column (i), Line 8.
- [7] Public Staff Settlement Exhibit 1, Schedule 2-5(b), Column (f), Line
- [8] Public Staff Settlement Exhibit 1, Schedule 2-6, Column (c), Line 3.
- [9] Public Staff Settlement Exhibit 1, Schedule 2-8, Column (i), Line 7.
- [10] Public Staff Settlement Exhibit 1, Schedule 2-3, Column (c), Line 9.
- [11] Public Staff Settlement Exhibit 1, Schedule 2-9, Column (c), Line
- [12] To remove estimated plant cost in the future.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ORIGINAL COST RATE BASE
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2(d)

BF/FH SEWER OPERATIONS

Line No.	Item	Amount Per Updates (a)	Base Year	Amount Per Public Staff (c)
			Public Staff Adjustments [1] (b)	
1	Plant in service	\$16,528,468	(\$25,264)	\$16,503,204 [3]
2	Accumulated depreciation	(3,444,878)	15,492	(3,429,386) [4]
3	Net plant in service (L1 + L2)	13,083,589	(9,772)	13,073,818
4	Cash working capital	203,468	(6,160)	197,308 [5]
5	Contributions in aid of construction	(3,630,087)	(6,981)	(3,637,068) [6]
6	Advances in aid of construction	0	0	0
7	Accumulated deferred income taxes	(393,654)	28,206	(365,448) [7]
8	Customer deposits	(18,963)	0	(18,963) [8]
9	Inventory	3,434	0	3,434
10	Gain on sale and flow back taxes	0	0	0
11	Plant acquisition adjustment	851,982	(28,233)	823,750 [9]
12	Excess book value	0	0	0
13	Cost-free capital	0	0	0
14	Average tax accruals	5,647	(11,260)	(5,613) [10]
15	Regulatory liability for excess deferred taxes	(370,918)	0	(370,918)
16	Deferred charges	86,204	(7,278)	78,925 [11]
17	Pro forma plant	0	0	0 [12]
18	Original cost rate base (Sum of L3 thru L17)	\$9,820,703	(\$41,478)	\$9,779,226

- [1] Column (c) minus Column (a).
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Public Staff Settlement Exhibit 1, Schedule 2-1(d), Column (c), Line 2.
- [4] Public Staff Settlement Exhibit 1, Schedule 2-1(d), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 2-3, Column (d), Line 4.
- [6] Public Staff Settlement Exhibit 1, Schedule 2-4, Column (l), Line 8.
- [7] Public Staff Settlement Exhibit 1, Schedule 2-5(b), Column (g), Line 27.
- [8] Public Staff Settlement Exhibit 1, Schedule 2-6, Column (d), Line 3.
- [9] Public Staff Settlement Exhibit 1, Schedule 2-8, Column (l), Line 7.
- [10] Public Staff Settlement Exhibit 1, Schedule 2-3, Column (d), Line 9.
- [11] Public Staff Settlement Exhibit 1, Schedule 2-9, Column (d), Line 3.
- [12] To remove estimated plant cost in the future.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ORIGINAL COST RATE BASE

For The Rate Year 1 - Rate Year 3 Ended
March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2(a)

CWSNC WATER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per RY1 (a)	Public Staff Adjustments (b)	Amount Per Public Staff RY1 (c) [2]	Amount Per RY2 (d)	Public Staff Adjustments (e)	Amount Per Public Staff RY2 (f) [2]	Amount Per RY3 (g)	Public Staff Adjustments (h)	Amount Per Public Staff RY3 (i) [2]
1	Plant in service	\$139,911,295	\$1,585,480	\$ 141,496,775 [3]	\$149,145,207	\$ 2,256,195	\$ 151,401,401 [3]	\$157,765,005	\$ (1,271,321)	\$ 156,493,683 [3]
2	Accumulated depreciation	(39,069,396)	(1,595,016)	(40,664,413) [4]	(40,736,813)	(3,430,890)	(44,167,703) [4]	(43,503,074)	(4,491,425)	(47,994,499) [4]
3	Net plant in service (L1 + L2)	100,841,899	(9,537)	100,832,362	108,408,394	(1,174,696)	107,233,698	114,261,931	(5,762,747)	108,499,185
4	Cash working capital	1,758,503	(170,566)	1,587,937 [5]	1,806,801	(156,225)	1,650,576 [5]	1,856,069	(181,406)	1,674,663 [5]
5	Contributions in aid of construction	(15,790,832)	391,879	(15,398,953) [6]	(15,057,272)	391,879	(14,665,393) [6]	(14,323,712)	391,879	(13,931,833) [6]
6	Advances in aid of construction	(20,631)	0	(20,631)	(20,631)	0	(20,631)	(20,631)	0	(20,631)
7	Accumulated deferred income taxes	(2,667,340)	73,303	(2,594,037) [7]	(2,667,340)	81,152	(2,586,187) [7]	(2,667,340)	307,504	(2,359,836) [7]
8	Customer deposits	(208,631)	0	(208,631)	(208,631)	0	(208,631)	(208,631)	0	(208,631)
9	Inventory	91,908	0	91,908	91,908	0	91,908	91,908	0	91,908
10	Gain on sale and flow back taxes	(196,947)	0	(196,947)	(196,947)	0	(196,947)	(196,947)	0	(196,947)
11	Plant acquisition adjustment	(1,667,165)	137,400	(1,529,766) [8]	(1,549,807)	140,355	(1,409,453) [8]	(1,432,449)	142,888	(1,289,562) [8]
12	Excess book value	0	0	0	0	0	0	0	0	0
13	Cost-free capital	(121,791)	0	(121,791)	(121,791)	0	(121,791)	(121,791)	0	(121,791)
14	Average tax accruals	79,889	(154,574)	(74,685) [9]	85,095	(160,384)	(75,289) [9]	89,922	(165,528)	(75,606) [9]
15	Regulatory liability for excess deferred taxes	(2,643,418)	0	(2,643,418)	(2,595,763)	0	(2,595,763)	(2,548,107)	0	(2,548,107)
16	Deferred charges	1,153,644	(83,340)	1,070,304 [10]	1,280,757	(244,220)	1,036,537 [10]	1,292,467	(404,756)	887,711 [10]
17	Pro forma plant	0	0	0 [11]	0	0	0 [11]	0	0	0 [11]
18	Original cost rate base (Sum of L4 thru L17)	\$80,609,087	\$184,565	\$80,793,653	\$89,254,773	(\$1,122,139)	\$88,132,634	\$96,072,690	(\$5,672,166)	\$90,400,523

[1] Column (c) minus Column (a).

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a), Column (c), Line 2.

[4] Public Staff Settlement Exhibit 1, Schedule 2-1(a), Column (c), Line 4.

[5] Public Staff Settlement Exhibit 1, Schedule 2-3(a), Column (a), Line 4.

[6] Public Staff Settlement Exhibit 1, Schedule 2-4(a), Column (c), Line 8.

[7] Public Staff Settlement Exhibit 1, Schedule 2-5(a), Column (d), Line 27.

[8] Public Staff Settlement Exhibit 1, Schedule 2-6(a), Column (c), Line 8.

[9] Public Staff Settlement Exhibit 1, Schedule 2-3(a), Column (a), Line 9.

[10] Public Staff Settlement Exhibit 1, Schedule 2-7(a), Column (a), Line 3.

[11] To remove estimated plant cost in the future.

[1] Column (c) minus Column (a).

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a), Column (f), Line 2.

[4] Public Staff Settlement Exhibit 1, Schedule 2-1(a), Column (f), Line 4.

[5] Public Staff Settlement Exhibit 1, Schedule 2-3(a), Column (b), Line 4.

[6] Public Staff Settlement Exhibit 1, Schedule 2-4(a), Column (i), Line 8.

[7] Public Staff Settlement Exhibit 1, Schedule 2-5(b), Column (d), Line 27.

[8] Public Staff Settlement Exhibit 1, Schedule 2-6(a), Column (f), Line 8.

[9] Public Staff Settlement Exhibit 1, Schedule 2-3(a), Column (b), Line 9.

[10] Public Staff Settlement Exhibit 1, Schedule 2-7(a), Column (b), Line 3.

[11] To remove estimated plant cost in the future.

[1] Column (c) minus Column (a).

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a), RY3, Column (c), Line 2.

[4] Public Staff Settlement Exhibit 1, Schedule 2-1(a), RY3, Column (c), Line 4.

[5] Public Staff Settlement Exhibit 1, Schedule 2-3(a), Column (c), Line 4.

[6] Public Staff Settlement Exhibit 1, Schedule 2-4(a), Column (i), Line 8.

[7] Public Staff Settlement Exhibit 1, Schedule 2-5(c), Column (d), Line 27.

[8] Public Staff Settlement Exhibit 1, Schedule 2-6(a), Column (i), Line 8.

[9] Public Staff Settlement Exhibit 1, Schedule 2-3(a), Column (c), Line 9.

[10] Public Staff Settlement Exhibit 1, Schedule 2-7(a), Column (c), Line 3.

[11] To remove estimated plant cost in the future.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ORIGINAL COST RATE BASE

For The Rate Year 1 - Rate Year 3 Ended
March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2(b)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per Updates (a)	Public Staff Adjustments (b)	Amount Per Public Staff (c)	Amount Per Updates (d)	Public Staff Adjustments (e)	Amount Per Public Staff (f)	Amount Per Updates (g)	Public Staff Adjustments (h)	Amount Per Public Staff (i)
1	Plant in service	\$124,965,063	\$6,889,483	\$ 131,854,547 [3]	\$138,390,155	\$ (1,466,602)	\$ 136,923,554 [3]	\$151,288,445	\$ 2,949,928	\$ 154,238,372 [3]
2	Accumulated depreciation	(31,282,947)	(723,452)	(32,006,400) [4]	(31,927,240)	(2,894,862)	(34,822,102) [4]	(33,274,358)	(2,454,713)	(35,729,071) [4]
3	Net plant in service (L1 + L2)	93,682,116	6,166,031	99,848,147	106,462,915	(4,361,464)	102,101,451	118,014,087	495,214	118,509,301
4	Cash working capital	1,214,481	(42,173)	1,172,308 [5]	1,247,864	(52,177)	1,195,687 [5]	1,256,767	(61,300)	1,195,467 [5]
5	Contributions in aid of construction	(15,774,540)	309,040	(15,465,500) [6]	(15,149,078)	309,040	(14,840,038) [6]	(14,523,615)	309,040	(14,214,576) [6]
6	Advances in aid of construction	(12,309)	0	(12,309)	(12,309)	0	(12,309)	(12,309)	0	(12,309)
7	Accumulated deferred income taxes	(3,065,187)	(12,124)	(3,077,311) [7]	(3,065,187)	188,346	(2,876,840) [7]	(3,065,187)	(39,534)	(3,104,721) [7]
8	Customer deposits	(124,471)	0	(124,471)	(124,471)	0	(124,471)	(124,471)	0	(124,471)
9	Inventory	54,833	0	54,833	54,833	0	54,833	54,833	0	54,833
10	Gain on sale and flow back taxes	(92,681)	0	(92,681)	(92,681)	0	(92,681)	(92,681)	0	(92,681)
11	Plant acquisition adjustment	413,851	6,573	420,424 [8]	431,283	6,323	437,606 [8]	448,716	5,946	454,662 [8]
12	Excess book value	0	0	0	0	0	0	0	0	0
13	Cost-free capital	(139,708)	0	(139,708)	(139,708)	0	(139,708)	(139,708)	0	(139,708)
14	Average tax accruals	62,154	(120,355)	(58,201) [9]	68,723	(127,540)	(58,817) [9]	74,974	(134,148)	(59,174) [9]
15	Regulatory liability for excess deferred taxes	(1,577,079)	0	(1,577,079)	(1,548,647)	0	(1,548,647)	(1,520,216)	0	(1,520,216)
16	Deferred charges	903,107	(151,120)	751,987 [10]	829,995	(205,115)	624,881 [10]	768,766	(259,328)	509,438 [10]
17	Pro forma plant	0	0	0 [11]	0	0	0 [11]	0	0	0 [11]
18	Original cost rate base (Sum of L4 thru L17)	\$75,544,568	\$6,155,872	\$81,700,440	\$88,963,534	(\$4,242,587)	\$84,720,947	\$101,139,957	\$315,890	\$101,455,847

[1] Column (c) minus Column (a).

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule

[4] Public Staff Settlement Exhibit 1, Schedule

[5] Public Staff Settlement Exhibit 1, Schedule 2-3(b), Column (a), Line 4.

[6] Public Staff Settlement Exhibit 1, Schedule 2-4(b), Column (c), Line 8.

[7] Public Staff Settlement Exhibit 1, Schedule 2-5(a), Column (e), Line 27.

[8] Public Staff Settlement Exhibit 1, Schedule 2-6(b), Column (c), Line 8.

[9] Public Staff Settlement Exhibit 1, Schedule 2-3(b), Column (a), Line 9.

[10] Public Staff Settlement Exhibit 1, Schedule 2-7(b), Column (a), Line 3.

[11] To remove estimated plant cost in the future.

[1] Column (c) minus Column (a).

[2] Column (a) plus Column (b), unless otherwise

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(b), Column (f), Line 2.

[4] Public Staff Settlement Exhibit 1, Schedule 2-1(b), Column (f), Line 4.

[5] Public Staff Settlement Exhibit 1, Schedule 2-3(b), Column (b), Line 4.

[6] Public Staff Settlement Exhibit 1, Schedule 2-4(b), Column (f), Line 8.

[7] Public Staff Settlement Exhibit 1, Schedule 2-5(b), Column (e), Line 27.

[8] Public Staff Settlement Exhibit 1, Schedule 2-6(b), Column (f), Line 8.

[9] Public Staff Settlement Exhibit 1, Schedule 2-3(a), Column (b), Line 9.

[10] Public Staff Settlement Exhibit 1, Schedule 2-7(b), Column (b), Line 3.

[11] To remove estimated plant cost in the future.

[1] Column (c) minus Column (a).

[2] Column (a) plus C

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(b), Column (i), Line 2.

[4] Public Staff Settlement Exhibit 1, Schedule 2-1(b), Column (i), Line 4.

[5] Public Staff Settlement Exhibit 1, Schedule 2-3(b), Column (c), Line 4.

[6] Public Staff Settlement Exhibit 1, Schedule 2-4(b), Column (i), Line 8.

[7] Public Staff Settlement Exhibit 1, Schedule 2-5(c), Column (e), Line 27.

[8] Public Staff Settlement Exhibit 1, Schedule 2-6(b), Column (i), Line 8.

[9] Public Staff Settlement Exhibit 1, Schedule 2-3(b), Column (c), Line 9.

[10] Public Staff Settlement Exhibit 1, Schedule 2-7(b), Column (c), Line 3.

[11] To remove estimated plant cost in the future.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ORIGINAL COST RATE BASE
For The Rate Year 1 - Rate Year 3 Ended
March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per Updates (a)	Public Staff Adjustments (b)	Amount Per Public Staff (c)	Amount Per Updates (d)	Public Staff Adjustments (e)	Amount Per Public Staff (f)	Amount Per Updates (g)	Public Staff Adjustments (h)	Amount Per Public Staff (i)
1	Plant in service	\$9,310,093	\$565,163	\$ 9,875,256 [3]	\$10,702,445	\$ 90,733	\$ 10,793,178 [3]	\$11,621,736	\$ (472,677)	\$ 11,149,059 [3]
2	Accumulated depreciation	(2,572,995)	(221,173)	(2,794,167) [4]	(2,442,383)	(379,184)	(2,821,567) [4]	(2,356,089)	(871,849)	(3,227,938) [4]
3	Net plant in service (L1 + L2)	6,737,098	343,990	7,081,089	8,260,062	(288,451)	7,971,611	9,265,647	(1,344,526)	7,921,120
4	Cash working capital	196,828	592	197,420 [5]	203,166	(701)	202,465 [5]	209,500	(1,986)	207,514 [5]
5	Contributions in aid of construction	(1,036,199)	45,605	(990,594) [6]	(978,492)	45,605	(932,887) [6]	(920,785)	45,605	(875,180) [6]
6	Advances in aid of construction	0	0	0	0	0	0	0	0	0
7	Accumulated deferred income taxes	(19,782)	(65,137)	(84,919) [7]	(19,782)	(51,749)	(71,531) [7]	(19,782)	(27,329)	(47,111) [7]
8	Customer deposits	(18,525)	0	(18,525)	(18,525)	0	(18,525)	(18,525)	0	(18,525)
9	Inventory	3,355	0	3,355	3,355	0	3,355	3,355	0	3,355
10	Gain on sale and flow back taxes	0	0	0	0	0	0	0	0	0
11	Plant acquisition adjustment	(37,500)	(14,202)	(51,703) [8]	(53,354)	(12,987)	(66,342) [8]	(69,208)	(11,651)	(80,859) [8]
12	Excess book value	0	0	0	0	0	0	0	0	0
13	Cost-free capital	0	0	0	0	0	0	0	0	0
14	Average tax accruals	5,534	(9,996)	(4,462) [9]	6,329	(10,900)	(4,571) [9]	6,859	(11,471)	(4,612) [9]
15	Regulatory liability for excess deferred taxes	(358,991)	0	(358,991)	(352,242)	0	(352,242)	(345,492)	0	(345,492)
16	Deferred charges	133,056	(12,488)	120,567 [10]	132,527	(41,922)	90,605 [10]	116,209	(53,196)	63,013 [10]
17	Pro forma plant		0	[11]		0	[11]		0	[11]
18	Original cost rate base (Sum of L4 thru L17)	<u>\$5,604,875</u>	<u>\$288,362</u>	<u>\$5,893,237</u>	<u>\$7,183,044</u>	<u>(\$361,106)</u>	<u>\$6,821,938</u>	<u>\$8,227,779</u>	<u>(\$1,404,556)</u>	<u>\$6,823,223</u>

[1] Column (c) minus Column (a).
[2] Column (a) plus Column (b), unless otherwise footnoted.
[3] Public Staff Settlement Exhibit 1, Schedule 2-1(c), Column (c), Line 2.
[4] Public Staff Settlement Exhibit 1, Schedule 2-1(c), Column (c), Line 4.
[5] Public Staff Settlement Exhibit 1, Schedule 2-3(c), Column (a), Line 4.
[6] Public Staff Settlement Exhibit 1, Schedule 2-4(c), Column (c), Line 8.
[7] Public Staff Settlement Exhibit 1, Schedule 2-5(a), Column (f), Li
[8] Public Staff Settlement Exhibit 1, Schedule 2-6(c), Column (c), Line 8.
[9] Public Staff Settlement Exhibit 1, Schedule 2-3(c), Column (a), Line 9.
[10] Public Staff Settlement Exhibit 1, Schedule 2-7(c), Column (a), Line 3.
[11] To remove estimated plant cost in the future.

[1] Column (c) minus Column (a).
[2] Column (a) plus Column (b), unless otherwise footnoted.
[3] Public Staff Settlement Exhibit 1, Schedule 2-1(c), Column (f), Line 2.
[4] Public Staff Settlement Exhibit 1, Schedule 2-1(c), Column (f), Line 4.
[5] Public Staff Settlement Exhibit 1, Schedule 2-3(c), Column (b), Line 4.
[6] Public Staff Settlement Exhibit 1, Schedule 2-4(c), Column (f), Line 8.
[7] Public Staff Settlement Exhibit 1, Schedule 2-5
[8] Public Staff Settlement Exhibit 1, Schedule 2-6(c), Column (f), Line 8.
[9] Public Staff Settlement Exhibit 1, Schedule 2-3(c), Column (b), Line 9.
[10] Public Staff Settlement Exhibit 1, Schedule 2-7(c), Column (b), Line 3.
[11] To remove estimated plant cost in the future.

[1] Column (c) minus Column (a).
[2] Column (a) plus Column (b), unless otherwise footnoted.
[3] Public Staff Settlement Exhibit 1, Schedule 2-1(c), Column (i), Line 2.
[4] Public Staff Settlement Exhibit 1, Schedule 2-1(c), Column (i), Line 4.
[5] Public Staff Settlement Exhibit 1, Schedu
[6] Public Staff Settlement Exhibit 1, Schedule 2-4(c), Column (i), Line 8.
[7] Public Staff Settler
[8] Public Staff Settlement Exhibit 1, Schedule 2-6(c), Column (i), Line 8.
[9] Public Staff Settlement Exhibit 1, Schedule 2-3(c), Column (c), Line 9.
[10] Public Staff Settlement Exhibit 1, Schedule 2-7(c), Column (c), Line 3.
[11] To remove estimated plant cost in the future.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ORIGINAL COST RATE BASE

For The Rate Year 1 - Rate Year 3 Ended
March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2(d)

BF/FH SEWER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per Updates (a)	Public Staff Adjustments (b)	Amount Per Public Staff (c)	Amount Per Updates (d)	Public Staff Adjustments (e)	Amount Per Public Staff (f)	Amount Per Updates (g)	Public Staff Adjustments (h)	Amount Per Public Staff (i)
1	Plant in service	\$17,807,323	(\$54,077)	\$ 17,753,246 [3]	\$22,082,418	\$ 1,541,269	\$ 23,623,687 [3]	\$25,148,559	\$ (911,633)	\$ 24,236,926 [3]
2	Accumulated depreciation	(3,769,452)	(157,872)	(3,927,324) [4]	(3,436,066)	91,467	(3,344,599) [4]	(3,514,516)	(307,286)	(3,821,802) [4]
3	Net plant in service (L1 + L2)	14,037,871	(211,950)	13,825,921	18,646,352	1,632,736	20,279,088	21,634,043	(1,218,919)	20,415,124
4	Cash working capital	217,316	(11,106)	206,210 [5]	226,224	(14,870)	211,354 [5]	235,015	(18,364)	216,651 [5]
5	Contributions in aid of construction	(3,479,452)	80,890	(3,398,562) [6]	(3,328,817)	80,890	(3,247,927) [6]	(3,178,182)	80,890	(3,097,292) [6]
6	Advances in aid of construction	0	0	0	0	0	0	0	0	0
7	Accumulated deferred income taxes	(393,654)	64,218	(329,436) [7]	(393,654)	(107,598)	(501,252) [7]	(393,654)	(57,465)	(451,119) [7]
8	Customer deposits	(18,963)	0	(18,963)	(18,963)	0	(18,963)	(18,963)	0	(18,963)
9	Inventory	3,434	0	3,434	3,434	0	3,434	3,434	0	3,434
10	Gain on sale and flow back taxes	0	0	0	0	0	0	0	0	0
11	Plant acquisition adjustment	808,132	(54,610)	753,522 [8]	764,282	(54,274)	710,008 [8]	720,432	(53,602)	666,830 [8]
12	Excess book value	0	0	0	0	0	0	0	0	0
13	Cost-free capital	0	0	0	0	0	0	0	0	0
14	Average tax accruals	6,091	(368)	5,723 [9]	7,518	(1,760)	5,758 [9]	8,535	(2,707)	5,828 [9]
15	Regulatory liability for excess deferred taxes	(367,464)	0	(367,464)	(360,555)	0	(360,555)	(353,646)	0	(353,646)
16	Deferred charges	127,162	20,519	147,682 [10]	157,881	(43,839)	114,042 [10]	137,402	(57,000)	80,402 [10]
17	Pro forma plant		0			0			0	
18	Original cost rate base (Sum of L4 thru L17)	\$10,940,475	(\$112,407)	\$10,828,068	\$15,703,704	\$1,491,284	\$17,194,988	\$18,794,417	(\$1,327,167)	\$17,467,251

[1] Column (c) minus Column (a).
 [2] Column (a) plus Column (b), unless otherwise footnoted.
 [3] Public Staff Settlement Exhibit 1, Schedule 2-1(d), Column (c), Line 2.
 [4] Public Staff Settlement Exhibit 1, Schedule 2-1(d), Column (c), Line 4.
 [5] Public Staff Settlement Exhibit 1, Schedule 2-3(d), Column (a), Line 4.
 [6] Public Staff Settlement Exhibit 1, Schedule 2-4(d), Column (i), Line 9.
 [7] Public Staff Settlement Exhibit 1, Schedule 2-5(a), Column (g), Line 27.
 [8] Public Staff Settlement Exhibit 1, Schedule 2-6(d), Column (c), Line 8.
 [9] Public Staff Settlement Exhibit 1, Schedule 2-3(d), Column (a), Line 9.
 [10] Public Staff Settlement Exhibit 1, Schedule 2-7(d), Column (a), Line 3.
 [11] To remove estimated plant cost in the future.

[1] Column (c) minus Column (a).
 [2] Column (a) plus Column (b), unless otherwise footnoted.
 [3] Public Staff Settlement Exhibit 1, Schedule 2-1(d), Column (f), Line 2.
 [4] Public Staff Settlement Exhibit 1, Schedule 2-1(d), Column (f), Line 4.
 [5] Public Staff Settlement Exhibit 1, Schedule 2-3(d), Column (b), Line 4.
 [6] Public Staff Settlement Exhibit 1, Schedule 2-4(d), Column (i), Line 9.
 [7] Public Staff Settlement Exhibit 1, Schedule 2-5(b), Column (g), Line 27.
 [8] Public Staff Settlement Exhibit 1, Schedule 2-6(d), Column (f), Line 8.
 [9] Public Staff Settlement Exhibit 1, Schedule 2-3(d), Column (b), Line 9.
 [10] Public Staff Settlement Exhibit 1, Schedule 2-7(d), Column (b), Line 3.
 [11] To remove estimated plant cost in the future.

[1] Column (c) minus Column (a).
 [2] Column (a) plus Column (b), unless otherwise footnoted.
 [3] Public Staff Settlement Exhibit 1, Schedule 2-1(d), Column (i), Line 2.
 [4] Public Staff Settlement Exhibit 1, Schedule 2-1(d), Column (i), Line 4.
 [5] Public Staff Settlement Exhibit 1, Schedule 2-3(d), Column (c), Line 4.
 [6] Public Staff Settlement Exhibit 1, Schedule 2-4(d), Column (i), Line 9.
 [7] Public Staff Settlement Exhibit 1, Schedule 2-5(c), Column (g), Line 27.
 [8] Public Staff Settlement Exhibit 1, Schedule 2-6(d), Column (i), Line 8.
 [9] Public Staff Settlement Exhibit 1, Schedule 2-3(d), Column (c), Line 9.
 [10] Public Staff Settlement Exhibit 1, Schedule 2-7(d), Column (c), Line 3.
 [11] To remove estimated plant cost in the future.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**CALCULATION OF PLANT IN SERVICE AND
ACCUMULATED DEPRECIATION**
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2-1(a)

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Amount Per Updates</u> (a)	<u>Base Year Public Staff Adjustments</u> [1] (b)	<u>Amount Per Public Staff</u> [2] (c)
Plant In Service:				
1	Direct plant in service	\$130,462,447	\$ (1,117,751)	\$129,344,696 [3]
2	Total plant in service	<u>\$130,462,447</u>	<u>\$ (1,117,751)</u>	<u>\$129,344,696</u>
Accumulated Depreciation:				
3	Direct accumulated depreciation	(\$36,715,615)	\$141,005	(\$36,574,610) [4]
4	Total accumulated depreciation	<u>(\$36,715,615)</u>	<u>\$141,005</u>	<u>(\$36,574,610)</u>

- [1] Column (c) minus Column (a), unless otherwise footnoted.
[2] Column (a) plus Column (b), unless otherwise footnoted.
[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(1), P.1, Column (d), Line 53.
[4] Public Staff Settlement Exhibit 1, Schedule 2-2, Column (a), Line 8.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**CALCULATION OF PLANT IN SERVICE AND
ACCUMULATED DEPRECIATION**
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2-1(b)

CWSNC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Amount Per Updates (a)</u>	<u>Base Year Public Staff Adjustments [1] (b)</u>	<u>Amount Per Public Staff [2] (c)</u>
	Plant In Service:			
1	Direct plant in service	\$116,603,269	(\$1,177,192)	\$115,426,078 [3]
2	Total plant in service	<u>\$116,603,269</u>	<u>(\$1,177,192)</u>	<u>\$115,426,078</u>
	Accumulated Depreciation:			
3	Direct accumulated depreciation	(\$29,683,192)	\$178,891	(\$29,504,301) [4]
4	Total accumulated depreciation	<u>(\$29,683,192)</u>	<u>\$178,891</u>	<u>(\$29,504,301)</u>

- [1] Column (c) minus Column (a), unless otherwise footnoted.
[2] Column (a) plus Column (b), unless otherwise footnoted.
[3] Public Staff Settlement Exhibit 1, Schedule 2-1(b)(1), P.2, Column (d), Line 70.
[4] Public Staff Settlement Exhibit 1, Schedule 2-2, Column (b), Line 8.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**CALCULATION OF PLANT IN SERVICE AND
ACCUMULATED DEPRECIATION**
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2-1(c)

BF/FH/TC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Amount Per Updates (a)</u>	<u>Base Year Public Staff Adjustments [1] (b)</u>	<u>Amount Per Public Staff [2] (c)</u>
Plant In Service:				
1	Direct plant in service	\$7,360,146	(\$19,729)	\$7,340,417 [3]
2	Total plant in service	<u>\$7,360,146</u>	<u>(\$19,729)</u>	<u>\$7,340,417</u>
Accumulated Depreciation:				
3	Direct accumulated depreciation	(\$2,519,662)	(\$6,395)	(\$2,526,057) [4]
4	Total accumulated depreciation	<u>(\$2,519,662)</u>	<u>(\$6,395)</u>	<u>(\$2,526,057)</u>

- [1] Column (c) minus Column (a), unless otherwise footnoted.
[2] Column (a) plus Column (b), unless otherwise footnoted.
[3] Public Staff Settlement Exhibit 1, Schedule 2-1(c)(1), P.3, Column (d), Line 43.
[4] Public Staff Settlement Exhibit 1, Schedule 2-2, Column (c), Line 8.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**CALCULATION OF PLANT IN SERVICE AND
ACCUMULATED DEPRECIATION**
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2-1(d)

BF/FH SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Amount Per Updates (a)</u>	<u>Base Year Public Staff Adjustments [1] (b)</u>	<u>Amount Per Public Staff [2] (c)</u>
	Plant In Service:			
1	Direct plant in service	\$16,528,468	(\$25,264)	\$16,503,204 [3]
2	Total plant in service	<u>\$16,528,468</u>	<u>(\$25,264)</u>	<u>\$16,503,204</u>
	Accumulated Depreciation:			
3	Direct accumulated depreciation	(\$3,444,878)	\$15,492	(\$3,429,386) [4]
4	Total accumulated depreciation	<u>(\$3,444,878)</u>	<u>\$15,492</u>	<u>(\$3,429,386)</u>

- [1] Column (c) minus Column (a), unless otherwise footnoted.
[2] Column (a) plus Column (b), unless otherwise footnoted.
[3] Public Staff Settlement Exhibit 1, Schedule 2-1(d)(1), P.4, Column (d), Line 52.
[4] Public Staff Settlement Exhibit 1, Schedule 2-2, Column (d), Line 8.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF PLANT IN SERVICE AND ACCUMULATED DEPRECIATION

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-1(a)

CWSNC WATER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per RY1 (a)	Public Staff Adjustments (b)	Amount Per Public Staff RY1 (c) [2]	Amount Per RY2 (d)	Public Staff Adjustments (e)	Amount Per Public Staff RY2 (f) [2]	Amount Per RY3 (g)	Public Staff Adjustments (h)	Amount Per Public Staff RY3 (i) [2]
Plant In Service:										
1	Plant in service	\$139,911,295	\$ 1,585,480	\$141,496,775 [3]	\$149,145,207	\$ 2,256,195	\$151,401,401 [3]	\$157,765,005	\$ (1,271,321)	\$156,493,683 [3]
2	Total plant in service	<u>\$139,911,295</u>	<u>\$1,585,480</u>	<u>\$141,496,775</u>	<u>\$149,145,207</u>	<u>\$2,256,195</u>	<u>\$151,401,401</u>	<u>\$157,765,005</u>	<u>(\$1,271,321)</u>	<u>\$156,493,683</u>
Accumulated Depreciation:										
3	Accumulated depreciation	(\$39,069,396)	(\$1,595,016)	(\$40,664,413) [4]	(\$40,736,813)	(\$3,430,890)	(\$44,167,703) [4]	(\$43,503,074)	(\$4,491,425)	(\$47,994,499) [4]
4	Total accumulated depreciation	<u>(\$39,069,396)</u>	<u>(\$1,595,016)</u>	<u>(\$40,664,413)</u>	<u>(\$40,736,813)</u>	<u>(\$3,430,890)</u>	<u>(\$44,167,703)</u>	<u>(\$43,503,074)</u>	<u>(\$4,491,425)</u>	<u>(\$47,994,499)</u>

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(1), P. 1, Column (c), Line 53.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(a), Column (a) , Line 8.

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(2), P.1, Column (c), Ln 53.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(a), Column (b) , Line 8.

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Sch 2-1(a)(3), P.1, Col (c), Ln 53.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(a), Column (c) , Line 8.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF PLANT IN SERVICE AND ACCUMULATED DEPRECIATION

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-1(b)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per RY1 (a)	Public Staff Adjustments (b)	Amount Per Public Staff RY1 [2] (c)	Amount Per RY2 (d)	Public Staff Adjustments [1] (e)	Amount Per Public Staff RY2 [2] (f)	Amount Per RY3 (g)	Public Staff Adjustments (h)	Amount Per Public Staff RY3 [2] (i)
Plant In Service:										
1	Updated plant in service	\$124,965,063	\$6,889,483	\$131,854,547 [3]	\$138,390,155	(\$1,466,602)	\$136,923,554 [3]	\$151,288,445	\$2,949,928	\$154,238,372 [3]
2	Total plant in service	<u>\$124,965,063</u>	<u>\$6,889,483</u>	<u>\$131,854,547</u>	<u>\$138,390,155</u>	<u>(\$1,466,602)</u>	<u>\$136,923,554</u>	<u>\$151,288,445</u>	<u>\$2,949,928</u>	<u>\$154,238,372</u>
Accumulated Depreciation:										
3	Updated accumulated depreciation	(\$31,282,947)	(\$723,452)	(\$32,006,400) [4]	(\$31,927,240)	(\$2,894,862)	(\$34,822,102) [4]	(\$33,274,358)	(\$2,454,713)	(\$35,729,071) [4]
4	Total accumulated depreciation	<u>(\$31,282,947)</u>	<u>(\$723,452)</u>	<u>(\$32,006,400)</u>	<u>(\$31,927,240)</u>	<u>(\$2,894,862)</u>	<u>(\$34,822,102)</u>	<u>(\$33,274,358)</u>	<u>(\$2,454,713)</u>	<u>(\$35,729,071)</u>

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(1), P. 2, Column (c), Line 70.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(b), Column (a), Line 8.

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(2), P.2, Col (c), Ln 70.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(b), Column (b), Line 8.

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Sch 2-1(a)(3), P.2, Col (c), Ln 70.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(b), Column (c), Line 8.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF PLANT IN SERVICE AND ACCUMULATED DEPRECIATION

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-1(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per RY1 (a)	Public Staff Adjustments (b)	Amount Per Public Staff RY1 (c) [1]	Amount Per RY2 (d)	Public Staff Adjustments (e)	Amount Per Public Staff RY2 (f) [1]	Amount Per RY3 (g)	Public Staff Adjustments (h)	Amount Per Public Staff RY3 (i) [2]
Plant In Service:										
1	Updated plant in service	\$9,310,093	\$565,163	\$9,875,256 [3]	\$10,702,445	\$90,733	\$10,793,178 [3]	\$11,621,736	(\$472,677)	\$11,149,059 [3]
2	Total plant in service	<u>\$9,310,093</u>	<u>\$565,163</u>	<u>\$9,875,256</u>	<u>\$10,702,445</u>	<u>\$90,733</u>	<u>\$10,793,178</u>	<u>\$11,621,736</u>	<u>(\$472,677)</u>	<u>\$11,149,059</u>
Accumulated Depreciation:										
3	Updated accumulated depreciation	(\$2,572,995)	(\$221,173)	(\$2,794,167) [4]	(\$2,442,383)	(\$379,184)	(\$2,821,567) [4]	(\$2,356,089)	(\$871,849)	(\$3,227,938) [4]
4	Total accumulated depreciation	<u>(\$2,572,995)</u>	<u>(\$221,173)</u>	<u>(\$2,794,167)</u>	<u>(\$2,442,383)</u>	<u>(\$379,184)</u>	<u>(\$2,821,567)</u>	<u>(\$2,356,089)</u>	<u>(\$871,849)</u>	<u>(\$3,227,938)</u>

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(1), P.3, Column (c), Line 43.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(c), Column (a), Line 8.

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(2), P.3, Col (c), Ln 43.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(c), Column (b), Line 8.

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Sch 2-1(a)(3), P.3, Col (c), Ln 43.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(c), Column (c), Line 8.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF PLANT IN SERVICE AND
ACCUMULATED DEPRECIATION**

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-1(d)

BF/FH SEWER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per RY1 (a)	Public Staff Adjustments (b)	Amount Per Public Staff RY1 [1] (c) [2]	Amount Per RY2 (d)	Public Staff Adjustments [1] (e)	Amount Per Public Staff RY2 [2] (f)	Amount Per RY3 (g)	Public Staff Adjustments (h)	Amount Per Public Staff RY3 [2] (i) [3]
Plant In Service:										
1	Updated plant in service	\$17,807,323	(\$54,077)	\$17,753,246 [3]	\$22,082,418	\$1,541,269	\$23,623,687 [3]	\$25,148,559	(\$911,633)	\$24,236,926 [3]
2	Total plant in service	<u>\$17,807,323</u>	<u>(\$54,077)</u>	<u>\$17,753,246</u>	<u>\$22,082,418</u>	<u>\$1,541,269</u>	<u>\$23,623,687</u>	<u>\$25,148,559</u>	<u>(\$911,633)</u>	<u>\$24,236,926</u>
Accumulated Depreciation:										
3	Updated accumulated depreciation	(\$3,769,452)	(\$157,872)	(\$3,927,324) [4]	(\$3,436,066)	\$91,467	(\$3,344,599) [4]	(\$3,514,516)	(\$307,286)	(\$3,821,802) [4]
4	Total accumulated depreciation	<u>(\$3,769,452)</u>	<u>(\$157,872)</u>	<u>(\$3,927,324)</u>	<u>(\$3,436,066)</u>	<u>\$91,467</u>	<u>(\$3,344,599)</u>	<u>(\$3,514,516)</u>	<u>(\$307,286)</u>	<u>(\$3,821,802)</u>

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(1), P. 4, Column (c), Line 52.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(d), Column (a), Line 8.

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(2), P.4, Col (c), Ln 52.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(d), Column (b), Line 8.

[1] Column (c) minus Column (a), unless otherwise footnoted.

[2] Column (a) plus Column (b), unless otherwise footnoted.

[3] Public Staff Settlement Exhibit 1, Sch 2-1(a)(3), P.4, Col (c), Ln 52.

[4] Public Staff Settlement Exhibit 1, Schedule 2-2(d), Column (c), Line 8.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Base Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2-1(a)(1)
Page 1 of 4

CWSNC WATER OPERATIONS

Line No.	New Account No.	Item	Amount per		Company Proforma	Remove Company Proforma	Actual PTY additions	PS Adjustment/ Engineering adjustment	ERC	Florence Proceeds	AFUDC adjustments	Reclassification	Amount per PS	Total PS Adj.
			Updates Direct	Updates Allocated										
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	
1.	141201	Organization	410,367	73,688	521	(521)	521	0	0	0	0	0	484,577	0
2.	141202	Franchises	140,283	89,232	0	0	0	0	0	0	0	0	229,516	0
3.	141102	Land & land rights pump	0	50,818	0	0	0	0	0	0	0	0	50,818	0
4.	141501	Computer Hardware	0	703	(37)	37	0	0	(30)	0	0	0	673	7
5.	141502	Desktop/Laptop Computers	0	15,859	40,053	(40,053)	0	0	(679)	0	0	0	15,181	(40,731)
6.	141101	Land & land rights gen. pit.	0	717,824	150,596	(150,596)	150,596	0	0	0	0	0	868,420	0
7.	141204	Struct & improv. src. supply	4,465,609	16,279	27,059	(27,059)	24,011	0	0	0	0	0	4,505,898	(3,048)
8.	141205	Struct & improv. wtr. lrt. pit.	1,572,780	31,094	39,175	(39,175)	34,026	0	0	0	0	0	1,637,901	(5,148)
9.	141206	Struct & improv. trans. dist.	288,439	3,978	2,389	(2,389)	1,587	0	0	0	0	0	294,004	(802)
10.	141203	Struct & improv. gen. pit.	371,949	2,709	51,504	(51,504)	50,103	0	0	0	0	0	424,761	(1,401)
11.	141221	Collecting reservoirs	14,695	0	717,687	(717,687)	717,687	0	0	0	0	0	732,382	0
12.	141223	Wells & springs	14,603,514	213,136	31,115	(31,115)	24,871	0	0	0	(1,077)	0	14,840,443	(7,321)
13.	141224	Infiltration gallery	45,185	0	0	0	0	0	0	0	0	0	45,185	0
14.	141225	Supply mains	788,510	303	74,366	(74,366)	65,241	0	0	0	0	0	854,054	(9,125)
15.	141226	Power generation equip.	162,816	0	4,857	(4,857)	4,805	0	0	0	0	0	167,421	(52)
16.	141227	Electric pump equip. src. pit.	2,944,455	3,127	82,461	(82,461)	77,797	0	(180)	(4)	0	0	3,025,195	(4,849)
17.	141228	Electric pump equip. wtp.	8,885,752	296,055	208,094	(208,094)	184,086	0	0	0	0	0	9,365,894	(24,009)
18.	141229	Electric pump equip. trans.	3,899,131	2,157	895,639	(895,639)	890,004	0	(2,921)	0	0	0	4,788,370	(8,557)
19.	141230	Water treatment equip.	5,625,394	184,273	384,494	(384,494)	62,593	0	(5,951)	(649)	0	0	5,805,660	(328,502)
20.	141231	Dist. rev. & standpipes	8,196,939	683,959	58,316	(58,316)	48,879	0	0	0	(179)	0	8,927,298	(11,617)
21.	141232	Trans. & distr. mains	35,491,938	442,856	442,856	(442,856)	516,345	0	(178,375)	(138)	0	0	36,091,486	(359,653)
22.	141233	Service lines	14,406,827	147,037	614,916	(614,916)	543,961	0	(437)	0	0	0	15,097,388	(71,392)
23.	141234	Meters	6,324,924	188,747	42,553	(42,553)	36,746	0	0	0	(46)	0	6,550,372	(5,853)
24.	141235	Meter installations	2,057,561	615	43,542	(43,542)	39,195	0	0	0	(973)	0	2,096,397	(5,321)
25.	141236	Hydrants	1,413,906	767	43,796	(43,796)	39,089	0	0	0	0	0	1,453,761	(4,707)
26.	141237	Backflow prevention devic.	45,312	0	16,215	(16,215)	16,034	0	0	0	0	0	61,347	(181)
27.	141268	Other pit. & misc. equip. src. su.	0	260	0	0	0	0	0	0	0	0	260	0
28.	141269	Other pit. & misc. equip. wtp.	20,187	1,597	(3,185)	3,185	0	0	0	0	0	0	24,969	0
29.	141220	Office struct & improv.	99,061	487,148	244,803	(244,803)	10,933	(14,618)	0	(17)	0	0	582,507	(248,505)
30.	141303	Office furn. & equip.	89,664	499,273	(10,487)	10,487	978	(10,384)	0	0	0	0	579,532	1,081
31.	141305	Stores equipment	15,973	202	292	(292)	91	(8)	0	0	0	0	16,258	(209)
32.	141308	Tool shop & misc. equip.	502,559	579,059	8,897	(8,897)	8,470	(89)	0	0	0	0	1,089,999	(516)
33.	141306	Laboratory equipment	66,989	64,560	401	(401)	269	0	0	0	0	0	131,819	(132)
34.	141309	Power operated equip.	360,477	2,740	11,654	(11,654)	11,116	0	0	0	0	0	374,333	(538)
35.	141310	Communication equip.	155,341	158,446	12,841	(12,841)	14,310	(1,513)	0	0	0	0	326,583	(45)
36.	141311	Misc. equipment	193,043	7,655	15,193	(15,193)	14,504	0	0	0	0	0	215,202	(689)
37.	141278	Water plant allocated	207,809	0	0	0	0	0	0	0	0	0	207,809	0
38.	141271	Other tangible pit. water	1,181	37,219	(10,327)	10,327	0	0	0	0	0	0	48,727	0
39.	141248	Receiving Wells	176,744	0	0	0	0	0	0	0	(141)	0	176,603	(141)
40.	141401	Transportation equip.	0	2,053,046	276,107	(276,107)	307,182	(214)	0	0	0	0	2,360,014	30,861
41.	141503	Mainframe computer - wtr	0	133,851	(5,733)	5,733	0	(4,591)	0	0	0	0	129,260	1,141
42.	141504	Mini computer - wtr	9,712	1,293,954	(36,690)	36,690	1,295	(42,957)	0	0	0	0	1,261,915	(4,972)
43.	141602	Comp. system cost - wtr	0	3,323,886	(168,429)	168,429	0	(136,755)	0	0	0	0	3,187,131	31,673
44.	141603	Micro system cost - wtr	0	65,896	(2,956)	2,956	0	(2,375)	0	0	0	0	63,521	590
45.	141255	Plant Sewers Treatment Pit	23,751	0	0	0	0	0	0	0	(23,751)	0	0	(23,751)
46.	141299	Utility Plant Clearing	0	0	(0)	0	(0)	0	0	0	0	0	(0)	0
47.	141699	Computer Clearing	0	0	(0)	0	(0)	0	0	0	0	0	(0)	0
48.	141601	Computer Software	0	104,466	6,861	(6,861)	0	(4,470)	0	0	0	0	99,996	(11,331)
49.	141103	Land and Rights Water	0	357,109	0	0	0	0	0	0	0	0	357,109	0
50.	141104	Land and Rights Trans	0	18,896	0	0	0	0	0	0	0	0	18,896	0
51.	141293	Plant Held for Future Use	0	(382,146)	0	0	0	0	0	0	0	0	(382,146)	0
52.	141399	Building and Equipment Clearing	0	0	0	(0)	0	0	0	0	0	0	0	0
53.	Total plant in service (Sum of L1 thru L52)		114,078,577	11,971,944	4,411,925	(4,411,925)	3,727,699	0	(218,683)	(187,864)	(3,225)	(23,751)	129,344,696	(1,117,751)

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
 For The Base Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
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CWSNC SEWER OPERATIONS

Line No.	No.	Item	Amount per Updates Direct (a)	Amount per Updates Allocated (b)	Company Proforma (c)	Remove Company Proforma (d)	Actual PTY additions (e)	PS Adj / Engineering (f)	ERC adjustment (g)	Florence Proceeds (h)	AFUDC adjustments (i)	Reclassifi cation (j)	Amount per PS (k)	Total PS Adj. (l)
1.	141201	Organization	883,492	0	0	0	0	0	0	0	0	0	883,492	0
2.	141202	Franchises intang. pit.	127,476	0	0	0	0	0	0	0	0	0	127,476	0
3.	141107	Land & land rights trimm pit	0	39,167	0	0	0	0	0	0	0	0	39,167	0
4.	141108	Land & land rights reclaim.	0	1,150	0	0	0	0	0	0	0	0	1,150	0
5.	141101	Land and Rights General	0	0	0	0	0	0	0	0	0	0	0	0
6.	141207	Struct/Improv. coll. pit.	103,601	979	4,356	(4,356)	4,001	0	0	0	0	0	108,582	(354)
7.	141208	Struct/Improv. pump pit. Is.	11,299,690	18,599	125,558	(125,558)	121,979	0	(180)	(2,090)	0	0	11,437,999	(5,848)
8.	141209	Struct/Improv. treat. pit.	20,050,256	0	22,537	(22,537)	22,993	0	(4,621)	(31)	(31)	0	20,068,597	(4,197)
9.	141210	Struct/Improv. reclaim. wtp.	2,586	685	0	0	0	0	0	0	0	0	3,271	0
10.	141211	Struct/Improv. reclaim. wtr.	180,481	0	16	(16)	0	0	0	0	0	0	180,481	(16)
11.	141203	Struct/Improv. gen. pit.	1,683,969	0	25,430	(25,430)	23,256	0	0	0	0	0	1,707,245	(2,174)
12.	141238	Power gen. equip. coll. pit.	107,623	0	0	0	0	0	0	0	0	0	107,623	0
13.	141239	Power gen. equip. pump pit.	53,341	0	14	(14)	0	0	0	0	0	0	53,341	(14)
14.	141240	Power gen. equip. treat. pit.	308,117	0	6,287	(6,287)	5,100	0	0	0	0	0	313,217	(1,187)
15.	141241	Sewer force main/serv. lin.	3,802,928	61,991	608,705	(608,705)	601,749	0	(283)	(37)	(37)	0	4,468,350	(7,274)
16.	141242	Sewer gravity main	17,893,123	494,361	2,054,567	(2,054,567)	949,079	0	0	(122)	(122)	0	19,336,441	(1,105,610)
17.	141243	Manholes	1,477,376	229,482	52,144	(52,144)	44,389	0	0	(69)	(69)	0	1,751,178	(7,824)
18.	141244	Special coll. structures	7,032	0	21	(21)	0	0	0	0	0	0	7,032	(21)
19.	141245	Services to customers	2,179,151	0	86,014	(86,014)	69,241	0	0	0	0	1,055	2,249,446	(15,718)
20.	141246	Flow measure devices	143,165	0	3,084	(3,084)	5,503	0	(2,935)	0	0	0	145,734	(1,515)
21.	141247	Flow measure install	1,106	0	2	(2)	0	0	0	0	0	0	1,106	(2)
22.	141248	Receiving wells	211,824	0	25,449	(25,449)	22,160	0	0	0	0	0	233,985	(3,288)
23.	141249	Pumping equipment pump pit.	4,834,611	470	323,264	(323,264)	309,978	0	(2,327)	0	0	0	5,142,732	(15,613)
24.	141250	Pumping equipment reclaim.	37,868	0	1,869	(1,869)	1,782	0	0	0	0	0	39,650	(87)
25.	141251	Pumping equipment rcl. wtr.	80,351	0	3,427	(3,427)	3,104	0	0	0	0	0	83,456	(322)
26.	141252	Treat./disp. equip. lagoon	594,849	210	3,214	(3,214)	2,680	0	0	0	0	0	597,738	(534)
27.	141253	Treat./disp. equip. trt. pit.	18,763,604	690,274	132,773	(132,773)	113,414	0	(1,467)	0	0	0	19,565,824	(20,826)
28.	141254	Treat./disp. equip. rct. wtp.	16,414	0	13,760	(13,760)	12,973	0	0	0	0	0	29,387	(787)
29.	141255	Plant sewers treat. pit.	17,924,214	0	42,634	(42,634)	41,767	0	(3,577)	(178)	(178)	23,751	17,985,978	19,130
30.	141256	Plant sewers reclaim wtp.	5,802	0	2,277	(2,277)	2,263	0	0	0	0	0	8,065	(14)
31.	141257	Outfall lines	645,213	0	15,146	(15,146)	11,576	0	0	(446)	(446)	0	656,343	(4,017)
32.	141271	Other pit. tangible	14,761	0	194	(194)	0	0	0	0	0	0	14,761	(194)
33.	141272	Other pit. collection	10,854	10,612	798	(798)	787	0	0	0	0	0	22,253	(11)
34.	141273	Other pit. pump	468,119	2,931	3,094	(3,094)	2,976	0	0	0	0	0	474,026	(117)
35.	141274	Other p t. treatment	334,705	5,329	1,401	(1,401)	111	0	0	(76)	(76)	0	340,069	(1,367)
36.	141275	Other pit. reclaim wtr. trt.	0	650	0	0	0	0	0	0	0	0	650	0
37.	141276	Other pit. reclaim wtr. dis.	460	0	0	0	0	0	0	0	0	0	460	0
38.	141220	Office struct & improv.	47,616	275,108	4,120	(4,120)	13,962	0	(8,721)	0	0	0	327,965	1,121
39.	141303	Office furn. & equip.	49,603	286,995	(6,993)	0	6,993	0	(6,195)	0	0	0	330,403	798
40.	141305	Stores equipment	6,961	113	1,218	(1,218)	1,155	0	(5)	0	0	0	8,224	(69)
41.	141308	Tool shop & misc. equip.	207,772	345,148	19,112	(19,112)	18,835	0	(53)	0	0	0	571,703	(330)
42.	141306	Laboratory equipment	156,399	38,517	3,214	(3,214)	2,898	0	0	0	0	0	197,804	(326)
43.	141309	Power operated equip.	458,893	1,544	20,874	(20,874)	19,245	0	0	0	0	0	479,682	(1,629)
44.	141310	Communication equip.	94,049	93,245	9,804	(9,804)	10,425	0	(903)	0	0	0	196,817	(282)
45.	141311	Misc equip. sewer	37,147	4,567	30,241	(30,241)	29,617	0	0	0	0	0	71,331	(623)
46.	141278	Sewer plant allocated	526,952	0	0	0	0	0	0	0	0	0	526,952	0
47.	0	Other tangible p t. sewer	0	0	0	0	0	0	0	0	0	0	0	0
48.	141263	Reuse dist. reservoirs	3,507	0	2	(2)	0	0	0	0	0	0	3,507	(2)
49.	141264	Reuse transmission & dist.	85,783	0	36,199	(36,199)	35,336	0	0	0	0	0	121,119	(862)
50.	141401	Transportation equip.	0	1,224,860	164,727	(164,727)	183,267	0	(128)	0	0	0	1,407,999	18,412
51.	141502	Desktop computer - wtr	0	9,462	23,896	(23,896)	0	0	(405)	0	0	0	9,057	(24,301)
52.	141503	Mainframe computer - wtr	0	79,857	(3,420)	0	3,420	0	(2,739)	0	0	0	77,118	681
53.	141504	Mini computer - wtr	1,659	776,062	(21,869)	0	21,869	1,026	(25,628)	0	0	0	753,169	(2,193)
54.	141602	Comp. system cost - wtr	109,012	1,874,038	(100,485)	0	100,485	0	(81,589)	0	0	0	1,901,461	18,887
55.	141603	Micro system cost - wtr	0	39,314	(1,764)	0	1,764	0	(1,417)	0	0	0	37,897	347
56.	141501	Computer Hardware	0	418	(22)	0	22	0	(18)	0	0	0	401	4
57.	141601	Computer Software	0	62,326	4,093	(4,093)	0	0	(2,667)	0	0	0	59,659	(6,760)
58.	141699	Computer Clearing	0	0	0	(0)	0	0	0	0	0	0	0	(0)
59.	141231	Dist Resv and Standpipes	0	20,648	(75)	0	75	0	0	0	0	0	20,648	75
60.	141232	Trans and Distr Mains	0	68,271	(248)	0	248	0	0	0	0	0	68,271	248
61.	141299	Utility Plant Clearing	0	0	(0)	0	(0)	0	0	0	0	0	(0)	0
62.	141399	Building and Equipment Clearing	0	0	(0)	0	(0)	0	0	0	0	0	(0)	0
63.	141233	Service Lines	936	0	20	(20)	0	0	0	0	(1,055)	0	(120)	(1,075)
64.	141293	P t. held for future use	0	(227,990)	0	0	0	0	0	0	0	0	(227,990)	0
66.	141205		0	0	0	0	0	0	0	0	0	0	0	0
67.	141230		0	0	0	0	0	0	0	0	0	0	0	0
68.	113101		0	0	0	0	0	0	0	0	0	0	0	0
69.	141226		297,974	0	772	(772)	772	0	0	0	0	0	298,745	0
		Pro forma plant additions											0	0
													0	0
70.		Total plant in service (Sum of L1 thru L69)	106,332,448	6,529,392	3,741,429	(3,741,429)	2,689,391	0	(130,468)	(15,389)	(3,048)	23,751	115,426,078	(1,177,192)

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
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BF/FH WATER OPERATIONS

Line

No.	No.	Item	Amount per Updates Direct (a)	Amount per Updates Allocated (b)	Company Proforma (c)	Remove Company Proforma (d)	Actual PTY additions (e)	PS Adj / Engineering (f)	ERC adjustment (g)	Florence Proceeds (h)	AFUDC adjustments (i)	Reclassifi cation (j)	Amount per PS (k)	Total PS Adj. (l)
1.	141101	Land and Rights General	0	13,990	0	0	0	0	0	0	0	0	13,990	0
2.	141102	Land and Rights Pump	0	21,025	0	0	0	0	0	0	0	0	21,025	0
3.	141201	Organization	79,800	21,066	0	0	0	0	0	0	0	0	100,866	0
4.	141202	Franchises	51,240	0	0	0	0	0	0	0	0	0	51,240	0
5.	141203	Struct and Improv General Plant	2,244	0	28	(28)	0	0	0	0	0	0	2,244	(28)
6.	141204	Struct and Improv Service Supplies	201,865	393	13,624	(13,624)	12,751	0	0	0	0	0	215,009	(872)
7.	141205	Struct and Improv Water Treat Pnt	147,167	0	219	(219)	118	0	0	0	0	0	147,285	(100)
8.	141206	Struct and Improv Trans Dist P t	461	0	0	0	0	0	0	0	0	0	461	0
9.	141220	Struct and Improv Office	26,735	60,836	(1,910)	1,910	0	0	(1,756)	0	0	0	85,815	153
10.	141223	Wells and Springs	518,778	0	(7,642)	7,642	3,080	0	(11,344)	0	0	0	510,515	(621)
11.	141225	Supply Mains	8,005	0	3,082	(3,082)	2,990	0	0	0	0	0	10,995	(91)
12.	141227	Electric Pump Equip Src Pump	53,376	46	10,187	(10,187)	9,883	0	0	0	0	0	63,305	(304)
13.	141228	Electric Pump Equip WTP	335,584	0	15,602	(15,602)	14,631	0	0	0	0	0	400,215	(971)
14.	141229	Electric Pump Equip Trans Dist	63,012	82	295	(295)	0	0	0	0	0	0	63,093	(295)
15.	141230	Water Treatment Equipment	146,770	0	6,299	(6,299)	5,926	0	0	0	0	0	152,696	(373)
16.	141231	Dist Resv and Standpipes	901,355	4,949	23,271	(23,271)	19,519	0	0	0	0	0	925,823	(3,752)
17.	141232	Trans and Distr Mains	1,892,092	16,540	10,660	(10,660)	7,951	0	0	0	0	0	1,916,583	(2,709)
18.	141233	Service Lines	842,783	457	37,710	(37,710)	31,291	0	0	0	0	0	874,530	(6,419)
19.	141234	Meters	188,359	397	9,950	(9,950)	8,874	0	0	0	0	0	197,630	(1,075)
20.	141235	Meter Installations	179,596	0	7,272	(7,272)	6,643	0	0	0	0	0	186,239	(629)
21.	141236	Hydrants	185,968	18	93,502	(93,502)	92,989	0	0	0	0	0	278,975	(512)
22.	141237	Backflow Prevention Devices	151	0	3	(3)	0	0	0	0	0	0	151	(3)
23.	141299	Utility Plant Clearing	0	0	(0)	0	0	0	0	0	0	0	0	0
24.	141303	Office Furniture	4,185	42,577	(1,303)	1,303	55	(1,248)	0	0	0	0	45,570	111
25.	141305	Stores Equipment	349	27	1	(1)	0	(1)	0	0	0	0	375	(2)
26.	141306	Lab Equipment	14,469	0	97	(97)	71	0	0	0	0	0	14,540	(26)
27.	141308	Tool Shop Equipment	102,393	836	113	(113)	0	(11)	0	0	0	0	103,219	(124)
28.	141309	Power Operated Equipment	11,291	354	2,089	(2,089)	2,000	0	0	0	0	0	13,645	(89)
29.	141310	Communications Equipment	75,413	4,975	3,027	(3,027)	2,657	(182)	0	0	0	0	82,864	(551)
30.	141311	Misc Equipment	389	0	146	(146)	139	0	0	0	0	0	528	(8)
31.	141401	Vehicles	0	222,410	(3,910)	3,910	0	(26)	0	0	0	0	222,385	3,885
32.	141501	Computer Hardware	0	97	(4)	4	0	(4)	0	0	0	0	93	1
33.	141502	Desktop/Laptop Computers	0	2,181	5,533	(5,533)	0	(82)	0	0	0	0	2,099	(5,614)
34.	141503	Mainframe Computers	0	18,407	(678)	678	0	(552)	0	0	0	0	17,855	127
35.	141504	Mini Comp W/ir	1,687	176,361	(4,206)	4,206	0	(5,161)	0	0	0	0	172,887	(955)
36.	141601	Computer Software	0	14,365	1,047	(1,047)	0	(537)	0	0	0	0	13,828	(1,585)
37.	141602	Comp Systems	0	439,500	(20,069)	20,069	0	(16,431)	0	0	0	0	423,069	3,638
38.	141603	Micro Systems	0	9,062	(350)	350	0	(285)	0	0	0	0	8,776	65
39.	141699	Computer Clearing	0	0	0	(0)	0	0	0	0	0	0	0	(0)
40.	141221	Collecting Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0
41.	141269	Other and Misc Equip WTP	0	0	0	0	0	0	0	0	0	0	0	0
42.	141399	Building and Equipment Clearing	0	0	0	0	0	0	0	0	0	0	0	0
43.		Total plant in service (Sum of L1 thru L42)	6,085,515	1,070,951	203,682	(203,682)	221,569	0	(26,274)	(11,344)	0	0	7,340,417	(19,730)

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
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 For The Base Year Ended March 31, 2022

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BF/IFH SEWER OPERATIONS

Line	No.	Item	Amount per Updates Direct (a)	Amount per Updates Allocated (b)	Company Proforma (c)	Remove Company Proforma (d)	Actual PTY additions (e)	PS Adj / Engineering (f)	ERC adjustment (g)	Florence Proceeds (h)	AFUDC adjustments (i)	Reclassifi cation (j)	Amount per PS (k)	Total PS Adj. (l)	
1.	141201	Organization	14,682	0	0	0	0	0	0	0	0	0	14,682	0	
2.	141202	Franchises	41,938	0	0	0	0	0	0	0	0	0	41,938	0	
3.	141203	Struct and Improv General Plant	287,214	0	(18,722)	18,722	247	0	(20,368)	0	0	0	267,093	(1,398)	
4.	141207	Struct and Improv Collect Plant	150	0	3	(3)	0	0	0	0	0	0	150	(3)	
5.	141208	Struct and Improv Pump Plant	2,159,370	185	(468,230)	468,230	2,227	0	(470,662)	(80)	0	0	1,691,039	(286)	
6.	141209	Struct and Improv Treatment Plant	1,837,412	0	1,018	(1,018)	142	0	0	0	0	0	1,837,554	(875)	
7.	141211	Struct and Improv Reclam Wtr Dist	2,477	0	0	0	0	0	0	0	0	0	2,477	0	
8.	141220	Struct and Improv Office	71,239	62,096	3,099	(3,099)	5,000	0	(1,798)	0	0	0	136,538	104	
9.	141227	Electric Pump Equip Srs Pump	0	0	0	(2,538)	0	0	0	(2,538)	0	0	0	0	
10.	141230	Water Treatment Equipment	956,340	0	(11,588)	11,588	(11,588)	0	0	0	0	0	944,752	0	
11.	141231	Dist Resv and Standpipes	0	5,051	(4)	4	0	0	0	0	0	0	5,051	4	
12.	141232	Trans and Distr Mains	0	16,702	(15)	15	0	0	0	0	0	0	16,702	15	
13.	141239	Power Gen Equip Pump Pit	68,264	0	45,039	(45,039)	44,211	0	0	0	0	0	112,475	(828)	
14.	141241	Sewer Force Main	227,006	0	914	(914)	0	0	0	0	0	0	227,006	(914)	
15.	141242	Sewer Gravity Main	5,330,923	(0)	4,986	(4,986)	983	0	0	0	0	0	5,331,906	(4,003)	
16.	141243	Manholes	49,843	0	3,860	(3,860)	3,269	0	0	0	0	0	53,112	(592)	
17.	141244	Special Collection Structures	775	0	0	0	0	0	0	0	0	0	775	0	
18.	141245	Service to Customers	272,829	0	75,040	(75,040)	66,387	0	0	0	0	0	339,216	(8,653)	
19.	141246	Flow Measure Devices	17,806	0	12	(12)	0	0	0	0	0	0	17,806	(12)	
20.	141249	Pumping Equip Pump Pit	817,088	0	10,682	(10,682)	9,664	0	0	0	0	0	826,753	(1,018)	
21.	141250	Pumping Equip Reclam WTP	78,717	0	18,436	(18,436)	17,502	0	0	0	0	0	96,219	(933)	
22.	141252	Treat/Disp Equip Lagoon	56	0	0	0	0	0	0	0	0	0	56	0	
23.	141253	Treat/Disp Equip Trt Pit	2,828,541	0	3,840	(3,840)	1,820	0	0	0	0	0	2,830,361	(2,020)	
24.	141255	Plant Sewers Treatment Pit	398,182	0	(4,135)	4,135	4,124	0	(8,856)	0	0	0	393,451	(597)	
25.	141257	Outfall Lines	37,906	0	38,028	(38,028)	36,794	0	0	0	0	0	74,700	(1,235)	
26.	141263	Reuse Dist Reservoirs	2,763	0	0	0	0	0	0	0	0	0	2,763	0	
27.	141264	Reuse Transmission and Dist	2,491	0	27	(27)	0	0	0	0	0	0	2,491	(27)	
28.	141271	Other Tangible Plant	0	0	79,334	(79,334)	79,334	0	0	0	0	0	79,334	0	
29.	141272	Other Plant Collection	(224)	0	0	0	0	0	0	0	0	0	(224)	0	
30.	141273	Other Plant Pump	3,442	0	12	(12)	0	0	0	0	0	0	3,442	(12)	
31.	141275	Other Plant Reclam Water Trt	8,372	0	4,387	(4,387)	4,368	0	0	0	0	0	12,677	(81)	
32.	141299	Utility Plant Clearing	0	0	(0)	0	(0)	0	0	0	0	0	(0)	0	
33.	141303	Office Furniture	1,593	43,452	(1,353)	1,353	0	(1,277)	0	0	0	0	43,768	76	
34.	141305	Stores Equipment	2,799	28	(1)	1	0	(1)	0	0	0	0	2,826	(1)	
35.	141306	Lab Equipment	6,227	0	509	(509)	507	0	0	0	0	0	6,734	(2)	
36.	141308	Tool Shop Equipment	19,929	751	1,501	(1,501)	1,428	(11)	0	0	0	0	22,097	(83)	
37.	141309	Power Operated Equipment	53,242	382	769	(769)	689	0	0	0	0	0	54,293	(81)	
38.	141310	Communications Equipment	32,790	5,064	26,258	(26,258)	25,754	(186)	0	0	0	0	63,423	(689)	
39.	141311	Misc Equipment	33,788	0	35,877	(35,877)	35,209	0	0	0	0	0	68,996	(668)	
40.	141399	Building and Equipment Clearing	0	0	(0)	0	0	0	0	0	0	0	0	0	
41.	141401	Vehicles	0	227,659	(4,002)	4,002	0	(26)	0	0	0	0	227,632	3,975	
42.	141501	Computer Hardware	0	99	(5)	5	0	(4)	0	0	0	0	95	1	
43.	141502	Desktop/Laptop Computers	0	2,232	5,663	(5,663)	0	(83)	0	0	0	0	2,149	(5,747)	
44.	141503	Mainframe Computers	0	18,841	(695)	695	0	(565)	0	0	0	0	18,276	130	
45.	141504	Mini Comp Wtr	0	182,250	(4,305)	4,305	0	(5,283)	0	0	0	0	176,967	(978)	
46.	141601	Computer Software	0	14,705	(1,072)	1,072	0	(550)	0	0	0	0	14,156	(1,621)	
47.	141602	Comp Systems	0	449,872	(20,542)	20,542	0	(16,819)	0	0	0	0	433,053	3,724	
48.	141603	Micro Systems	0	9,276	(359)	359	0	(292)	0	0	0	0	8,984	67	
49.	141699	Computer Clearing	0	0	(0)	0	0	0	0	0	0	0	(0)	0	
50.	141251	Pumping Equip Rcl Wtr Dist	0	0	0	0	0	0	0	0	0	0	0	0	
51.	141254	Treat/Disp Equip Rclm Wtr	0	0	0	0	0	0	0	0	0	0	0	0	
52.	Total plant in service (Sum of L1 thru L51)			15,665,970	1,038,624	(176,127)	176,127	328,009	0	(26,894)	(502,424)	(80)	0	16,503,204	(25,264)

CWSNC WATER OPERATIONS

New Account			Amount per PS	PS Adjustment /	Amount per	RY1	Depreciation	RY1 additions	Depreciation	Total PIS for AD
No.	No.	Item	base case	Engineering	PS RY1	additions	rate	Depreciation	Depreciation	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	
1.	141201	Organization	484,577	0	484,577	0	2.50%	-	12,114	
2.	141202	Franchises	229,516	0	229,516	0	2.50%	-	5,738	
3.	141102	Land & land rights pump	50,818	0	50,818	0	0.00%	-	0	
4.	141501	Computer Hardware	673	0	673	0	0.00%	-	0	
5.	141502	Desktop/Laptop Computers	15,181	0	15,181	0	0.00%	-	0	
6.	141101	Land & land rights gen. plt.	868,420	0	868,420	0	0.00%	-	0	
7.	141204	Struct & improv. src. supply	4,505,898	390,111	4,896,009	390,111	2.00%	7,802.22	97,920	
8.	141205	Struct & improv. wtr. trt. plt.	1,637,901	53,853	1,691,754	53,853	2.00%	1,077.06	33,835	
9.	141206	Struct & improv. trans. dist.	294,004	7,474	301,477	7,474	2.00%	149.48	6,030	
10.	141203	Struct & improv. gen. plt.	424,761	15,826	440,587	15,826	2.00%	316.51	8,812	
11.	141221	Collecting reservoirs	732,382	0	732,382	0	2.00%	-	14,648	
12.	141223	Wells & springs	14,840,443	939,763	15,780,207	939,763	2.00%	18,795.26	315,604	
13.	141224	Infiltration gallery	45,185	0	45,185	0	2.50%	-	1,130	
14.	141225	Supply mains	854,054	98,437	952,491	98,437	1.00%	984.37	9,525	
15.	141226	Power generation equip.	167,421	688	168,108	688	10.00%	86.78	16,811	
16.	141227	Electric pump equip. src. plt.	3,025,195	58,765	3,083,960	58,765	14.29%	8,397.49	440,698	
17.	141228	Electric pump equip. wtp.	9,365,894	424,280	9,790,174	424,280	3.33%	14,128.54	326,013	
18.	141229	Electric pump equip. trans.	4,788,370	110,530	4,898,900	110,530	14.29%	15,794.69	700,053	
19.	141230	Water treatment equip.	5,865,660	798,959	6,664,620	798,959	2.50%	19,973.99	166,615	
20.	141231	Dist. resv. & standpipes	8,927,298	149,297	9,076,595	149,297	2.00%	2,985.94	181,532	
21.	141232	Trans. & distr. mains	36,091,486	4,272,909	40,364,395	4,272,909	1.00%	42,729.09	403,644	
22.	141233	Service lines	15,097,388	567,904	15,665,292	567,904	2.00%	11,358.08	313,306	
23.	141234	Meters	6,550,372	2,917,987	9,468,359	2,917,987	3.33%	97,168.97	315,296	
24.	141235	Meter installations	2,096,397	56,506	2,152,903	56,506	3.33%	1,881.66	71,692	
25.	141236	Hydrants	1,453,761	45,610	1,499,371	45,610	2.50%	1,140.25	37,484	
26.	141237	Backflow prevention devic.	61,347	1,552	62,898	1,552	10.00%	155.17	6,290	
27.	141268	Other plt. & misc. equip. src. su.	260	0	260	0	2.50%	-	7	
28.	141269	Other plt. & misc. equip. wtp.	24,969	0	24,969	0	2.50%	-	624	
29.	141220	Office struct & improv.	582,507	225,000	807,507	225,000	10.00%	22,500.00	80,751	
30.	141303	Office furn. & equip.	579,532	0	579,532	0	10.00%	-	57,953	
31.	141305	Stores equipment	16,258	2,811	19,069	2,811	3.33%	93.62	635	
32.	141308	Tool shop & misc. equip.	1,089,999	6,254	1,096,253	6,254	5.00%	312.71	54,813	
33.	141306	Laboratory equipment	131,819	1,471	133,289	1,471	10.00%	147.09	13,329	
34.	141309	Power operated equip.	374,333	5,854	380,187	5,854	10.00%	585.37	38,019	
35.	141310	Communication equip.	326,583	994,526	1,321,109	994,526	10.00%	99,452.59	132,111	
36.	141311	Misc. equipment	215,202	5,712	220,913	5,712	3.33%	190.20	7,356	
37.	141278	Water plant allocated	207,809	0	207,809	0	6.67%	-	13,861	
38.	141271	Other tangible plt. water	48,727	0	48,727	0	2.50%	-	1,218	
39.	141248	Receiving Wells	176,603	0	176,603	0	2.00%	-	3,532	
40.	141401	Transportation equip.	2,360,014	0	2,360,014	0	20.00%	-	472,003	
41.	141503	Mainframe computer - wtr	129,260	0	129,260	0	0.00%	-	0	
42.	141504	Mini computer - wtr	1,261,915	0	1,261,915	0	0.00%	-	0	
43.	141602	Comp. system cost - wtr	3,187,131	0	3,187,131	0	0.00%	-	0	
44.	141603	Micro system cost - wtr	63,521	0	63,521	0	0.00%	-	0	
45.	141255	Plant Sewers Treatment Pit	0	0	0	0	2.50%	-	0	
46.	141299	Utility Plant Clearing	(0)	0	(0)	0	0.00%	-	0	
47.	141699	Computer Clearing	0	0	0	0	0.00%	-	0	
48.	141601	Computer Software	99,996	0	99,996	0	0.00%	-	0	
49.	141103	Land and Rights Water	357,109	0	357,109	0	0.00%	-	0	
50.	141104	Land and Rights Trans	18,896	0	18,896	0	0.00%	-	0	
51.	141293	Plant Held for Future Use	(382,146)	0	(382,146)	0	0.00%	-	0	
52.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0	
53.	Total plant in service (Sum of L1 thru L52)		129,344,696	12,152,078	141,496,775	12,152,078		368,189	4,361,000	

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 1 Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 2-1(a)(1)
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CWSNC SEWER OPERATIONS

Line No.	No.	Item	Amount per PS	PS Adjustment /	Amount per	RY1	Depreciation	RY1 additions	Total PIS for AD
			base case	Engineering	PS RY1	additions	rate	book	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
1.	141201	Organization	883,492	0	883,492	0	2.50%	-	22,087
2.	141202	Franchises intang. plt.	127,476	0	127,476	0	2.50%	-	3,187
3.	141107	Land & land rights trtmnt plt	39,167	0	39,167	0	0.00%	-	0
4.	141108	Land & land rights reclaim.	1,150	0	1,150	0	0.00%	-	0
5.	141101	Land and Rights General	0	0	0	0	0.00%	-	0
6.	141207	Struct/improv. coll. plt.	108,582	4,698	113,280	4,698	2.00%	93.96	2,266
7.	141208	Struct/improv. pump plt. ls.	11,437,999	172,293	11,610,293	172,293	2.00%	3,445.87	232,206
8.	141209	Struct/improv. treat. plt.	20,068,597	10,460,521	30,529,118	10,460,521	2.50%	261,513.01	763,228
9.	141210	Struct/improv. reclaim. wtp.	3,271	0	3,271	0	2.50%	-	82
10.	141211	Struct/improv. reclaim. wtr.	180,481	218	180,699	218	2.50%	5.46	4,517
11.	141203	Struct/improv. gen. plt.	1,707,245	28,601	1,735,846	28,601	2.00%	572.02	34,717
12.	141238	Power gen. equip. coll. plt.	107,623	0	107,623	0	10.00%	-	10,762
13.	141239	Power gen. equip. pump plt.	53,341	135	53,476	135	10.00%	13.51	5,348
14.	141240	Power gen. equip. treat. plt.	313,217	7,522	320,738	7,522	10.00%	752.16	32,074
15.	141241	Sewer force main/serv. lin.	4,466,350	53,345	4,519,695	53,345	1.33%	709.49	60,112
16.	141242	Sewer gravity main	19,336,441	3,359,277	22,695,718	3,359,277	1.00%	33,592.77	226,957
17.	141243	Manholes	1,751,178	67,006	1,818,183	67,006	1.00%	670.06	18,182
18.	141244	Special coll. structures	7,032	281	7,313	281	2.00%	5.62	146
19.	141245	Services to customers	2,249,446	194,537	2,443,983	194,537	1.33%	2,587.34	32,505
20.	141246	Flow measure devices	145,734	6,869	152,603	6,869	4.00%	274.76	6,104
21.	141247	Flow measure install	1,106	20	1,126	20	4.00%	0.80	45
22.	141248	Receiving wells	233,985	35,970	269,954	35,970	2.00%	719.39	5,399
23.	141249	Pumping equipment pump plt.	5,142,732	175,804	5,318,536	175,804	14.29%	25,122.32	760,019
24.	141250	Pumping equipment reclaim.	39,650	621	40,271	621	14.29%	88.79	5,755
25.	141251	Pumping equipment rcl. wtr.	83,456	3,964	87,420	3,964	14.29%	566.50	12,492
26.	141252	Treat./disp. equip. lagoon	597,738	5,641	603,379	5,641	2.50%	141.02	15,084
27.	141253	Treat./disp. equip. trt. plt.	19,565,824	1,694,457	21,260,281	1,694,457	2.50%	42,361.44	531,507
28.	141254	Treat./disp. equip. rct. wtp.	29,387	4,102	33,489	4,102	2.50%	102.56	837
29.	141255	Plant sewers treat. plt.	17,985,978	55,197	18,041,175	55,197	2.50%	1,379.92	451,029
30.	141256	Plant sewers reclaim wtp.	8,065	187	8,252	187	2.50%	4.67	206
31.	141257	Outfall lines	656,343	35,998	692,341	35,998	1.00%	359.98	6,923
32.	141271	Other plt. tangible	14,761	2,585	17,346	2,585	2.50%	64.61	434
33.	141272	Other plt. collection	22,253	86	22,339	86	2.00%	1.72	447
34.	141273	Other plt. pump	474,026	1,300	475,326	1,300	2.50%	32.51	11,883
35.	141274	Other plt. treatment	340,069	16,146	356,215	16,146	2.50%	403.64	8,905
36.	141275	Other plt. reclaim wtr. trt.	650	0	650	0	2.50%	-	16
37.	141276	Other plt. reclaim wtr. dis.	460	0	460	0	2.50%	-	11
38.	141220	Office struct & improv.	327,965	0	327,965	0	10.00%	-	32,797
39.	141303	Office furn. & equip.	330,403	0	330,403	0	10.00%	-	33,040
40.	141305	Stores equipment	8,224	612	8,836	612	3.33%	20.37	294
41.	141308	Tool shop & misc. equip.	571,703	3,723	575,426	3,723	5.00%	186.16	28,771
42.	141306	Laboratory equipment	197,804	3,213	201,017	3,213	10.00%	321.33	20,102
43.	141309	Power operated equip.	479,682	18,912	498,595	18,912	10.00%	1,891.24	49,859
44.	141310	Communication equip.	196,817	5,129	201,945	5,129	10.00%	512.88	20,195
45.	141311	Misc equip. sewer	71,331	5,891	77,222	5,891	3.33%	196.16	2,571
46.	141278	Sewer plant allocated	526,952	0	526,952	0	6.67%	-	35,148
47.	0	Other tangible plt. sewer	0	0	0	0	2.50%	-	0
48.	141263	Reuse dist. reservoirs	3,507	26	3,533	26	2.00%	0.53	71
49.	141264	Reuse transmission & dist.	121,119	8,705	129,825	8,705	2.00%	174.10	2,596
50.	141401	Transportation equip.	1,407,999	0	1,407,999	0	20.00%	-	281,600
51.	141502	Desktop computer - wtr	9,057	0	9,057	0	0.00%	-	0
52.	141503	Mainframe computer - wtr	77,118	0	77,118	0	0.00%	-	0
53.	141504	Mini computer - wtr	753,119	0	753,119	0	0.00%	-	0
54.	141602	Comp. system cost - wtr	1,901,461	0	1,901,461	0	0.00%	-	0
55.	141603	Micro system cost - wtr	37,897	0	37,897	0	0.00%	-	0
56.	141501	Computer Hardware	401	0	401	0	0.00%	-	0
57.	141601	Computer Software	59,659	0	59,659	0	0.00%	-	0
58.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
59.	141231	Dist Resv and Standpipes	20,648	0	20,648	0	2.00%	-	413
60.	141232	Trans and Distr Mains	68,271	0	68,271	0	1.00%	-	683
61.	141299	Utility Plant Clearing	(0)	0	(0)	0	0.00%	-	0
62.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
63.	141233	Service Lines	(120)	(5,123)	(5,243)	(5,123)	2.00%	(102.46)	(105)
64.	141293	Plt. held for future use	(227,990)	0	(227,990)	0	0.00%	-	0
66.	141205		0	0	0	0	2.00%	-	0
67.	141230		0	0	0	0	2.50%	-	0
68.	113101		0	0	0	0	0.00%	-	0
69.	141226		298,745	0	298,745	0	10.00%	-	29,875
		Pro forma plant additions	0	0	0	0	2.50%	-	0
							0.00%	-	0
70.	Total plant in service (Sum of L1 thru L69)		115,426,078	16,428,469	131,854,547	16,428,469		378,786	3,803,384

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CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 1 Ended March 31, 2024

Public Staff Settlement Exhibit 1
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BF/FH WATER OPERATIONS

Line No.	No.	Item	Amount per PS	PS Adjustment /	Amount per	RY1	Depreciation	RY1 additions	Total PIS for AD
			base case	Engineering	PS RY1	additions	rate	book	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
1.	141101	Land and Rights General	13,990	0	13,990	0	0.00%	-	0
2.	141102	Land and Rights Pump	21,025	0	21,025	0	0.00%	-	0
3.	141201	Organization	100,866	0	100,866	0	2.50%	-	2,522
4.	141202	Franchises	51,240	0	51,240	0	2.50%	-	1,281
5.	141203	Struct and Improv General Plant	2,244	368	2,611	368	2.00%	7.35	52
6.	141204	Struct and Improv Service Supplies	215,009	11,590	226,600	11,590	2.00%	231.80	4,532
7.	141205	Struct and Improv Water Treat Plt	147,285	1,145	148,430	1,145	2.00%	22.91	2,969
8.	141206	Struct and Improv Trans Dist Plt	461	0	461	0	2.00%	-	9
9.	141220	Struct and Improv Office	85,815	0	85,815	0	10.00%	-	8,582
10.	141223	Wells and Springs	510,515	8,003	518,518	8,003	2.00%	160.06	10,370
11.	141225	Supply Mains	10,995	1,118	12,113	1,118	1.00%	11.18	121
12.	141227	Electric Pump Equip Src Pump	63,305	4,058	67,362	4,058	14.29%	579.87	9,626
13.	141228	Electric Pump Equip WTP	400,215	10,750	410,965	10,750	3.33%	357.98	13,685
14.	141229	Electric Pump Equip Trans Dist	63,093	3,853	66,946	3,853	14.29%	550.61	9,567
15.	141230	Water Treatment Equipment	152,696	4,699	157,395	4,699	2.50%	117.47	3,935
16.	141231	Dist Resv and Standpipes	925,823	1,783,500	2,709,322	1,783,500	2.00%	35,669.99	54,186
17.	141232	Trans and Distr Mains	1,916,583	196,103	2,112,686	196,103	1.00%	1,961.03	21,127
18.	141233	Service Lines	874,530	79,164	953,694	79,164	2.00%	1,583.28	19,074
19.	141234	Meters	197,630	412,683	610,313	412,683	3.33%	13,742.34	20,323
20.	141235	Meter Installations	186,239	6,334	192,573	6,334	3.33%	210.91	6,413
21.	141236	Hydrants	278,975	3,315	282,290	3,315	2.50%	82.88	7,057
22.	141237	Backflow Prevention Devices	151	41	193	41	10.00%	4.14	19
23.	141299	Utility Plant Clearing	0	0	0	0	0.00%	-	0
24.	141303	Office Furniture	45,570	0	45,570	0	10.00%	-	4,557
25.	141305	Stores Equipment	375	25	400	25	3.33%	0.83	13
26.	141306	Lab Equipment	14,540	343	14,883	343	10.00%	34.35	1,488
27.	141308	Tool Shop Equipment	103,219	652	103,870	652	5.00%	32.59	5,194
28.	141309	Power Operated Equipment	13,645	947	14,592	947	10.00%	94.71	1,459
29.	141310	Communications Equipment	82,864	6,056	88,920	6,056	10.00%	605.58	8,892
30.	141311	Misc Equipment	528	92	620	92	3.33%	3.05	21
31.	141401	Vehicles	222,385	0	222,385	0	20.00%	-	44,477
32.	141501	Computer Hardware	93	0	93	0	16.67%	-	16
33.	141502	Desktop/Laptop Computers	2,099	0	2,099	0	16.67%	-	350
34.	141503	Mainframe Computers	17,855	0	17,855	0	0.00%	-	0
35.	141504	Mini Comp W/tr	172,887	0	172,887	0	0.00%	-	0
36.	141601	Computer Software	13,828	0	13,828	0	0.00%	-	0
37.	141602	Comp Systems	423,069	0	423,069	0	0.00%	-	0
38.	141603	Micro Systems	8,776	0	8,776	0	0.00%	-	0
39.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
40.	141221	Collecting Reservoirs	0	0	0	0	2.00%	-	0
41.	141269	Other and Misc Equip WTP	0	0	0	0	2.50%	-	0
42.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
43.	Total plant in service (Sum of L1 thru L42)		7,340,417	2,534,839	9,875,256	2,534,839		56,065	261,917

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 1 Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 2-1(a)(1)
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BF/FH SEWER OPERATIONS

Line No.	No.	Item	Amount per PS	PS Adjustment /	Amount per	RY1	Depreciation	RY1 additions	Depreciation	Total PIS for AD
			base case	Engineering	PS RY1	additions	rate	Depreciation	Depreciation	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	
1.	141201	Organization	14,682	\$ -	14,682	0	2.50%	-	367	
2.	141202	Franchises	41,938	\$ -	41,938	0	2.50%	-	1,048	
3.	141203	Struct and Improv General Plant	267,093	\$ 18,300	285,393	18,300	2.00%	366.01	5,708	
4.	141207	Struct and Improv Collect Plant	150	\$ -	150	0	0.00%	-	0	
5.	141208	Struct and Improv Pump Plant	1,691,039	\$ 1,580	1,692,620	1,580	2.00%	31.60	33,852	
6.	141209	Struct and Improv Treatment Plant	1,837,554	\$ 8,908	1,846,462	8,908	2.50%	222.69	46,162	
7.	141211	Struct and Improv Reclaim Wtr Dist	2,477	\$ -	2,477	0	2.50%	-	62	
8.	141220	Struct and Improv Office	136,538	\$ -	136,538	0	10.00%	-	13,654	
9.	141227	Electric Pump Equip Src Pump	(2,538)	\$ -	(2,538)	0	0.00%	-	0	
10.	141230	Water Treatment Equipment	944,752	\$ -	944,752	0	0.00%	-	0	
11.	141231	Dist Resv and Standpipes	5,051	\$ -	5,051	0	2.00%	-	101	
12.	141232	Trans and Distr Mains	16,702	\$ -	16,702	0	1.00%	-	167	
13.	141239	Power Gen Equip Pump Pit	112,475	\$ 119	112,594	119	10.00%	11.92	11,259	
14.	141241	Sewer Force Main	227,006	\$ 10,061	237,067	10,061	1.33%	133.81	3,153	
15.	141242	Sewer Gravity Main	5,331,906	\$ 946,359	6,278,265	946,359	1.00%	9,463.59	62,783	
16.	141243	Manholes	53,112	\$ (289)	52,823	(289)	1.00%	(2.89)	528	
17.	141244	Special Collection Structures	775	\$ -	775	0	2.00%	-	16	
18.	141245	Service to Customers	339,216	\$ 97,729	436,945	97,729	1.33%	1,299.79	5,811	
19.	141246	Flow Measure Devices	17,806	\$ 166	17,972	166	4.00%	6.64	719	
20.	141249	Pumping Equip Pump Pit	826,753	\$ 10,573	837,326	10,573	14.29%	1,510.91	119,654	
21.	141250	Pumping Equip Reclaim WTP	96,219	\$ 9,041	105,260	9,041	14.29%	1,291.92	15,042	
22.	141252	Treat/Disp Equip Lagoon	56	\$ -	56	0	2.50%	-	1	
23.	141253	Treat/Disp Equip Trt Plt	2,830,361	\$ 120,004	2,950,365	120,004	2.50%	3,000.09	73,759	
24.	141255	Plant Sewers Treatment Pit	393,451	\$ 6,881	400,332	6,881	2.50%	172.02	10,008	
25.	141257	Outfall Lines	74,700	\$ 8,511	83,211	8,511	1.00%	85.11	832	
26.	141263	Reuse Dist Reservoirs	2,763	\$ -	2,763	0	2.00%	-	55	
27.	141264	Reuse Transmission and Dist	2,491	\$ 354	2,845	354	2.00%	7.07	57	
28.	141271	Other Tangible Plant	79,334	\$ -	79,334	0	2.50%	-	1,983	
29.	141272	Other Plant Collection	(224)	\$ -	(224)	0	2.00%	-	(4)	
30.	141273	Other Plant Pump	3,442	\$ -	3,442	0	2.50%	-	86	
31.	141275	Other Plant Reclaim Water Trt	12,677	\$ 834	13,511	834	2.50%	20.84	338	
32.	141299	Utility Plant Clearing	(0)	\$ -	(0)	0	0.00%	-	0	
33.	141303	Office Furniture	43,768	\$ -	43,768	0	10.00%	-	4,377	
34.	141305	Stores Equipment	2,826	\$ 10	2,836	10	3.33%	0.34	94	
35.	141306	Lab Equipment	6,734	\$ -	6,734	0	10.00%	-	673	
36.	141308	Tool Shop Equipment	22,097	\$ 590	22,686	590	5.00%	29.49	1,134	
37.	141309	Power Operated Equipment	54,293	\$ 974	55,267	974	10.00%	97.43	5,527	
38.	141310	Communications Equipment	63,423	\$ 7,261	70,684	7,261	10.00%	726.12	7,068	
39.	141311	Misc Equipment	68,996	\$ 2,076	71,073	2,076	3.33%	69.14	2,367	
40.	141399	Building and Equipment Clearing	0	\$ -	0	0	0.00%	-	0	
41.	141401	Vehicles	227,632	\$ -	227,632	0	0.00%	-	0	
42.	141501	Computer Hardware	95	\$ -	95	0	16.67%	-	16	
43.	141502	Desktop/Laptop Computers	2,149	\$ -	2,149	0	0.00%	-	0	
44.	141503	Mainframe Computers	18,276	\$ -	18,276	0	0.00%	-	0	
45.	141504	Mini Comp Wtr	176,967	\$ -	176,967	0	0.00%	-	0	
46.	141601	Computer Software	14,156	\$ -	14,156	0	0.00%	-	0	
47.	141602	Comp Systems	433,053	\$ -	433,053	0	0.00%	-	0	
48.	141603	Micro Systems	8,984	\$ -	8,984	0	0.00%	-	0	
49.	141699	Computer Clearing	0	\$ -	0	0	0.00%	-	0	
50.	141251	Pumping Equip Rcl Wtr Dist	0	\$ -	0	0	14.29%	-	0	
51.	141254	Treat/Disp Equip Rclm Wtr	0	\$ -	0	0	2.50%	-	0	
52.	Total plant in service (Sum of L1 thru L51)		16,503,204	1,250,042	17,753,246	1,250,042		18,544	428,458	

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 2 Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule 2-1(a)(2)
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CWSNC WATER OPERATIONS

Line No.	New Account No.	Item	Amount per PS	PS Adjustment /	Amount per	RY2	Depreciation	RY2 additions	Total PIS for AD
			RY1	Engineering	PS RY2	additions	rate	Depreciation	Depreciation
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
1.	141201	Organization	484,577	0	484,577	0	2.50%	-	12,114
2.	141202	Franchises	229,516	0	229,516	0	2.50%	-	5,738
3.	141102	Land & land rights pump	50,818	0	50,818	0	0.00%	-	0
4.	141501	Computer Hardware	673	0	673	0	0.00%	-	0
5.	141502	Desktop/Laptop Computers	15,181	0	15,181	0	0.00%	-	0
6.	141101	Land & land rights gen. plt.	868,420	0	868,420	0	0.00%	-	0
7.	141204	Struct & improv. src. supply	4,896,009	981,478	5,877,487	981,478	2.00%	19,629.55	117,550
8.	141205	Struct & improv. wtr. trt. plt.	1,691,754	53,853	1,745,607	53,853	2.00%	1,077.06	34,912
9.	141206	Struct & improv. trans. dist.	301,477	7,474	308,951	7,474	2.00%	149.48	6,179
10.	141203	Struct & improv. gen. plt.	440,587	15,826	456,412	15,826	2.00%	316.51	9,128
11.	141221	Collecting reservoirs	732,382	0	732,382	0	2.00%	-	14,648
12.	141223	Wells & springs	15,780,207	895,445	16,675,652	895,445	2.00%	17,908.90	333,513
13.	141224	Infiltration gallery	45,185	0	45,185	0	2.50%	-	1,130
14.	141225	Supply mains	952,491	98,437	1,050,929	98,437	1.00%	984.37	10,509
15.	141226	Power generation equip.	168,108	688	168,796	688	10.00%	68.78	16,880
16.	141227	Electric pump equip. src. plt.	3,083,960	58,765	3,142,724	58,765	14.29%	8,397.49	449,095
17.	141228	Electric pump equip. wtp.	9,790,174	274,091	10,064,265	274,091	3.33%	9,127.23	335,140
18.	141229	Electric pump equip. trans.	4,898,900	110,530	5,009,429	110,530	14.29%	15,794.69	715,847
19.	141230	Water treatment equip.	6,664,620	174,778	6,839,398	174,778	2.50%	4,369.46	170,985
20.	141231	Dist. resv. & standpipes	9,076,595	135,862	9,212,456	135,862	2.00%	2,717.23	184,249
21.	141232	Trans. & distr. mains	40,364,395	3,818,064	44,182,458	3,818,064	1.00%	38,180.64	441,825
22.	141233	Service lines	15,665,292	567,904	16,233,196	567,904	2.00%	11,358.08	324,664
23.	141234	Meters	9,468,359	2,537,450	12,005,809	2,537,450	3.33%	84,497.08	399,793
24.	141235	Meter installations	2,152,903	56,506	2,209,409	56,506	3.33%	1,881.66	73,573
25.	141236	Hydrants	1,499,371	45,610	1,544,981	45,610	2.50%	1,140.25	38,625
26.	141237	Backflow prevention devic.	62,898	1,552	64,450	1,552	10.00%	155.17	6,445
27.	141268	Other plt. & misc. equip. src. su.	260	0	260	0	2.50%	-	7
28.	141269	Other plt. & misc. equip. wtp.	24,969	0	24,969	0	2.50%	-	624
29.	141220	Office struct & improv.	807,507	0	807,507	0	10.00%	-	80,751
30.	141303	Office furn. & equip.	579,532	0	579,532	0	10.00%	-	57,953
31.	141305	Stores equipment	19,069	2,811	21,880	2,811	3.33%	93.62	729
32.	141308	Tool shop & misc. equip.	1,096,253	6,254	1,102,507	6,254	5.00%	312.71	55,125
33.	141306	Laboratory equipment	133,289	1,471	134,760	1,471	10.00%	147.09	13,476
34.	141309	Power operated equip.	380,187	5,854	386,041	5,854	10.00%	585.37	38,604
35.	141310	Communication equip.	1,321,109	48,214	1,369,323	48,214	10.00%	4,821.36	136,932
36.	141311	Misc. equipment	220,913	5,712	226,625	5,712	3.33%	190.20	7,547
37.	141278	Water plant allocated	207,809	0	207,809	0	6.67%	-	13,861
38.	141271	Other tangible plt. water	48,727	0	48,727	0	2.50%	-	1,218
39.	141248	Receiving Wells	176,603	0	176,603	0	2.00%	-	3,532
40.	141401	Transportation equip.	2,360,014	0	2,360,014	0	20.00%	-	472,003
41.	141503	Mainframe computer - wtr	129,260	0	129,260	0	0.00%	-	0
42.	141504	Mini computer - wtr	1,261,915	0	1,261,915	0	0.00%	-	0
43.	141602	Comp. system cost - wtr	3,187,131	0	3,187,131	0	0.00%	-	0
44.	141603	Micro system cost - wtr	63,521	0	63,521	0	0.00%	-	0
45.	141255	Plant Sewers Treatment Plt	0	0	0	0	2.50%	-	0
46.	141299	Utility Plant Clearing	(0)	0	(0)	0	0.00%	-	0
47.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
48.	141601	Computer Software	99,996	0	99,996	0	0.00%	-	0
49.	141103	Land and Rights Water	357,109	0	357,109	0	0.00%	-	0
50.	141104	Land and Rights Trans	18,896	0	18,896	0	0.00%	-	0
51.	141293	Plant Held for Future Use	(382,146)	0	(382,146)	0	0.00%	-	0
52.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
53.	Total plant in service (Sum of L1 thru L52)		141,496,775	9,904,627	151,401,401	9,904,627		223,904	4,584,904

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CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 2 Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule 2-1(a)(2)
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CWSNC SEWER OPERATIONS

Line			Amount per PS	PS Adjustment /	Amount per	RY2	Depreciation	RY2 additions	Total PIS for AD
No.	No.	Item	RY1	Engineering	PS RY2	additions	rate	book	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
								Depreciation	Depreciation
1.	141201	Organization	883,492	0	883,492	0	2.50%	-	22,087
2.	141202	Franchises intang. plt.	127,476	0	127,476	0	2.50%	-	3,187
3.	141107	Land & land rights trmnt plt	39,167	0	39,167	0	0.00%	-	0
4.	141108	Land & land rights reclaim.	1,150	0	1,150	0	0.00%	-	0
5.	141101	Land and Rights General	0	0	0	0	0.00%	-	0
6.	141207	Struct/improv. coll. plt.	113,280	4,698	117,978	4,698	2.00%	93.96	2,360
7.	141208	Struct/improv. pump plt. ls.	11,610,293	1,969,171	13,579,464	1,969,171	2.00%	39,383.43	271,589
8.	141209	Struct/improv. treat. plt.	30,529,118	1,534,569	32,063,687	1,534,569	2.50%	38,364.24	801,592
9.	141210	Struct/improv. reclaim. wtp.	3,271	0	3,271	0	2.50%	-	82
10.	141211	Struct/improv. reclaim. wtr.	180,699	218	180,917	218	2.50%	5.46	4,523
11.	141203	Struct/improv. gen. plt.	1,735,846	28,601	1,764,447	28,601	2.00%	572.02	35,289
12.	141238	Power gen. equip. coll. plt.	107,623	0	107,623	0	10.00%	-	10,762
13.	141239	Power gen. equip. pump plt.	53,476	135	53,611	135	10.00%	13.51	5,361
14.	141240	Power gen. equip. treat. plt.	320,738	7,522	328,260	7,522	10.00%	752.16	32,826
15.	141241	Sewer force main/serv. lin.	4,519,695	53,345	4,573,041	53,345	1.33%	709.49	60,821
16.	141242	Sewer gravity main	22,695,718	117,358	22,813,076	117,358	1.00%	1,173.58	228,131
17.	141243	Manholes	1,818,183	67,006	1,885,189	67,006	1.00%	670.06	18,852
18.	141244	Special coll. structures	7,313	281	7,594	281	2.00%	5.62	152
19.	141245	Services to customers	2,443,983	194,537	2,638,519	194,537	1.33%	2,587.34	35,092
20.	141246	Flow measure devices	152,603	6,869	159,472	6,869	4.00%	274.76	6,379
21.	141247	Flow measure install	1,126	20	1,146	20	4.00%	0.80	46
22.	141248	Receiving wells	269,954	35,970	305,924	35,970	2.00%	719.39	6,118
23.	141249	Pumping equipment pump plt.	5,318,536	175,804	5,494,339	175,804	14.29%	25,122.32	785,141
24.	141250	Pumping equipment reclaim.	40,271	621	40,893	621	14.29%	88.79	5,844
25.	141251	Pumping equipment rcl. wtr.	87,420	3,964	91,384	3,964	14.29%	566.50	13,059
26.	141252	Treat/disp. equip. lagoon	603,379	5,641	609,020	5,641	2.50%	141.02	15,225
27.	141253	Treat/disp. equip. trt. plt.	21,260,281	705,987	21,966,269	705,987	2.50%	17,649.68	549,157
28.	141254	Treat/disp. equip. rct. wtp.	33,489	4,102	37,592	4,102	2.50%	102.56	940
29.	141255	Plant sewers treat. plt.	18,041,175	55,197	18,096,372	55,197	2.50%	1,379.92	452,409
30.	141256	Plant sewers reclaim wtp.	8,252	187	8,438	187	2.50%	4.67	211
31.	141257	Outfall lines	692,341	35,998	728,340	35,998	1.00%	359.98	7,283
32.	141271	Other plt. tangible	17,346	2,585	19,930	2,585	2.50%	64.61	498
33.	141272	Other plt. collection	22,339	86	22,425	86	2.00%	1.72	448
34.	141273	Other plt. pump	475,326	1,300	476,626	1,300	2.50%	32.51	11,916
35.	141274	Other plt. treatment	356,215	16,146	372,361	16,146	2.50%	403.64	9,309
36.	141275	Other plt. reclaim wtr. trt.	650	0	650	0	2.50%	-	16
37.	141276	Other plt. reclaim wtr. dis.	460	0	460	0	2.50%	-	11
38.	141220	Office struct & improv.	327,965	0	327,965	0	10.00%	-	32,797
39.	141303	Office furn. & equip.	330,403	0	330,403	0	10.00%	-	33,040
40.	141305	Stores equipment	8,836	612	9,447	612	3.33%	20.37	315
41.	141308	Tool shop & misc. equip.	575,426	3,723	579,149	3,723	5.00%	186.16	28,957
42.	141306	Laboratory equipment	201,017	3,213	204,231	3,213	10.00%	321.33	20,423
43.	141309	Power operated equip.	498,595	18,912	517,507	18,912	10.00%	1,891.24	51,751
44.	141310	Communication equip.	201,945	5,129	207,074	5,129	10.00%	512.88	20,707
45.	141311	Misc equip. sewer	77,222	5,891	83,112	5,891	3.33%	196.16	2,768
46.	141278	Sewer plant allocated	526,952	0	526,952	0	6.67%	-	35,148
47.	0	Other tangible plt. sewer	0	0	0	0	2.50%	-	0
48.	141263	Reuse dist. reservoirs	3,533	26	3,560	26	2.00%	0.53	71
49.	141264	Reuse transmission & dist.	129,825	8,705	138,530	8,705	2.00%	174.10	2,771
50.	141401	Transportation equip.	1,407,999	0	1,407,999	0	20.00%	-	281,600
51.	141502	Desktop computer - wtr	9,057	0	9,057	0	0.00%	-	0
52.	141503	Mainframe computer - wtr	77,118	0	77,118	0	0.00%	-	0
53.	141504	Mini computer - wtr	753,119	0	753,119	0	0.00%	-	0
54.	141602	Comp. system cost - wtr	1,901,461	0	1,901,461	0	0.00%	-	0
55.	141603	Micro system cost - wtr	37,897	0	37,897	0	0.00%	-	0
56.	141501	Computer Hardware	401	0	401	0	0.00%	-	0
57.	141601	Computer Software	59,659	0	59,659	0	0.00%	-	0
58.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
59.	141231	Dist Resv and Standpipes	20,648	0	20,648	0	2.00%	-	413
60.	141232	Trans and Distr Mains	68,271	0	68,271	0	1.00%	-	683
61.	141299	Utility Plant Clearing	(0)	0	(0)	0	0.00%	-	0
62.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
63.	141233	Service Lines	(5,243)	(5,123)	(10,366)	(5,123)	2.00%	(102.46)	(207)
64.	141293	Plt. held for future use	(227,990)	0	(227,990)	0	0.00%	-	0
66.	141205		0	0	0	0	2.00%	-	0
67.	141230		0	0	0	0	2.50%	-	0
68.	113101		0	0	0	0	0.00%	-	0
69.	141226	Pro forma plant additions	298,745	0	298,745	0	10.00%	-	29,875
			0	0	0	0	2.50%	-	0
							0.00%	-	0
70.	Total plant in service (Sum of L1 thru L69)		131,854,547	5,069,007	136,923,554	5,069,007		134,444	3,937,828

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 2 Ended March 31, 2025

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BF/FH WATER OPERATIONS

Line			Amount per PS	PS Adjustment /	Amount per	RY2	Depreciation	RY2 additions	Total PIS for AD
No.	No.	Item	RY1	Engineering	PS RY2	additions	rate	book	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
1.	141101	Land and Rights General	13,990	0	13,990	0	0.00%	-	0
2.	141102	Land and Rights Pump	21,025	0	21,025	0	0.00%	-	0
3.	141201	Organization	100,866	0	100,866	0	2.50%	-	2,522
4.	141202	Franchises	51,240	0	51,240	0	2.50%	-	1,281
5.	141203	Struct and Improv General Plant	2,611	368	2,979	368	2.00%	7.35	60
6.	141204	Struct and Improv Service Supplies	226,600	79,368	305,968	79,368	2.00%	1,587.37	6,119
7.	141205	Struct and Improv Water Treat Pit	148,430	1,145	149,576	1,145	2.00%	22.91	2,992
8.	141206	Struct and Improv Trans Dist Pit	461	0	461	0	2.00%	-	9
9.	141220	Struct and Improv Office	85,815	0	85,815	0	10.00%	-	8,582
10.	141223	Wells and Springs	518,518	8,003	526,521	8,003	2.00%	160.06	10,530
11.	141225	Supply Mains	12,113	1,118	13,231	1,118	1.00%	11.18	132
12.	141227	Electric Pump Equip Src Pump	67,362	4,058	71,420	4,058	14.29%	579.87	10,206
13.	141228	Electric Pump Equip WTP	410,965	10,750	421,715	10,750	3.33%	357.98	14,043
14.	141229	Electric Pump Equip Trans Dist	66,946	3,853	70,800	3,853	14.29%	550.61	10,117
15.	141230	Water Treatment Equipment	157,395	4,699	162,094	4,699	2.50%	117.47	4,052
16.	141231	Dist Resv and Standpipes	2,709,322	3,568	2,712,890	3,568	2.00%	71.36	54,258
17.	141232	Trans and Distr Mains	2,112,686	30,674	2,143,360	30,674	1.00%	306.74	21,434
18.	141233	Service Lines	953,694	79,164	1,032,858	79,164	2.00%	1,583.28	20,657
19.	141234	Meters	610,313	673,348	1,283,662	673,348	3.33%	22,422.49	42,746
20.	141235	Meter Installations	192,573	6,334	198,906	6,334	3.33%	210.91	6,624
21.	141236	Hydrants	282,290	3,315	285,605	3,315	2.50%	82.88	7,140
22.	141237	Backflow Prevention Devices	193	41	234	41	10.00%	4.14	23
23.	141299	Utility Plant Clearing	0	0	0	0	0.00%	-	0
24.	141303	Office Furniture	45,570	0	45,570	0	10.00%	-	4,557
25.	141305	Stores Equipment	400	25	425	25	3.33%	0.83	14
26.	141306	Lab Equipment	14,883	343	15,227	343	10.00%	34.35	1,523
27.	141308	Tool Shop Equipment	103,870	652	104,522	652	5.00%	32.59	5,226
28.	141309	Power Operated Equipment	14,592	947	15,539	947	10.00%	94.71	1,554
29.	141310	Communications Equipment	88,920	6,056	94,975	6,056	10.00%	605.58	9,498
30.	141311	Misc Equipment	620	92	711	92	3.33%	3.05	24
31.	141401	Vehicles	222,385	0	222,385	0	20.00%	-	44,477
32.	141501	Computer Hardware	93	0	93	0	16.67%	-	16
33.	141502	Desktop/Laptop Computers	2,099	0	2,099	0	16.67%	-	350
34.	141503	Mainframe Computers	17,855	0	17,855	0	0.00%	-	0
35.	141504	Mini Comp Wtr	172,887	0	172,887	0	0.00%	-	0
36.	141601	Computer Software	13,828	0	13,828	0	0.00%	-	0
37.	141602	Comp Systems	423,069	0	423,069	0	0.00%	-	0
38.	141603	Micro Systems	8,776	0	8,776	0	0.00%	-	0
39.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
40.	141221	Collecting Reservoirs	0	0	0	0	2.00%	-	0
41.	141269	Other and Misc Equip WTP	0	0	0	0	2.50%	-	0
42.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
43.		Total plant in service (Sum of L1 thru L42)	9,875,256	917,922	10,793,178	917,922		28,848	290,764

CAROLINA WATER SERVICE, INC., OF NC
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For The Rate Year 2 Ended March 31, 2025

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BF/FH SEWER OPERATIONS

Line			Amount per PS	PS Adjustment /	Amount per	RY2	Depreciation	RY2 additions	Total PIS for AD
No.	No.	Item	RY1	Engineering	PS RY2	additions	rate	book	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
								Depreciation	Depreciation
1.	141201	Organization	14,682	0	14,682	0	2.50%	-	367
2.	141202	Franchises	41,938	0	41,938	0	2.50%	-	1,048
3.	141203	Struct and Improv General Plant	285,393	18,300	303,694	18,300	2.00%	366.01	6,074
4.	141207	Struct and Improv Collect Plant	150	0	150	0	0.00%	-	0
5.	141208	Struct and Improv Pump Plant	1,692,620	458,220	2,150,840	458,220	2.00%	9,164.41	43,017
6.	141209	Struct and Improv Treatment Plant	1,846,462	5,194,673	7,041,135	5,194,673	2.50%	129,866.82	176,028
7.	141211	Struct and Improv Reclaim Wtr Dist	2,477	0	2,477	0	2.50%	-	62
8.	141220	Struct and Improv Office	136,538	0	136,538	0	10.00%	-	13,654
9.	141227	Electric Pump Equip Src Pump	(2,538)	0	(2,538)	0	0.00%	-	0
10.	141230	Water Treatment Equipment	944,752	0	944,752	0	0.00%	-	0
11.	141231	Dist Resv and Standpipes	5,051	0	5,051	0	2.00%	-	101
12.	141232	Trans and Distr Mains	16,702	0	16,702	0	1.00%	-	167
13.	141239	Power Gen Equip Pump Plt	112,594	119	112,713	119	10.00%	11.92	11,271
14.	141241	Sewer Force Main	237,067	10,061	247,128	10,061	1.33%	133.81	3,287
15.	141242	Sewer Gravity Main	6,278,265	43,340	6,321,606	43,340	1.00%	433.40	63,216
16.	141243	Manholes	52,823	(289)	52,533	(289)	1.00%	(2.89)	525
17.	141244	Special Collection Structures	775	0	775	0	2.00%	-	16
18.	141245	Service to Customers	436,945	97,729	534,673	97,729	1.33%	1,299.79	7,111
19.	141246	Flow Measure Devices	17,972	166	18,137	166	4.00%	6.64	725
20.	141249	Pumping Equip Pump Plt	837,326	10,573	847,899	10,573	14.29%	1,510.91	121,165
21.	141250	Pumping Equip Reclaim WTP	105,260	9,041	114,301	9,041	14.29%	1,291.92	16,334
22.	141252	Treat/Disp Equip Lagoon	56	0	56	0	2.50%	-	1
23.	141253	Treat/Disp Equip Trt Plt	2,950,365	1,017	2,951,382	1,017	2.50%	25.43	73,785
24.	141255	Plant Sewers Treatment Plt	400,332	6,881	407,212	6,881	2.50%	172.02	10,180
25.	141257	Outfall Lines	83,211	8,511	91,722	8,511	1.00%	85.11	917
26.	141263	Reuse Dist Reservoirs	2,763	0	2,763	0	2.00%	-	55
27.	141264	Reuse Transmission and Dist	2,845	354	3,198	354	2.00%	7.07	64
28.	141271	Other Tangible Plant	79,334	0	79,334	0	2.50%	-	1,983
29.	141272	Other Plant Collection	(224)	0	(224)	0	2.00%	-	(4)
30.	141273	Other Plant Pump	3,442	0	3,442	0	2.50%	-	86
31.	141275	Other Plant Reclaim Water Trt	13,511	834	14,345	834	2.50%	20.84	359
32.	141299	Utility Plant Clearing	(0)	0	(0)	0	0.00%	-	0
33.	141303	Office Furniture	43,768	0	43,768	0	10.00%	-	4,377
34.	141305	Stores Equipment	2,836	10	2,846	10	3.33%	0.34	95
35.	141306	Lab Equipment	6,734	0	6,734	0	10.00%	-	673
36.	141308	Tool Shop Equipment	22,686	590	23,276	590	5.00%	29.49	1,164
37.	141309	Power Operated Equipment	55,267	974	56,241	974	10.00%	97.43	5,624
38.	141310	Communications Equipment	70,684	7,261	77,945	7,261	10.00%	726.12	7,795
39.	141311	Misc Equipment	71,073	2,076	73,149	2,076	3.33%	69.14	2,436
40.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
41.	141401	Vehicles	227,632	0	227,632	0	0.00%	-	0
42.	141501	Computer Hardware	95	0	95	0	16.67%	-	16
43.	141502	Desktop/Laptop Computers	2,149	0	2,149	0	0.00%	-	0
44.	141503	Mainframe Computers	18,276	0	18,276	0	0.00%	-	0
45.	141504	Mini Comp Wtr	176,967	0	176,967	0	0.00%	-	0
46.	141601	Computer Software	14,156	0	14,156	0	0.00%	-	0
47.	141602	Comp Systems	433,053	0	433,053	0	0.00%	-	0
48.	141603	Micro Systems	8,984	0	8,984	0	0.00%	-	0
49.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
50.	141251	Pumping Equip Rcl Wtr Dist	0	0	0	0	14.29%	-	0
51.	141254	Treat/Disp Equip Rclm Wtr	0	0	0	0	2.50%	-	0
52.	Total plant in service (Sum of L1 thru L51)		17,753,246	5,870,441	23,623,687	5,870,441		145,316	573,774

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 3 Ended March 31, 2026

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CWSNC WATER OPERATIONS

Line No.	New Account No.	Item	Amount per PS	PS Adjustment	Amount per PS	RY3	Depreciation	RY3 additions	Total PIS for AD
			RY2	/ Engineering	RY3	additions	rate	Depreciation	Depreciation
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
1.	141201	Organization	484,577	0	484,577	0	2.50%	-	12,114
2.	141202	Franchises	229,516	0	229,516	0	2.50%	-	5,738
3.	141102	Land & land rights pump	50,818	0	50,818	0	0.00%	-	0
4.	141501	Computer Hardware	673	0	673	0	0.00%	-	0
5.	141502	Desktop/Laptop Computers	15,181	0	15,181	0	0.00%	-	0
6.	141101	Land & land rights gen. pit.	868,420	0	868,420	0	0.00%	-	0
7.	141204	Struct & improv. src. supply	5,877,487	37,705	5,915,192	37,705	2.00%	754.10	118,304
8.	141205	Struct & improv. wtr. trt. pit.	1,745,607	53,853	1,799,460	53,853	2.00%	1,077.06	35,989
9.	141206	Struct & improv. trans. dist.	308,951	7,474	316,425	7,474	2.00%	149.48	6,329
10.	141203	Struct & improv. gen. pit.	456,412	15,826	472,238	15,826	2.00%	316.51	9,445
11.	141221	Collecting reservoirs	732,382	0	732,382	0	2.00%	-	14,648
12.	141223	Wells & springs	16,675,652	60,702	16,736,353	60,702	2.00%	1,214.03	334,727
13.	141224	Infiltration gallery	45,185	0	45,185	0	2.50%	-	1,130
14.	141225	Supply mains	1,050,929	98,437	1,149,366	98,437	1.00%	984.37	11,494
15.	141226	Power generation equip.	168,796	221,188	389,984	221,188	10.00%	22,118.78	38,998
16.	141227	Electric pump equip. src. pit.	3,142,724	58,765	3,201,489	58,765	14.29%	8,397.49	457,493
17.	141228	Electric pump equip. wtp.	10,064,265	274,091	10,338,356	274,091	3.33%	9,127.23	344,267
18.	141229	Electric pump equip. trans.	5,009,429	110,530	5,119,959	110,530	14.29%	15,794.69	731,642
19.	141230	Water treatment equip.	6,839,398	174,778	7,014,177	174,778	2.50%	4,369.46	175,354
20.	141231	Dist. resv. & standpipes	9,212,456	135,862	9,348,318	135,862	2.00%	2,717.23	186,966
21.	141232	Trans. & distr. mains	44,182,458	2,837,441	47,019,900	2,837,441	1.00%	28,374.41	470,199
22.	141233	Service lines	16,233,196	567,904	16,801,100	567,904	2.00%	11,358.08	336,022
23.	141234	Meters	12,005,809	66,950	12,072,759	66,950	3.33%	2,229.43	402,023
24.	141235	Meter installations	2,209,409	56,506	2,265,916	56,506	3.33%	1,881.66	75,455
25.	141236	Hydrants	1,544,981	45,610	1,590,591	45,610	2.50%	1,140.25	39,765
26.	141237	Backflow prevention devic.	64,450	1,552	66,002	1,552	10.00%	155.17	6,600
27.	141268	Other pit. & misc. equip. src. su.	260	0	260	0	2.50%	-	7
28.	141269	Other pit. & misc. equip. wtp.	24,969	0	24,969	0	2.50%	-	624
29.	141220	Office struct & improv.	807,507	0	807,507	0	10.00%	-	80,751
30.	141303	Office furn. & equip.	579,532	0	579,532	0	10.00%	-	57,953
31.	141305	Stores equipment	21,880	2,811	24,692	2,811	3.33%	93.62	822
32.	141308	Tool shop & misc. equip.	1,102,507	6,254	1,108,762	6,254	5.00%	312.71	55,438
33.	141306	Laboratory equipment	134,760	1,471	136,231	1,471	10.00%	147.09	13,623
34.	141309	Power operated equip.	386,041	5,854	391,894	5,854	10.00%	585.37	39,189
35.	141310	Communication equip.	1,369,323	245,007	1,614,330	245,007	10.00%	24,500.71	161,433
36.	141311	Misc. equipment	226,625	5,712	232,336	5,712	3.33%	190.20	7,737
37.	141278	Water plant allocated	207,809	0	207,809	0	6.67%	-	13,861
38.	141271	Other tangible pit. water	48,727	0	48,727	0	2.50%	-	1,218
39.	141248	Receiving Wells	176,603	0	176,603	0	2.00%	-	3,532
40.	141401	Transportation equip.	2,360,014	0	2,360,014	0	20.00%	-	472,003
41.	141503	Mainframe computer - wtr	129,260	0	129,260	0	0.00%	-	0
42.	141504	Mini computer - wtr	1,261,915	0	1,261,915	0	0.00%	-	0
43.	141602	Comp. system cost - wtr	3,187,131	0	3,187,131	0	0.00%	-	0
44.	141603	Micro system cost - wtr	63,521	0	63,521	0	0.00%	-	0
45.	141255	Plant Sewers Treatment Pit	0	0	0	0	2.50%	-	0
46.	141299	Utility Plant Clearing	(0)	0	(0)	0	0.00%	-	0
47.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
48.	141601	Computer Software	99,996	0	99,996	0	0.00%	-	0
49.	141103	Land and Rights Water	357,109	0	357,109	0	0.00%	-	0
50.	141104	Land and Rights Trans	18,896	0	18,896	0	0.00%	-	0
51.	141293	Plant Held for Future Use	(382,146)	0	(382,146)	0	0.00%	-	0
52.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
53.		Total plant in service (Sum of L1 thru L52)	151,401,401	5,092,282	156,493,683	5,092,282		137,989	4,722,893

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Nov 22 2022

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 3 Ended March 31, 2026

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CWSNC SEWER OPERATIONS

Line			Amount per PS	PS Adjustment	Amount per PS	RY3	Depreciation	RY3 additions	Total PIS for AD
No.	No.	Item	RY2	/Engineering	RY3	additions	rate	book	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
1.	141201	Organization	883,492	0	883,492	0	2.50%	-	22,087
2.	141202	Franchises intang. plt.	127,476	0	127,476	0	2.50%	-	3,187
3.	141107	Land & land rights trmnt plt	39,167	0	39,167	0	0.00%	-	0
4.	141108	Land & land rights reclaim.	1,150	0	1,150	0	0.00%	-	0
5.	141101	Land and Rights General	0	0	0	0	0.00%	-	0
6.	141207	Struct/improv. coll. plt.	117,978	4,698	122,676	4,698	2.00%	93.96	2,454
7.	141208	Struct/improv. pump plt. ls.	13,579,464	358,072	13,937,537	358,072	2.00%	7,161.45	278,751
8.	141209	Struct/improv. treat. plt.	32,063,687	14,894,951	46,958,638	14,894,951	2.50%	372,373.77	1,173,966
9.	141210	Struct/improv. reclaim. wtp.	3,271	0	3,271	0	2.50%	-	82
10.	141211	Struct/improv. reclaim. wtr.	180,917	218	181,136	218	2.50%	5.46	4,528
11.	141203	Struct/improv. gen. plt.	1,764,447	28,601	1,793,048	28,601	2.00%	572.02	35,861
12.	141238	Power gen. equip. coll. plt.	107,623	0	107,623	0	10.00%	-	10,762
13.	141239	Power gen. equip. pump plt.	53,611	135	53,746	135	10.00%	13.51	5,375
14.	141240	Power gen. equip. treat. plt.	328,260	103,520	431,780	103,520	10.00%	10,352.02	43,178
15.	141241	Sewer force main/serv. lin.	4,573,041	53,345	4,626,386	53,345	1.33%	709.49	61,531
16.	141242	Sewer gravity main	22,813,076	1,097,723	23,910,799	1,097,723	1.00%	10,977.23	239,108
17.	141243	Manholes	1,885,189	67,006	1,952,194	67,006	1.00%	670.06	19,522
18.	141244	Special coll. structures	7,594	281	7,876	281	2.00%	5.62	158
19.	141245	Services to customers	2,638,519	194,537	2,833,056	194,537	1.33%	2,587.34	37,680
20.	141246	Flow measure devices	159,472	6,869	166,341	6,869	4.00%	274.76	6,654
21.	141247	Flow measure install	1,146	20	1,166	20	4.00%	0.80	47
22.	141248	Receiving wells	305,924	35,970	341,893	35,970	2.00%	719.39	6,838
23.	141249	Pumping equipment pump plt.	5,494,339	175,804	5,670,143	175,804	14.23%	25,122.32	810,263
24.	141250	Pumping equipment reclaim.	40,893	621	41,514	621	14.23%	88.79	5,932
25.	141251	Pumping equipment rcl. wtr.	91,384	3,964	95,349	3,964	14.23%	566.50	13,625
26.	141252	Treat./disp. equip. lagoon	609,020	5,641	614,661	5,641	2.50%	141.02	15,367
27.	141253	Treat./disp. equip. trt. plt.	21,966,269	126,154	22,092,422	126,154	2.50%	3,153.84	552,311
28.	141254	Treat./disp. equip. rct. wtp.	37,592	4,102	41,694	4,102	2.50%	102.56	1,042
29.	141255	Plant sewers treat. plt.	18,096,372	55,197	18,151,569	55,197	2.50%	1,379.92	453,789
30.	141256	Plant sewers reclaim wtp.	8,438	187	8,625	187	2.50%	4.67	216
31.	141257	Outfall lines	728,340	35,998	764,338	35,998	1.00%	359.98	7,643
32.	141271	Other plt. tangible	19,930	2,585	22,515	2,585	2.50%	64.61	563
33.	141272	Other plt. collection	22,425	86	22,511	86	2.00%	1.72	450
34.	141273	Other plt. pump	476,626	1,300	477,927	1,300	2.50%	32.51	11,948
35.	141274	Other plt. treatment	372,361	16,146	388,506	16,146	2.50%	403.64	9,713
36.	141275	Other plt. reclaim wtr. trt.	650	0	650	0	2.50%	-	16
37.	141276	Other plt. reclaim wtr. dis.	460	0	460	0	2.50%	-	11
38.	141220	Office struct & improv.	327,965	0	327,965	0	10.00%	-	32,797
39.	141303	Office furn. & equip.	330,403	0	330,403	0	10.00%	-	33,040
40.	141305	Stores equipment	9,447	612	10,059	612	3.33%	20.37	335
41.	141308	Tool shop & misc. equip.	579,149	3,723	582,873	3,723	5.00%	186.16	29,144
42.	141306	Laboratory equipment	204,231	3,213	207,444	3,213	10.00%	321.33	20,744
43.	141309	Power operated equip.	517,507	18,912	536,420	18,912	10.00%	1,891.24	53,642
44.	141310	Communication equip.	207,074	5,129	212,203	5,129	10.00%	512.88	21,220
45.	141311	Misc equip. sewer	83,112	5,891	89,003	5,891	3.33%	196.16	2,964
46.	141278	Sewer plant allocated	526,952	0	526,952	0	6.67%	-	35,148
47.	0	Other tangible plt. sewer	0	0	0	0	2.50%	-	0
48.	141263	Reuse dist. reservoirs	3,560	26	3,586	26	2.00%	0.53	72
49.	141264	Reuse transmission & dist.	138,530	8,705	147,235	8,705	2.00%	174.10	2,945
50.	141401	Transportation equip.	1,407,999	0	1,407,999	0	20.00%	-	281,600
51.	141502	Desktop computer - wtr	9,057	0	9,057	0	0.00%	-	0
52.	141503	Mainframe computer - wtr	77,118	0	77,118	0	0.00%	-	0
53.	141504	Mini computer - wtr	753,119	0	753,119	0	0.00%	-	0
54.	141602	Comp. system cost - wtr	1,901,461	0	1,901,461	0	0.00%	-	0
55.	141603	Micro system cost - wtr	37,897	0	37,897	0	0.00%	-	0
56.	141501	Computer Hardware	401	0	401	0	0.00%	-	0
57.	141601	Computer Software	59,659	0	59,659	0	0.00%	-	0
58.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
59.	141231	Dist Resv and Standpipes	20,648	0	20,648	0	2.00%	-	413
60.	141232	Trans and Distr Mains	68,271	0	68,271	0	1.00%	-	683
61.	141299	Utility Plant Clearing	(0)	0	(0)	0	0.00%	-	0
62.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
63.	141233	Service Lines	(10,366)	(5,123)	(15,489)	(5,123)	2.00%	(102.46)	(310)
64.	141293	Plt. held for future use	(227,990)	0	(227,990)	0	0.00%	-	0
66.	141205		0	0	0	0	2.00%	-	0
67.	141230		0	0	0	0	2.50%	-	0
68.	113101		0	0	0	0	0.00%	-	0
69.	141226		298,745	0	298,745	0	10.00%	-	29,875
		Pro forma plant additions	0	0	0	0	2.50%	-	0
							0.00%	-	0
70.		Total plant in service (Sum of L1 thru L69)	136,923,554	17,314,819	154,238,372	17,314,819		441,139	4,378,967

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CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 3 Ended March 31, 2026

Public Staff Settlement Exhibit 1
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BF/FH WATER OPERATIONS

Line			Amount per PS	PS Adjustment	Amount per PS	RY3	Depreciation	RY3 additions	Total PIS for AD
No.	No.	Item	RY2	/Engineering	RY3	additions	rate	book	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
1.	141101	Land and Rights General	13,990	0	13,990	0	0.00%	-	0
2.	141102	Land and Rights Pump	21,025	0	21,025	0	0.00%	-	0
3.	141201	Organization	100,866	0	100,866	0	2.50%	-	2,522
4.	141202	Franchises	51,240	0	51,240	0	2.50%	-	1,281
5.	141203	Struct and Improv General Plant	2,979	368	3,347	368	2.00%	7.35	67
6.	141204	Struct and Improv Service Supplies	305,968	11,590	317,558	11,590	2.00%	231.80	6,351
7.	141205	Struct and Improv Water Treat Plt	149,576	1,145	150,721	1,145	2.00%	22.91	3,014
8.	141206	Struct and Improv Trans Dist Plt	461	0	461	0	2.00%	-	9
9.	141220	Struct and Improv Office	85,815	0	85,815	0	10.00%	-	8,582
10.	141223	Wells and Springs	526,521	8,003	534,524	8,003	2.00%	160.06	10,690
11.	141225	Supply Mains	13,231	1,118	14,349	1,118	1.00%	11.18	143
12.	141227	Electric Pump Equip Src Pump	71,420	4,058	75,478	4,058	14.29%	579.87	10,786
13.	141228	Electric Pump Equip WTP	421,715	10,750	432,465	10,750	3.33%	357.98	14,401
14.	141229	Electric Pump Equip Trans Dist	70,800	3,853	74,653	3,853	14.29%	550.61	10,668
15.	141230	Water Treatment Equipment	162,094	4,699	166,793	4,699	2.50%	117.47	4,170
16.	141231	Dist Resv and Standpipes	2,712,890	3,568	2,716,458	3,568	2.00%	71.36	54,329
17.	141232	Trans and Distr Mains	2,143,360	196,122	2,339,482	196,122	1.00%	1,961.22	23,395
18.	141233	Service Lines	1,032,858	79,164	1,112,022	79,164	2.00%	1,583.28	22,240
19.	141234	Meters	1,283,662	13,637	1,297,299	13,637	3.33%	454.13	43,200
20.	141235	Meter Installations	198,906	6,334	205,240	6,334	3.33%	210.91	6,834
21.	141236	Hydrants	285,605	3,315	288,920	3,315	2.50%	82.88	7,223
22.	141237	Backflow Prevention Devices	234	41	275	41	10.00%	4.14	28
23.	141299	Utility Plant Clearing	0	0	0	0	0.00%	-	0
24.	141303	Office Furniture	45,570	0	45,570	0	10.00%	-	4,557
25.	141305	Stores Equipment	425	25	450	25	3.33%	0.83	15
26.	141306	Lab Equipment	15,227	343	15,570	343	10.00%	34.35	1,557
27.	141308	Tool Shop Equipment	104,522	652	105,174	652	5.00%	32.59	5,259
28.	141309	Power Operated Equipment	15,539	947	16,486	947	10.00%	94.71	1,649
29.	141310	Communications Equipment	94,975	6,056	101,031	6,056	10.00%	605.58	10,103
30.	141311	Misc Equipment	711	92	803	92	3.33%	3.05	27
31.	141401	Vehicles	222,385	0	222,385	0	20.00%	-	44,477
32.	141501	Computer Hardware	93	0	93	0	16.67%	-	16
33.	141502	Desktop/Laptop Computers	2,099	0	2,099	0	16.67%	-	350
34.	141503	Mainframe Computers	17,855	0	17,855	0	0.00%	-	0
35.	141504	Mini Comp WTr	172,887	0	172,887	0	0.00%	-	0
36.	141601	Computer Software	13,828	0	13,828	0	0.00%	-	0
37.	141602	Comp Systems	423,069	0	423,069	0	0.00%	-	0
38.	141603	Micro Systems	8,776	0	8,776	0	0.00%	-	0
39.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
40.	141221	Collecting Reservoirs	0	0	0	0	2.00%	-	0
41.	141269	Other and Misc Equip WTP	0	0	0	0	2.50%	-	0
42.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
43.		Total plant in service (Sum of L1 thru L42)	10,793,178	355,881	11,149,059	355,881		7,178	297,943

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CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF PLANT IN SERVICE
For The Rate Year 3 Ended March 31, 2026

Public Staff Settlement Exhibit 1
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BF/FH SEWER OPERATIONS

Line			Amount per PS	PS Adjustment	Amount per PS	RY3	Depreciation	RY3 additions	Total PIS for AD
No.	No.	Item	RY2	/Engineering	RY3	additions	rate	book	per PS
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
1.	141201	Organization	14,682	0	14,682	0	2.50%	-	367
2.	141202	Franchises	41,938	0	41,938	0	2.50%	-	1,048
3.	141203	Struct and Improv General Plant	303,694	18,300	321,994	18,300	2.00%	366.01	6,440
4.	141207	Struct and Improv Collect Plant	150	0	150	0	0.00%	-	0
5.	141208	Struct and Improv Pump Plant	2,150,840	1,580	2,152,420	1,580	2.00%	31.60	43,048
6.	141209	Struct and Improv Treatment Plant	7,041,135	8,908	7,050,042	8,908	2.50%	222.69	176,251
7.	141211	Struct and Improv Reclaim Wtr Dist	2,477	0	2,477	0	2.50%	-	62
8.	141220	Struct and Improv Office	136,538	0	136,538	0	10.00%	-	13,654
9.	141227	Electric Pump Equip Src Pump	(2,538)	0	(2,538)	0	0.00%	-	0
10.	141230	Water Treatment Equipment	944,752	0	944,752	0	0.00%	-	0
11.	141231	Dist Resv and Standpipes	5,051	0	5,051	0	2.00%	-	101
12.	141232	Trans and Distr Mains	16,702	0	16,702	0	1.00%	-	167
13.	141239	Power Gen Equip Pump Plt	112,713	119	112,832	119	10.00%	11.92	11,283
14.	141241	Sewer Force Main	247,128	10,061	257,189	10,061	1.33%	133.81	3,421
15.	141242	Sewer Gravity Main	6,321,606	428,544	6,750,149	428,544	1.00%	4,285.44	67,501
16.	141243	Manholes	52,533	(289)	52,244	(289)	1.00%	(2.89)	522
17.	141244	Special Collection Structures	775	0	775	0	2.00%	-	16
18.	141245	Service to Customers	534,673	97,729	632,402	97,729	1.33%	1,299.79	8,411
19.	141246	Flow Measure Devices	18,137	166	18,303	166	4.00%	6.64	732
20.	141249	Pumping Equip Pump Plt	847,899	10,573	858,472	10,573	14.29%	1,510.91	122,676
21.	141250	Pumping Equip Reclaim WTP	114,301	9,041	123,342	9,041	14.29%	1,291.92	17,626
22.	141252	Treat/Disp Equip Lagoon	56	0	56	0	2.50%	-	1
23.	141253	Treat/Disp Equip Trt Plt	2,951,382	1,017	2,952,399	1,017	2.50%	25.43	73,810
24.	141255	Plant Sewers Treatment Plt	407,212	6,881	414,093	6,881	2.50%	172.02	10,352
25.	141257	Outfall Lines	91,722	8,511	100,233	8,511	1.00%	85.11	1,002
26.	141263	Reuse Dist Reservoirs	2,763	0	2,763	0	2.00%	-	55
27.	141264	Reuse Transmission and Dist	3,198	354	3,552	354	2.00%	7.07	71
28.	141271	Other Tangible Plant	79,334	0	79,334	0	2.50%	-	1,983
29.	141272	Other Plant Collection	(224)	0	(224)	0	2.00%	-	(4)
30.	141273	Other Plant Pump	3,442	0	3,442	0	2.50%	-	86
31.	141275	Other Plant Reclaim Water Trt	14,345	834	15,178	834	2.50%	20.84	379
32.	141299	Utility Plant Clearing	(0)	0	(0)	0	0.00%	-	0
33.	141303	Office Furniture	43,768	0	43,768	0	10.00%	-	4,377
34.	141305	Stores Equipment	2,846	10	2,856	10	3.33%	0.34	95
35.	141306	Lab Equipment	6,734	0	6,734	0	10.00%	-	673
36.	141308	Tool Shop Equipment	23,276	590	23,866	590	5.00%	29.49	1,193
37.	141309	Power Operated Equipment	56,241	974	57,215	974	10.00%	97.43	5,722
38.	141310	Communications Equipment	77,945	7,261	85,206	7,261	10.00%	726.12	8,521
39.	141311	Misc Equipment	73,149	2,076	75,225	2,076	3.33%	69.14	2,505
40.	141399	Building and Equipment Clearing	0	0	0	0	0.00%	-	0
41.	141401	Vehicles	227,632	0	227,632	0	0.00%	-	0
42.	141501	Computer Hardware	95	0	95	0	16.67%	-	16
43.	141502	Desktop/Laptop Computers	2,149	0	2,149	0	0.00%	-	0
44.	141503	Mainframe Computers	18,276	0	18,276	0	0.00%	-	0
45.	141504	Mini Comp Wtr	176,967	0	176,967	0	0.00%	-	0
46.	141601	Computer Software	14,156	0	14,156	0	0.00%	-	0
47.	141602	Comp Systems	433,053	0	433,053	0	0.00%	-	0
48.	141603	Micro Systems	8,984	0	8,984	0	0.00%	-	0
49.	141699	Computer Clearing	0	0	0	0	0.00%	-	0
50.	141251	Pumping Equip Rcl Wtr Dist	0	0	0	0	14.29%	-	0
51.	141254	Treat/Disp Equip Rclm Wtr	0	0	0	0	2.50%	-	0
52.		Total plant in service (Sum of L1 thru L51)	23,623,687	613,239	24,236,926	613,239		10,391	584,165

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CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO DIRECT ACCUMULATED DEPRECIATION
For The Base Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2-2

Line No.	Item	<u>Base Year</u>			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Accumulated depreciation per Company Company	<u>(\$36,543,210)</u>	<u>(\$29,573,021)</u>	<u>(\$2,511,133)</u>	<u>(\$3,434,669)</u>
2	Adjustment to include company updates 09.19.2022	(172,405)	(110,172)	(8,529)	(10,209)
3	Accumulated depreciation after adjusted for company updates (L1 + L2)	(36,715,615)	(29,683,192)	(2,519,662)	(3,444,878)
4	Adjustment to remove company's total proforma	1,192,338	1,184,607	37,393	154,008
5	Adjustment to include actual general ledger A/D additions through 8/31/2022	(1,007,169) [1]	(1,024,721) [1]	(32,242) [1]	(127,951) [1]
6	Adjustment to include company's performa for ERC adjustment	175,230 [1]	104,543 [1]	21,053 [1]	21,550 [1]
7	Adjustment to reflect annual level of depreciation	<u>(219,394) [1]</u>	<u>(85,538) [1]</u>	<u>(32,599) [1]</u>	<u>(32,115) [1]</u>
8	Adjustment to accumulated depreciation (Sum of L4 thru L7)	<u>141,005</u>	<u>178,891</u>	<u>(6,395)</u>	<u>15,492</u>
9	Accumulated depreciation per Public Staff (L3 + L8)	<u><u>(36,574,610)</u></u>	<u><u>(29,504,301)</u></u>	<u><u>(2,526,057)</u></u>	<u><u>(3,429,386)</u></u>

[1] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO DIRECT ACCUMULATED DEPRECIATION
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-2 (a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Accumulated Depreciation per Company	(\$39,069,396) [1]	(\$40,736,813) [1]	(\$43,503,074) [1]
2	Public Staff Base Year Accumulated Depreciation	(36,574,610) [2]		
3	Adjustment to include Public Staff Rate Year 1 Depreciation Expenses	(4,089,803) [2]		
4	Public Staff RY1 Accumulated Depreciation		(40,664,413) [2]	
5	Adjustment to include Public Staff Rate Year 2 Depreciation Expenses		(3,503,291) [2]	
6	Public Staff RY2 Accumulated Depreciation			(44,167,703) [2]
7	Adjustment to include Public Staff Rate Year 3 Depreciation Expenses			(3,826,795) [2]
8	Accumulated Depreciation per Public Staff (L2 through L7)	<u>(40,664,413)</u>	<u>(44,167,703)</u>	<u>(47,994,499)</u>
9	Adjustment to accumulated depreciation (L8 - L1)	<u>(1,595,016)</u>	<u>(3,430,890)</u>	<u>(4,491,425)</u>

[1] Per examination of Company's financial records.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO DIRECT ACCUMULATED DEPRECIATION
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-2(b)

CWSNC SEWER OPERATIONS

Line No.	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Accumulated Depreciation per Company	<u>(\$31,282,947)</u> [1]	<u>(\$31,927,240)</u> [1]	<u>(\$33,274,358)</u> [1]
2	Public Staff Base Year Accumulated Depreciation	(29,504,301) [2]		
3	Adjustment to include Public Staff Rate Year 1 Depreciation Expenses	(2,502,099) [2]		
4	Public Staff RY1 Accumulated Depreciation		(32,006,400) [2]	
5	Adjustment to include Public Staff Rate Year 2 Depreciation Expenses		(2,815,702) [2]	
6	Public Staff RY2 Accumulated Depreciation			(34,822,102) [2]
7	Adjustment to include Public Staff Rate Year 3 Depreciation Expenses			(906,969) [2]
8	Accumulated Depreciation per Public Staff (L2 through L7)	<u>(32,006,400)</u>	<u>(34,822,102)</u>	<u>(35,729,071)</u>
9	Adjustment to accumulated depreciation (L8 - L1)	<u>(723,452)</u>	<u>(2,894,862)</u>	<u>(2,454,713)</u>

[1] Per examination of Company's financial records.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO DIRECT ACCUMULATED DEPRECIATION
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-2(c)

Line No.	Item	BF/FH WATER OPERATIONS		
		<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Accumulated Depreciation per Company	<u>(\$2,572,995)</u> [1]	<u>(\$2,442,383)</u> [1]	<u>(\$2,356,089)</u> [1]
2	Public Staff Base Year Accumulated Depreciation	(2,526,057) [2]		
3	Adjustment to include Public Staff Rate Year 1 Depreciation Expenses	(268,111) [2]		
4	Public Staff RY1 Accumulated Depreciation		(2,794,167) [2]	
5	Adjustment to include Public Staff Rate Year 2 Depreciation Expenses		(27,399) [2]	
6	Public Staff RY2 Accumulated Depreciation			(2,821,567) [2]
7	Adjustment to include Public Staff Rate Year 3 Depreciation Expenses			(406,371) [2]
8	Accumulated Depreciation per Public Staff (L2 through L7)	<u>(2,794,167)</u>	<u>(2,821,567)</u>	<u>(3,227,938)</u>
9	Adjustment to accumulated depreciation (L8 - L1)	<u>(221,173)</u>	<u>(379,184)</u>	<u>(871,849)</u>

[1] Per examination of Company's financial records.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO DIRECT ACCUMULATED DEPRECIATION
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Line No.	Item	BF/FH SEWER OPERATIONS		
		<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Accumulated Depreciation per Company	<u>(\$3,769,452)</u> [1]	<u>(\$3,436,066)</u> [1]	<u>(\$3,514,516)</u> [1]
2	Public Staff Base Year Accumulated Depreciation	(3,429,386) [2]		
3	Adjustment to include Public Staff Rate Year 1 Depreciation Expenses	(497,938) [2]		
4	Public Staff RY1 Accumulated Depreciation		(3,927,324) [2]	
5	Adjustment to include Public Staff Rate Year 2 Depreciation Expenses		582,726 [2]	
6	Public Staff RY2 Accumulated Depreciation			(3,344,599) [2]
7	Adjustment to include Public Staff Rate Year 3 Depreciation Expenses			(477,203) [2]
8	Accumulated Depreciation per Public Staff (L2 through L7)	<u>(3,927,324)</u>	<u>(3,344,599)</u>	<u>(3,821,802)</u>
9	Adjustment to accumulated depreciation (L8 - L1)	<u>(157,872)</u>	<u>91,467</u>	<u>(307,286)</u>

[1] Per examination of Company's financial records.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF CASH WORKING CAPITAL
For The Base Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2-3

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
Cash Working Capital:					
1	Maintenance expenses, less purchased water and sewer	\$2,966,453 [1]	\$3,507,842 [5]	\$417,235 [9]	\$439,310 [13]
2	General expenses	9,370,807 [2]	5,609,629 [6]	1,112,929 [10]	1,139,157 [14]
3	Total cash working capital expenses (L1 + L2)	<u>\$ 12,337,259</u>	<u>\$9,117,472</u>	<u>\$1,530,164</u>	<u>\$1,578,467</u>
4	Cash working capital (L3 x 1/8)	<u>1,542,157</u>	<u>1,139,684</u>	<u>191,270</u>	<u>197,308</u>
Average Tax Accruals:					
5	Property taxes	135,969 [3]	105,629 [7]	7,746 [11]	9,754 [15]
6	Average accrual (L5 x 1/2)	<u>67,985</u>	<u>52,815</u>	<u>3,873</u>	<u>4,877</u>
7	Regulatory fee	31,226 [4]	24,462 [8]	2,615 [12]	3,679 [16]
8	Average accrual (L7 x 1/5)	<u>6,245</u>	<u>4,892</u>	<u>523</u>	<u>736</u>
9	Total tax accrual (L6 + L8)	<u>74,230</u>	<u>57,707</u>	<u>4,396</u>	<u>5,613</u>
10	Total cash working capital (L4 - L9)	<u>\$1,467,927</u>	<u>\$1,081,977</u>	<u>\$186,874</u>	<u>\$191,695</u>

[1] Public Staff Settlement Exhibit 1, Schedule 3(a), Col (c), Ln 15 minus Ln 7.	[9] Public Staff Settlement Exhibit 1, Schedule 3(c), Column (c), Line 15 minus Line 7.
[2] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 24.	[10] Public Staff Settlement Exhibit 1, Schedule 3(c), Column (c), Line 24.
[3] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 30.	[11] Public Staff Settlement Exhibit 1, Schedule 3(c), Column (c), Line 30.
[4] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 32.	[12] Public Staff Settlement Exhibit 1, Schedule 3(c), Column (c), Line 32.
[5] Public Staff Settlement Exhibit 1, Schedule 3(b), Col (c), Ln 15 minus Ln 7.	[13] Public Staff Settlement Exhibit 1, Schedule 3(d), Column (c), Line 15 minus Line 7.
[6] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (c), Line 24.	[14] Public Staff Settlement Exhibit 1, Schedule 3(d), Column (c), Line 24.
[7] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (c), Line 30.	[15] Public Staff Settlement Exhibit 1, Schedule 3(d), Column (c), Line 30.
[8] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (c), Line 32.	[16] Public Staff Settlement Exhibit 1, Schedule 3(d), Column (c), Line 32.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF CASH WORKING CAPITAL
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-3(a)

CWSNC WATER OPERATIONS

Line No.	<u>Item</u>	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
	<u>Cash Working Capital:</u>			
1	Maintenance expenses, less purchased water and sewer	\$3,032,860 [1]	\$3,278,338 [5]	\$3,208,364 [9]
2	General expenses	9,670,633 [2]	9,926,271 [6]	10,188,937 [10]
3	Total cash working capital expenses (L1 + L2)	<u>\$ 12,703,493</u>	<u>\$ 13,204,609</u>	<u>\$ 13,397,302</u>
4	Cash working capital (L3 x 1/8)	<u>1,587,937</u>	<u>1,650,576</u>	<u>1,674,663</u>
	<u>Average Tax Accruals:</u>			
5	Property taxes	135,969 [3]	135,969 [7]	135,969 [11]
6	Average accrual (L5 x 1/2)	<u>67,985</u>	<u>67,985</u>	<u>67,985</u>
7	Regulatory fee	33,499 [4]	36,520 [8]	38,106 [12]
8	Average accrual (L7 x 1/5)	<u>6,700</u>	<u>7,304</u>	<u>7,621</u>
9	Total tax accrual (L6 + L8)	<u>74,685</u>	<u>75,289</u>	<u>75,606</u>
10	Total cash working capital (L4 - L9)	<u>\$1,513,252</u>	<u>\$1,575,287</u>	<u>\$1,599,057</u>

[1] Public Staff Settlement Exhibit 1, Sch 3(a)(1), Column (g), Line 14 minus Line 6. [7] Public Staff Settlement Exhibit 1, Sch 3(a)(2), Column (g), Line 29.
[2] Public Staff Settlement Exhibit 1, Sch 3(a)(1), Column (g), Line 23. [8] Public Staff Settlement Exhibit 1, Sch 3(a)(2), Column (g), Line 31.
[3] Public Staff Settlement Exhibit 1, Sch 3(a)(1), Column (g), Line 29. [9] Public Staff Settlement Exhibit 1, Sch 3(a)(3), Column (g), Line 14 minus Line 6.
[4] Public Staff Settlement Exhibit 1, Sch 3(a)(1), Column (g), Line 31. [10] Public Staff Settlement Exhibit 1, Sch 3(a)(3), Column (g), Line 23.
[5] Public Staff Settlement Exhibit 1, Sch 3(a)(2), Column (g), Line 14 minus Line 6. [11] Public Staff Settlement Exhibit 1, Sch 3(a)(3), Column (g), Line 29.
[6] Public Staff Settlement Exhibit 1, Sch 3(a)(2), Column (g), Line 23. [12] Public Staff Settlement Exhibit 1, Sch 3(a)(3), Column (g), Line 31.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF CASH WORKING CAPITAL
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 2-3(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
<u>Cash Working Capital:</u>				
1	Maintenance expenses, less purchased water and sewer	\$3,589,311 [5]	\$3,623,358 [5]	\$3,464,408 [5]
2	General expenses	5,789,151 [6]	5,942,138 [6]	6,099,327 [6]
3	Total cash working capital expenses (L1 + L2)	<u>\$ 9,378,462</u>	<u>\$9,565,497</u>	<u>\$9,563,735</u>
4	Cash working capital (L3 x 1/8)	<u>1,172,308</u>	<u>1,195,687</u>	<u>1,195,467</u>
<u>Average Tax Accruals:</u>				
5	Property taxes	105,629 [7]	105,629 [7]	105,629 [7]
6	Average accrual (L5 x 1/2)	<u>52,815</u>	<u>52,815</u>	<u>52,815</u>
7	Regulatory fee	26,928 [8]	30,010 [8]	31,797 [8]
8	Average accrual (L7 x 1/5)	<u>5,386</u>	<u>6,002</u>	<u>6,359</u>
9	Total tax accrual (L6 + L8)	<u>58,201</u>	<u>58,817</u>	<u>59,174</u>
10	Total cash working capital (L4 - L9)	<u>\$1,114,107</u>	<u>\$1,136,870</u>	<u>\$1,136,293</u>

[1] Public Staff Settlement Exhibit 1, Sch 3(b)(1), Column (g), Line 14 minus Line 6. [7] Public Staff Settlement Exhibit 1, Sch 3(b)(2), Column (g), Line 29.
 [2] Public Staff Settlement Exhibit 1, Sch 3(b)(1), Column (g), Line 23. [8] Public Staff Settlement Exhibit 1, Sch 3(b)(2), Column (g), Line 31.
 [3] Public Staff Settlement Exhibit 1, Sch 3(b)(1), Column (g), Line 29. [9] Public Staff Settlement Exhibit 1, Sch 3(b)(3), Column (g), Line 14 minus Line 6.
 [4] Public Staff Settlement Exhibit 1, Sch 3(b)(1), Column (g), Line 31. [10] Public Staff Settlement Exhibit 1, Sch 3(b)(3), Column (g), Line 23.
 [5] Public Staff Settlement Exhibit 1, Sch 3(b)(2), Column (g), Line 14 minus Line 6. [11] Public Staff Settlement Exhibit 1, Sch 3(b)(3), Column (g), Line 29.
 [6] Public Staff Settlement Exhibit 1, Sch 3(b)(2), Column (g), Line 23. [12] Public Staff Settlement Exhibit 1, Sch 3(b)(3), Column (g), Line 31.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF CASH WORKING CAPITAL
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-3(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1 (a)	Rate Year 2 (b)	Rate Year 3 (c)
Cash Working Capital:				
1	Maintenance expenses, less purchased water and sewer	\$430,892 [9]	\$440,894 [5]	\$450,093 [9]
2	General expenses	1,148,467 [10]	1,178,828 [6]	1,210,021 [10]
3	Total cash working capital expenses (L1 + L2)	<u>\$ 1,579,359</u>	<u>\$1,619,722</u>	<u>\$1,660,114</u>
4	Cash working capital (L3 x 1/8)	<u>197,420</u>	<u>202,465</u>	<u>207,514</u>
Average Tax Accruals:				
5	Property taxes	7,746 [11]	7,746 [7]	7,746 [11]
6	Average accrual (L5 x 1/2)	<u>3,873</u>	<u>3,873</u>	<u>3,873</u>
7	Regulatory fee	2,943 [12]	3,489 [8]	3,697 [12]
8	Average accrual (L7 x 1/5)	<u>589</u>	<u>698</u>	<u>739</u>
9	Total tax accrual (L6 + L8)	<u>4,462</u>	<u>4,571</u>	<u>4,612</u>
10	Total cash working capital (L4 - L9)	<u>\$192,958</u>	<u>\$197,894</u>	<u>\$202,902</u>

[1] Public Staff Settlement Exhibit 1, Sch 3(c)(1), Column (g), Line 14 minus Line 6. [7] Public Staff Settlement Exhibit 1, Sch 3(c)(2), Column (g), Line 29.
[2] Public Staff Settlement Exhibit 1, Sch 3(c)(1), Column (g), Line 23. [8] Public Staff Settlement Exhibit 1, Sch 3(c)(2), Column (g), Line 31.
[3] Public Staff Settlement Exhibit 1, Sch 3(c)(1), Column (g), Line 29. [9] Public Staff Settlement Exhibit 1, Sch 3(c)(3), Column (g), Line 14 minus Line 6.
[4] Public Staff Settlement Exhibit 1, Sch 3(c)(1), Column (g), Line 31. [10] Public Staff Settlement Exhibit 1, Sch 3(c)(3), Column (g), Line 23.
[5] Public Staff Settlement Exhibit 1, Sch 3(c)(2), Column (g), Line 14 minus Line 6. [11] Public Staff Settlement Exhibit 1, Sch 3(c)(3), Column (g), Line 29.
[6] Public Staff Settlement Exhibit 1, Sch 3(c)(2), Column (g), Line 23. [12] Public Staff Settlement Exhibit 1, Sch 3(c)(3), Column (g), Line 31.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF CASH WORKING CAPITAL
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schdule 2-3(d)

BF/FH SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
<u>Cash Working Capital:</u>				
1	Maintenance expenses, less purchased water and sewer	\$474,145 [13]	\$484,224 [13]	\$494,670 [13]
2	General expenses	1,175,535 [14]	1,206,607 [14]	1,238,539 [14]
3	Total cash working capital expenses (L1 + L2)	<u>\$ 1,649,680</u>	<u>\$1,690,830</u>	<u>\$1,733,209</u>
4	Cash working capital (L3 x 1/8)	<u>206,210</u>	<u>211,354</u>	<u>216,651</u>
<u>Average Tax Accruals:</u>				
5	Property taxes	9,754 [15]	9,754 [15]	9,754 [15]
6	Average accrual (L5 x 1/2)	<u>4,877</u>	<u>4,877</u>	<u>4,877</u>
7	Regulatory fee	4,231 [16]	4,406 [16]	4,757 [16]
8	Average accrual (L7 x 1/5)	<u>846</u>	<u>881</u>	<u>951</u>
9	Total tax accrual (L6 + L8)	<u>5,723</u>	<u>5,758</u>	<u>5,828</u>
10	Total cash working capital (L4 - L9)	<u>\$200,487</u>	<u>\$205,596</u>	<u>\$210,823</u>

[1] Public Staff Settlement Exhibit 1, Sch 3(d)(1), Column (g), Line 14 minus Line 6. [7] Public Staff Settlement Exhibit 1, Sch 3(d)(2), Column (g), Line 29.
 [2] Public Staff Settlement Exhibit 1, Sch 3(d)(1), Column (g), Line 23. [8] Public Staff Settlement Exhibit 1, Sch 3(d)(2), Column (g), Line 31.
 [3] Public Staff Settlement Exhibit 1, Sch 3(d)(1), Column (g), Line 29. [9] Public Staff Settlement Exhibit 1, Sch 3(d)(3), Column (g), Line 14 minus Line 6.
 [4] Public Staff Settlement Exhibit 1, Sch 3(d)(1), Column (g), Line 31. [10] Public Staff Settlement Exhibit 1, Sch 3(d)(3), Column (g), Line 23.
 [5] Public Staff Settlement Exhibit 1, Sch 3(d)(2), Column (g), Line 14 minus Line 6. [11] Public Staff Settlement Exhibit 1, Sch 3(d)(3), Column (g), Line 29.
 [6] Public Staff Settlement Exhibit 1, Sch 3(d)(2), Column (g), Line 23. [12] Public Staff Settlement Exhibit 1, Sch 3(d)(3), Column (g), Line 31.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**ADJUSTMENT TO CONTRIBUTIONS IN AID OF
CONSTRUCTION, NET OF AMORTIZATION**
For The Base Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2-4
P. 1 of 2

Line No.	Item	Base Year			Base Year		
		CWSNC Water Operations			CWSNC Sewer Operations		
		CIAC (a)	Accumulated Amortization (b)	CIAC, Net of Amortization [2] (c)	CIAC (d)	Accumulated Amortization (e)	CIAC, Net of Amortization [3] (f)
1	CIAC and accumulated amortization per application in the original filing	<u>(\$29,657,361)</u>	<u>\$13,169,634</u>	<u>(\$16,487,727)</u>	<u>(\$28,776,974)</u>	<u>\$12,350,678</u>	<u>(\$16,426,296)</u>
2	Adjustment to include company updates 09.19.2022	(27,088)	(9,576)	(36,664)	25,522	772	26,294
3	CIAC and accumulated amortization after adjusted for company updates (L1 + L2)	<u>(29,684,449)</u>	<u>13,160,058</u>	<u>(16,524,391)</u>	<u>(28,751,452)</u>	<u>12,351,450</u>	<u>(16,400,002)</u>
4	Remove Company proforma adjustment	27,088	(356,834)	(329,746)	(25,522)	(313,858)	(339,380)
5	Adjustment to include actual general ledger additions through 8/31/2022	(27,088) [1]	295,704 [1]	268,616	25,522 [1]	261,736 [1]	287,258
6	Adjustment to reflect annual level of amortization	<u>0</u>	<u>25,099 [1]</u>	<u>25,099</u>	<u>0</u>	<u>(3,692) [1]</u>	<u>(3,692)</u>
7	Adjustment to CIAC (L4 + L5 + L6)	<u>0</u>	<u>(36,031)</u>	<u>(36,031)</u>	<u>0</u>	<u>(55,814)</u>	<u>(55,814)</u>
8	CIAC per Public Staff (L3 + L7)	<u>(\$29,684,449)</u>	<u>\$13,124,027</u>	<u>(\$16,560,422)</u>	<u>(\$28,751,452)</u>	<u>\$12,295,636</u>	<u>(\$16,455,816)</u>

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Column (d) plus Column (e).

[4] Column (g) plus Column (h).

[5] Column (j) plus Column (k).

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**ADJUSTMENT TO CONTRIBUTIONS IN AID OF
CONSTRUCTION, NET OF AMORTIZATION**
For The Base Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 2-4
P. 2 of 2

Line No.	Item	Base Year			Base Year		
		BF/FH/TC Water Operations			BF/FH Sewer Operations		
		CIAC (g)	Accumulated Amortization (h)	CIAC, Net of Amortization [4] (i)	CIAC (j)	Accumulated Amortization (k)	CIAC, Net of Amortization [5] (l)
1	CIAC and accumulated amortization per application in the original filing	<u>(\$2,336,301)</u>	<u>\$1,289,262</u>	<u>(\$1,047,039)</u>	<u>(\$7,106,629)</u>	<u>\$3,478,864</u>	<u>(\$3,627,765)</u>
2	Adjustment to include company updates 09.19.2022	(40,515)	(6,351)	(46,866)	-	(2,322)	(2,322)
3	CIAC and accumulated amortization after adjusted for company updates (L1 + L2)	<u>(2,376,816)</u>	<u>1,282,911</u>	<u>(1,093,905)</u>	<u>(7,106,629)</u>	<u>3,476,542</u>	<u>(3,630,087)</u>
4	Remove Company proforma adjustment	40,515	(22,040)	18,475	-	(72,996)	(72,996)
5	Adjustment to include actual general ledger additions through 8/31/2022	(40,515) [1]	17,231 [1]	(23,284)	0 [1]	60,442 [1]	60,442
6	Adjustment to reflect annual level of amortization	<u>0</u>	<u>16,751</u> [1]	<u>16,751</u>	<u>0</u>	<u>5,573</u> [1]	<u>5,573</u>
7	Adjustment to CIAC (L4 + L5 + L6)	<u>0</u>	<u>11,942</u>	<u>11,942</u>	<u>0</u>	<u>(6,981)</u>	<u>(6,981)</u>
8	CIAC per Public Staff (L3 + L7)	<u>(\$2,376,816)</u>	<u>\$1,294,853</u>	<u>(\$1,081,963)</u>	<u>(\$7,106,629)</u>	<u>\$3,469,561</u>	<u>(\$3,637,068)</u>

[1] Per examination of Company's financial records.
[2] Column (a) plus Column (b).
[3] Column (d) plus Column (e).
[4] Column (g) plus Column (h).
[5] Column (j) plus Column (k).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**ADJUSTMENT TO CONTRIBUTIONS IN AID OF
CONSTRUCTION, NET OF AMORTIZATION**

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-4(a)

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		CIAC [1]	Accumulated Amortization [1]	CIAC, Net of Amortization [2]	CIAC [1]	Accumulated Amortization [1]	CIAC, Net of Amortization [4]	CIAC [1]	Accumulated Amortization [1]	CIAC, Net of Amortization [5]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	CIAC and accumulated amortization per Company	<u>(\$29,684,449)</u>	<u>\$13,893,618</u>	<u>(\$15,790,832)</u>	<u>(\$29,684,449)</u> [1]	<u>\$14,627,177</u>	<u>(\$15,057,272)</u>	<u>(\$29,684,449)</u>	<u>\$15,360,737</u>	<u>(\$14,323,712)</u>
2	Public Staff Base Year CIAC and A/A of CIAC	(29,684,449)	13,124,027	(16,560,422) [3]			-			-
3	Adjustment to include Public Staff Rate Year 1 CIAC amortization expenses		1,161,470	1,161,470 [3]			-			-
4	Public Staff RY1 CIAC and A/A of CIAC			-	(29,684,449)	14,285,496	(15,398,953) [3]			-
5	Adjustment to include Public Staff Rate Year 2 CIAC amortization expenses			-		733,560	733,560 [3]			-
6	Public Staff RY2 CIAC and A/A of CIAC			-			-	(29,684,449)	15,019,056	(14,665,393) [3]
7	Adjustment to include Public Staff Rate Year 3 CIAC amortization expenses			-			-		733,560	733,560 [3]
8	CIAC and AA of CIAC per Public Staff (Sum L2 thr L 7)	<u>(29,684,449)</u>	<u>14,285,496</u>	<u>(15,398,953)</u>	<u>(29,684,449)</u>	<u>15,019,056</u>	<u>(14,665,393)</u>	<u>(29,684,449)</u>	<u>15,752,616</u>	<u>(13,931,833)</u>
9	Adjustment to CIAC and AA of CIAC (L8-L1)	<u>0</u>	<u>391,879</u>	<u>391,879</u>	<u>0</u>	<u>391,878</u>	<u>391,879</u>	<u>0</u>	<u>391,878</u>	<u>391,879</u>

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Per Public Staff's Calculation

[4] Column (d) plus Column (e).

[5] Column (g) plus Column (h).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**ADJUSTMENT TO CONTRIBUTIONS IN AID OF
CONSTRUCTION, NET OF AMORTIZATION**

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-4(b)

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		CIAC [1]	Accumulated Amortization [2]	CIAC, Net of Amortization [2]	CIAC [1]	Accumulated Amortization [2]	CIAC, Net of Amortization [4]	CIAC [1]	Accumulated Amortization [2]	CIAC, Net of Amortization [5]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	CIAC and accumulated amortization per Company	<u>(\$28,751,452)</u>	<u>\$12,976,912</u>	<u>(\$15,774,540)</u>	<u>(\$28,751,452)</u>	<u>\$13,602,374</u>	<u>(\$15,149,078)</u>	<u>(\$28,751,452)</u>	<u>\$14,227,836</u>	<u>(\$14,523,616)</u>
2	Public Staff Base Year CIAC and A/A of CIAC	(28,751,452)	12,295,636	(16,455,816) [3]			-			-
3	Adjustment to include Public Staff Rate Year 1 CIAC amortization expenses		990,315	990,315 [3]			-			-
4	Public Staff RY1 CIAC and A/A of CIAC			-	(28,751,452)	13,285,952	(15,465,500) [3]			-
5	Adjustment to include Public Staff Rate Year 2 CIAC amortization expenses			-		625,462	625,462 [3]			-
6	Public Staff RY2 CIAC and A/A of CIAC			-			-	(28,751,452)	13,911,414	(14,840,038) [3]
7	Adjustment to include Public Staff Rate Year 3 CIAC amortization expenses			-			-		625,462	625,462 [3]
8	CIAC and AA of CIAC per Public Staff (Sum L2 thr L 7)	<u>(28,751,452)</u>	<u>13,285,952</u>	<u>(15,465,500)</u>	<u>(28,751,452)</u>	<u>13,911,414</u>	<u>(14,840,038)</u>	<u>(28,751,452)</u>	<u>14,536,876</u>	<u>(14,214,576)</u>
9	Adjustment to CIAC and AA of CIAC (L8-L1)	<u>(0)</u>	<u>309,040</u>	<u>309,039</u>	<u>(0)</u>	<u>309,040</u>	<u>309,039</u>	<u>(0)</u>	<u>309,040</u>	<u>309,040</u>

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Per Public Staff's Calculation

[4] Column (d) plus Column (e).

[5] Column (g) plus Column (h).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**ADJUSTMENT TO CONTRIBUTIONS IN AID OF
CONSTRUCTION, NET OF AMORTIZATION**

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-4(c)

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		CIAC [1]	Accumulated Amortization [2]	CIAC, Net of Amortization [2]	CIAC [1]	Accumulated Amortization [2]	CIAC, Net of Amortization [4]	CIAC [1]	Accumulated Amortization [2]	CIAC, Net of Amortization [5]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	CIAC and accumulated amortization per Company	<u>(\$2,376,816)</u>	<u>\$1,340,617</u>	<u>(\$1,036,199)</u>	<u>(\$2,376,816)</u>	<u>\$1,398,324</u>	<u>(\$978,492)</u>	<u>(\$2,376,816)</u>	<u>\$1,456,031</u>	<u>(\$920,785)</u>
2	Public Staff Base Year CIAC and A/A of CIAC	(2,376,816)	1,294,853	(1,081,963) [3]			-			-
3	Adjustment to include Public Staff Rate Year 1 CIAC amortization expenses		91,369	91,369 [3]			-			-
4	Public Staff RY1 CIAC and A/A of CIAC			-	(2,376,816)	1,386,222	(990,594) [3]			-
5	Adjustment to include Public Staff Rate Year 2 CIAC amortization expenses			0		57,707	57,707 [3]			0
6	Public Staff RY2 CIAC and A/A of CIAC			0			0	(2,376,816)	1,443,929	(932,887) [3]
7	Adjustment to include Public Staff Rate Year 3 CIAC amortization expenses	<u>0</u>		<u>0</u>			<u>0</u>	<u>0</u>	<u>57,707</u>	<u>57,707</u> [3]
8	CIAC and AA of CIAC per Public Staff (Sum L2 thr L 7)	<u>(2,376,816)</u>	<u>1,386,222</u>	<u>(990,594)</u>	<u>(2,376,816)</u>	<u>1,443,929</u>	<u>(932,887)</u>	<u>(2,376,816)</u>	<u>1,501,636</u>	<u>(875,180)</u>
9	Adjustment to CIAC and AA of CIAC (L8-L1)	<u>(0)</u>	<u>45,605</u>	<u>45,605</u>	<u>(0)</u>	<u>45,605</u>	<u>45,605</u>	<u>(0)</u>	<u>45,605</u>	<u>45,605</u>

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Per Public Staff's Calculation

[4] Column (d) plus Column (e).

[5] Column (g) plus Column (h).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**ADJUSTMENT TO CONTRIBUTIONS IN AID OF
CONSTRUCTION, NET OF AMORTIZATION**

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-4(d)

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		CIAC [1]	Accumulated Amortization [1]	CIAC, Net of Amortization [2]	CIAC [1]	Accumulated Amortization [1]	CIAC, Net of Amortization [4]	CIAC [1]	Accumulated Amortization [1]	CIAC, Net of Amortization [5]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	CIAC and accumulated amortization per Company	<u>(\$7,106,629)</u>	<u>\$3,627,177</u>	<u>(\$3,479,452)</u>	<u>(\$7,106,629)</u>	<u>\$3,777,812</u>	<u>(\$3,328,817)</u>	<u>(\$7,106,629)</u>	<u>\$3,928,447</u>	<u>(\$3,178,182)</u>
2	Public Staff Base Year CIAC and A/A of CIAC	(7,106,629)	3,469,561	(3,637,068) [3]			-			-
3	Adjustment to include Public Staff Rate Year 1 CIAC amortization expenses		238,506	238,506 [3]			-			-
4	Public Staff RY1 CIAC and A/A of CIAC			-	(7,106,629)	3,708,067	(3,398,562) [3]			-
5	Adjustment to include Public Staff Rate Year 2 CIAC amortization expenses			0		150,635	150,635 [3]			0
6	Public Staff RY2 CIAC and A/A of CIAC			0			0	(7,106,629)	3,858,702	(3,247,927) [3]
7	Adjustment to include Public Staff Rate Year 3 CIAC amortization expenses	<u>0</u>		<u>0</u>	<u>0</u>		<u>0</u>		<u>150,635</u>	<u>150,635</u> [3]
8	CIAC and AA of CIAC per Public Staff (Sum L2 thr L 7)	<u>(7,106,629)</u>	<u>3,708,067</u>	<u>(3,398,562)</u>	<u>(7,106,629)</u>	<u>3,858,702</u>	<u>(3,247,927)</u>	<u>(7,106,629)</u>	<u>4,009,337</u>	<u>(3,097,292)</u>
9	Adjustment to CIAC and AA of CIAC (L8-L1)	<u>0</u>	<u>80,890</u>	<u>80,890</u>	<u>0</u>	<u>80,890</u>	<u>80,890</u>	<u>0</u>	<u>80,890</u>	<u>80,890</u>

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Per Public Staff's Calculation

[4] Column (d) plus Column (e).

[5] Column (g) plus Column (h).

CAROLINA WATER SERVICE, INC. OF NC
 Docket No. W-354, Sub 400
CALCULATION OF ACCUMULATED DEFERRED INCOME TAXES
 For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
 Schedule 2-5

Line No.	Item	Total ADIT	Public Staff Adjustments [2]	Amount To Be	CWSNC Uniform Water	CWSNC Uniform Sewer	BF/FH/TC Water [7]	BF/FH Sewer [7]
		Per Updates [1]		Allocated Per Public Staff [3]				
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	ACCUM DEF INCOME TAX-FED	\$603,395	\$0	\$603,395	\$327,979	\$195,674	\$39,406	\$40,336
2	DEF FED TAX - CIAC PRE 19	0	0	0	0	0	0	0
3	DEF FED TAX - TAP FEE POS	2,650,562	0	2,650,562	1,440,730	859,548	173,100	177,185
4	DEF FED TAX - RATE CASE	(346,316)	143,196	(203,120) [4]	(110,405) [8]	(65,870) [8]	(13,267) [8]	(13,578) [8]
5	DEF FED TAX - DEF MA NT	(190,812)	(234,049)	(424,861) [4]	(202,359) [9]	(182,472) [9]	(23,870) [9]	(16,160) [9]
6	DEF FED TAX - ORGN EXP	(217,030)	0	(217,030)	(117,968)	(70,380)	(14,174)	(14,508)
7	DEF FED TAX - BAD DEBT	245,405	0	245,405	133,391	79,582	16,027	16,405
8	DEF FED TAX - Post TY Plant Additions	0	(23,048)	(23,048) [5]	(11,098) [10]	(9,904) [10]	(630) [10]	(1,416) [10]
9	DEF FED TAX - DEPRECIATIO	(11,730,213)	0	(11,730,213)	(5,648,397)	(5,040,580)	(320,551)	(720,684)
10	DEF FED TAX - NOL	3,469,797	0	3,469,797	1,746,809	1,368,691	147,222	207,074
11	Total Federal ADIT (Sum of L1 thru L10)	<u>(5,515,211)</u>	<u>(113,901)</u>	<u>(5,629,112)</u>	<u>(2,441,317)</u>	<u>(2,865,711)</u>	<u>3,263</u>	<u>(325,346)</u>
12	ACCUM DEF INCOME TAX - ST	(376,048)	0	(376,048)	(204,403)	(\$121,948)	(\$24,558)	(\$25,138)
13	DEF ST TAX - CIAC PRE 198	0	0	0	0	0	0	0
14	DEF ST TAX - TAP FEE POS	56,220	0	56,220	30,559	18,231	3,672	3,758
15	DEF ST TAX - RATE CASE	(53,036)	28,235	(24,801) [6]	(13,481) [8]	(8,043) [8]	(1,620) [8]	(1,658) [8]
16	DEF ST TAX - DEF MA NT	(22,696)	(29,180)	(51,876) [6]	(24,708) [9]	(22,280) [9]	(2,915) [9]	(1,973) [9]
17	DEF ST TAX - ORGN EXP	(60,379)	0	(60,379)	(32,819)	(19,580)	(3,943)	(4,036)
18	DEF ST TAX - BAD DEBT	(3,894)	0	(3,894)	(2,116)	(1,263)	(254)	(260)
19	DEF ST TAX - Post TY Plant Additions	0	(2,814)	(2,814) [5]	(1,355) [10]	(1,209) [10]	(77) [10]	(173) [10]
20	DEF ST TAX - DEPRECIATION	(122,431)	0	(122,431)	(58,954)	(52,610)	(3,346)	(7,522)
21	DEF ST TAX - NOL	(49,329)	0	(49,329)	(24,834)	(19,458)	(2,093)	(2,944)
22	Total State ADIT (Sum of L12 thru L21)	<u>(631,593)</u>	<u>(3,759)</u>	<u>(635,352)</u>	<u>(332,111)</u>	<u>(228,160)</u>	<u>(35,134)</u>	<u>(39,946)</u>
23	Total Direct ADIT (L11 + L22)	(6,146,805)	(117,660)	(6,264,465)	(2,773,428)	(3,093,871)	(31,871)	(365,292)
24	ADIT allocated from WSC	(2,335)	0	(2,335)	(1,269)	(757)	(152)	(156)
25	Total ADIT (L23 + L24)	(6,149,140)	(117,660)	(6,266,800)	(2,774,697)	(3,094,628)	(32,023)	(365,448)
26	Excess deferred income tax	0	0	0	0	0	0	0
27	Total ADIT, after EDIT impact	<u>(\$6,149,140)</u>	<u>(\$117,660)</u>	<u>(\$6,266,800)</u>	<u>(\$2,774,697)</u>	<u>(\$3,094,628)</u>	<u>(\$32,023)</u>	<u>(\$365,448)</u>

[1] Form W-1, Item 10, Supplemental Schedules.
 [2] Column (c) minus Column (a), unless otherwise footnoted.
 [3] Column (a) plus Column (b), unless otherwise footnoted.
 [4] Total unamortized balance per Public Staff multiplied by federal income tax rate of 21%.
 [5] Calculated ADIT impact based on Post TY Additions.
 [6] Total unamortized balance per Public Staff multiplied by state income tax rate of 2.5%.
 [7] Column (c) allocated based on customers, unless otherwise footnoted.
 [8] Column (c) allocated based on unamortized rate case expense.
 [9] Column (c) allocated based on unamortized deferred maintenance.
 [10] Column (c) allocated based on Post TY Additions.

CAROLINA WATER SERVICE, INC. OF NC
Docket No. W-354, Sub 400
**CALCULATION OF ACCUMULATED DEFERRED
INCOME TAXES**
For The Rate Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 2-5(a)

Line No.	Item	Total ADIT	Public Staff Adjustments [1]	Amount To Be	CWSNC Uniform	CWSNC Uniform	BF/FH/TC	BF/FH
		Per PS BY		Allocated Per Public Staff				
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	ACCUM DEF INCOME TAX-FED	\$603,395	\$0	\$603,395	\$327,979	\$195,674	\$39,406	\$40,336
2	DEF FED TAX - CIAC PRE 19	0	0	0	0	0	0	0
3	DEF FED TAX - TAP FEE POS	2,650,562	0	2,650,562	1,440,730	859,548	173,100	177,185
4	DEF FED TAX - RATE CASE	(203,120)	67,707	(135,413) [4]	(73,603) [8]	(43,913) [8]	(8,845) [8]	(9,052) [8]
5	DEF FED TAX - DEF MAINT	(424,861)	(3,177)	(428,038) [4]	(219,145) [9]	(153,969) [9]	(24,686) [9]	(30,238) [9]
6	DEF FED TAX - ORGN EXP	(217,030)	0	(217,030)	(117,968)	(70,380)	(14,174)	(14,508)
7	DEF FED TAX - BAD DEBT	245,405	0	245,405	133,391	79,582	16,027	16,405
8	DEF FED TAX - Post TY Plant Additions	(23,048)	96,854	73,806 [5]	34,698 [10]	32,333 [10]	2,422 [10]	4,353 [10]
9	DEF FED TAX - DEPRECIATIO	(11,730,213)	0	(11,730,213)	(5,514,613)	(5,138,822)	(384,872)	(691,905)
10	DEF FED TAX - NOL	3,469,797	0	3,469,797	1,718,032	1,381,440	151,913	218,412
11	Total Federal ADIT (Sum of L1 thru L10)	<u>(5,629,112)</u>	<u>161,384</u>	<u>(5,467,728)</u>	<u>(2,270,499)</u>	<u>(2,858,506)</u>	<u>(49,709)</u>	<u>(289,012)</u>
12	ACCUM DEF INCOME TAX - ST	(376,048)	0	(376,048)	(204,403)	(\$121,948)	(\$24,558)	(\$25,138)
13	DEF ST TAX - CIAC PRE 198	0	0	0	0	0	0	0
14	DEF ST TAX - TAP FEE POS	56,220	0	56,220	30,559	18,231	3,672	3,758
15	DEF ST TAX - RATE CASE	(24,801)	8,267	(16,534) [6]	(8,987) [8]	(5,362) [8]	(1,080) [8]	(1,105) [8]
16	DEF ST TAX - DEF MAINT	(51,876)	(387)	(52,263) [6]	(26,757) [9]	(18,799) [9]	(3,014) [9]	(3,692) [9]
17	DEF ST TAX - ORGN EXP	(60,379)	0	(60,379)	(32,819)	(19,580)	(3,943)	(4,036)
18	DEF ST TAX - BAD DEBT	(3,894)	0	(3,894)	(2,116)	(1,263)	(254)	(260)
19	DEF ST TAX - Post TY Plant Additions	(2,814)	11,825	9,011 [5]	4,236 [10]	3,948 [10]	296 [10]	532 [10]
20	DEF ST TAX - DEPRECIATION	(122,431)	0	(122,431)	(57,557)	(53,635)	(4,017)	(7,222)
21	DEF ST TAX - NOL	(49,329)	0	(49,329)	(24,425)	(19,640)	(2,160)	(3,105)
22	Total State ADIT (Sum of L12 thru L21)	<u>(635,352)</u>	<u>19,705</u>	<u>(615,647)</u>	<u>(322,269)</u>	<u>(218,047)</u>	<u>(35,058)</u>	<u>(40,268)</u>
23	Total Direct ADIT (L11 + L22)	(6,264,465)	181,089	(6,083,376)	(2,592,768)	(3,076,554)	(84,767)	(329,280)
24	ADIT allocated from WSC	(2,335)		(2,335)	(1,269)	(757)	(152)	(156)
25	Total ADIT (L23 + L24)	(6,266,800)	181,089	(6,085,711)	(2,594,037)	(3,077,311)	(84,919)	(329,436)
26	Excess deferred income tax	0	0	0	0	0	0	0
27	Total ADIT, after EDIT impact	<u>(\$6,266,800)</u>	<u>\$181,089</u>	<u>(\$6,085,711)</u>	<u>(\$2,594,037)</u>	<u>(\$3,077,311)</u>	<u>(\$84,919)</u>	<u>(\$329,436)</u>

[1] Public Staff Base Year Amounts
[2] Column (c) minus Column (a), unless otherwise footnoted.
[3] Column (a) plus Column (b), unless otherwise footnoted.
[4] Total unamortized balance per Public Staff multiplied by federal income tax rate of 21%.
[5] Calculated ADIT impact based on Post TY Additions.
[6] Total unamortized balance per Public Staff multiplied by state income tax rate of 2.5%.
[7] Column (c) allocated based on customers, unless otherwise footnoted.
[8] Column (c) allocated based on unamortized rate case expense.
[9] Column (c) allocated based on unamortized deferred maintenance.
[10] Column (c) allocated based on Post TY Additions.

CAROLINA WATER SERVICE, INC. OF NC
Docket No. W-354, Sub 400
**CALCULATION OF ACCUMULATED DEFERRED
INCOME TAXES**
For The Rate Year Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule 2-5(b)

Line No.	Item	Total ADIT	Public Staff Adjustments [2]	Amount To Be	CWSNC Uniform Water	CWSNC Uniform Sewer	BF/FH/TC Water [7]	BF/FH Sewer [7]
		Per Updates [1]		Allocated Per Public Staff [3]				
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	ACCUM DEF INCOME TAX-FED	\$603,395	\$0	\$603,395	\$327,979	\$195,674	\$39,406	\$40,336
2	DEF FED TAX - CIAC PRE 19	-	0	0	0	0	0	0
3	DEF FED TAX - TAP FEE POS	2,650,562	0	2,650,562	1,440,730	859,548	173,100	177,185
4	DEF FED TAX - RATE CASE	(135,413)	67,706	(67,707) [4]	(36,802) [8]	(21,957) [8]	(4,422) [8]	(4,526) [8]
5	DEF FED TAX - DEF MA NT	(428,038)	45,961	(382,077) [4]	(212,231) [9]	(127,944) [9]	(18,551) [9]	(23,350) [9]
6	DEF FED TAX - ORGN EXP	(217,030)	0	(217,030)	(117,968)	(70,380)	(14,174)	(14,508)
7	DEF FED TAX - BAD DEBT	245,405	0	245,405	133,391	79,582	16,027	16,405
8	DEF FED TAX - Post TY Plant Additions	73,806	(69,199)	4,607 [5]	2,161 [10]	1,955 [10]	154 [10]	337 [10]
9	DEF FED TAX - DEPRECIATIO	(11,730,213)	0	(11,730,213)	(5,502,760)	(4,976,555)	(392,283)	(858,615)
10	DEF FED TAX - NOL	3,469,797	0	3,469,797	1,701,124	1,398,442	163,654	206,578
11	Total Federal ADIT (Sum of L1 thru L10)	<u>(5,467,728)</u>	<u>44,468</u>	<u>(5,423,260)</u>	<u>(2,264,376)</u>	<u>(2,661,635)</u>	<u>(37,089)</u>	<u>(460,158)</u>
12	ACCUM DEF INCOME TAX - ST	(376,048)	0	(376,048)	(204,403)	(\$121,948)	(\$24,558)	(\$25,138)
13	DEF ST TAX - CIAC PRE 198	0	0	0	0	0	0	0
14	DEF ST TAX - TAP FEE POS	56,220	0	56,220	30,559	18,231	3,672	3,758
15	DEF ST TAX - RATE CASE	(16,534)	8,267	(8,267) [6]	(4,494) [8]	(2,681) [8]	(540) [8]	(553) [8]
16	DEF ST TAX - DEF MA NT	(52,263)	5,611	(46,652) [6]	(25,914) [9]	(15,622) [9]	(2,265) [9]	(2,851) [9]
17	DEF ST TAX - ORGN EXP	(60,379)	0	(60,379)	(32,819)	(19,580)	(3,943)	(4,036)
18	DEF ST TAX - BAD DEBT	(3,894)	0	(3,894)	(2,116)	(1,263)	(254)	(260)
19	DEF ST TAX - Post TY Plant Additions	9,011	(8,450)	561 [5]	263 [10]	238 [10]	19 [10]	41 [10]
20	DEF ST TAX - DEPRECIATION	(122,431)	0	(122,431)	(57,434)	(51,942)	(4,094)	(8,962)
21	DEF ST TAX - NOL	(49,329)	0	(49,329)	(24,184)	(19,881)	(2,327)	(2,937)
22	Total State ADIT (Sum of L12 thru L21)	<u>(615,647)</u>	<u>5,428</u>	<u>(610,219)</u>	<u>(320,542)</u>	<u>(214,448)</u>	<u>(34,290)</u>	<u>(40,938)</u>
23	Total Direct ADIT (L11 + L22)	(6,083,376)	49,896	(6,033,480)	(2,584,918)	(2,876,083)	(71,379)	(501,096)
24	ADIT allocated from WSC	(2,335)		(2,335)	(1,269)	(757)	(152)	(156)
25	Total ADIT (L23 + L24)	(6,085,711)	49,896	(6,035,815)	(2,586,187)	(2,876,840)	(71,531)	(501,252)
26	Excess deferred income tax	0	0	0	0	0	0	0
27	Total ADIT, after EDIT impact	<u>(\$6,085,711)</u>	<u>\$49,896</u>	<u>(\$6,035,815)</u>	<u>(\$2,586,187)</u>	<u>(\$2,876,840)</u>	<u>(\$71,531)</u>	<u>(\$501,252)</u>

[1] Public Staff Base Year Amounts
 [2] Column (c) minus Column (a), unless otherwise footnoted.
 [3] Column (a) plus Column (b), unless otherwise footnoted.
 [4] Total unamortized balance per Public Staff multiplied by federal income tax rate of 21%.
 [5] Calculated ADIT impact based on Post TY Additions.
 [6] Total unamortized balance per Public Staff multiplied by state income tax rate of 2.5%.
 [7] Column (c) allocated based on customers, unless otherwise footnoted.
 [8] Column (c) allocated based on unamortized rate case expense.
 [9] Column (c) allocated based on unamortized deferred maintenance.
 [10] Column (c) allocated based on Post TY Additions.

CAROLINA WATER SERVICE, INC. OF NC
 Docket No. W-354, Sub 400
**CALCULATION OF ACCUMULATED DEFERRED
 INCOME TAXES**
 For The Rate Year Ended March 31, 2026

Public Staff Settlement Exhibit 1
 Schedule 2-5(c)

Line No.	Item	Total ADIT Per Updates [1] (a)	Public Staff Adjustments [2] (b)	Amount To Be Allocated Per Public Staff [3] (c)	CWSNC Uniform Water (d)	CWSNC Uniform Sewer (e)	BF/FH/TC Water [7] (f)	BF/FH Sewer [7] (g)
1	ACCUM DEF INCOME TAX-FED	\$603,395	\$0	\$603,395	\$327,979	\$195,674	\$39,406	\$40,336
2	DEF FED TAX - CIAC PRE 19	0	0	0	0	0	0	0
3	DEF FED TAX - TAP FEE POS	2,650,562	0	2,650,562	1,440,730	859,548	173,100	177,185
4	DEF FED TAX - RATE CASE	(67,707)	67,707	0 [4]	0 [8]	0 [8]	0 [8]	0 [8]
5	DEF FED TAX - DEF MAINT	(382,077)	66,646	(315,431) [4]	(181,759) [9]	(104,308) [9]	(12,902) [9]	(16,462) [9]
6	DEF FED TAX - ORGN EXP	(217,030)	0	(217,030)	(117,968)	(70,380)	(14,174)	(14,508)
7	DEF FED TAX - BAD DEBT	245,405	0	245,405	133,391	79,582	16,027	16,405
8	DEF FED TAX - Post TY Plant Additions	4,607	(69,277)	(64,670) [5]	(29,240) [10]	(28,818) [10]	(2,083) [10]	(4,529) [10]
9	DEF FED TAX - DEPRECIATIO	(11,730,213)	0	(11,730,213)	(5,303,694)	(5,227,260)	(377,850)	(821,408)
10	DEF FED TAX - NOL	3,469,797	0	3,469,797	1,685,861	1,407,379	164,715	211,842
11	Total Federal ADIT (Sum of L1 thru L10)	<u>(5,423,260)</u>	<u>65,076</u>	<u>(5,358,184)</u>	<u>(2,044,700)</u>	<u>(2,888,583)</u>	<u>(13,761)</u>	<u>(411,139)</u>
12	ACCUM DEF INCOME TAX - ST	(376,048)	0	(376,048)	(204,403)	(\$121,948)	(\$24,558)	(\$25,138)
13	DEF ST TAX - CIAC PRE 198	0	0	0	0	0	0	0
14	DEF ST TAX - TAP FEE POS	56,220	0	56,220	30,559	18,231	3,672	3,758
15	DEF ST TAX - RATE CASE	(8,267)	8,267	0 [6]	0 [8]	0 [8]	0 [8]	0 [8]
16	DEF ST TAX - DEF MA NT	(46,652)	8,138	(38,514) [6]	(22,193) [9]	(12,736) [9]	(1,575) [9]	(2,010) [9]
17	DEF ST TAX - ORGN EXP	(60,379)	0	(60,379)	(32,819)	(19,580)	(3,943)	(4,036)
18	DEF ST TAX - BAD DEBT	(3,894)	0	(3,894)	(2,116)	(1,263)	(254)	(260)
19	DEF ST TAX - Post TY Plant Additions	561	(8,458)	(7,897) [5]	(3,571) [10]	(3,519) [10]	(254) [10]	(553) [10]
20	DEF ST TAX - DEPRECIATION	(122,431)	0	(122,431)	(55,356)	(54,558)	(3,944)	(8,573)
21	DEF ST TAX - NOL	(49,329)	0	(49,329)	(23,967)	(20,008)	(2,342)	(3,012)
22	Total State ADIT (Sum of L12 thru L21)	<u>(610,219)</u>	<u>7,947</u>	<u>(602,272)</u>	<u>(313,867)</u>	<u>(215,381)</u>	<u>(33,198)</u>	<u>(39,824)</u>
23	Total Direct ADIT (L11 + L22)	(6,033,480)	73,023	(5,960,457)	(2,358,567)	(3,103,964)	(46,959)	(450,963)
24	ADIT allocated from WSC	(2,335)		(2,335)	(1,269)	(757)	(152)	(156)
25	Total ADIT (L23 + L24)	(6,035,815)	73,023	(5,962,792)	(2,359,836)	(3,104,721)	(47,111)	(451,119)
26	Excess deferred income tax	0	0	0	0	0	0	0
27	Total ADIT, after EDIT impact	<u>(\$6,035,815)</u>	<u>\$73,023</u>	<u>(\$5,962,792)</u>	<u>(\$2,359,836)</u>	<u>(\$3,104,721)</u>	<u>(\$47,111)</u>	<u>(\$451,119)</u>

[1] Public Staff Base Year Amounts
 [2] Column (c) minus Column (a), unless otherwise footnoted.
 [3] Column (a) plus Column (b), unless otherwise footnoted.
 [4] Total unamortized balance per Public Staff multiplied by federal income tax rate of 21%.
 [5] Calculated ADIT impact based on Post TY Additions.
 [6] Total unamortized balance per Public Staff multiplied by state income tax rate of 2.5%.
 [7] Column (c) allocated based on customers, unless otherwise footnoted.
 [8] Column (c) allocated based on unamortized rate case expense.
 [9] Column (c) allocated based on unamortized deferred maintenance.
 [10] Column (c) allocated based on Post TY Additions.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**ADJUSTMENT TO PURCHASE ACQUISITION
ADJUSTMENT, NET OF AMORTIZATION**

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 2-6

Page 1 of 2

Line No.	Item	Base Year CWSNC Water Operations			Base Year CWSNC Sewer Operations		
		PAA (a)	Accumulated Amortization (b)	PAA, Net of Amortization [2] (c)	PAA (d)	Accumulated Amortization (e)	PAA, Net of Amortization [3] (f)
1	PAA and accumulated amortization per application	<u>(\$4,221,508)</u>	<u>\$2,436,986</u>	<u>(\$1,784,522)</u>	<u>(\$627,070)</u>	<u>\$1,023,488</u>	<u>\$396,418</u>
2	Adjustment to include company updates 9.19.2022	(\$1) [1]	\$0	(\$1)	\$0	(\$0)	(\$0)
3	PAA and accumulated amortization after adjusted for company updates (L1 + L2)	<u>(\$4,221,509)</u>	<u>\$2,436,986</u>	<u>(\$1,784,523)</u>	<u>(\$627,070)</u>	<u>\$1,023,488</u>	<u>\$396,418</u>
4	Adjustment to include actual general ledger additions through 8/31/2022	0	42,851 [1]	42,851	0	14,942 [1]	14,942
5	Adjustment to reflect annual level of amortization	<u>0</u>	<u>18,737</u> [1]	<u>18,737</u>	<u>0</u>	<u>(18,240)</u> [1]	<u>(18,240)</u>
6	Total adjustment to PAA (L4 + L5)	<u>0</u>	<u>61,588</u>	<u>61,588</u>	<u>0</u>	<u>(3,298)</u>	<u>(3,298)</u>
7	PAA per Public Staff (L3 + L6)	<u><u>(\$4,221,509)</u></u>	<u><u>\$2,498,574</u></u>	<u><u>(\$1,722,935)</u></u>	<u><u>(\$627,070)</u></u>	<u><u>\$1,020,190</u></u>	<u><u>\$393,121</u></u>

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Column (d) plus Column (e).

[4] Column (g) plus Column (h).

[5] Column (j) plus Column (k).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**ADJUSTMENT TO PURCHASE ACQUISITION
ADJUSTMENT, NET OF AMORTIZATION
For The Test Year Ended March 31, 2022**

Public Staff Settlement Exhibit 1

Schedule 2-6

Page 2 of 2

Line No.	Item	Base Year BF/FH/TC Water Operations			Base Year BF/FH Sewer Operations		
		PAA (g)	Accumulated Amortization (h)	PAA, Net of Amortization (i) [4]	PAA (j)	Accumulated Amortization (k)	PAA, Net of Amortization (l) [5]
1	PAA and accumulated amortization per application	\$607,431	(\$629,079)	(\$21,648)	\$1,680,077	(\$828,094)	\$851,982
2	Adjustment to include company updates 9.19.2022	1	0	1	0	0	0
3	PAA and accumulated amortization after adjusted for company updates (L1 + L2)	\$607,432	(\$629,079)	(\$21,646)	\$1,680,077	(\$828,094)	\$851,982
4	Adjustment to include actual general ledger additions through 8/31/2022	0	(4,864) [1]	(4,864)	0	(12,596) [1]	(12,596)
5	Adjustment to reflect annual level of amortization	0	(2,783) [1]	(2,783)	0	(15,637) [1]	(15,637)
6	Total adjustment to PAA (L4 + L5)	0	(7,647)	(7,647)	0	(28,233)	(28,233)
7	PAA per Public Staff (L3 + L6)	\$607,432	(\$636,726)	(\$29,293)	\$1,680,077	(\$856,327)	\$823,750

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Column (d) plus Column (e).

[4] Column (g) plus Column (h).

[5] Column (j) plus Column (k).

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO PURCHASE ACQUISITION
ADJUSTMENT, NET OF AMORTIZATION
For The Rate Year 1 - Rate Year 3 Ended March
31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-6(a)

Line No.	CWSNC WATER OPERATIONS Item	Rate Year 1			Rate Year 2			Rate Year 3		
		PAA [1]	Accumulated Amortization [1]	PAA, Net of Amortization [2]	PAA [1]	Accumulated Amortization [1]	PAA, Net of Amortization [4]	PAA [1]	Accumulated Amortization [1]	PAA, Net of Amortization [5]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	PAA and accumulated amortization per Company	<u>(\$4,221,509)</u>	<u>\$2,554,344</u>	<u>(\$1,667,165)</u>	<u>(4,221,509)</u>	<u>\$2,671,702</u>	<u>(\$1,549,807)</u>	<u>(\$4,221,509)</u>	<u>\$2,789,060</u>	<u>(\$1,432,449)</u>
2	Public Staff Base Year PAA and AA of PAA	(4,221,509)	2,498,574	(1,722,935) [3]			-			-
3	Adjustment to include Public Staff Rate Year 1 amortization expense of PAA		193,170	193,170 [3]			-			-
4	Public Staff Rate Year 1 PAA and AA of PAA			-	(4,221,509)	2,691,744	(1,529,766) [3]			-
5	Adjustment to include Public Staff Rate Year 2 amortization expense of PAA			-		120,313	120,313 [3]			-
6	Public Staff Rate Year 2 PAA and AA of PAA			-			-	(4,221,509)	2,812,057	(1,409,453) [3]
7	Adjustment to include Public Staff Rate Year 3 amortization expense of PAA			-			-		119,891	119,891 [3]
8	PAA and AA of PAA per Public Staff (L2 through L7)	<u>(4,221,509)</u>	<u>2,691,744</u>	<u>(1,529,766)</u>	<u>(4,221,509)</u>	<u>2,812,057</u>	<u>(1,409,453)</u>	<u>(4,221,509)</u>	<u>2,931,948</u>	<u>(1,289,562)</u>
9	Adjustment to PAA and AA of PAA (L9-L1)	<u>\$ -</u>	<u>\$ 137,400</u>	<u>\$ 137,400</u>	<u>\$ -</u>	<u>\$ 140,355</u>	<u>\$ 140,355</u>	<u>\$ -</u>	<u>\$ 142,888</u>	<u>\$ 142,888</u>

[1] Per examination of Company's financial records.
[2] Column (a) plus Column (b).
[3] Per Public Staff's calculation.
[4] Column (d) plus Column (e).
[5] Column (g) plus Column (h).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**ADJUSTMENT TO PURCHASE ACQUISITION
ADJUSTMENT, NET OF AMORTIZATION**

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-6(b)

Line No.	CWSNC SEWER OPERATIONS Item	Rate Year 1			Rate Year 2			Rate Year 3		
		PAA [1]	Accumulated Amortization [1]	PAA, Net of Amortization [2]	PAA [1]	Accumulated Amortization [1]	PAA, Net of Amortization [4]	PAA [1]	Accumulated Amortization [1]	PAA, Net of Amortization [5]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	PAA and accumulated amortization per Company	<u>(\$627,070)</u>	<u>\$1,040,920</u>	<u>\$413,851</u>	<u>(\$627,070)</u>	<u>\$1,058,353</u>	<u>\$431,283</u>	<u>(\$627,070)</u>	<u>\$1,075,786</u>	<u>\$448,716</u>
2	Public Staff Base Year PAA and AA of PAA	(627,070)	1,020,190	393,121 [3]	-	-	-	-	-	-
3	Adjustment to include Public Staff Rate Year 1 amortization expense of PAA		27,304	27,304 [3]						
4	Public Staff Rate Year 1 PAA and AA of PAA			-	(627,070)	1,047,494	420,424 [3]			-
5	Adjustment to include Public Staff Rate Year 2 amortization expense of PAA			-		17,182	17,182 [3]			-
6	Public Staff Rate Year 2 PAA and AA of PAA			-				(627,070)	1,064,676	437,606 [3]
7	Adjustment to include Public Staff Rate Year 3 amortization expense of PAA			-					17,056	17,056 [3]
8	PAA and AA of PAA per Public Staff (L2 through L7)	<u>(627,070)</u>	<u>1,047,494</u>	<u>420,424</u>	<u>(627,070)</u>	<u>1,064,676</u>	<u>437,606</u>	<u>(627,070)</u>	<u>1,081,732</u>	<u>454,662</u>
9	Adjustment to PAA and AA of PAA (L9-L1)	<u>\$0</u>	<u>\$6,573</u>	<u>\$6,573</u>	<u>\$0</u>	<u>\$6,323</u>	<u>\$6,323</u>	<u>\$0</u>	<u>\$5,946</u>	<u>\$5,946</u>

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Per Public Staff's calculation.

[4] Column (d) plus Column (e).

[5] Column (g) plus Column (h).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**ADJUSTMENT TO PURCHASE ACQUISITION
ADJUSTMENT, NET OF AMORTIZATION**

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-6(c)

Line No.	BF/FH/TC WATER OPERATIONS Item	Rate Year 1			Rate Year 2			Rate Year 3		
		PAA [1]	Accumulated Amortization [1]	PAA, Net of Amortization [2]	PAA [1]	Accumulated Amortization [1]	PAA, Net of Amortization [4]	PAA [1]	Accumulated Amortization [1]	PAA, Net of Amortization [5]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	PAA and accumulated amortization per Company	\$607,432	(\$644,933)	(\$37,500)	\$607,432	(\$660,786)	(\$53,354)	\$607,432	(\$676,640)	(\$69,208)
2	Public Staff Base Year PAA and AA of PAA	607,432	(636,726)	(29,293) [3]	-	-	-	-	-	-
3	Adjustment to include Public Staff Rate Year 1 amortization expense of PAA		(22,409)	(22,409) [3]			-			-
4	Public Staff Rate Year 1 PAA and AA of PAA			-	607,432	(659,135)	(51,703) [3]			-
5	Adjustment to include Public Staff Rate Year 2 amortization expense of PAA	-	-	-	-	(14,639)	(14,639) [3]	-	-	-
6	Public Staff Rate Year 2 PAA and AA of PAA			-			-	607,432	(673,774)	(66,342) [3]
7	Adjustment to include Public Staff Rate Year 3 amortization expense of PAA	-	-	-	-	-	-	-	(14,518)	(14,518) [3]
8	PAA and AA of PAA per Public Staff (L2 through L7)	607,432	(659,135)	(51,703)	607,432	(673,774)	(66,342)	607,432	(688,292)	(80,859)
9	Adjustment to PAA and AA of PAA (L9-L1)	\$0	(\$14,202)	(14,202)	\$0	(\$12,987)	(12,987)	\$0	(\$11,651)	(11,651)

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Per Public Staff's calculation.

[4] Column (d) plus Column (e).

[5] Column (g) plus Column (h).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PURCHASE ACQUISITION

ADJUSTMENT, NET OF AMORTIZATION

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-6(d)

Line No.	BF/FH/TC SEWER OPERATIONS Item	Rate Year 1			Rate Year 2			Rate Year 3		
		PAA	Accumulated Amortization	PAA, Net of Amortization [2]	PAA	Accumulated Amortization	PAA, Net of Amortization [4]	PAA	Accumulated Amortization	PAA, Net of Amortization [5]
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	PAA and accumulated amortization per Company	\$1,680,077	(\$871,944)	\$808,132	\$1,680,077	(\$915,794)	\$764,282	\$1,680,077	(\$959,644)	\$720,432
2	Public Staff Base Year PAA and AA of PAA	1,680,077	(856,327)	823,750 [3]	-	-	-	-	-	-
3	Adjustment to include Public Staff Rate Year 1 amortization expense of PAA		(70,227)	(70,227) [3]						
4	Public Staff Rate Year 1 PAA and AA of PAA			-	1,680,077	(926,554) [3]	753,522			-
5	Adjustment to include Public Staff Rate Year 2 amortization expense of PAA			-		(43,514) [3]	(43,514)			-
6	Public Staff Rate Year 2 PAA and AA of PAA			-			-	1,680,077	(970,068)	710,008 [3]
7	Adjustment to include Public Staff Rate Year 3 amortization expense of PAA			-			-		(43,178)	(43,178) [3]
8	PAA and AA of PAA per Public Staff (L2 through L7)	1,680,077	(926,554)	753,522	1,680,077	(970,068)	710,008	1,680,077	(1,013,246)	666,830
9	Adjustment to PAA and AA of PAA (L9-L1)	-	(\$54,610)	(54,610)	\$0	(\$54,274)	(54,274)	\$0	(\$53,602)	(53,602)

[1] Per examination of Company's financial records.

[2] Column (a) plus Column (b).

[3] Per Public Staff's calculation.

[4] Column (d) plus Column (e).

[5] Column (g) plus Column (h).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF DEFERRED CHARGES

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 2-7

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Unamortized deferred maintenance - water	\$988,322 [1]	\$0	\$116,582 [3]	\$0
2	Unamortized deferred maintenance - sewer	<u>0</u>	<u>891,194 [2]</u>	<u>0</u>	<u>78,925 [4]</u>
3	Unamortized deferred charges per Public Staff (L1 + L2)	<u>\$988,322</u>	<u>\$891,194</u>	<u>\$116,582</u>	<u>\$78,925</u>

[1] Public Staff Settlement Exhibit 1, Schedule 2-9(a), Column (f), Line 5.

[2] Public Staff Settlement Exhibit 1, Schedule 2-9(a), Column (f), Line 7 plus Line 8.

[3] Public Staff Settlement Exhibit 1, Schedule 2-9(a), Column (f), Line 14.

[4] Public Staff Settlement Exhibit 1, Schedule 2-9(a), Column (f), Line 17.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF DEFERRED CHARGES
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-7(a)

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Unamortized deferred maintenance - water	\$1,070,304 [1]	\$1,036,537 [2]	\$887,711 [3]
2	Unamortized deferred maintenance - sewer	<u>0</u>	<u>0</u>	<u>0</u>
3	Unamortized deferred charges per Public Staff (L1 + L2)	<u>\$1,070,304</u>	<u>\$1,036,537</u>	<u>\$887,711</u>

[1] Public Staff Settlement Exhibit 1, Schedule 2-8(a), Column (f), Line 5.
[2] Public Staff Settlement Exhibit 1, Schedule 2-8(b), Column (f), Line 5.
[3] Public Staff Settlement Exhibit 1, Schedule 2-8(c), Column (f), Line 5.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF DEFERRED CHARGES
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-7(b)

CWSNC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Unamortized deferred maintenance - water	\$0	\$0	\$0
2	Unamortized deferred maintenance - sewer	<u>751,987</u> [1]	<u>624,881</u> [2]	<u>509,438</u> [3]
3	Unamortized deferred charges per Public Staff (L1 + L2)	<u><u>\$751,987</u></u>	<u><u>\$624,881</u></u>	<u><u>\$509,438</u></u>

[1] Public Staff Settlement Exhibit 1, Schedule 2-8(a), Column (f), Line 7 plus Line 8.
[2] Public Staff Settlement Exhibit 1, Schedule 2-8(b), Column (f), Line 7 plus Line 8.
[3] Public Staff Settlement Exhibit 1, Schedule 2-8(c), Column (f), Line 7 plus Line 8.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF DEFERRED CHARGES
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-7(c)

BF/FH/TC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Unamortized deferred maintenance - water	\$120,567 [1]	\$90,605 [2]	\$63,013 [3]
2	Unamortized deferred maintenance - sewer	<u>0</u>	<u>0</u>	<u>0</u>
3	Unamortized deferred charges per Public Staff (L1 + L2)	<u>\$120,567</u>	<u>\$90,605</u>	<u>\$63,013</u>

[1] Public Staff Settlement Exhibit 1, Schedule 2-8(a), Column (f), Line 14.
[2] Public Staff Settlement Exhibit 1, Schedule 2-8(b), Column (f), Line 14.
[3] Public Staff Settlement Exhibit 1, Schedule 2-8(c), Column (f), Line 14.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF DEFERRED CHARGES
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 2-7(d)

BF/FH/TC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Unamortized deferred maintenance - water	\$0	\$0	\$0
2	Unamortized deferred maintenance - sewer	<u>147,682</u> [1]	<u>114,042</u> [2]	<u>80,402</u> [3]
3	Unamortized deferred charges per Public Staff (L1 + L2)	<u><u>\$147,682</u></u>	<u><u>\$114,042</u></u>	<u><u>\$80,402</u></u>

[1] Public Staff Settlement Exhibit 1, Schedule 2-8(a), Column (f), Line 17.
[2] Public Staff Settlement Exhibit 1, Schedule 2-8(b), Column (f), Line 17.
[3] Public Staff Settlement Exhibit 1, Schedule 2-8(c), Column (f), Line 17.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF DEFERRED MAINTENANCE

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 2-8

Item	Total Cost Per Public Staff [1]	Amortization Period In Years [1]	Base Year		Accumulated Amortization [3]	Unamortized Balance [4]
			Date Amortization Began [1]	Annual Amortization [2]		
			(c)	(d)		
<u>Deferred maintenance - CWSNC Uniform Water</u>						
Deferred elevated storage tank painting	\$ 781,597	10	Various	\$ 78,160	\$ 677,588	\$ 104,009
Deferred hydro storage tank painting	586,086	5	Various	117,217	515,660	70,426
Deferred hydro storage tank inspection	981,963	5	Various	196,393	803,856	178,107
Fusion Oracle ERP	915,162	9	Various	102,635	279,382	635,780
Total deferred maintenance - water (Sum of L1 thru L4)	<u>3,264,808</u>			<u>494,405</u>	<u>2,276,485</u>	<u>988,322</u>
<u>Deferred maintenance - CWSNC Uniform Sewer</u>						
Belvedere pump and haul	3,424,839	10	Various	342,484	3,259,312	165,527
WWTP	1,065,076	5	Various	213,015	551,467	513,609
Fusion Oracle ERP	543,508	9	Various	60,390	165,923	377,585
Total deferred maintenance - sewer (L6 + L7 + L8)	<u>5,033,423</u>			<u>615,889</u>	<u>3,976,702</u>	<u>1,056,721</u>
<u>Deferred maintenance - BF/FH/TC Water</u>						
Deferred elevated storage tank painting	66,028	10	Various	6,603	37,416	28,612
Deferred hydro storage tank painting	36,500	5	Various	7,300	36,500	-
Deferred hydro storage tank inspection	62,089	5	Various	12,418	51,306	10,783
Fusion Oracle ERP	111,106	9	Various	12,345	33,919	77,188
Total deferred maintenance - water (Sum of L10 thru L13)	<u>275,723</u>			<u>38,666</u>	<u>159,141</u>	<u>116,582</u>
<u>Deferred maintenance - BF/FH Sewer</u>						
WWTP	110,492	5	Various	22,098	110,492	-
Fusion Oracle ERP	113,608	9	Various	12,623	34,682	78,925
Total deferred maintenance - sewer (L15 + L16)	<u>224,099</u>			<u>34,721</u>	<u>145,174</u>	<u>78,925</u>
Total deferred maintenance (L5 + L9 + L14 + L17)	<u>\$ 8,798,054</u>			<u>\$ 1,183,681</u>	<u>\$ 6,557,503</u>	<u>\$ 2,240,551</u>

[1] Per examination of Company's financial records.

[2] Column (a) divided by Column (b).

[3] Total monthly amortization through March 31, 2022.

[4] Column (a) minus Column (e).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF DEFERRED MAINTENANCE

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 2-8(a)

Line No.	Item	Total Cost Per Public Staff [1] (a)	Amortization Period In Years [1] (b)	Date Amortization Began [1] (c)	Rate Year 1		
					Annual Amortization [2] (d)	Accumulated Amortization [3] (e)	Unamortized Balance [4] (f)
<u>Deferred maintenance - CWSNC Uniform Water</u>							
1	Deferred elevated storage tank painting	1,136,696.67	10	Various	\$113,670	742,236.54	\$394,460
2	Deferred hydro storage tank painting	605,166	5	Various	121,033	548,739	56,427
3	Deferred hydro storage tank inspection	981,963	5	Various	196,393	892,311	89,652
4	Fusion Oracle ERP	915,162	9	Various	102,635	385,397	529,765
5	Total deferred maintenance - water (Sum of L1 thru L4)	<u>3,638,988</u>			<u>533,731</u>	<u>2,568,684</u>	<u>1,070,304</u>
<u>Deferred maintenance - CWSNC Uniform Sewer</u>							
6	Belvedere pump and haul	3,424,839	10	Various	342,484	3,352,851	71,989
7	WWTP	1,111,295	5	Various	222,259	673,932	437,363
8	Fusion Oracle ERP	543,508	9	Various	60,390	228,884	314,624
9	Total deferred maintenance - sewer (L6 + L7 + L8)	<u>5,079,642</u>			<u>625,133</u>	<u>4,255,666</u>	<u>823,976</u>
<u>Deferred maintenance - BF/FH/TC Water</u>							
10	Deferred elevated storage tank painting	66,028	10	Various	6,603	44,019	22,009
11	Deferred hydro storage tank painting	75,190	5	Various	15,038	44,238	30,952
12	Deferred hydro storage tank inspection	62,089	5	Various	12,418	58,800	3,289
13	Fusion Oracle ERP	111,106	9	Various	12,345	46,789	64,317
14	Total deferred maintenance - water (Sum of L10 thru L13)	<u>314,413</u>			<u>46,404</u>	<u>193,846</u>	<u>120,567</u>
<u>Deferred maintenance - BF/FH Sewer</u>							
15	WWTP	212,888	5	Various	42,578	130,971	81,917
16	Fusion Oracle ERP	113,608	9	Various	12,623	47,843	65,765
17	Total deferred maintenance - sewer (L15 + L16)	<u>326,495</u>			<u>55,201</u>	<u>178,814</u>	<u>147,682</u>
18	Total deferred maintenance (L5 + L9 +L14 +L17)	<u>\$9,359,538</u>			<u>\$1,260,469</u>	<u>\$7,197,010</u>	<u>\$2,162,528</u>

[1] Per examination of Company's financial records.

[2] Column (a) divided by Column (b).

[3] Total monthly amortization through March 31, 2022.

[4] Column (a) minus Column (e).

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF DEFERRED MAINTENANCE
For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule 2-8(b)

Line No.	Item	Total Cost Per Public Staff [1]	Amortization Period In Years [1]	Rate Year 2			Unamortized Balance [4]
				Date Amortization Began [1]	Annual Amortization [2]	Accumulated Amortization [3]	
		(a)	(b)	(c)	(d)	(e)	(f)
<u>Deferred maintenance - CWSNC Uniform Water</u>							
1	Deferred elevated storage tank painting	1,236,697	10	Various	\$123,670	813,425.75	\$423,271
2	Deferred hydro storage tank painting	624,786	5	Various	124,957	574,166	50,620
3	Deferred hydro storage tank inspection	1,104,441	5	Various	220,888	965,545	138,896
4	Fusion Oracle ERP	915,162	9	Various	102,635	491,411	423,751
5	Total deferred maintenance - water (Sum of L1 thru L4)	<u>3,881,085</u>			<u>572,150</u>	<u>2,844,548</u>	<u>1,036,537</u>
<u>Deferred maintenance - CWSNC Uniform Sewer</u>							
6	Belvedere pump and haul	3,424,839	10	Various	342,484	3,408,308	16,531
7	WWTP	1,111,295	5	Various	222,259	738,077	373,218
8	Fusion Oracle ERP	543,508	9	Various	60,390	291,845	251,662
9	Total deferred maintenance - sewer (L6 + L7 + L8)	<u>5,079,642</u>			<u>625,133</u>	<u>4,438,230</u>	<u>641,412</u>
<u>Deferred maintenance - BF/FH/TC Water</u>							
10	Deferred elevated storage tank painting	66,028	10	Various	6,603	50,621	15,406
11	Deferred hydro storage tank painting	75,190	5	Various	15,038	51,976	23,214
12	Deferred hydro storage tank inspection	62,089	5	Various	12,418	61,551	538
13	Fusion Oracle ERP	111,106	9	Various	12,345	59,660	51,446
14	Total deferred maintenance - water (Sum of L10 thru L13)	<u>314,413</u>			<u>46,404</u>	<u>223,809</u>	<u>90,605</u>
<u>Deferred maintenance - BF/FH Sewer</u>							
15	WWTP	212,888	5	Various	42,578	151,450	61,438
16	Fusion Oracle ERP	113,608	9	Various	12,623	61,004	52,604
17	Total deferred maintenance - sewer (L15 + L16)	<u>326,495</u>			<u>55,201</u>	<u>212,454</u>	<u>114,042</u>
18	Total deferred maintenance (L5 + L9 +L14 +L17)	<u>\$9,601,636</u>			<u>\$1,298,888</u>	<u>\$7,719,040</u>	<u>\$1,882,596</u>

[1] Per examination of Company's financial records.
 [2] Column (a) divided by Column (b).
 [3] Total monthly amortization through March 31, 2022.
 [4] Column (a) minus Column (e).

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF DEFERRED MAINTENANCE
For The Test Year Ended March 31, 2026

Public Staff Settlement Exhibit 1
Schedule 2-8(c)

Line No.	Item	Total Cost Per Public Staff [1]	Amortization Period In Years [1]	Rate Year 3			Unamortized Balance [4]
				Date Amortization Began [1]	Annual Amortization [2]	Accumulated Amortization [3]	
		(a)	(b)	(c)	(d)	(e)	(f)
<u>Deferred maintenance - CWSNC Uniform Water</u>							
1	Deferred elevated storage tank painting	1,336,697	10	Various	\$133,670	894,614.96	\$442,082
2	Deferred hydro storage tank painting	644,946	5	Various	128,989	602,572	42,374
3	Deferred hydro storage tank inspection	1,104,441	5	Various	220,888	1,018,921	85,520
4	Fusion Oracle ERP	915,162	9	Various	102,635	597,426	317,736
5	Total deferred maintenance - water (Sum of L1 thru L4)	<u>4,001,245</u>			<u>586,182</u>	<u>3,113,534</u>	<u>887,711</u>
<u>Deferred maintenance - CWSNC Uniform Sewer</u>							
6	Belvedere pump and haul	3,424,839	10	Various	342,484	3,424,653	186
7	WWTP	1,111,295	5	Various	222,259	790,558	320,737
8	Fusion Oracle ERP	543,508	9	Various	60,390	354,807	188,701
9	Total deferred maintenance - sewer (L6 + L7 + L8)	<u>5,079,642</u>			<u>625,133</u>	<u>4,570,017</u>	<u>509,624</u>
<u>Deferred maintenance - BF/FH/TC Water</u>							
10	Deferred elevated storage tank painting	66,028	10	Various	6,603	57,224	8,804
11	Deferred hydro storage tank painting	75,190	5	Various	15,038	59,714	15,476
12	Deferred hydro storage tank inspection	62,089	5	Various	12,418	61,931	158
13	Fusion Oracle ERP	111,106	9	Various	12,345	72,531	38,575
14	Total deferred maintenance - water (Sum of L10 thru L13)	<u>314,413</u>			<u>46,404</u>	<u>251,400</u>	<u>63,013</u>
<u>Deferred maintenance - BF/FH Sewer</u>							
15	WWTP	212,888	5	Various	42,578	171,929	40,958
16	Fusion Oracle ERP	113,608	9	Various	12,623	74,164	39,444
17	Total deferred maintenance - sewer (L15 + L16)	<u>326,495</u>			<u>55,201</u>	<u>246,093</u>	<u>80,402</u>
18	Total deferred maintenance (L5 + L9 +L14 +L17)	<u>\$9,721,796</u>			<u>\$1,312,920</u>	<u>\$8,181,045</u>	<u>\$1,540,751</u>

[1] Per examination of Company's financial records.
[2] Column (a) divided by Column (b).
[3] Total monthly amortization through March 31, 2022.
[4] Column (a) minus Column (e).

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
NET OPERATING INCOME FOR A RETURN
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3(a)
Page 1 of 2

CWSNC WATER OPERATIONS		Base Year			Base Year			Base Year		
		Present Rates			Company Proposed Rates			Public Staff Recommended Rates		
		Amount Per Updates	Public Staff Adjustments [1]	Amount Per Public Staff [2]	Net Company Increase [25]	Operations After Rate Increase [26]	Net Public Staff Increase [32]	Operations After Rate Increase [33]		
(a)	(b)	(c)	(d)	(e)	(f)	(g)				
Operating Revenues										
1	Service revenues	\$22,816,174	(\$516,339)	\$22,299,835 [3]	\$1,631,125	\$23,930,960 [3]	\$780,468	\$23,080,303 [34]		
2	Miscellaneous revenues	90,390	81,620	172,011 [4]	4,627	176,638 [27]	2,214	174,225 [35]		
3	Uncollectible accounts	(222,895)	55,646	(167,249) [5]	(12,233)	(179,482) [28]	(5,853)	(173,102) [36]		
4	Total operating revenues (Sum of L1 thru L3)	<u>22,683,669</u>	<u>(379,073)</u>	<u>22,304,597</u>	<u>1,623,519</u>	<u>23,928,116</u>	<u>776,829</u>	<u>23,081,426</u>		
Maintenance Expenses										
5	Purchased power	1,073,063	(1,966)	1,071,097 [6]	0	1,071,097	0	1,071,097		
6	Purchased water	1,665,457	0	1,665,457	0	1,665,457	0	1,665,457		
7	Maintenance and repair	1,201,678	(6,052)	1,195,626 [7]	0	1,195,626	0	1,195,626		
8	Maintenance testing	195,388	0	195,388	0	195,388	0	195,388		
9	Meter reading	229,336	(6,724)	222,612 [8]	0	222,612	0	222,612		
10	Chemicals	395,379	(58,755)	336,625 [9]	0	336,625	0	336,625		
11	Transportation	280,606	6,486	287,092 [10]	0	287,092	0	287,092		
12	Operating expenses charged to plant	(450,858)	(4,287)	(455,145) [11]	0	(455,145)	0	(455,145)		
13	Outside services - other	124,388	(11,230)	113,158 [12]	0	113,158	0	113,158		
14	Total maintenance expenses (Sum of L5 thru L14)	<u>4,714,438</u>	<u>(82,528)</u>	<u>4,631,909</u>	<u>0</u>	<u>4,631,909</u>	<u>0</u>	<u>4,631,909</u>		
General Expenses										
15	Salaries and wages	3,949,931	(77,887)	3,872,044 [13]	0	3,872,044	0	3,872,044		
16	Office supplies and other office expense	319,242	0	319,242	0	319,242	0	319,242		
17	Regulatory commission expense	400,430	(143,222)	257,208 [14]	0	257,208	0	257,208		
18	Pension and other benefits	976,152	(39,702)	936,450 [15]	0	936,450	0	936,450		
19	Rent	211,794	0	211,794	0	211,794	0	211,794		
20	Insurance	714,402	90,767	805,169 [16]	0	805,169	0	805,169		
21	Office utilities	180,673	(0)	180,673	0	180,673	0	180,673		
22	Miscellaneous	2,969,417	(181,190)	2,788,227 [17]	0	2,788,227	0	2,788,227		
23	Total general expenses (Sum of L16 thru L23)	<u>9,722,041</u>	<u>(351,234)</u>	<u>9,370,807</u>	<u>0</u>	<u>9,370,807</u>	<u>0</u>	<u>9,370,807</u>		
Depreciation and Taxes										
24	Depreciation expense	4,035,064	(453,577)	3,581,487 [18]	0	3,581,487	0	3,581,487		
25	Amortization of CIAC	(733,560)	0	(733,560)	0	(733,560)	0	(733,560)		
26	Amortization of PAA	(117,358)	(4,221)	(121,579) [19]	0	(121,579)	0	(121,579)		
27	Amortization of ITC	(265)	0	(265)	0	(265)	0	(265)		
28	Franchise and other taxes	56,486	0	56,486	0	56,486	0	56,486		
29	Property taxes	135,969	0	135,969	0	135,969	0	135,969		
30	Payroll taxes	304,405	(6,480)	297,925 [20]	0	297,925	0	297,925		
31	Regulatory fee	32,392	(1,166)	31,226 [21]	2,273	33,499 [29]	1,088	32,314 [37]		
32	Deferred Income Tax	0	(64,882)	(64,882) [22]	0	(64,882)	0	(64,882)		
33	State income tax	122,738	(37,589)	85,149 [23]	40,531	125,680 [30]	19,393	104,542 [38]		
34	Federal income tax	1,005,225	(307,857)	697,368 [24]	331,950	1,029,318 [31]	158,833	856,201 [39]		
35	Total depreciation and taxes (Sum of L25 thru L35)	<u>4,841,096</u>	<u>(875,772)</u>	<u>3,965,324</u>	<u>374,754</u>	<u>4,340,078</u>	<u>179,314</u>	<u>4,144,638</u>		
36	Total operating revenue deductions (L15 + L24 + L36)	<u>19,277,574</u>	<u>(1,309,534)</u>	<u>17,968,040</u>	<u>374,754</u>	<u>18,342,794</u>	<u>179,314</u>	<u>18,147,354</u>		
37	Net operating income for a return (L4 - L37)	<u>\$3,406,095</u>	<u>\$930,461</u>	<u>\$4,336,556</u>	<u>\$1,248,765</u>	<u>\$5,585,321</u>	<u>\$597,515</u>	<u>\$4,934,071</u>		

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
NET OPERATING INCOME FOR A RETURN
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3(b)
Page 1 of 2

		CWSNC SEWER OPERATIONS			Base Year		Base Year		Base Year	
		Present Rates			Company Proposed Rates		Public Staff Recommended Rates			
Line No.	Item	Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)	Net Company Increase [24] (d)	Operations After Rate Increase [25] (e)	Net Public Staff Increase [31] (f)	Operations After Rate Increase [32] (g)		
Operating Revenues										
1	Service revenues	\$17,559,952	(\$87,187)	\$17,472,765 [3]	\$1,769,711	\$19,242,476 [3]	\$1,104,628	\$18,577,393 [33]		
2	Miscellaneous revenues	73,544	57,775	131,319 [4]	4,742	136,061 [26]	2,960	134,279 [34]		
3	Uncollectible accounts	(171,546)	40,500	(131,046) [5]	(13,273)	(144,319) [27]	(8,284)	(139,330) [35]		
4	Total operating revenues (Sum of L1 thru L3)	<u>17,461,951</u>	<u>11,088</u>	<u>17,473,038</u>	<u>1,761,180</u>	<u>19,234,218</u>	<u>1,099,304</u>	<u>18,572,342</u>		
Maintenance Expenses										
5	Purchased power	838,500	(13,484)	825,016 [6]	0	825,016	0	825,016		
6	Purchased sewer	1,048,540	0	1,048,540	0	1,048,540	0	1,048,540		
7	Maintenance and repair	1,662,107	143,662	1,805,769 [7]	0	1,805,769	0	1,805,769		
8	Maintenance testing	305,558	0	305,558	0	305,558	0	305,558		
9	Meter reading	3,024	0	3,024	0	3,024	0	3,024		
10	Chemicals	587,472	13,757	601,228 [8]	0	601,228	0	601,228		
11	Transportation	167,411	3,869	171,280 [9]	0	171,280	0	171,280		
12	Operating expenses charged to plant	(268,985)	(2,558)	(271,543) [10]	0	(271,543)	0	(271,543)		
13	Outside services - other	74,211	(6,701)	67,510 [11]	0	67,510	0	67,510		
14	Total maintenance expenses (Sum of L5 thru L14)	<u>4,417,838</u>	<u>138,545</u>	<u>4,556,383</u>	<u>0</u>	<u>4,556,383</u>	<u>0</u>	<u>4,556,383</u>		
General Expenses										
15	Salaries and wages	2,356,552	(46,468)	2,310,084 [12]	0	2,310,084	0	2,310,084		
16	Office supplies and other office expense	190,462	0	190,462	0	190,462	0	190,462		
17	Regulatory commission expense	238,899	(85,446)	153,453 [13]	0	153,453	0	153,453		
18	Pension and other benefits	582,378	(23,686)	558,692 [14]	0	558,692	0	558,692		
19	Rent	126,358	0	126,358	0	126,358	0	126,358		
20	Insurance	426,217	54,151	480,368 [15]	0	480,368	0	480,368		
21	Office utilities	106,857	(0)	106,857	0	106,857	0	106,857		
22	Miscellaneous	1,711,160	(27,805)	1,683,355 [16]	0	1,683,355	0	1,683,355		
23	Total general expenses (Sum of L16 thru L23)	<u>5,738,882</u>	<u>(129,253)</u>	<u>5,609,629</u>	<u>0</u>	<u>5,609,629</u>	<u>0</u>	<u>5,609,629</u>		
Depreciation and Taxes										
24	Depreciation expense	3,456,269	(277,350)	3,178,919 [17]	0	3,178,919	0	3,178,919		
25	Amortization of CIAC	(625,462)	0	(625,462)	0	(625,462)	0	(625,462)		
26	Amortization of PAA	(17,433)	(188)	(17,621) [18]	0	(17,621)	0	(17,621)		
27	Amortization of ITC	(254)	0	(254)	0	(254)	0	(254)		
28	Franchise and other taxes	48,172	0	48,172	0	48,172	0	48,172		
29	Property taxes	105,629	0	105,629	0	105,629	0	105,629		
30	Payroll taxes	181,610	(3,866)	177,744 [19]	0	177,744	0	177,744		
31	Regulatory fee	25,609	(1,147)	24,462 [20]	2,466	26,928 [28]	1,539	26,001 [36]		
32	Deferred Income Tax	0	(38,709)	(38,709) [21]	0	(38,709)	0	(38,709)		
33	State income tax	115,456	(43,833)	71,623 [22]	43,968	115,591 [29]	27,444	99,067 [37]		
34	Federal income tax	945,582	(358,986)	586,596 [23]	360,096	946,692 [30]	224,767	811,363 [38]		
35	Total depreciation and taxes (Sum of L25 thru L35)	<u>4,235,178</u>	<u>(724,079)</u>	<u>3,511,099</u>	<u>406,530</u>	<u>3,917,629</u>	<u>253,750</u>	<u>3,764,849</u>		
36	Total operating revenue deductions (L15 + L24 + L36)	<u>14,391,898</u>	<u>(714,787)</u>	<u>13,677,111</u>	<u>406,530</u>	<u>14,083,641</u>	<u>253,750</u>	<u>13,930,861</u>		
37	Net operating income for a return (L4 - L37)	<u>\$3,070,053</u>	<u>\$725,874</u>	<u>\$3,795,927</u>	<u>\$1,354,650</u>	<u>\$5,150,577</u>	<u>\$845,554</u>	<u>\$4,641,481</u>		

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
NET OPERATING INCOME FOR A RETURN
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3(c)
Page 1 of 2

Line No.	Base Year			Base Year			Base Year		
	Present Rates			Company Proposed Rates			Public Staff Recommended Rates		
	Amount Per Updates (a)	Public Staff Adjustments (b)	Amount Per Public Staff (c)	Net Company Increase (d)	Operations After Rate Increase (e)	Net Public Staff Increase (f)	Operations After Rate Increase (g)		
Operating Revenues									
1	Service revenues	\$1,881,112	(\$1,668)	\$1,879,444 [3]	\$236,594	\$2,116,038 [3]	\$131,035	\$2,010,479 [31]	
2	Miscellaneous revenues	7,861	6,472	14,332 [4]	666	14,998 [24]	369	14,701 [32]	
3	Uncollectible accounts	(29,540)	3,604	(25,936) [5]	(3,265)	(29,201) [25]	(1,809)	(27,745) [33]	
4	Total operating revenues (Sum of L1 thru L3)	1,859,432	8,408	1,867,840	233,995	2,101,835	129,595	1,997,435	
Maintenance Expenses									
5	Purchased power	70,432	0	70,432	0	70,432	0	70,432	
6	Purchased water	609	0	609	0	609	0	609	
7	Maintenance and repair	195,200	12,756	207,957 [6]	0	207,957	0	207,957	
8	Maintenance testing	10,196	0	10,196	0	10,196	0	10,196	
9	Meter reading	47,602	0	47,602	0	47,602	0	47,602	
10	Chemicals	86,232	(32)	86,200 [7]	0	86,200	0	86,200	
11	Transportation	38,572	(2,405)	36,167 [8]	0	36,167	0	36,167	
12	Operating expenses charged to plant	(65,538)	(515)	(66,053) [9]	0	(66,053)	0	(66,053)	
13	Outside services - other	24,735	0	24,735	0	24,735	0	24,735	
14	Total maintenance expenses (Sum of L5 thru L14)	408,040	9,804	417,844	0	417,844	0	417,844	
General Expenses									
15	Salaries and wages	474,573	(9,358)	465,216 [10]	0	465,216	0	465,216	
16	Office supplies and other office expense	36,081	0	36,081	0	36,081	0	36,081	
17	Regulatory commission expense	49,468	(17,204)	32,264 [11]	0	32,264	0	32,264	
18	Pension and other benefits	117,282	(4,770)	112,512 [12]	0	112,512	0	112,512	
19	Rent	25,446	0	25,446	0	25,446	0	25,446	
20	Insurance	85,834	10,904	96,738 [13]	0	96,738	0	96,738	
21	Office utilities	17,363	0	17,363	0	17,363	0	17,363	
22	Miscellaneous	318,995	8,315	327,310 [14]	0	327,310	0	327,310	
23	Total general expenses (Sum of L16 thru L23)	1,125,041	(12,112)	1,112,929	0	1,112,929	0	1,112,929	
Depreciation and Taxes									
24	Depreciation expense	205,217	(28,609)	176,608 [15]	0	176,608	0	176,608	
25	Amortization of CIAC	(57,707)	0	(57,707)	0	(57,707)	0	(57,707)	
26	Amortization of PAA	15,854	(1,397)	14,457 [16]	0	14,457	0	14,457	
27	Amortization of ITC	0	0	0	0	0	0	0	
28	Franchise and other taxes	(1,321)	0	(1,321)	0	(1,321)	0	(1,321)	
29	Property taxes	7,746	0	7,746	0	7,746	0	7,746	
30	Payroll taxes	36,573	(778)	35,795 [17]	0	35,795	0	35,795	
31	Regulatory fee	2,710	(95)	2,615 [18]	328	2,943 [26]	181	2,796 [34]	
32	Deferred Income Tax	0	(8,585)	(8,585) [19]	0	(8,585)	0	(8,585)	
33	State income tax	6,187	(4,301)	1,886 [20]	5,841	7,727 [27]	3,235	5,121 [35]	
34	Federal income tax	50,669	(35,226)	15,443 [21]	47,844	63,287 [28]	26,498	41,941 [36]	
35	Total depreciation and taxes (Sum of L25 thru L35)	265,929	(78,992)	186,937	54,013	240,950	29,914	216,851	
36	Total operating revenue deductions (L15 + L24 + L36)	1,799,010	(81,300)	1,717,710	54,013	1,771,723	29,914	1,747,624	
37	Net operating income for a return (L4 - L37)	\$60,422	\$89,708	\$150,130	\$179,982	\$330,112	\$99,681	\$249,811	

CAROLINA WATER SERVICE, INC., OF NC
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NET OPERATING INCOME FOR A RETURN
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Public Staff Settlement Exhibit 1
Schedule 3(d)
Page 1 of 2

Line No.		Item		Base Year		Base Year		Base Year	
				Present Rates		Company Proposed Rates		Public Staff Recommended Rates	
		Amount Per Updates	Public Staff Adjustments [1]	Amount Per Public Staff [2]	Net Company Increase [22]	Operations After Rate Increase [23]	Net Public Staff Increase [29]	Operations After Rate Increase [30]	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	
Operating Revenues									
1		Service revenues	\$2,633,654	\$9,864	\$2,643,518 [3]	\$398,799	\$3,042,317 [3]	\$149,161	\$2,792,679 [31]
2		Miscellaneous revenues	12,471	8,304	20,775 [4]	1,070	21,845 [24]	400	21,175 [32]
3		Uncollectible accounts	(41,357)	4,876	(36,481) [5]	(5,503)	(41,984) [25]	(2,058)	(38,539) [33]
4		Total operating revenues (Sum of L1 thru L3)	2,604,768	23,044	2,627,812	394,366	3,022,178	147,503	2,775,315
Maintenance Expenses									
5		Purchased power	149,604	0	149,604	0	149,604	0	149,604
6		Purchased sewer	0	0	0	0	0	0	0
7		Maintenance and repair	236,104	(29,050)	207,054 [6]	0	207,054	0	207,054
8		Maintenance testing	24,179	0	24,179	0	24,179	0	24,179
9		Meter reading	1,041	0	1,041	0	1,041	0	1,041
10		Chemicals	67,536	(4,833)	62,704 [7]	0	62,704	0	62,704
11		Transportation	39,483	(2,461)	37,022 [8]	0	37,022	0	37,022
12		Operating expenses charged to plant	(67,085)	(527)	(67,612) [9]	0	(67,612)	0	(67,612)
13		Outside services - other	25,319	0	25,319	0	25,319	0	25,319
14		Total maintenance expenses (Sum of L5 thru L14)	476,180	(36,870)	439,310	0	439,310	0	439,310
General Expenses									
15		Salaries and wages	485,774	(9,579)	476,195 [10]	0	476,195	0	476,195
16		Office supplies and other office expense	36,933	0	36,933	0	36,933	0	36,933
17		Regulatory commission expense	50,635	(17,613)	33,022 [11]	0	33,022	0	33,022
18		Pension and other benefits	120,050	(4,883)	115,167 [12]	0	115,167	0	115,167
19		Rent	26,047	0	26,047	0	26,047	0	26,047
20		Insurance	87,859	11,162	99,021 [13]	0	99,021	0	99,021
21		Office utilities	17,772	(0)	17,772	0	17,772	0	17,772
22		Miscellaneous	326,492	8,509	335,001 [14]	0	335,001	0	335,001
23		Total general expenses (Sum of L16 thru L23)	1,151,562	(12,404)	1,139,157	0	1,139,157	0	1,139,157
Depreciation and Taxes									
24		Depreciation expense	479,039	(29,017)	450,022 [15]	0	450,022	0	450,022
25		Amortization of CIAC	(150,635)	(0)	(150,635)	0	(150,635)	0	(150,635)
26		Amortization of PAA	43,850	2,016	45,866 [16]	0	45,866	0	45,866
27		Amortization of ITC	0	0	0	0	0	0	0
28		Franchise and other taxes	(1,352)	0	(1,352)	0	(1,352)	0	(1,352)
29		Property taxes	9,754	0	9,754	0	9,754	0	9,754
30		Payroll taxes	37,437	(797)	36,640 [17]	0	36,640	0	36,640
31		Regulatory fee	3,851	(172)	3,679 [18]	552	4,231 [25]	206	3,885 [34]
32		Deferred Income Tax	0	(8,786)	(8,786) [19]	0	(8,786)	0	(8,786)
33		State income tax	16,654	(5,942)	10,712 [20]	9,846	20,558 [27]	3,683	14,395 [35]
34		Federal income tax	136,397	(48,663)	87,734 [21]	80,633	168,367 [28]	30,159	117,893 [36]
35		Total depreciation and taxes (Sum of L25 thru L35)	574,994	(91,361)	483,633	91,031	574,664	34,048	517,681
36		Total operating revenue deductions (L15 + L24 + L36)	2,202,735	(140,635)	2,062,100	91,031	2,153,131	34,048	2,096,148
37		Net operating income for a return (L4 - L37)	\$402,033	\$163,679	\$565,712	\$303,335	\$869,047	\$113,455	\$679,167

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FOOTNOTES TO SCHEDULE 3(a)
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3(a)
Page 2 of 2

Base Year
CWSNC WATER OPERATIONS

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exhibit 1, Schedule 3-1(a), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (a), Line 6.
- [6] Public Staff Settlement Exhibit 1, Schedule 3-4, Column (a), Line 5.
- [7] Public Staff Settlement Exhibit 1, Schedule 3-5, Column (a), Line 7.
- [8] Public Staff Settlement Exhibit 1, Schedule 3-6, Column (a), Line 6.
- [9] Based on review of the Company's data.
- [10] Public Staff Settlement Exhibit 1, Schedule 3-8, Column (a), Line 7.
- [11] Public Staff Settlement Exhibit 1, Schedule 3-9, Column (a), Line 6.
- [12] Public Staff Settlement Exhibit 1, Schedule 3-10, Column (a), Line 7.
- [13] Public Staff Settlement Exhibit 1, Schedule 3-3, Column (a), Line 5.
- [14] Public Staff Settlement Exhibit 1, Schedule 3-12, Column (d), Line 11.
- [15] Public Staff Settlement Exhibit 1, Schedule 3-13, Column (a), Line 5.
- [16] Public Staff Settlement Exhibit 1, Schedule 3-15, Column (a), Line 10.
- [17] Public Staff Settlement Exhibit 1, Schedule 3-17 Column (a), Line 7.
- [18] Public Staff Settlement Exhibit 1, Schedule 3-18, Column (a), Line 5.
- [19] Public Staff Settlement Exhibit 1, Schedule 3-18, Column (a), Line 13.
- [20] Public Staff Settlement Exhibit 1, Schedule 3-16, Column (a), Line 5.
- [21] Line 4 Column (c) multiplied by 0.14%.
- [22] Calculated based on the Public Staff's workpaper.
- [23] Public Staff Settlement Exhibit 1, Schedule 3-22(a), Column (a), Line 16.
- [24] Public Staff Settlement Exhibit 1, Schedule 3-22(a), Column (a), Line 18.
- [25] Column (e) minus Column (c), unless otherwise footnoted.
- [26] Column (c) plus Column (d), unless otherwise footnoted.
- [27] Public Staff Settlement Exhibit 1, Schedule 3-1(a), Column (c), Line 8.
- [28] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (a), Line 9.
- [29] Line 4 Column (e) multiplied by 0.14%.
- [30] Public Staff Settlement Exhibit 1, Schedule 3-22(a), Column (b), Line 16.
- [31] Public Staff Settlement Exhibit 1, Schedule 3-22(a), Column (b), Line 18.
- [32] Column (g) minus Column (c), unless otherwise footnoted.
- [33] Column (c) plus Column (f), unless otherwise footnoted.
- [34] Revenue requirement as calculated by the Public Staff.
- [35] Public Staff Settlement Exhibit 1, Schedule 3-1(a), Column (c), Line 12.
- [36] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (a), Line 12.
- [37] Line 4 Column (g) multiplied by 0.14%.
- [38] Public Staff Settlement Exhibit 1, Schedule 3-22(a), Column (c), Line 16.
- [39] Public Staff Settlement Exhibit 1, Schedule 3-22(a), Column (c), Line 18

CAROLINA WATER SERVICE, INC., OF NC
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FOOTNOTES TO SCHEDULE 3(b)
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3(b)
Page 2 of 2

Base Year
CWSNC SEWER OPERATIONS

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exhibit 1, Schedule 3-1(b), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (b), Line 6.
- [6] Public Staff Settlement Exhibit 1, Schedule 3-4, Column (b), Line 5.
- [7] Public Staff Settlement Exhibit 1, Schedule 3-6, Column (b), Line 7.
- [8] Based on review of the Company's data.
- [9] Public Staff Settlement Exhibit 1, Schedule 3-8, Column (b), Line 7
- [10] Public Staff Settlement Exhibit 1, Schedule 3-9, Column (b), Line 6.
- [11] Public Staff Settlement Exhibit 1, Schedule 3-10, Column (b), Line 6.
- [12] Public Staff Settlement Exhibit 1, Schedule 3-3, Column (b), Line 5.
- [13] Public Staff Settlement Exhibit 1, Schedule 3-12, Column (e), Line 11.
- [14] Public Staff Settlement Exhibit 1, Schedule 3-13, Column (b), Line 5.
- [15] Public Staff Settlement Exhibit 1, Schedule 3-15, Column (b), Line 10.
- [16] Public Staff Settlement Exhibit 1, Schedule 3-17, Column (b), Line 7.
- [17] Public Staff Settlement Exhibit 1, Schedule 3-18, Column (b), Line 5.
- [18] Public Staff Settlement Exhibit 1, Schedule 3-18, Column (b), Line 13.
- [19] Public Staff Settlement Exhibit 1, Schedule 3-18, Column (b), Line 5.
- [20] Line 4 Column (c) multiplied by 0.14%.
- [21] Calculated based on the Public Staff's workpaper.
- [22] Public Staff Settlement Exhibit 1, Schedule 3-22(b), Column (a), Line 16.
- [23] Public Staff Settlement Exhibit 1, Schedule 3-22(b), Column (a), Line 18.
- [24] Column (e) minus Column (c), unless otherwise footnoted.
- [25] Column (c) plus Column (d), unless otherwise footnoted.
- [26] Public Staff Settlement Exhibit 1, Schedule 3-1(b), Column (c), Line 8.
- [27] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (b), Line 9.
- [28] Line 4 Column (e) multiplied by 0.14%.
- [29] Public Staff Settlement Exhibit 1, Schedule 3-22(b), Column (b), Line 16.
- [30] Public Staff Settlement Exhibit 1, Schedule 3-22(b), Column (b), Line 18.
- [31] Column (g) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (f), unless otherwise footnoted.
- [33] Revenue requirement as calculated by the Public Staff.
- [34] Public Staff Settlement Exhibit 1, Schedule 3-1(b), Column (c), Line 12.
- [35] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (b), Line 12.
- [36] Line 4 Column (g) multiplied by 0.14%.
- [37] Public Staff Settlement Exhibit 1, Schedule 3-22(b), Column (c), Line 16.
- [38] Public Staff Settlement Exhibit 1, Schedule 3-22(b), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC

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FOOTNOTES TO SCHEDULE 3(c)

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
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**Base Year
BF/FH/TC WATER OPERATIONS**

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exhibit 1, Schedule 3-1(c), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (c), Line 6.
- [6] Public Staff Settlement Exhibit 1, Schedule 3-6, Column (c), Line 7.
- [7] Based on review of the Company's data.
- [8] Public Staff Settlement Exhibit 1, Schedule 3-8, Column (c), Line 7 .
- [9] Public Staff Settlement Exhibit 1, Schedule 3-9, Column (c), Line 6.
- [10] Public Staff Settlement Exhibit 1, Schedule 3-3, Column (c), Line 5.
- [11] Public Staff Settlement Exhibit 1, Schedule 3-12, Column (f), Line 11.
- [12] Public Staff Settlement Exhibit 1, Schedule 3-13, Column (c), Line 5.
- [13] Public Staff Settlement Exhibit 1, Schedule 3-15, Column (c), Line 10.
- [14] Public Staff Settlement Exhibit 1, Schedule 3-17, Column (c), Line 7.
- [15] Public Staff Settlement Exhibit 1, Schedule 3-18, Column (c), Line 5.
- [16] Public Staff Settlement Exhibit 1, Schedule 3-18, Column (c), Line 13.
- [17] Public Staff Settlement Exhibit 1, Schedule 3-16, Column (c), Line 5.
- [18] Line 4 Column (c) multiplied by 0.14%.
- [19] Calculated based on the Public Staff's workpaper.
- [20] Public Staff Settlement Exhibit 1, Schedule 3-22(c), Column (a), Line 16.
- [21] Public Staff Settlement Exhibit 1, Schedule 3-22(c), Column (a), Line 18.
- [22] Column (e) minus Column (c), unless otherwise footnoted.
- [23] Column (c) plus Column (d), unless otherwise footnoted.
- [24] Public Staff Settlement Exhibit 1, Schedule 3-1(c), Column (c), Line 8.
- [25] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (c), Line 9.
- [26] Line 4 Column (e) multiplied by 0.14%.
- [27] Public Staff Settlement Exhibit 1, Schedule 3-22(c), Column (b), Line 16.
- [28] Public Staff Settlement Exhibit 1, Schedule 3-22(c), Column (b), Line 18.
- [29] Column (g) minus Column (c), unless otherwise footnoted.
- [30] Column (c) plus Column (f), unless otherwise footnoted.
- [31] Revenue requirement as calculated by the Public Staff.
- [32] Public Staff Settlement Exhibit 1, Schedule 3-1(c), Column (c), Line 12.
- [33] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (c), Line 12.
- [34] Line 4 Column (g) multiplied by 0.14%.
- [35] Public Staff Settlement Exhibit 1, Schedule 3-22(c), Column (c), Line 16.
- [36] Public Staff Settlement Exhibit 1, Schedule 3-22(c), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC
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FOOTNOTES TO SCHEDULE 3(d)
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3(d)
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Base Year
BF/FH SEWER OPERATIONS

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exhibit 1, Schedule 3-1(d), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (d), Line 6.
- [6] Public Staff Settlement Exhibit 1, Schedule 3-5, Column (d), Line 7.
- [7] Based on review of the Company's data.
- [8] Public Staff Settlement Exhibit 1, Schedule 3-7, Column (d), Line 7 .
- [9] Public Staff Settlement Exhibit 1, Schedule 3-8, Column (d), Line 6.
- [10] Public Staff Settlement Exhibit 1, Schedule 3-3, Column (d), Line 5.
- [11] Public Staff Settlement Exhibit 1, Schedule 3-10, Column (g), Line 11.
- [12] Public Staff Settlement Exhibit 1, Schedule 3-11, Column (d), Line 5.
- [13] Public Staff Settlement Exhibit 1, Schedule 3-12, Column (d), Line 10.
- [14] Public Staff Settlement Exhibit 1, Schedule 3-13, Column (d), Line 7.
- [15] Public Staff Settlement Exhibit 1, Schedule 3-14, Column (d), Line 5.
- [16] Public Staff Settlement Exhibit 1, Schedule 3-14, Column (d), Line 13.
- [17] Public Staff Settlement Exhibit 1, Schedule 3-16, Column (d), Line 5.
- [18] Line 4 Column (c) multiplied by 0.14%.
- [19] Calculated based on the Public Staff's workpaper.
- [20] Public Staff Settlement Exhibit 1, Schedule 3-22(d), Column (a), Line 16.
- [21] Public Staff Settlement Exhibit 1, Schedule 3-2(d), Column (a), Line 18.
- [22] Column (e) minus Column (c), unless otherwise footnoted.
- [23] Column (c) plus Column (d), unless otherwise footnoted.
- [24] Public Staff Settlement Exhibit 1, Schedule 3-1(d), Column (c), Line 8.
- [25] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (d), Line 9.
- [26] Line 4 Column (e) multiplied by 0.14%.
- [27] Public Staff Settlement Exhibit 1, Schedule 3-22(d), Column (b), Line 16.
- [28] Public Staff Settlement Exhibit 1, Schedule 3-22(d), Column (b), Line 18.
- [29] Column (g) minus Column (c), unless otherwise footnoted.
- [30] Column (c) plus Column (f), unless otherwise footnoted.
- [31] Revenue requirement as calculated by the Public Staff.
- [32] Public Staff Settlement Exhibit 1, Schedule 3-1(d), Column (c), Line 12.
- [33] Public Staff Settlement Exhibit 1, Schedule 3-2, Column (d), Line 12.
- [34] Line 4 Column (g) multiplied by 0.14%.
- [35] Public Staff Settlement Exhibit 1, Schedule 3-22(d), Column (c), Line 16.
- [36] Public Staff Settlement Exhibit 1, Schedule 3-22(d), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC
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NET OPERATING INCOME FOR A RETURN
 For The Test Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
 Schedule 3(a)(1)
 Page 1 of 2

CWSNC WATER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 1			Rate Year 1		
		Present Rates			Company Proposed Rates			Public Staff Recommended Rates		
		Amount Per Company (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)	Net Company Increase [31] (d)	Operations After Rate Increase [32] (e)	Net Public Staff Increase [38] (f)	Operations After Rate Increase [39] (g)		
Operating Revenues:										
1	Service revenues	\$22,816,174	\$1,114,786	\$23,930,960 [3]	\$2,167,547	\$26,098,507 [3]	\$713,287	\$24,644,247 [40]		
2	Miscellaneous revenues	90,390	86,247	176,638 [4]	6,148	182,786 [33]	2,023	178,661 [41]		
3	Uncollectible accounts	(222,895)	43,413	(179,482) [5]	(16,257)	(195,739) [34]	(5,350)	(184,632) [42]		
4	Total operating revenues (Sum of L1 thru L3)	22,683,669	1,244,446	23,928,116	2,157,438	26,085,554	709,960	24,638,076		
Maintenance Expenses:										
5	Purchased power	1,154,615	(35,805)	1,118,810 [6]	0	1,118,810	0	1,118,810		
6	Purchased water	1,665,457	0	1,665,457	0	1,665,457	0	1,665,457		
7	Maintenance and repair	1,263,123	(68,204)	1,194,919 [7]	0	1,194,919	0	1,194,919		
8	Maintenance testing	210,238	(8,206)	202,031 [8]	0	202,031	0	202,031		
9	Meter reading	251,818	(21,637)	230,181 [9]	0	230,181	0	230,181		
10	Chemicals	425,428	(73,808)	351,620 [10]	0	351,620	0	351,620		
11	Transportation	308,114	(21,022)	287,092 [11]	0	287,092	0	287,092		
12	Operating expenses charged to plant	(464,384)	(4,416)	(468,799) [12]	0	(468,799)	0	(468,799)		
13	Outside services - other	136,582	(19,576)	117,005 [13]	0	117,005	0	117,005		
14	Total maintenance expenses (Sum of L5 thru L14)	4,950,991	(252,674)	4,698,317	0	4,698,317	0	4,698,317		
General Expenses:										
15	Salaries and wages	4,068,428	(80,223)	3,988,205 [14]	0	3,988,205	0	3,988,205		
16	Office supplies and other office expense	344,606	(14,509)	330,097 [15]	0	330,097	0	330,097		
17	Regulatory commission expense	409,396	(152,188)	257,207 [16]	0	257,207	0	257,207		
18	Pension and other benefits	1,050,339	(85,796)	964,543 [17]	0	964,543	0	964,543		
19	Rent	227,890	(8,895)	218,995 [18]	0	218,995	0	218,995		
20	Insurance	767,442	74,301	841,743 [19]	0	841,743	0	841,743		
21	Office utilities	198,385	(11,569)	186,816 [20]	0	186,816	0	186,816		
22	Miscellaneous	3,205,160	(322,133)	2,883,027 [21]	0	2,883,027	0	2,883,027		
23	Total general expenses (Sum of L16 thru L23)	10,271,647	(601,013)	9,670,633	0	9,670,633	0	9,670,633		
Depreciation and Taxes:										
24	Depreciation expense	4,257,285	(307,609)	3,949,676 [22]	0	3,949,676	0	3,949,676		
25	Amortization of CIAC	(733,560)	0	(733,560)	0	(733,560)	0	(733,560)		
26	Amortization of PAA	(117,358)	(4,644)	(122,002) [23]	0	(122,002)	0	(122,002)		
27	Amortization of ITC	(265)	0	(265)	0	(265)	0	(265)		
28	Franchise and other taxes	62,023	(5,537)	56,486 [24]	0	56,486	0	56,486		
29	Property taxes	145,817	(9,848)	135,969 [25]	0	135,969	0	135,969		
30	Payroll taxes	313,537	(6,675)	306,863 [26]	0	306,863	0	306,863		
31	Regulatory fee	34,901	(1,402)	33,499 [27]	3,021	36,520 [35]	994	34,493 [43]		
32	Deferred Income Tax	0	(64,882)	(64,882) [28]	0	(64,882)	0	(64,882)		
33	State income tax	139,967	(38,515)	101,452 [29]	53,860	155,313 [36]	17,724	119,176 [44]		
34	Federal income tax	1,146,333	(315,440)	830,893 [30]	441,117	1,272,010 [37]	145,161	976,054 [45]		
35	Total depreciation and taxes (Sum of L25 thru L35)	5,248,681	(754,551)	4,494,129	497,998	4,992,127	163,879	4,658,008		
36	Total operating revenue deductions (L14 + L23 + L35)	20,471,318	(1,608,239)	18,863,079	497,998	19,361,078	163,879	19,026,958		
37	Net operating income for a return (L4 - L37)	\$2,212,351	\$2,852,685	\$5,065,036	\$1,659,440	\$6,724,476	\$546,081	\$5,611,118		

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Public Staff Settlement Exhibit 1
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CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 1		Rate Year 1		
		Present Rates		Amount Per Public Staff [2]	Company Proposed Rates		Public Staff Recommended Rates		Increase [39]
		Amount Per Updates [a]	Public Staff Adjustments [1] (b)		Net Company Increase [31] (d)	Operations After Rate Increase [32] (e)	Net Public Staff Increase [38] (f)	Operations After Rate Increase [39] (g)	
Operating Revenues:									
1	Service revenues	\$17,559,952	\$1,682,524	\$19,242,476 [3]	\$2,212,307	\$21,454,783 [3]	\$1,229,904	\$20,472,380 [40]	
2	Miscellaneous revenues	73,544	62,517	136,062 [4]	5,927	141,989 [33]	3,295	139,357 [41]	
3	Uncollectible accounts	(171,546)	27,228	(144,319) [5]	(16,592)	(160,911) [34]	(9,224)	(153,543) [42]	
4	Total operating revenues (Sum of L1 thru L3)	<u>17,461,951</u>	<u>1,772,269</u>	<u>19,234,219</u>	<u>2,201,642</u>	<u>21,435,861</u>	<u>1,223,975</u>	<u>20,458,194</u>	
Maintenance Expenses:									
5	Purchased power	902,226	(45,491)	856,735 [6]	0	856,735	0	856,735	
6	Purchased sewer	1,048,540	0	1,048,540	0	1,048,540	0	1,048,540	
7	Maintenance and repair	1,802,879	24,884	1,827,764 [7]	0	1,827,764	0	1,827,764	
8	Maintenance testing	328,780	(12,833)	315,947 [8]	0	315,947	0	315,947	
9	Meter reading	3,308	(181)	3,127 [9]	0	3,127	0	3,127	
10	Chemicals	632,120	(7,776)	624,343 [10]	0	624,343	0	624,343	
11	Transportation	183,149	(11,869)	171,280 [11]	0	171,280	0	171,280	
12	Operating expenses charged to plant	(277,055)	(2,635)	(279,689) [12]	0	(279,689)	0	(279,689)	
13	Outside services - other	81,187	(11,382)	69,805 [13]	0	69,805	0	69,805	
14	Total maintenance expenses (Sum of L5 thru L14)	<u>4,705,136</u>	<u>(67,284)</u>	<u>4,637,852</u>	<u>0</u>	<u>4,637,852</u>	<u>0</u>	<u>4,637,852</u>	
General Expenses:									
15	Salaries and wages	2,427,248	(47,862)	2,379,387 [14]	0	2,379,387	0	2,379,387	
16	Office supplies and other office expense	205,474	(8,536)	196,938 [15]	0	196,938	0	196,938	
17	Regulatory commission expense	244,029	(90,576)	153,453 [16]	0	153,453	0	153,453	
18	Pension and other benefits	626,639	(51,186)	575,453 [17]	0	575,453	0	575,453	
19	Rent	135,961	(5,307)	130,654 [18]	0	130,654	0	130,654	
20	Insurance	457,711	44,477	502,188 [19]	0	502,188	0	502,188	
21	Office utilities	116,903	(6,412)	110,490 [20]	0	110,490	0	110,490	
22	Miscellaneous	1,845,289	(104,700)	1,740,589 [21]	0	1,740,589	0	1,740,589	
23	Total general expenses (Sum of L16 thru L23)	<u>6,059,254</u>	<u>(270,103)</u>	<u>5,789,151</u>	<u>0</u>	<u>5,789,151</u>	<u>0</u>	<u>5,789,151</u>	
Depreciation and Taxes:									
24	Depreciation expense	3,667,345	(109,643)	3,557,702 [22]	0	3,557,702	0	3,557,702	
25	Amortization of CIAC	(625,462)	0	(625,462)	0	(625,462)	0	(625,462)	
26	Amortization of PAA	(17,433)	188	(17,244) [23]	0	(17,244)	0	(17,244)	
27	Amortization of ITC	(254)	0	(254)	0	(254)	0	(254)	
28	Franchise and other taxes	52,701	(4,529)	48,172 [24]	0	48,172	0	48,172	
29	Property taxes	113,204	(7,575)	105,629 [25]	0	105,629	0	105,629	
30	Payroll taxes	187,058	(3,982)	183,076 [26]	0	183,076	0	183,076	
31	Regulatory fee	27,760	(832)	26,928 [27]	3,082	30,010 [35]	1,713	28,641 [43]	
32	Deferred Income Tax	0	(38,709)	(38,709) [28]	0	(38,709)	0	(38,709)	
33	State income tax	131,173	(40,343)	90,830 [29]	54,964	145,794 [36]	30,557	121,387 [44]	
34	Federal income tax	1,074,310	(330,409)	743,902 [30]	450,155	1,194,057 [37]	250,258	994,160 [45]	
35	Total depreciation and taxes (Sum of L25 thru L35)	<u>4,610,403</u>	<u>(535,832)</u>	<u>4,074,570</u>	<u>508,201</u>	<u>4,582,772</u>	<u>282,528</u>	<u>4,357,098</u>	
36	Total operating revenue deductions (L14 + L23 + L35)	<u>15,374,792</u>	<u>(873,219)</u>	<u>14,501,573</u>	<u>508,201</u>	<u>15,009,774</u>	<u>282,528</u>	<u>14,784,101</u>	
37	Net operating income for a return (L4 - L37)	<u>\$2,087,158</u>	<u>\$2,645,488</u>	<u>\$4,732,646</u>	<u>\$1,693,441</u>	<u>\$6,426,087</u>	<u>\$941,447</u>	<u>\$5,674,093</u>	

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BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1		Rate Year 1		Rate Year 1		
		Present Rates		Company Proposed Rates		Public Staff Recommended Rates		
		Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)	Net Company Increase [31] (d)	Operations After Rate Increase [32] (e)	Net Public Staff Increase [38] (f)	Operations After Rate Increase [39] (g)
Operating Revenues:								
1	Service revenues	\$1,881,112	\$234,926	\$2,116,038 [3]	\$394,732	\$2,510,770 [3]	\$195,345	\$2,311,383 [40]
2	Miscellaneous revenues	\$7,861	7,137	14,998 [4]	1,111	16,109 [33]	550	15,548 [41]
3	Uncollectible accounts	(29,540)	339	(29,201) [5]	(5,447)	(34,649) [34]	(2,696)	(31,897) [42]
4	Total operating revenues (Sum of L1 thru L3)	1,859,432	242,402	2,101,834	390,396	2,492,230	193,199	2,295,033
Maintenance Expenses:								
5	Purchased power	77,306	(4,152)	73,154 [6]	0	73,154	0	73,154
6	Purchased water	609	0	609	0	609	0	609
7	Maintenance and repair	220,605	(5,870)	214,735 [7]	0	214,735	0	214,735
8	Maintenance testing	10,971	(428)	10,543 [8]	0	10,543	0	10,543
9	Meter reading	52,248	(3,028)	49,220 [9]	0	49,220	0	49,220
10	Chemicals	92,786	(3,254)	89,532 [10]	0	89,532	0	89,532
11	Transportation	42,337	(6,170)	36,167 [11]	0	36,167	0	36,167
12	Operating expenses charged to plant	(67,504)	(530)	(68,035) [12]	0	(68,035)	0	(68,035)
13	Outside services - other	27,149	(1,573)	25,576 [13]	0	25,576	0	25,576
14	Total maintenance expenses (Sum of L5 thru L14)	456,507	(25,006)	431,501	0	431,501	0	431,501
General Expenses:								
15	Salaries and wages	488,811	(9,639)	479,172 [14]	0	479,172	0	479,172
16	Office supplies and other office expense	38,881	(1,573)	37,308 [15]	0	37,308	0	37,308
17	Regulatory commission expense	50,673	(18,409)	32,264 [16]	0	32,264	0	32,264
18	Pension and other benefits	126,195	(10,308)	115,887 [17]	0	115,887	0	115,887
19	Rent	27,380	(1,069)	26,311 [18]	0	26,311	0	26,311
20	Insurance	100,326	807	101,133 [19]	0	101,133	0	101,133
21	Office utilities	19,058	(1,104)	17,953 [20]	0	17,953	0	17,953
22	Miscellaneous	344,102	(5,664)	338,438 [21]	0	338,438	0	338,438
23	Total general expenses (Sum of L16 thru L23)	1,195,426	(46,959)	1,148,467	0	1,148,467	0	1,148,467
Depreciation and Taxes:								
24	Depreciation expense	250,450	(17,778)	232,672 [22]	0	232,672	0	232,672
25	Amortization of CIAC	(57,707)	0	(57,707)	0	(57,707)	0	(57,707)
26	Amortization of PAA	15,854	(1,701)	14,153 [23]	0	14,153	0	14,153
27	Amortization of ITC	0	0	0	0	0	0	0
28	Franchise and other taxes	(1,450)	129	(1,321) [24]	0	(1,321)	0	(1,321)
29	Property taxes	9,798	(2,052)	7,746 [25]	0	7,746	0	7,746
30	Payroll taxes	37,671	(802)	36,869 [26]	0	36,869	0	36,869
31	Regulatory fee	3,177	(234)	2,943 [27]	546	3,489 [35]	270	3,213 [43]
32	Deferred Income Tax	0	(8,585)	(8,585) [28]	0	(8,585)	0	(8,585)
33	State income tax	9,732	(5,987)	3,745 [29]	9,746	13,491 [36]	4,823	8,568 [44]
34	Federal income tax	79,706	(49,037)	30,669 [30]	79,822	110,491 [37]	39,502	70,171 [45]
35	Total depreciation and taxes (Sum of L25 thru L35)	347,230	(86,046)	261,184	90,114	351,298	44,595	305,780
36	Total operating revenue deductions (L14 + L23 + L35)	1,999,163	(158,012)	1,841,152	90,114	1,931,266	44,595	1,885,747
37	Net operating income for a return (L4 - L37)	(\$139,731)	\$400,414	\$260,683	\$300,282	\$560,965	\$148,604	\$409,286

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BF/FH SEWER OPERATIONS

Line No.	Item	Rate Year 1		Rate Year 1		Rate Year 1		
		Present Rates		Company Proposed Rates		Public Staff Recommended Rates		
		Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)	Net Company Increase [31] (d)	Operations After Rate Increase [32] (e)	Net Public Staff Increase [38] (f)	Operations After Rate Increase [39] (g)
Operating Revenues:								
1	Service revenues	\$2,633,654	\$408,663	\$3,042,317 [3]	\$126,985	\$3,169,302 [3]	(\$73,782)	\$2,968,535 [40]
2	Miscellaneous revenues	12,471	9,374	21,845 [4]	341	22,186 [33]	(198)	21,647 [41]
3	Uncollectible accounts	(41,357)	(627)	(41,984) [5]	(1,752)	(43,736) [34]	1,018	(40,966) [42]
4	Total operating revenues (Sum of L1 thru L3)	<u>2,604,768</u>	<u>417,411</u>	<u>3,022,178</u>	<u>125,573</u>	<u>3,147,751</u>	<u>(72,962)</u>	<u>2,949,216</u>
Maintenance Expenses:								
5	Purchased power	164,710	(9,416)	155,294 [6]	0	155,294	0	155,294
6	Purchased sewer	0	0	0	0	0	0	0
7	Maintenance and repair	256,093	(21,968)	234,125 [7]	0	234,125	0	234,125
8	Maintenance testing	26,016	(1,016)	25,001 [8]	0	25,001	0	25,001
9	Meter reading	1,146	(70)	1,076 [9]	0	1,076	0	1,076
10	Chemicals	72,669	(7,581)	65,088 [10]	0	65,088	0	65,088
11	Transportation	43,469	(6,447)	37,022 [11]	0	37,022	0	37,022
12	Operating expenses charged to plant	(69,098)	(543)	(69,640) [12]	0	(69,640)	0	(69,640)
13	Outside services - other	27,875	(1,696)	26,179 [13]	0	26,179	0	26,179
14	Total maintenance expenses (Sum of L5 thru L14)	<u>522,880</u>	<u>(48,735)</u>	<u>474,145</u>	<u>0</u>	<u>474,145</u>	<u>0</u>	<u>474,145</u>
General Expenses:								
15	Salaries and wages	500,347	(9,866)	490,481 [14]	0	490,481	0	490,481
16	Office supplies and other office expense	39,808	(1,619)	38,188 [15]	0	38,188	0	38,188
17	Regulatory commission expense	51,911	(18,889)	33,022 [16]	0	33,022	0	33,022
18	Pension and other benefits	129,174	(10,552)	118,622 [17]	0	118,622	0	118,622
19	Rent	28,027	(1,094)	26,933 [18]	0	26,933	0	26,933
20	Insurance	94,596	8,926	103,522 [19]	0	103,522	0	103,522
21	Office utilities	19,567	(1,191)	18,376 [20]	0	18,376	0	18,376
22	Miscellaneous	352,222	(5,832)	346,391 [21]	0	346,391	0	346,391
23	Total general expenses (Sum of L16 thru L23)	<u>1,215,651</u>	<u>(40,116)</u>	<u>1,175,535</u>	<u>0</u>	<u>1,175,535</u>	<u>0</u>	<u>1,175,535</u>
Depreciation and Taxes:								
24	Depreciation expense	499,655	(34,087)	465,568 [22]	0	465,568	0	465,568
25	Amortization of CIAC	(150,635)	(0)	(150,635)	0	(150,635)	0	(150,635)
26	Amortization of PAA	43,850	504	44,354 [23]	0	44,354	0	44,354
27	Amortization of ITC	0	0	0	0	0	0	0
28	Franchise and other taxes	(1,489)	137	(1,352) [24]	0	(1,352)	0	(1,352)
29	Property taxes	10,508	(755)	9,754 [25]	0	9,754	0	9,754
30	Payroll taxes	38,560	(821)	37,739 [26]	0	37,739	0	37,739
31	Regulatory fee	4,183	48	4,231 [27]	176	4,407 [35]	(102)	4,129 [43]
32	Deferred Income Tax	0	(8,786)	(8,786) [28]	0	(8,786)	0	(8,786)
33	State income tax	18,997	(1,206)	17,791 [29]	3,135	20,926 [36]	(1,821)	15,969 [44]
34	Federal income tax	155,585	(9,879)	145,706 [30]	25,675	171,381 [37]	(14,918)	130,788 [45]
35	Total depreciation and taxes (Sum of L25 thru L35)	<u>619,214</u>	<u>(54,845)</u>	<u>564,369</u>	<u>28,986</u>	<u>593,355</u>	<u>(16,842)</u>	<u>547,528</u>
36	Total operating revenue deductions (L14 + L23 + L35)	<u>2,357,745</u>	<u>(143,696)</u>	<u>2,214,049</u>	<u>28,986</u>	<u>2,243,035</u>	<u>(16,842)</u>	<u>2,197,208</u>
37	Net operating income for a return (L4 - L37)	<u>\$247,022</u>	<u>\$561,107</u>	<u>\$808,129</u>	<u>\$96,587</u>	<u>\$904,716</u>	<u>(\$56,120)</u>	<u>\$752,009</u>

CAROLINA WATER SERVICE, INC., OF NC
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FOOTNOTES TO SCHEDULE 3(a)(1)
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Rate Year 1
CWSNC WATER OPERATIONS

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exhibit 1, Schedule 3-1(a), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-2(a), Column (a), Line 6.
- [6] Public Staff Settlement Exhibit 1, Schedule 3-4(a), Column (a), Line 6.
- [7] Public Staff Settlement Exhibit 1, Schedule 3-5(1), Column (a), Line 7.
- [8] Public Staff Settlement Exhibit 1, Schedule 3-6(a), Column (a), Line 6.
- [9] Public Staff Settlement Exhibit 1, Schedule 3-7(a), Column (a), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exhibit 1, Schedule 3-8(a), Column (a), Line 6.
- [12] Public Staff Settlement Exhibit 1, Schedule 3-9(a), Column (a), Line 6.
- [13] Public Staff Settlement Exhibit 1, Schedule 3-10(a), Column (a), Line 6.
- [14] Public Staff Settlement Exhibit 1, Schedule 3-3(a), Column (a), Line 6.
- [15] Public Staff Settlement Exhibit 1, Schedule 3-11(a), Column (a), Line 6.
- [16] Public Staff Settlement Exhibit 1, Schedule 3-12(a), Column (d), Line 11.
- [17] Public Staff Settlement Exhibit 1, Schedule 3-13(a), Column (a), Line 6.
- [18] Public Staff Settlement Exhibit 1, Schedule 3-14(a), Column (a), Line 6.
- [19] Public Staff Settlement Exhibit 1, Schedule 3-15(a), Column (a), Line 10.
- [20] Public Staff Settlement Exhibit 1, Schedule 3-16(a), Column (a), Line 6.
- [21] Public Staff Settlement Exhibit 1, Schedule 3-17(a), Column (a), Line 6.
- [22] Public Staff Settlement Exhibit 1, Schedule 3-18(a), Column (a), Line 5.
- [23] Public Staff Settlement Exhibit 1, Schedule 3-18(a), Column (a), Line 13.
- [24] Public Staff Settlement Exhibit 1, Schedule 3-19(a), Column (a), Line 6.
- [25] Public Staff Settlement Exhibit 1, Schedule 3-21(a), Column (a), Line 6.
- [26] Public Staff Settlement Exhibit 1, Schedule 3-20(a), Column (a), Line 6.
- [27] Line 4 Column (c) multiplied by 0.14%.
- [28] Calculated based on the Public Staff's workpaper.
- [29] Public Staff Settlement Exhibit 1, Schedule 3-22(a)(1), Column (a), Line 16.
- [30] Public Staff Settlement Exhibit 1, Schedule 3-22(a)(1), Column (a), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exhibit 1, Schedule 3-1(a), Column (c), Line 8.
- [34] Public Staff Settlement Exhibit 1, Schedule 3-2(a), Column (a), Line 9.
- [35] Line 4 Column (e) multiplied by 0.14%.
- [36] Public Staff Settlement Exhibit 1, Schedule 3-22(a)(1), Column (b), Line 16.
- [37] Public Staff Settlement Exhibit 1, Schedule 3-22(a)(1), Column (b), Line 18.
- [38] Column (g) minus Column (c), unless otherwise footnoted.
- [39] Column (c) plus Column (f), unless otherwise footnoted.
- [40] Revenue requirement as calculated by the Public Staff.
- [41] Public Staff Settlement Exhibit 1, Schedule 3-1(a), Column (c), Line 12.
- [42] Public Staff Settlement Exhibit 1, Schedule 3-2(a), Column (a), Line 12.
- [43] Line 4 Column (g) multiplied by 0.14%.
- [44] Public Staff Settlement Exhibit 1, Schedule 3-22(a)(1), Column (c), Line 16.
- [45] Public Staff Settlement Exhibit 1, Schedule 3-22(a)(1), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
FOOTNOTES TO SCHEDULE 3(b)(1)
For The Test Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 3(b)(1)
Page 2 of 2

Rate Year 1
CWSNC SEWER OPERATIONS

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exhibit 1, Schedule 3-1(b), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-2(b), Column (a), Line 6.
- [6] Public Staff Settlement Exhibit 1, Schedule 3-4(b), Column (a), Line 6.
- [7] Public Staff Settlement Exhibit 1, Schedule 3-5(2), Column (a), Line 7.
- [8] Public Staff Settlement Exhibit 1, Schedule 3-6(b), Column (a), Line 6.
- [9] Public Staff Settlement Exhibit 1, Schedule 3-7(b), Column (a), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exhibit 1, Schedule 3-8(b), Column (a), Line 6.
- [12] Public Staff Settlement Exhibit 1, Schedule 3-9(b), Column (a), Line 6.
- [13] Public Staff Settlement Exhibit 1, Schedule 3-10(b), Column (a), Line 6.
- [14] Public Staff Settlement Exhibit 1, Schedule 3-3(b), Column (a), Line 6.
- [15] Public Staff Settlement Exhibit 1, Schedule 3-11(b), Column (a), Line 6.
- [16] Public Staff Settlement Exhibit 1, Schedule 3-12(b), Column (e), Line 11.
- [17] Public Staff Settlement Exhibit 1, Schedule 3-13(b), Column (a), Line 6.
- [18] Public Staff Settlement Exhibit 1, Schedule 3-14(b), Column (a), Line 6.
- [19] Public Staff Settlement Exhibit 1, Schedule 3-15(b), Column (a), Line 10.
- [20] Public Staff Settlement Exhibit 1, Schedule 3-16(b), Column (a), Line 6.
- [21] Public Staff Settlement Exhibit 1, Schedule 3-17(b), Column (a), Line 6.
- [22] Public Staff Settlement Exhibit 1, Schedule 3-18(b), Column (a), Line 5.
- [23] Public Staff Settlement Exhibit 1, Schedule 3-18(b), Column (a), Line 13.
- [24] Public Staff Settlement Exhibit 1, Schedule 3-19(b), Column (a), Line 6.
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- [30] Public Staff Settlement Exhibit 1, Schedule 3-22(b)(1), Column (a), Line 18.
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- [36] Public Staff Settlement Exhibit 1, Schedule 3-22(b)(1), Column (b), Line 16.
- [37] Public Staff Settlement Exhibit 1, Schedule 3-22(b)(1), Column (b), Line 18.
- [38] Column (g) minus Column (c), unless otherwise footnoted.
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- [40] Revenue requirement as calculated by the Public Staff.
- [41] Public Staff Settlement Exhibit 1, Schedule 3-1(b), Column (c), Line 12.
- [42] Public Staff Settlement Exhibit 1, Schedule 3-2(b), Column (a), Line 12.
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- [44] Public Staff Settlement Exhibit 1, Schedule 3-22(b)(1), Column (c), Line 16.
- [45] Public Staff Settlement Exhibit 1, Schedule 3-22(b)(1), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC
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FOOTNOTES TO SCHEDULE 3(c)(1)
For The Test Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 3(c)(1)
Page 2 of 2

Rate Year 1
BF/FH/TC WATER OPERATIONS

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exhibit 1, Schedule 3-1(c), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-2(c), Column (a), Line 6.
- [6] Public Staff Settlement Exhibit 1, Schedule 3-4(c), Column (a), Line 6.
- [7] Public Staff Settlement Exhibit 1, Schedule 3-5(3), Column (a), Line 7.
- [8] Public Staff Settlement Exhibit 1, Schedule 3-6(c), Column (a), Line 6.
- [9] Public Staff Settlement Exhibit 1, Schedule 3-7(c), Column (a), Line 6.
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- [13] Public Staff Settlement Exhibit 1, Schedule 3-10(c), Column (a), Line 6.
- [14] Public Staff Settlement Exhibit 1, Schedule 3-3(c), Column (a), Line 6.
- [15] Public Staff Settlement Exhibit 1, Schedule 3-11(c), Column (a), Line 6.
- [16] Public Staff Settlement Exhibit 1, Schedule 3-12(c), Column (f), Line 11.
- [17] Public Staff Settlement Exhibit 1, Schedule 3-13(c), Column (a), Line 6.
- [18] Public Staff Settlement Exhibit 1, Schedule 3-14(c), Column (a), Line 6.
- [19] Public Staff Settlement Exhibit 1, Schedule 3-15(c), Column (a), Line 10.
- [20] Public Staff Settlement Exhibit 1, Schedule 3-16(c), Column (a), Line 6.
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- [23] Public Staff Settlement Exhibit 1, Schedule 3-18(c), Column (a), Line 13.
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- [29] Public Staff Settlement Exhibit 1, Schedule 3-22(c)(1), Column (a), Line 16.
- [30] Public Staff Settlement Exhibit 1, Schedule 3-22(c)(1), Column (a), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
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- [36] Public Staff Settlement Exhibit 1, Schedule 3-22(c)(1), Column (b), Line 16.
- [37] Public Staff Settlement Exhibit 1, Schedule 3-22(c)(1), Column (b), Line 18.
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- [45] Public Staff Settlement Exhibit 1, Schedule 3-22(c)(1), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
FOOTNOTES TO SCHEDULE 3(d)(1)
For The Test Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 3(d)(1)
Page 2 of 2

Rate Year 1
BF/FH SEWER OPERATIONS

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exhibit 1, Schedule 3-1(d), Column (c), Line 4.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-2(d), Column (a), Line 6.
- [6] Public Staff Settlement Exhibit 1, Schedule 3-4(d), Column (a), Line 6.
- [7] Public Staff Settlement Exhibit 1, Schedule 3-5(4), Column (a), Line 7.
- [8] Public Staff Settlement Exhibit 1, Schedule 3-6(d), Column (a), Line 6.
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- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exhibit 1, Schedule 3-8(d), Column (a), Line 6.
- [12] Public Staff Settlement Exhibit 1, Schedule 3-9(d), Column (a), Line 6.
- [13] Public Staff Settlement Exhibit 1, Schedule 3-10(d), Column (a), Line 6.
- [14] Public Staff Settlement Exhibit 1, Schedule 3-3(d), Column (a), Line 6.
- [15] Public Staff Settlement Exhibit 1, Schedule 3-11(d), Column (a), Line 6.
- [16] Public Staff Settlement Exhibit 1, Schedule 3-12(d), Column (g), Line 11.
- [17] Public Staff Settlement Exhibit 1, Schedule 3-13(d), Column (a), Line 6.
- [18] Public Staff Settlement Exhibit 1, Schedule 3-14(d), Column (a), Line 6.
- [19] Public Staff Settlement Exhibit 1, Schedule 3-15(d), Column (a), Line 10.
- [20] Public Staff Settlement Exhibit 1, Schedule 3-16(d), Column (a), Line 6.
- [21] Public Staff Settlement Exhibit 1, Schedule 3-17(d), Column (a), Line 6.
- [22] Public Staff Settlement Exhibit 1, Schedule 3-18(d), Column (a), Line 5.
- [23] Public Staff Settlement Exhibit 1, Schedule 3-18(d), Column (a), Line 13.
- [24] Public Staff Settlement Exhibit 1, Schedule 3-19(d), Column (a), Line 6.
- [25] Public Staff Settlement Exhibit 1, Schedule 3-21(d), Column (a), Line 6.
- [26] Public Staff Settlement Exhibit 1, Schedule 3-20(d), Column (a), Line 6.
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- [29] Public Staff Settlement Exhibit 1, Schedule 3-22(d)(1), Column (a), Line 16.
- [30] Public Staff Settlement Exhibit 1, Schedule 3-22(d)(1), Column (a), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exhibit 1, Schedule 3-1(d), Column (c), Line 8.
- [34] Public Staff Settlement Exhibit 1, Schedule 3-2(d), Column (a), Line 9.
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- [45] Public Staff Settlement Exhibit 1, Schedule 3-22(d)(1), Column (c), Line 18.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
NET OPERATING INCOME FOR A RETURN
For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule 3(a)(2)
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CWSNC WATER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 2		
		Present Rates			Company Proposed Rates			Public Staff Recommended Rates		
		Amount Per Updates	Public Staff Adjustments [1]	Amount Per Public Staff [2]	Net Company Increase [31]	Operations After Rate Increase [32]	Net Public Staff Increase [38]	Operations After Rate Increase [39]		
(a)	(b)	(c)	(d)	(e)	(f)	(g)				
Operating Revenues:										
1	Service revenues	\$26,741,532	(\$643,025)	\$26,098,507 [3]	\$1,138,067	\$27,236,574 [3]	(\$99,205)	\$25,999,302 [40]		
2	Miscellaneous revenues	173,557	9,229	182,786 [4]	3,228	186,014 [33]	(281)	182,504 [41]		
3	Uncollectible accounts	(261,243)	65,504	(195,739) [5]	(8,536)	(204,274) [34]	744	(194,995) [42]		
4	Total operating revenues (Sum of L1 thru L3)	<u>26,653,846</u>	<u>(668,292)</u>	<u>26,085,554</u>	<u>1,132,759</u>	<u>27,218,313</u>	<u>(98,742)</u>	<u>25,986,812</u>		
Maintenance Expenses:										
5	Purchased power	1,193,207	(36,776)	1,156,431 [6]	0	1,156,431	0	1,156,431		
6	Purchased water	1,665,457	0	1,665,457	0	1,665,457	0	1,665,457		
7	Maintenance and repair	1,288,802	103,033	1,391,835 [7]	0	1,391,835	0	1,391,835		
8	Maintenance testing	217,264	(10,384)	206,880 [8]	0	206,880	0	206,880		
9	Meter reading	260,235	(24,529)	235,706 [9]	0	235,706	0	235,706		
10	Chemicals	439,648	(76,204)	363,444 [10]	0	363,444	0	363,444		
11	Transportation	318,412	(31,320)	287,092 [11]	0	287,092	0	287,092		
12	Operating expenses charged to plant	(478,315)	(4,548)	(482,863) [12]	0	(482,863)	0	(482,863)		
13	Outside services - other	141,147	(21,333)	119,813 [13]	0	119,813	0	119,813		
14	Total maintenance expenses (Sum of L5 thru L14)	<u>5,045,856</u>	<u>(102,062)</u>	<u>4,943,795</u>	<u>0</u>	<u>4,943,795</u>	<u>0</u>	<u>4,943,795</u>		
General Expenses:										
15	Salaries and wages	4,190,481	(82,630)	4,107,851 [14]	0	4,107,851	0	4,107,851		
16	Office supplies and other office expense	356,124	(18,105)	338,019 [15]	0	338,019	0	338,019		
17	Regulatory commission expense	412,753	(155,545)	257,208 [16]	0	257,208	0	257,208		
18	Pension and other benefits	1,085,446	(91,966)	993,480 [17]	0	993,480	0	993,480		
19	Rent	233,360	(9,109)	224,251 [18]	0	224,251	0	224,251		
20	Insurance	805,357	56,587	861,944 [19]	0	861,944	0	861,944		
21	Office utilities	205,015	(13,716)	191,299 [20]	0	191,299	0	191,299		
22	Miscellaneous	3,313,224	(361,005)	2,952,219 [21]	0	2,952,219	0	2,952,219		
23	Total general expenses (Sum of L16 thru L23)	<u>10,601,760</u>	<u>(675,489)</u>	<u>9,926,271</u>	<u>0</u>	<u>9,926,271</u>	<u>0</u>	<u>9,926,271</u>		
Depreciation and Taxes:										
24	Depreciation expense	4,514,717	(341,141)	4,173,576 [22]	0	4,173,576	0	4,173,576		
25	Amortization of CIAC	(733,560)	0	(733,560)	0	(733,560)	0	(733,560)		
26	Amortization of PAA	(117,358)	(2,955)	(120,313) [23]	0	(120,313)	0	(120,313)		
27	Amortization of ITC	(265)	0	(265)	0	(265)	0	(265)		
28	Franchise and other taxes	64,096	(7,610)	56,486 [24]	0	56,486	0	56,486		
29	Property taxes	155,440	(19,471)	135,969 [25]	0	135,969	0	135,969		
30	Payroll taxes	322,944	(6,875)	316,069 [26]	0	316,069	0	316,069		
31	Regulatory fee	36,872	(352)	36,520 [27]	1,586	38,106 [35]	(138)	36,382 [43]		
32	Deferred Income Tax	0	(64,882)	(64,882) [28]	0	(64,882)	0	(64,882)		
33	State income tax	154,980	(22,322)	132,658 [29]	28,279	160,938 [36]	(2,465)	130,193 [44]		
34	Federal income tax	1,269,285	(182,615)	1,086,471 [30]	231,608	1,318,079 [37]	(20,189)	1,066,282 [45]		
35	Total depreciation and taxes (Sum of L25 thru L35)	<u>5,667,151</u>	<u>(648,423)</u>	<u>5,018,729</u>	<u>261,473</u>	<u>5,280,202</u>	<u>(22,792)</u>	<u>4,995,936</u>		
36	Total operating revenue deductions (L15 + L24 + L36)	<u>21,314,768</u>	<u>(1,425,973)</u>	<u>19,888,795</u>	<u>261,473</u>	<u>20,150,268</u>	<u>(22,792)</u>	<u>19,866,002</u>		
37	Net operating income for a return (L4 - L37)	<u>\$5,339,078</u>	<u>\$857,681</u>	<u>\$6,196,759</u>	<u>\$871,286</u>	<u>\$7,068,045</u>	<u>(\$75,950)</u>	<u>\$6,120,809</u>		

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
NET OPERATING INCOME FOR A RETURN
 For The Test Year Ended March 31, 2023

Public Staff Settlement Exhibit 1
 Schedule 3(b)(2)
 Page 1 of 2

Line No.	Item	Rate Year 2			Rate Year 2			Rate Year 2		
		Present Rates			Company Proposed Rates			Public Staff Recommended Rates		
		Amount Per Updates	Public Staff Adjustments [1]	Amount Per Public Staff [2]	Net Company Increase [31]	Operations After Rate Increase [32]	Net Public Staff Increase [38]	Operations After Rate Increase [39]		
		(a)	(b)	(c)	(d)	(e)	(f)	(g)		
Operating Revenues:										
1	Service revenues	\$21,251,730	\$203,053	\$21,454,783 [3]	\$1,282,673	\$22,737,456 [3]	(\$400,307)	\$21,054,476 [40]		
2	Miscellaneous revenues	124,761	17,228	141,989 [4]	3,437	145,426 [33]	(1,073)	140,917 [41]		
3	Uncollectible accounts	(207,612)	46,701	(160,911) [5]	(9,620)	(170,531) [34]	3,002	(157,909) [42]		
4	Total operating revenues (Sum of L1 thru L3)	<u>21,168,879</u>	<u>266,982</u>	<u>21,435,861</u>	<u>1,276,490</u>	<u>22,712,351</u>	<u>(398,377)</u>	<u>21,037,484</u>		
Maintenance Expenses:										
5	Purchased power	925,585	(44,691)	880,894 [6]	0	880,894	0	880,894		
6	Purchased sewer	1,048,540	0	1,048,540	0	1,048,540	0	1,048,540		
7	Maintenance and repair	1,842,508	(23,404)	1,819,104 [7]	0	1,819,104	0	1,819,104		
8	Maintenance testing	337,292	(13,763)	323,529 [8]	0	323,529	0	323,529		
9	Meter reading	3,394	(192)	3,202 [9]	0	3,202	0	3,202		
10	Chemicals	648,485	(6,536)	641,949 [10]	0	641,949	0	641,949		
11	Transportation	187,891	(16,611)	171,280 [11]	0	171,280	0	171,280		
12	Operating expenses charged to plant	(285,366)	(2,714)	(288,080) [12]	0	(288,080)	0	(288,080)		
13	Outside services - other	83,289	(11,808)	71,480 [13]	0	71,480	0	71,480		
14	Total maintenance expenses (Sum of L5 thru L14)	<u>4,791,618</u>	<u>(119,720)</u>	<u>4,671,898</u>	<u>0</u>	<u>4,671,898</u>	<u>0</u>	<u>4,671,898</u>		
General Expenses:										
15	Salaries and wages	2,500,066	(49,297)	2,450,768 [14]	0	2,450,768	0	2,450,768		
16	Office supplies and other office expense	210,794	(9,130)	201,664 [15]	0	201,664	0	201,664		
17	Regulatory commission expense	245,574	(92,121)	153,453 [16]	0	153,453	0	153,453		
18	Pension and other benefits	642,862	(50,146)	592,716 [17]	0	592,716	0	592,716		
19	Rent	139,224	(5,434)	133,790 [18]	0	133,790	0	133,790		
20	Insurance	487,864	26,378	514,242 [19]	0	514,242	0	514,242		
21	Office utilities	119,929	(6,787)	113,142 [20]	0	113,142	0	113,142		
22	Miscellaneous	1,893,520	(111,157)	1,782,363 [21]	0	1,782,363	0	1,782,363		
23	Total general expenses (Sum of L16 thru L23)	<u>6,239,834</u>	<u>(297,696)</u>	<u>5,942,138</u>	<u>0</u>	<u>5,942,138</u>	<u>0</u>	<u>5,942,138</u>		
Depreciation and Taxes:										
24	Depreciation expense	3,999,605	(307,458)	3,692,147 [22]	0	3,692,147	0	3,692,147		
25	Amortization of CIAC	(625,462)	0	(625,462)	0	(625,462)	0	(625,462)		
26	Amortization of PAA	(17,433)	251	(17,182) [23]	0	(17,182)	0	(17,182)		
27	Amortization of ITC	(254)	0	(254)	0	(254)	0	(254)		
28	Franchise and other taxes	54,065	(5,893)	48,172 [24]	0	48,172	0	48,172		
29	Property taxes	125,366	(19,736)	105,629 [25]	0	105,629	0	105,629		
30	Payroll taxes	192,670	(4,101)	188,569 [26]	0	188,569	0	188,569		
31	Regulatory fee	30,201	(191)	30,010 [27]	1,787	31,797 [35]	(558)	29,452 [43]		
32	Deferred Income Tax	0	(38,709)	(38,709) [28]	0	(38,709)	0	(38,709)		
33	State income tax	154,474	(18,608)	135,867 [29]	31,868	167,734 [36]	(9,945)	125,921 [44]		
34	Federal income tax	1,265,145	(152,396)	1,112,748 [30]	260,995	1,373,744 [37]	(81,453)	1,031,295 [45]		
35	Total depreciation and taxes (Sum of L25 thru L35)	<u>5,178,377</u>	<u>(546,842)</u>	<u>4,631,535</u>	<u>294,650</u>	<u>4,926,185</u>	<u>(91,957)</u>	<u>4,539,579</u>		
36	Total operating revenue deductions (L15 + L24 + L36)	<u>16,209,830</u>	<u>(964,257)</u>	<u>15,245,572</u>	<u>294,650</u>	<u>15,540,222</u>	<u>(91,957)</u>	<u>15,153,615</u>		
37	Net operating income for a return (L4 - L37)	<u>\$4,959,050</u>	<u>\$1,231,239</u>	<u>\$6,190,289</u>	<u>\$981,840</u>	<u>\$7,172,128</u>	<u>(\$306,420)</u>	<u>\$5,883,869</u>		

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NET OPERATING INCOME FOR A RETURN
 For The Test Year Ended March 31, 2023

Public Staff Settlement Exhibit 1
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BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 2			Rate Year 2			Rate Year 2		
		Present Rates			Company Proposed Rates			Public Staff Recommended Rates		
		Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)	Net Company Increase [31] (d)	Operations After Rate Increase [32] (e)	Net Public Staff Increase [38] (f)	Operations After Rate Increase [39] (g)		
Operating Revenues:										
1	Service revenues	\$2,452,708	\$58,062	\$2,510,770 [3]	\$150,350	\$2,661,120 [3]	(\$49,417)	\$2,461,353 [40]		
2	Miscellaneous revenues	14,851	1,257	16,108 [4]	423	16,532 [33]	(139)	15,970 [41]		
3	Uncollectible accounts	(38,516)	3,867	(34,649) [5]	(2,075)	(36,723) [34]	682	(33,967) [42]		
4	Total operating revenues (Sum of L1 thru L3)	2,429,043	63,187	2,492,230	148,698	2,640,928	(48,874)	2,443,356		
Maintenance Expenses:										
5	Purchased power	79,830	(4,605)	75,224 [6]	0	75,224	0	75,224		
6	Purchased water	609	0	609	0	609	0	609		
7	Maintenance and repair	222,939	(3,712)	219,227 [7]	0	219,227	0	219,227		
8	Maintenance testing	11,329	(533)	10,796 [8]	0	10,796	0	10,796		
9	Meter reading	53,954	(3,552)	50,402 [9]	0	50,402	0	50,402		
10	Chemicals	95,814	(2,849)	92,965 [10]	0	92,965	0	92,965		
11	Transportation	43,719	(7,552)	36,167 [11]	0	36,167	0	36,167		
12	Operating expenses charged to plant	(69,529)	(546)	(70,076) [12]	0	(70,076)	0	(70,076)		
13	Outside services - other	28,035	(1,846)	26,190 [13]	0	26,190	0	26,190		
14	Total maintenance expenses (Sum of L5 thru L14)	466,698	(25,196)	441,503	0	441,503	0	441,503		
General Expenses:										
15	Salaries and wages	503,475	(9,928)	493,547 [14]	0	493,547	0	493,547		
16	Office supplies and other office expense	40,150	(1,947)	38,203 [15]	0	38,203	0	38,203		
17	Regulatory commission expense	51,115	(18,851)	32,264 [16]	0	32,264	0	32,264		
18	Pension and other benefits	130,314	(10,950)	119,364 [17]	0	119,364	0	119,364		
19	Rent	28,274	(1,331)	26,943 [18]	0	26,943	0	26,943		
20	Insurance	109,838	(6,276)	103,562 [19]	0	103,562	0	103,562		
21	Office utilities	19,680	(1,295)	18,384 [20]	0	18,384	0	18,384		
22	Miscellaneous	355,613	(9,052)	346,561 [21]	0	346,561	0	346,561		
23	Total general expenses (Sum of L16 thru L23)	1,238,459	(59,631)	1,178,828	0	1,178,828	0	1,178,828		
Depreciation and Taxes:										
24	Depreciation expense	283,593	(22,071)	261,522 [22]	0	261,522	0	261,522		
25	Amortization of CIAC	(57,707)	0	(57,707)	0	(57,707)	0	(57,707)		
26	Amortization of PAA	15,854	(1,215)	14,639 [23]	0	14,639	0	14,639		
27	Amortization of ITC	0	0	0	0	0	0	0		
28	Franchise and other taxes	(1,497)	176	(1,321) [24]	0	(1,321)	0	(1,321)		
29	Property taxes	11,264	(3,518)	7,746 [25]	0	7,746	0	7,746		
30	Payroll taxes	38,801	(826)	37,975 [26]	0	37,975	0	37,975		
31	Regulatory fee	3,486	3	3,489 [27]	208	3,697 [35]	(68)	3,421 [43]		
32	Deferred Income Tax	0	(8,585)	(8,585) [28]	0	(8,585)	0	(8,585)		
33	State income tax	12,472	(1,290)	11,182 [29]	3,712	14,894 [36]	(1,220)	9,962 [44]		
34	Federal income tax	102,150	(10,568)	91,582 [30]	30,403	121,985 [37]	(9,993)	81,589 [45]		
35	Total depreciation and taxes (Sum of L25 thru L35)	408,415	(47,893)	360,522	34,324	394,846	(11,281)	349,241		
36	Total operating revenue deductions (L15 + L24 + L36)	2,113,573	(132,720)	1,980,853	34,324	2,015,177	(11,281)	1,969,572		
37	Net operating income for a return (L4 - L37)	\$315,470	\$195,906	\$511,376	\$114,375	\$625,751	(\$37,593)	\$473,784		

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Line No.	Item	Rate Year 2			Rate Year 2			Rate Year 2		
		Present Rates			Company Proposed Rates			Public Staff Recommended Rates		
		Amount Per Updates	Public Staff Adjustments [1]	Amount Per Public Staff [2]	Net Company Increase [31]	Operations After Rate Increase [32]	Net Public Staff Increase [38]	Operations After Rate Increase [39]		
		(a)	(b)	(c)	(d)	(e)	(f)	(g)		
Operating Revenues:										
1	Service revenues	\$3,227,224	(\$57,922)	\$3,169,302 [3]	\$253,190	\$3,422,492 [3]	\$525,052	\$3,694,354 [40]		
2	Miscellaneous revenues	20,313	1,069	21,382 [4]	1,483	22,865 [33]	2,212	23,595 [41]		
3	Uncollectible accounts	(50,678)	6,942	(43,736) [5]	(3,494)	(47,230) [34]	(7,246)	(50,982) [42]		
4	Total operating revenues (Sum of L1 thru L3)	3,196,859	(49,911)	3,146,948	251,179	3,398,127	520,019	3,666,967		
Maintenance Expenses:										
5	Purchased power	171,123	(11,530)	159,593	0	159,593	0	159,593		
6	Purchased sewer	0	0	0 [6]	0	0	0	0		
7	Maintenance and repair	265,267	(26,330)	238,937 [7]	0	238,937	0	238,937		
8	Maintenance testing	27,029	(1,428)	25,601 [8]	0	25,601	0	25,601		
9	Meter reading	1,191	(89)	1,102	0	1,102	0	1,102		
10	Chemicals	75,498	(8,608)	66,890	0	66,890	0	66,890		
11	Transportation	45,162	(8,140)	37,022	0	37,022	0	37,022		
12	Operating expenses charged to plant	(71,170)	(559)	(71,730) [9]	0	(71,730)	0	(71,730)		
13	Outside services - other	28,960	(2,153)	26,808	0	26,808	0	26,808		
14	Total maintenance expenses (Sum of L5 thru L14)	543,060	(58,836)	484,224	0	484,224	0	484,224		
General Expenses:										
15	Salaries and wages	515,357	(10,162)	505,195 [10]	0	505,195	0	505,195		
16	Office supplies and other office expense	41,358	(2,253)	39,105 [11]	0	39,105	0	39,105		
17	Regulatory commission expense	52,453	(19,431)	33,023 [12]	0	33,023	0	33,023		
18	Pension and other benefits	134,203	(12,023)	122,181 [13]	0	122,181	0	122,181		
19	Rent	29,118	(1,539)	27,579 [14]	0	27,579	0	27,579		
20	Insurance	107,635	(1,632)	106,003 [15]	0	106,003	0	106,003		
21	Office utilities	20,329	(1,511)	18,817	0	18,817	0	18,817		
22	Miscellaneous	366,279	(11,575)	354,704 [16]	0	354,704	0	354,704		
23	Total general expenses (Sum of L16 thru L23)	1,266,732	(60,125)	1,206,607	0	1,206,607	0	1,206,607		
Depreciation and Taxes:										
24	Depreciation expense	613,383	(2,528)	610,855 [17]	0	610,855	0	610,855		
25	Amortization of CIAC	(150,635)	(0)	(150,635) [18]	0	(150,635)	0	(150,635)		
26	Amortization of PAA	43,850	(336)	43,514 [19]	0	43,514	0	43,514		
27	Amortization of ITC	0	0	0	0	0	0	0		
28	Franchise and other taxes	(1,547)	194	(1,352)	0	(1,352)	0	(1,352)		
29	Property taxes	13,031	(3,277)	9,754	0	9,754	0	9,754		
30	Payroll taxes	39,717	(845)	38,871 [20]	0	38,871	0	38,871		
31	Regulatory fee	5,014	(608)	4,406 [21]	351	4,757 [35]	728	5,134 [43]		
32	Deferred Income Tax	0	(8,786)	(8,786) [22]	0	(8,786)	0	(8,786)		
33	State income tax	27,288	(14,723)	12,545 [23]	6,271	18,815 [36]	12,982	25,527 [44]		
34	Federal income tax	223,323	(120,583)	102,740 [24]	51,357	154,097 [37]	106,325	209,064 [45]		
35	Total depreciation and taxes (Sum of L25 thru L35)	813,403	(151,492)	661,911	57,979	719,889	120,035	781,946		
36	Total operating revenue deductions (L15 + L24 + L36)	2,623,194	(270,453)	2,352,741	57,979	2,410,720	120,035	2,472,776		
37	Net operating income for a return (L4 - L37)	\$573,665	\$220,542	\$794,207	\$193,200	\$987,407	\$399,984	\$1,194,191		

CAROLINA WATER SERVICE, INC., OF NC

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FOOTNOTES TO SCHEDULE 3(a)

For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1

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**Rate Year 2
CWSNC WATER OPERATIONS**

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exh bit 1, Schedule 3-1(a), Column (f), Line 4.
- [5] Public Staff Settlement Exh bit 1, Schedule 3-2(a), Column (b), Line 6.
- [6] Public Staff Settlement Exh bit 1, Schedule 3-4(a), Column (b), Line 6.
- [7] Public Staff Settlement Exh bit 1, Schedule 3-5(1), Column (b), Line 7.
- [8] Public Staff Settlement Exh bit 1, Schedule 3-6(a), Column (b), Line 6.
- [9] Public Staff Settlement Exh bit 1, Schedule 3-7(a), Column (b), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exh bit 1, Schedule 3-8(a), Column (b), Line 6.
- [12] Public Staff Settlement Exh bit 1, Schedule 3-9(a), Column (b), Line 6.
- [13] Public Staff Settlement Exh bit 1, Schedule 3-10(a), Column (b), Line 6.
- [14] Public Staff Settlement Exh bit 1, Schedule 3-3(a), Column (b), Line 6.
- [15] Public Staff Settlement Exh bit 1, Schedule 3-11(a), Column (b), Line 6.
- [16] Public Staff Settlement Exh bit 1, Schedule 3-12(a), Column (d), Line 11.
- [17] Public Staff Settlement Exh bit 1, Schedule 3-13(a), Column (b), Line 6.
- [18] Public Staff Settlement Exh bit 1, Schedule 3-14(a), Column (b), Line 6.
- [19] Public Staff Settlement Exh bit 1, Schedule 3-15(a), Column (b), Line 10.
- [20] Public Staff Settlement Exh bit 1, Schedule 3-16(a), Column (b), Line 6.
- [21] Public Staff Settlement Exh bit 1, Schedule 3-17(a), Column (b), Line 6.
- [22] Public Staff Settlement Exh bit 1, Schedule 3-18(a), Column (b), Line 5.
- [23] Public Staff Settlement Exh bit 1, Schedule 3-18(a), Column (b), Line 13.
- [24] Public Staff Settlement Exh bit 1, Schedule 3-19(a), Column (b), Line 6.
- [25] Public Staff Settlement Exh bit 1, Schedule 3-21(a), Column (b), Line 6.
- [26] Public Staff Settlement Exh bit 1, Schedule 3-20(a), Column (b), Line 6.
- [27] Line 4 Column (c) multiplied by 0.14%.
- [28] Calculated based on the Public Staff's workpaper.
- [29] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(2), Column (d), Line 16.
- [30] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(2), Column (d), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exh bit 1, Schedule 3-1(a), Column (f), Line 8.
- [34] Public Staff Settlement Exh bit 1, Schedule 3-2(a), Column (b), Line 9.
- [35] Line 4 Column (e) multiplied by 0.14%.
- [36] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(2), Column (e), Line 16.
- [37] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(2), Column (e), Line 18.
- [38] Column (g) minus Column (c), unless otherwise footnoted.
- [39] Column (c) plus Column (f), unless otherwise footnoted.
- [40] Revenue requirement as calculated by the Public Staff.
- [41] Public Staff Settlement Exh bit 1, Schedule 3-1(a), Column (f), Line 12.
- [42] Public Staff Settlement Exh bit 1, Schedule 3-2(a), Column (b), Line 12.
- [43] Line 4 Column (g) multiplied by 0.14%.
- [44] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(2), Column (f), Line 16.
- [45] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(2), Column (f), Line 18.

CAROLINA WATER SERVICE, INC., OF NC

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FOOTNOTES TO SCHEDULE 3(b)

For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1

Schedule 3(b)(2)

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**Rate Year 2
CWSNC SEWER OPERATIONS**

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exh bit 1, Schedule 3-1(b), Column (f), Line 4.
- [5] Public Staff Settlement Exh bit 1, Schedule 3-2(b), Column (b), Line 6.
- [6] Public Staff Settlement Exh bit 1, Schedule 3-4(b), Column (b), Line 6.
- [7] Public Staff Settlement Exh bit 1, Schedule 3-5(2), Column (b), Line 7.
- [8] Public Staff Settlement Exh bit 1, Schedule 3-6(b), Column (b), Line 6.
- [9] Public Staff Settlement Exh bit 1, Schedule 3-7(b), Column (b), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exh bit 1, Schedule 3-8(b), Column (b), Line 6.
- [12] Public Staff Settlement Exh bit 1, Schedule 3-9(b), Column (b), Line 6.
- [13] Public Staff Settlement Exh bit 1, Schedule 3-10(b), Column (b), Line 6.
- [14] Public Staff Settlement Exh bit 1, Schedule 3-3(b), Column (b), Line 6.
- [15] Public Staff Settlement Exh bit 1, Schedule 3-11(b), Column (b), Line 6.
- [16] Public Staff Settlement Exh bit 1, Schedule 3-12(b), Column (e), Line 11.
- [17] Public Staff Settlement Exh bit 1, Schedule 3-13(b), Column (b), Line 6.
- [18] Public Staff Settlement Exh bit 1, Schedule 3-14(b), Column (b), Line 6.
- [19] Public Staff Settlement Exh bit 1, Schedule 3-15(b), Column (b), Line 10.
- [20] Public Staff Settlement Exh bit 1, Schedule 3-16(b), Column (b), Line 6.
- [21] Public Staff Settlement Exh bit 1, Schedule 3-17(b), Column (b), Line 6.
- [22] Public Staff Settlement Exh bit 1, Schedule 3-18(b), Column (b), Line 5.
- [23] Public Staff Settlement Exh bit 1, Schedule 3-18(b), Column (b), Line 13.
- [24] Public Staff Settlement Exh bit 1, Schedule 3-19(b), Column (b), Line 6.
- [25] Public Staff Settlement Exh bit 1, Schedule 3-21(b), Column (b), Line 6.
- [26] Public Staff Settlement Exh bit 1, Schedule 3-20(b), Column (b), Line 6.
- [27] Line 4 Column (c) multiplied by 0.14%.
- [28] Calculated based on the Public Staff's workpaper.
- [29] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(2), Column (d), Line 16.
- [30] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(2), Column (d), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exh bit 1, Schedule 3-1(b), Column (f), Line 8.
- [34] Public Staff Settlement Exh bit 1, Schedule 3-2(b), Column (b), Line 9.
- [35] Line 4 Column (e) multiplied by 0.14%.
- [36] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(2), Column (e), Line 16.
- [37] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(2), Column (e), Line 18.
- [38] Column (g) minus Column (c), unless otherwise footnoted.
- [39] Column (c) plus Column (f), unless otherwise footnoted.
- [40] Revenue requirement as calculated by the Public Staff.
- [41] Public Staff Settlement Exh bit 1, Schedule 3-1(b), Column (f), Line 12.
- [42] Public Staff Settlement Exh bit 1, Schedule 3-2(b), Column (b), Line 12.
- [43] Line 4 Column (g) multiplied by 0.14%.
- [44] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(2), Column (f), Line 16.
- [45] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(2), Column (f), Line 18.

CAROLINA WATER SERVICE, INC., OF NC

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FOOTNOTES TO SCHEDULE 3(c)

For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1

Schedule 3(c)(1)

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**Rate Year 2
BF/FH/TC WATER OPERATIONS**

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exh bit 1, Schedule 3-1(c), Column (f), Line 4.
- [5] Public Staff Settlement Exh bit 1, Schedule 3-2(c), Column (b), Line 6.
- [6] Public Staff Settlement Exh bit 1, Schedule 3-4(c), Column (b), Line 6.
- [7] Public Staff Settlement Exh bit 1, Schedule 3-5(3), Column (b), Line 7.
- [8] Public Staff Settlement Exh bit 1, Schedule 3-6(c), Column (b), Line 6.
- [9] Public Staff Settlement Exh bit 1, Schedule 3-7(c), Column (b), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exh bit 1, Schedule 3-8(c), Column (b), Line 6.
- [12] Public Staff Settlement Exh bit 1, Schedule 3-9(c), Column (b), Line 6.
- [13] Public Staff Settlement Exh bit 1, Schedule 3-10(c), Column (b), Line 6.
- [14] Public Staff Settlement Exh bit 1, Schedule 3-3(c), Column (b), Line 6.
- [15] Public Staff Settlement Exh bit 1, Schedule 3-11(c), Column (b), Line 6.
- [16] Public Staff Settlement Exh bit 1, Schedule 3-12(c), Column (f), Line 11.
- [17] Public Staff Settlement Exh bit 1, Schedule 3-13(c), Column (b), Line 6.
- [18] Public Staff Settlement Exh bit 1, Schedule 3-14(c), Column (b), Line 6.
- [19] Public Staff Settlement Exh bit 1, Schedule 3-15(c), Column (b), Line 10.
- [20] Public Staff Settlement Exh bit 1, Schedule 3-16(c), Column (b), Line 6.
- [21] Public Staff Settlement Exh bit 1, Schedule 3-17(c), Column (b), Line 6.
- [22] Public Staff Settlement Exh bit 1, Schedule 3-18(c), Column (b), Line 5.
- [23] Public Staff Settlement Exh bit 1, Schedule 3-18(c), Column (b), Line 13.
- [24] Public Staff Settlement Exh bit 1, Schedule 3-19(c), Column (b), Line 6.
- [25] Public Staff Settlement Exh bit 1, Schedule 3-21(c), Column (b), Line 6.
- [26] Public Staff Settlement Exh bit 1, Schedule 3-20(c), Column (b), Line 6.
- [27] Line 4 Column (c) multiplied by 0.14%.
- [28] Calculated based on the Public Staff's workpaper.
- [29] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(2), Column (d), Line 16.
- [30] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(2), Column (d), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exh bit 1, Schedule 3-1(c), Column (f), Line 8.
- [34] Public Staff Settlement Exh bit 1, Schedule 3-2(c), Column (b), Line 9.
- [35] Line 4 Column (e) multiplied by 0.14%.
- [36] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(2), Column (e), Line 16.
- [37] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(2), Column (e), Line 18.
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- [40] Revenue requirement as calculated by the Public Staff.
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- [42] Public Staff Settlement Exh bit 1, Schedule 3-2(c), Column (b), Line 12.
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- [44] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(2), Column (f), Line 16.
- [45] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(2), Column (f), Line 18.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

FOOTNOTES TO SCHEDULE 3(d)

For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1

Schedule 3(d)(1)

Page 2 of 2

**Rate Year 2
BF/FH SEWER OPERATIONS**

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (b), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exh bit 1, Schedule 3-1(d), Column (f), Line 4.
- [5] Public Staff Settlement Exh bit 1, Schedule 3-2(d), Column (b), Line 6.
- [6] Public Staff Settlement Exh bit 1, Schedule 3-4(d), Column (b), Line 6.
- [7] Public Staff Settlement Exh bit 1, Schedule 3-5(4), Column (b), Line 7.
- [8] Public Staff Settlement Exh bit 1, Schedule 3-6(d), Column (b), Line 6.
- [9] Public Staff Settlement Exh bit 1, Schedule 3-7(d), Column (b), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exh bit 1, Schedule 3-8(d), Column (b), Line 6.
- [12] Public Staff Settlement Exh bit 1, Schedule 3-9(d), Column (b), Line 6.
- [13] Public Staff Settlement Exh bit 1, Schedule 3-10(d), Column (b), Line 6.
- [14] Public Staff Settlement Exh bit 1, Schedule 3-3(d), Column (b), Line 6.
- [15] Public Staff Settlement Exh bit 1, Schedule 3-11(d), Column (b), Line 6.
- [16] Public Staff Settlement Exh bit 1, Schedule 3-12(d), Column (g), Line 11.
- [17] Public Staff Settlement Exh bit 1, Schedule 3-13(d), Column (b), Line 6.
- [18] Public Staff Settlement Exh bit 1, Schedule 3-14(d), Column (b), Line 6.
- [19] Public Staff Settlement Exh bit 1, Schedule 3-15(d), Column (b), Line 10.
- [20] Public Staff Settlement Exh bit 1, Schedule 3-16(d), Column (b), Line 6.
- [21] Public Staff Settlement Exh bit 1, Schedule 3-17(d), Column (b), Line 6.
- [22] Public Staff Settlement Exh bit 1, Schedule 3-18(d), Column (b), Line 5.
- [23] Public Staff Settlement Exh bit 1, Schedule 3-18(d), Column (b), Line 13.
- [24] Public Staff Settlement Exh bit 1, Schedule 3-19(d), Column (b), Line 6.
- [25] Public Staff Settlement Exh bit 1, Schedule 3-21(d), Column (b), Line 6.
- [26] Public Staff Settlement Exh bit 1, Schedule 3-20(d), Column (b), Line 6.
- [27] Line 4 Column (c) multiplied by 0.14%.
- [28] Calculated based on the Public Staff's workpaper.
- [29] Public Staff Settlement Exh bit 1, Schedule 3-22(d)(2), Column (d), Line 16.
- [30] Public Staff Settlement Exh bit 1, Schedule 3-22(d)(2), Column (d), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exh bit 1, Schedule 3-1(d), Column (f), Line 8.
- [34] Public Staff Settlement Exh bit 1, Schedule 3-2(d), Column (b), Line 9.
- [35] Line 4 Column (e) multiplied by 0.14%.
- [36] Public Staff Settlement Exh bit 1, Schedule 3-22(d)(2), Column (e), Line 16.
- [37] Public Staff Settlement Exh bit 1, Schedule 3-22(d)(2), Column (e), Line 18.
- [38] Column (g) minus Column (c), unless otherwise footnoted.
- [39] Column (c) plus Column (f), unless otherwise footnoted.
- [40] Revenue requirement as calculated by the Public Staff.
- [41] Public Staff Settlement Exh bit 1, Schedule 3-1(d), Column (f), Line 12.
- [42] Public Staff Settlement Exh bit 1, Schedule 3-2(d), Column (b), Line 12.
- [43] Line 4 Column (g) multiplied by 0.14%.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
NET OPERATING INCOME FOR A RETURN
For The Test Year Ended March 31, 2026

Public Staff Settlement Exhibit 1
Schedule 3(a)(3)
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Line No.	Item	Rate Year 3			Rate Year 3			Rate Year 3		
		Present Rates			Company Proposed Rates			Public Staff Recommended Rates		
		Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)	Net Company Increase [31] (d)	Operations After Rate Increase [32] (e)	Net Public Staff Increase [38] (f)	Operations After Rate Increase [39] (g)		
Operating Revenues										
1	Service revenues	\$28,258,195	(\$1,021,621)	\$27,236,574 [3]	\$1,143,051	\$28,379,625 [3]	(\$704,667)	\$26,531,907 [40]		
2	Miscellaneous revenues	178,273	7,740	186,014 [4]	3,242	189,256 [33]	(1,999)	184,015 [41]		
3	Uncollectible accounts	(276,059)	71,785	(204,274) [5]	(8,573)	(212,847) [34]	5,285	(198,989) [42]		
4	Total operating revenues (Sum of L1 thru L3)	28,160,409	(942,096)	27,218,313	1,137,720	28,356,033	(701,381)	26,516,933		
Maintenance Expenses										
5	Purchased power	1,233,088	(37,535)	1,195,554 [6]	0	1,195,554	0	1,195,554		
6	Purchased water	1,665,457	0	1,665,457	0	1,665,457	0	1,665,457		
7	Maintenance and repair	1,313,104	(41,672)	1,271,432 [7]	0	1,271,432	0	1,271,432		
8	Maintenance testing	224,526	(12,681)	211,845 [8]	0	211,845	0	211,845		
9	Meter reading	268,933	(27,570)	241,363 [9]	0	241,363	0	241,363		
10	Chemicals	454,342	(78,603)	375,739 [10]	0	375,739	0	375,739		
11	Transportation	329,055	(41,963)	287,092 [11]	0	287,092	0	287,092		
12	Operating expenses charged to plant	(492,665)	(4,685)	(497,349) [12]	0	(497,349)	0	(497,349)		
13	Outside services - other	145,864	(23,175)	122,689 [13]	0	122,689	0	122,689		
14	Total maintenance expenses (Sum of L5 thru L14)	5,141,706	(267,884)	4,873,821	0	4,873,821	0	4,873,821		
General Expenses										
15	Salaries and wages	4,316,196	(85,109)	4,231,087 [14]	0	4,231,087	0	4,231,087		
16	Office supplies and other office expense	368,027	(21,895)	346,131 [15]	0	346,131	0	346,131		
17	Regulatory commission expense	416,222	(159,014)	257,208 [16]	0	257,208	0	257,208		
18	Pension and other benefits	1,121,725	(98,441)	1,023,284 [17]	0	1,023,284	0	1,023,284		
19	Rent	238,960	(9,327)	229,633 [18]	0	229,633	0	229,633		
20	Insurance	842,056	40,575	882,631 [19]	0	882,631	0	882,631		
21	Office utilities	211,868	(15,977)	195,891 [20]	0	195,891	0	195,891		
22	Miscellaneous	3,424,883	(401,811)	3,023,072 [21]	0	3,023,072	0	3,023,072		
23	Total general expenses (Sum of L16 thru L23)	10,939,937	(751,000)	10,188,937	0	10,188,937	0	10,188,937		
Depreciation and Taxes										
24	Depreciation expense	4,709,887	(398,319)	4,311,568 [22]	0	4,311,568	0	4,311,568		
25	Amortization of CIAC	(733,560)	0	(733,560) [23]	0	(733,560)	0	(733,560)		
26	Amortization of PAA	(117,358)	(2,533)	(119,891) [23]	0	(119,891)	0	(119,891)		
27	Amortization of ITC	(265)	0	(265)	0	(265)	0	(265)		
28	Franchise and other taxes	66,238	(9,753)	56,486 [24]	0	56,486	0	56,486		
29	Property taxes	164,424	(28,455)	135,969 [25]	0	135,969	0	135,969		
30	Payroll taxes	332,632	(7,081)	325,551 [26]	0	325,551	0	325,551		
31	Regulatory fee	38,552	(446)	38,106 [27]	1,592	39,698 [35]	(982)	37,124 [43]		
32	Deferred Income Tax	0	(64,882)	(64,882) [28]	0	(64,882)	0	(64,882)		
33	State income tax	166,819	(15,711)	151,107 [29]	28,403	179,511 [36]	(17,510)	133,598 [44]		
34	Federal income tax	1,366,245	(128,674)	1,237,570 [30]	232,622	1,470,192 [37]	(143,407)	1,094,164 [44]		
35	Total depreciation and taxes (Sum of L25 thru L35)	5,993,614	(655,855)	5,337,759	262,617	5,600,377	(161,899)	5,175,861		
36	Total operating revenue deductions (L15 + L24 + L36)	22,075,257	(1,674,739)	20,400,518	262,617	20,663,135	(161,899)	20,238,619		
37	Net operating income for a return (L4 - L37)	\$6,085,152	\$732,643	\$6,817,795	\$875,103	\$7,692,898	(\$539,482)	\$6,278,313		

CAROLINA WATER SERVICE, INC., OF NC
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Line No.	Item	Rate Year 3			Rate Year 3			Rate Year 3		
		Present Rates			Company Proposed Rates			Public Staff Recommended Rates		
		Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)	Net Company Increase [31] (d)	Operations After Rate Increase [32] (e)	Net Public Staff Increase [38] (f)	Operations After Rate Increase [39] (g)		
Operating Revenues										
1	Service revenues	\$23,129,810	(\$392,354)	\$22,737,456 [3]	\$1,388,013	\$24,125,469 [3]	\$166,779	\$22,904,235 [40]		
2	Miscellaneous revenues	129,287	16,139	145,426 [4]	3,719	149,145 [33]	447	145,873 [41]		
3	Uncollectible accounts	(225,959)	55,428	(170,531) [5]	(10,410)	(180,941) [34]	(1,251)	(171,782) [42]		
4	Total operating revenues (Sum of L1 thru L3)	23,033,138	(320,787)	22,712,351	1,381,322	24,093,673	165,975	22,878,326		
Maintenance Expenses										
5	Purchased power	949,548	(43,635)	905,914 [6]	0	905,914	0	905,914		
6	Purchased sewer	1,048,540	0	1,048,540	0	1,048,540	0	1,048,540		
7	Maintenance and repair	1,681,719	(65,734)	1,615,985 [7]	0	1,615,985	0	1,615,985		
8	Maintenance testing	346,025	(14,731)	331,294 [8]	0	331,294	0	331,294		
9	Meter reading	3,482	(203)	3,279 [9]	0	3,279	0	3,279		
10	Chemicals	665,274	(5,092)	660,182 [10]	0	660,182	0	660,182		
11	Transportation	192,756	(21,476)	171,280 [11]	0	171,280	0	171,280		
12	Operating expenses charged to plant	(293,927)		(296,722) [12]	0	(296,722)	0	(296,722)		
13	Outside services - other	85,445	(12,249)	73,196 [13]	0	73,196	0	73,196		
14	Total maintenance expenses (Sum of L5 thru L14)	4,678,863	(165,915)	4,512,948	0	4,512,948	0	4,512,948		
General Expenses										
15	Salaries and wages	2,575,068	(50,776)	2,524,291 [14]	0	2,524,291	0	2,524,291		
16	Office supplies and other office expense	216,251	(9,747)	206,504 [15]	0	206,504	0	206,504		
17	Regulatory commission expense	247,160	(93,707)	153,453 [16]	0	153,453	0	153,453		
18	Pension and other benefits	659,506	(49,008)	610,498 [17]	0	610,498	0	610,498		
19	Rent	142,566	(5,565)	137,001 [18]	0	137,001	0	137,001		
20	Insurance	517,228	9,355	526,583 [19]	0	526,583	0	526,583		
21	Office utilities	123,034	(7,177)	115,857 [20]	0	115,857	0	115,857		
22	Miscellaneous	1,942,998	(117,858)	1,825,140 [21]	0	1,825,140	0	1,825,140		
23	Total general expenses (Sum of L16 thru L23)	6,423,810	(324,483)	6,099,327	0	6,099,327	0	6,099,327		
Depreciation and Taxes										
24	Depreciation expense	4,341,053	(207,765)	4,133,288 [22]	0	4,133,288	0	4,133,288		
25	Amortization of CIAC	(625,462)	0	(625,462)	0	(625,462)	0	(625,462)		
26	Amortization of PAA	(17,433)	376	(17,056) [23]	0	(17,056)	0	(17,056)		
27	Amortization of ITC	(254)	0	(254)	0	(254)	0	(254)		
28	Franchise and other taxes	55,465	(7,293)	48,172 [24]	0	48,172	0	48,172		
29	Property taxes	137,050	(31,421)	105,629 [25]	0	105,629	0	105,629		
30	Payroll taxes	198,450	(4,224)	194,226 [26]	0	194,226	0	194,226		
31	Regulatory fee	32,246	(449)	31,797 [27]	1,934	33,731 [35]	233	32,030 [43]		
32	Deferred Income Tax	0	(38,709)	(38,709) [28]	0	(38,709)	0	(38,709)		
33	State income tax	175,618	(28,719)	146,899 [29]	34,485	181,384 [36]	4,144	151,043 [44]		
34	Federal income tax	1,438,309	(235,206)	1,203,103 [30]	282,430	1,485,532 [37]	33,936	1,237,038 [44]		
35	Total depreciation and taxes (Sum of L25 thru L35)	5,735,043	(553,410)	5,181,633	318,848	5,500,481	38,312	5,219,945		
36	Total operating revenue deductions (L15 + L24 + L36)	16,837,716	(1,043,808)	15,793,908	318,848	16,112,756	38,312	15,832,220		
37	Net operating income for a return (L4 - L37)	\$6,195,422	\$723,021	\$6,918,443	\$1,062,473	\$7,980,917	\$127,663	\$7,046,106		

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Line No.	Item	Rate Year 3		Rate Year 3		Rate Year 3		
		Present Rates		Company Proposed Rates		Public Staff Recommended Rates		
		Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)	Net Company Increase [31] (d)	Operations After Rate Increase [32] (e)	Net Public Staff Increase [38] (f)	Operations After Rate Increase [39] (g)
Operating Revenues								
1	Service revenues	\$2,691,227	(\$30,107)	\$2,661,120 [3]	\$112,016	\$2,773,136 [3]	(\$150,464)	\$2,510,656 [40]
2	Miscellaneous revenues	15,531	1,001	16,531 [4]	316	16,847 [33]	(423)	16,108 [41]
3	Uncollectible accounts	(42,261)	5,538	(36,723) [5]	(1,546)	(38,269) [34]	2,076	(34,647) [42]
4	Total operating revenues (Sum of L1 thru L3)	2,664,496	(23,568)	2,640,928	110,786	2,751,714	(148,811)	2,492,117
Maintenance Expenses								
5	Purchased power	82,435	(5,066)	77,369 [6]	0	77,369	0	77,369
6	Purchased water	609	0	609 [7]	0	609	0	609
7	Maintenance and repair	226,670	(3,035)	223,636 [7]	0	223,636	0	223,636
8	Maintenance testing	11,699	(644)	11,055 [8]	0	11,055	0	11,055
9	Meter reading	55,715	(4,103)	51,611 [9]	0	51,611	0	51,611
10	Chemicals	98,941	(3,326)	95,615 [10]	0	95,615	0	95,615
11	Transportation	45,146	(8,979)	36,167 [11]	0	36,167	0	36,167
12	Operating expenses charged to plant	(71,615)	(563)	(72,178) [12]	0	(72,178)	0	(72,178)
13	Outside services - other	28,950	(2,132)	26,818 [13]	0	26,818	0	26,818
14	Total maintenance expenses (Sum of L5 thru L14)	478,549	(27,848)	450,701	0	450,701	0	450,701
General Expenses								
15	Salaries and wages	518,579	(10,226)	508,354 [14]	0	508,354	0	508,354
16	Office supplies and other office expense	41,460	(2,340)	39,120 [15]	0	39,120	0	39,120
17	Regulatory commission expense	51,572	(19,308)	32,264 [16]	0	32,264	0	32,264
18	Pension and other benefits	134,567	(11,622)	122,945 [17]	0	122,945	0	122,945
19	Rent	29,196	(1,607)	27,589 [18]	0	27,589	0	27,589
20	Insurance	116,690	(10,644)	106,046 [19]	0	106,046	0	106,046
21	Office utilities	20,322	(1,496)	18,825 [20]	0	18,825	0	18,825
22	Miscellaneous	367,500	(12,621)	354,878 [21]	0	354,878	0	354,878
23	Total general expenses (Sum of L16 thru L23)	1,279,886	(69,865)	1,210,021	0	1,210,021	0	1,210,021
Depreciation and Taxes								
24	Depreciation expense	308,493	(39,795)	268,698 [22]	0	268,698	0	268,698
25	Amortization of CIAC	(57,707)	0	(57,707) [23]	0	(57,707)	0	(57,707)
26	Amortization of PAA	15,854	(1,336)	14,518 [24]	0	14,518	0	14,518
27	Amortization of ITC	0	0	0 [25]	0	0	0	0
28	Franchise and other taxes	(1,546)	225	(1,321) [26]	0	(1,321)	0	(1,321)
29	Property taxes	12,231	(4,485)	7,746 [27]	0	7,746	0	7,746
30	Payroll taxes	39,965	(851)	39,114 [28]	0	39,114	0	39,114
31	Regulatory fee	3,719	(22)	3,697 [29]	155	3,852 [35]	(208)	3,489 [43]
32	Deferred Income Tax	0	(8,585)	(8,585) [30]	0	(8,585)	0	(8,585)
33	State income tax	14,287	(607)	13,679 [31]	2,766	16,445 [36]	(3,715)	9,964 [44]
34	Federal income tax	117,006	(4,975)	112,031 [32]	22,652	134,683 [37]	(30,426)	81,605 [44]
35	Total depreciation and taxes (Sum of L25 thru L35)	452,302	(60,432)	391,870	25,572	417,443	(34,349)	357,521
36	Total operating revenue deductions (L15 + L24 + L36)	2,210,737	(158,144)	2,052,593	25,572	2,078,165	(34,349)	2,018,243
37	Net operating income for a return (L4 - L37)	\$453,759	\$134,576	\$588,335	\$85,214	\$673,548	(\$114,461)	\$473,874

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Line No.	Item	Rate Year 3			Rate Year 3		Rate Year 3	
		Present Rates			Company Proposed Rates		Public Staff Recommended Rates	
		Amount Per Updates (a)	Public Staff Adjustments [1] (b)	Amount Per Public Staff [2] (c)	Net Company Increase [31] (d)	Operations After Rate Increase [32] (e)	Net Public Staff Increase [38] (f)	Operations After Rate Increase [39] (g)
Operating Revenues								
1	Service revenues	\$3,866,490	(\$443,998)	\$3,422,492 [3]	\$140,463	\$3,562,955 [3]	\$349,064	\$3,771,556 [40]
2	Miscellaneous revenues	21,867	999	22,865 [4]	377	23,242 [33]	937	23,802 [41]
3	Uncollectible accounts	(60,717)	13,487	(47,230) [5]	(1,938)	(49,169) [34]	(4,817)	(52,047) [42]
4	Total operating revenues (Sum of L1 thru L3)	3,827,640	(429,513)	3,398,127	138,901	3,537,028	345,184	3,743,311
Maintenance Expenses								
5	Purchased power	177,786	(13,692)	164,094 [6]	0	164,094	0	164,094
6	Purchased sewer	0	0	0	0	0	0	0
7	Maintenance and repair	274,798	(30,934)	243,864 [7]	0	243,864	0	243,864
8	Maintenance testing	28,082	(1,866)	26,215 [8]	0	26,215	0	26,215
9	Meter reading	1,237	(108)	1,129 [9]	0	1,129	0	1,129
10	Chemicals	78,438	(9,661)	68,777 [10]	0	68,777	0	68,777
11	Transportation	46,920	(9,898)	37,022 [11]	0	37,022	0	37,022
12	Operating expenses charged to plant	(73,306)	(576)	(73,881) [12]	0	(73,881)	0	(73,881)
13	Outside services - other	30,088	(2,637)	27,451 [13]	0	27,451	0	27,451
14	Total maintenance expenses (Sum of L5 thru L14)	564,043	(69,373)	494,670	0	494,670	0	494,670
General Expenses								
15	Salaries and wages	530,818	(10,467)	520,351 [14]	0	520,351	0	520,351
16	Office supplies and other office expense	42,968	(2,925)	40,043 [15]	0	40,043	0	40,043
17	Regulatory commission expense	53,016	(19,994)	33,023 [16]	0	33,023	0	33,023
18	Pension and other benefits	139,429	(13,583)	125,846 [17]	0	125,846	0	125,846
19	Rent	30,252	(2,011)	28,241 [18]	0	28,241	0	28,241
20	Insurance	117,589	(9,040)	108,549 [19]	0	108,549	0	108,549
21	Office utilities	21,120	(1,851)	19,269 [20]	0	19,269	0	19,269
22	Miscellaneous	380,882	(17,665)	363,217 [21]	0	363,217	0	363,217
23	Total general expenses (Sum of L16 thru L23)	1,316,074	(77,536)	1,238,539	0	1,238,539	0	1,238,539
Depreciation and Taxes								
24	Depreciation expense	678,385	(57,165)	621,220 [22]	0	621,220	0	621,220
25	Amortization of CIAC	(150,635)	(0)	(150,635)	0	(150,635)	0	(150,635)
26	Amortization of PAA	43,850	(672)	43,178 [23]	0	43,178	0	43,178
27	Amortization of ITC	0	0	0	0	0	0	0
28	Franchise and other taxes	(1,607)	255	(1,352) [24]	0	(1,352)	0	(1,352)
29	Property taxes	14,840	(5,087)	9,754 [25]	0	9,754	0	9,754
30	Payroll taxes	40,908	(870)	40,038 [26]	0	40,038	0	40,038
31	Regulatory fee	5,573	(816)	4,757 [27]	195	4,952 [35]	484	5,241 [43]
32	Deferred Income Tax	0	(8,786)	(8,786) [28]	0	(8,786)	0	(8,786)
33	State income tax	32,634	(15,316)	17,318 [29]	3,468	20,786 [36]	8,617	25,935 [44]
34	Federal income tax	267,276	(125,442)	141,834 [30]	28,400	170,235 [37]	70,577	212,412 [44]
35	Total depreciation and taxes (Sum of L25 thru L35)	931,225	(213,900)	717,325	32,063	749,388	79,679	797,004
36	Total operating revenue deductions (L15 + L24 + L36)	2,811,342	(360,808)	2,450,534	32,063	2,482,596	79,679	2,530,212
37	Net operating income for a return (L4 - L37)	\$1,016,298	(\$68,704)	\$947,593	\$106,839	\$1,054,432	\$265,505	\$1,213,098

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**FOOTNOTES TO SCHEDULE 3(a)(1)
For The Test Year Ended March 31, 2026**

Public Staff Settlement Exhibit 1
Schedule 3(a)(1)
Page 2 of 2

**Rate Year 3
CWSNC WATER OPERATIONS**

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (c), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exh bit 1, Schedule 3-1(a), Column (i), Line 4.
- [5] Public Staff Settlement Exh bit 1, Schedule 3-2(a), Column (c), Line 6.
- [6] Public Staff Settlement Exh bit 1, Schedule 3-4(a), Column (c), Line 6.
- [7] Public Staff Settlement Exh bit 1, Schedule 3-5(1), Column (c), Line 7.
- [8] Public Staff Settlement Exh bit 1, Schedule 3-6(a), Column (c), Line 6.
- [9] Public Staff Settlement Exh bit 1, Schedule 3-7(a), Column (c), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exh bit 1, Schedule 3-8(a), Column (c), Line 6.
- [12] Public Staff Settlement Exh bit 1, Schedule 3-9(a), Column (c), Line 6.
- [13] Public Staff Settlement Exh bit 1, Schedule 3-10(a), Column (c), Line 6.
- [14] Public Staff Settlement Exh bit 1, Schedule 3-3(a), Column (c), Line 6.
- [15] Public Staff Settlement Exh bit 1, Schedule 3-11(a), Column (c), Line 6.
- [16] Public Staff Settlement Exh bit 1, Schedule 3-12(a), Column (d), Line 11.
- [17] Public Staff Settlement Exh bit 1, Schedule 3-13(a), Column (c), Line 6.
- [18] Public Staff Settlement Exh bit 1, Schedule 3-14(a), Column (c), Line 6.
- [19] Public Staff Settlement Exh bit 1, Schedule 3-15(a), Column (c), Line 10.
- [20] Public Staff Settlement Exh bit 1, Schedule 3-16(a), Column (c), Line 6.
- [21] Public Staff Settlement Exh bit 1, Schedule 3-17(a), Column (c), Line 6.
- [22] Public Staff Settlement Exh bit 1, Schedule 3-18(a), Column (c), Line 5.
- [23] Public Staff Settlement Exh bit 1, Schedule 3-18(a), Column (c), Line 13.
- [24] Public Staff Settlement Exh bit 1, Schedule 3-19(a), Column (c), Line 6.
- [25] Public Staff Settlement Exh bit 1, Schedule 3-21(a), Column (c), Line 6.
- [26] Public Staff Settlement Exh bit 1, Schedule 3-20(a), Column (c), Line 6.
- [27] Line 4 Column (c) multiplied by 0.14%.
- [28] Calculated based on the Public Staff's workpaper.
- [29] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(3), Column (g), Line 16.
- [30] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(3), Column (g), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exh bit 1, Schedule 3-1(a), Column (i), Line 8.
- [34] Public Staff Settlement Exh bit 1, Schedule 3-2(a), Column (c), Line 9.
- [35] Line 4 Column (e) multiplied by 0.14%.
- [36] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(3), Column (h), Line 16.
- [37] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(3), Column (h), Line 18.
- [38] Column (g) minus Column (c), unless otherwise footnoted.
- [39] Column (c) plus Column (f), unless otherwise footnoted.
- [40] Revenue requirement as calculated by the Public Staff.
- [41] Public Staff Settlement Exh bit 1, Schedule 3-1(a), Column (i), Line 12.
- [42] Public Staff Settlement Exh bit 1, Schedule 3-2(a), Column (c), Line 12.
- [43] Line 4 Column (g) multiplied by 0.14%.
- [44] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(3), Column (i), Line 16.
- [45] Public Staff Settlement Exh bit 1, Schedule 3-22(a)(3), Column (i), Line 18.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

FOOTNOTES TO SCHEDULE 3(b)

For The Test Year Ended March 31, 2026

Public Staff Settlement Exhibit 1

Schedule 3(b)(1)

Page 2 of 2

**Rate Year 3
CWSNC SEWER OPERATIONS**

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (c), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exh bit 1, Schedule 3-1(b), Column (i), Line 4.
- [5] Public Staff Settlement Exh bit 1, Schedule 3-2(b), Column (c), Line 6.
- [6] Public Staff Settlement Exh bit 1, Schedule 3-4(b), Column (c), Line 6.
- [7] Public Staff Settlement Exh bit 1, Schedule 3-5(2), Column (c), Line 7.
- [8] Public Staff Settlement Exh bit 1, Schedule 3-6(b), Column (c), Line 6.
- [9] Public Staff Settlement Exh bit 1, Schedule 3-7(b), Column (c), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exh bit 1, Schedule 3-8(b), Column (c), Line 6.
- [12] Public Staff Settlement Exh bit 1, Schedule 3-9(b), Column (c), Line 6.
- [13] Public Staff Settlement Exh bit 1, Schedule 3-10(b), Column (c), Line 6.
- [14] Public Staff Settlement Exh bit 1, Schedule 3-3(b), Column (c), Line 6.
- [15] Public Staff Settlement Exh bit 1, Schedule 3-11(b), Column (c), Line 6.
- [16] Public Staff Settlement Exh bit 1, Schedule 3-12(b), Column (e), Line 11.
- [17] Public Staff Settlement Exh bit 1, Schedule 3-13(b), Column (c), Line 6.
- [18] Public Staff Settlement Exh bit 1, Schedule 3-14(b), Column (c), Line 6.
- [19] Public Staff Settlement Exh bit 1, Schedule 3-15(b), Column (c), Line 10.
- [20] Public Staff Settlement Exh bit 1, Schedule 3-16(b), Column (c), Line 6.
- [21] Public Staff Settlement Exh bit 1, Schedule 3-17(b), Column (c), Line 6.
- [22] Public Staff Settlement Exh bit 1, Schedule 3-18(b), Column (c), Line 5.
- [23] Public Staff Settlement Exh bit 1, Schedule 3-18(b), Column (c), Line 13.
- [24] Public Staff Settlement Exh bit 1, Schedule 3-19(b), Column (c), Line 6.
- [25] Public Staff Settlement Exh bit 1, Schedule 3-21(b), Column (c), Line 6.
- [26] Public Staff Settlement Exh bit 1, Schedule 3-20(b), Column (c), Line 6.
- [27] Line 4 Column (c) multiplied by 0.14%.
- [28] Calculated based on the Public Staff's workpaper.
- [29] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(3), Column (g), Line 16.
- [30] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(3), Column (g), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exh bit 1, Schedule 3-1(b), Column (i), Line 8.
- [34] Public Staff Settlement Exh bit 1, Schedule 3-2(b), Column (c), Line 9.
- [35] Line 4 Column (e) multiplied by 0.14%.
- [36] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(3), Column (h), Line 16.
- [37] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(3), Column (h), Line 18.
- [38] Column (g) minus Column (c), unless otherwise footnoted.
- [39] Column (c) plus Column (f), unless otherwise footnoted.
- [40] Revenue requirement as calculated by the Public Staff.
- [41] Public Staff Settlement Exh bit 1, Schedule 3-1(b), Column (i), Line 12.
- [42] Public Staff Settlement Exh bit 1, Schedule 3-2(b), Column (c), Line 12.
- [43] Line 4 Column (g) multiplied by 0.14%.
- [44] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(3), Column (i), Line 16.
- [45] Public Staff Settlement Exh bit 1, Schedule 3-22(b)(3), Column (i), Line 18.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

FOOTNOTES TO SCHEDULE 3(c)

For The Test Year Ended March 31, 2026

Public Staff Settlement Exhibit 1

Schedule 3(c)(1)

Page 2 of 2

**Rate Year 3
BF/FH/TC WATER OPERATIONS**

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (c), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exh bit 1, Schedule 3-1(c), Column (i), Line 4.
- [5] Public Staff Settlement Exh bit 1, Schedule 3-2(c), Column (c), Line 6.
- [6] Public Staff Settlement Exh bit 1, Schedule 3-4(c), Column (c), Line 6.
- [7] Public Staff Settlement Exh bit 1, Schedule 3-5(3), Column (c), Line 7.
- [8] Public Staff Settlement Exh bit 1, Schedule 3-6(c), Column (c), Line 6.
- [9] Public Staff Settlement Exh bit 1, Schedule 3-7(c), Column (c), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exh bit 1, Schedule 3-8(c), Column (c), Line 6.
- [12] Public Staff Settlement Exh bit 1, Schedule 3-9(c), Column (c), Line 6.
- [13] Public Staff Settlement Exh bit 1, Schedule 3-10(c), Column (c), Line 6.
- [14] Public Staff Settlement Exh bit 1, Schedule 3-3(c), Column (c), Line 6.
- [15] Public Staff Settlement Exh bit 1, Schedule 3-11(c), Column (c), Line 6.
- [16] Public Staff Settlement Exh bit 1, Schedule 3-12(c), Column (f), Line 11.
- [17] Public Staff Settlement Exh bit 1, Schedule 3-13(c), Column (c), Line 6.
- [18] Public Staff Settlement Exh bit 1, Schedule 3-14(c), Column (c), Line 6.
- [19] Public Staff Settlement Exh bit 1, Schedule 3-15(c), Column (c), Line 10.
- [20] Public Staff Settlement Exh bit 1, Schedule 3-16(c), Column (c), Line 6.
- [21] Public Staff Settlement Exh bit 1, Schedule 3-17(c), Column (c), Line 6.
- [22] Public Staff Settlement Exh bit 1, Schedule 3-18(c), Column (c), Line 5.
- [23] Public Staff Settlement Exh bit 1, Schedule 3-18(c), Column (c), Line 13.
- [24] Public Staff Settlement Exh bit 1, Schedule 3-19(c), Column (c), Line 6.
- [25] Public Staff Settlement Exh bit 1, Schedule 3-21(c), Column (c), Line 6.
- [26] Public Staff Settlement Exh bit 1, Schedule 3-20(c), Column (c), Line 6.
- [27] Line 4 Column (c) multiplied by 0.14%.
- [28] Calculated based on the Public Staff's workpaper.
- [29] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(3), Column (g), Line 16.
- [30] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(3), Column (g), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exh bit 1, Schedule 3-1(c), Column (i), Line 8.
- [34] Public Staff Settlement Exh bit 1, Schedule 3-2(c), Column (c), Line 9.
- [35] Line 4 Column (e) multiplied by 0.14%.
- [36] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(3), Column (h), Line 16.
- [37] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(3), Column (h), Line 18.
- [38] Column (g) minus Column (c), unless otherwise footnoted.
- [39] Column (c) plus Column (f), unless otherwise footnoted.
- [40] Revenue requirement as calculated by the Public Staff.
- [41] Public Staff Settlement Exh bit 1, Schedule 3-1(c), Column (i), Line 12.
- [42] Public Staff Settlement Exh bit 1, Schedule 3-2(c), Column (c), Line 12.
- [43] Line 4 Column (g) multiplied by 0.14%.
- [44] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(3), Column (i), Line 16.
- [45] Public Staff Settlement Exh bit 1, Schedule 3-22(c)(3), Column (i), Line 18.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

FOOTNOTES TO SCHEDULE 3(d)

For The Test Year Ended March 31, 2026

Public Staff Settlement Exhibit 1

Schedule 3(d)(1)

Page 2 of 2

**Rate Year 3
BF/FH SEWER OPERATIONS**

- [1] Column (c) minus Column (a), unless otherwise footnoted.
- [2] Column (a) plus Column (c), unless otherwise footnoted.
- [3] Based on the recommendation of Public Staff Engineer Darden.
- [4] Public Staff Settlement Exh bit 1, Schedule 3-1(d), RY3, Column (c), Line 4.
- [5] Public Staff Settlement Exh bit 1, Schedule 3-2(d), Column (c), Line 6.
- [6] Public Staff Settlement Exh bit 1, Schedule 3-4(d), Column (c), Line 6.
- [7] Public Staff Settlement Exh bit 1, Schedule 3-5(4), Column (c), Line 7.
- [8] Public Staff Settlement Exh bit 1, Schedule 3-6(d), Column (c), Line 6.
- [9] Public Staff Settlement Exh bit 1, Schedule 3-7(d), Column (c), Line 6.
- [10] Based on reviewing of the Company's data.
- [11] Public Staff Settlement Exh bit 1, Schedule 3-8(d), Column (c), Line 6.
- [12] Public Staff Settlement Exh bit 1, Schedule 3-9(d), Column (c), Line 6.
- [13] Public Staff Settlement Exh bit 1, Schedule 3-10(d), Column (c), Line 6.
- [14] Public Staff Settlement Exh bit 1, Schedule 3-3(d), Column (c), Line 6.
- [15] Public Staff Settlement Exh bit 1, Schedule 3-11(d), Column (c), Line 6.
- [16] Public Staff Settlement Exh bit 1, Schedule 3-12(d), Column (g), Line 11.
- [17] Public Staff Settlement Exh bit 1, Schedule 3-13(d), Column (c), Line 6.
- [18] Public Staff Settlement Exh bit 1, Schedule 3-14(d), Column (c), Line 6.
- [19] Public Staff Settlement Exh bit 1, Schedule 3-15(d), Column (c), Line 10.
- [20] Public Staff Settlement Exh bit 1, Schedule 3-16(d), Column (c), Line 6.
- [21] Public Staff Settlement Exh bit 1, Schedule 3-17(d), Column (c), Line 6.
- [22] Public Staff Settlement Exh bit 1, Schedule 3-18(d), Column (c), Line 5.
- [23] Public Staff Settlement Exh bit 1, Schedule 3-18(d), Column (c), Line 13.
- [24] Public Staff Settlement Exh bit 1, Schedule 3-19(d), Column (c), Line 6.
- [25] Public Staff Settlement Exh bit 1, Schedule 3-21(d), Column (c), Line 6.
- [26] Public Staff Settlement Exh bit 1, Schedule 3-20(d), Column (c), Line 6.
- [27] Line 4 Column (c) multiplied by 0.14%.
- [28] Calculated based on the Public Staff's workpaper.
- [29] Public Staff Settlement Exh bit 1, Schedule 3-22(d)(3), Column (g), Line 16.
- [30] Public Staff Settlement Exh bit 1, Schedule 3-22(d)(3), Column (g), Line 18.
- [31] Column (e) minus Column (c), unless otherwise footnoted.
- [32] Column (c) plus Column (d), unless otherwise footnoted.
- [33] Public Staff Settlement Exh bit 1, Schedule 3-1(d), RY3, Column (c), Line 8.
- [34] Public Staff Settlement Exh bit 1, Schedule 3-2(d), Column (c), Line 9.
- [35] Line 4 Column (e) multiplied by 0.14%.
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- [40] Revenue requirement as calculated by the Public Staff.
- [41] Public Staff Settlement Exh bit 1, Schedule 3-1(d), RY3, Column (c), Line 12.
- [42] Public Staff Settlement Exh bit 1, Schedule 3-2(d), Column (c), Line 12.
- [43] Line 4 Column (g) multiplied by 0.14%.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS REVENUES
For The Test Year Ended March 31, 2022

Public Staff Settlement Exh bit 1
Schedule 3-1(a)

CWSNC WATER OPERATIONS		Base Year		
Line No.	Item	Amount Per Before Adjustment (a)	Public Staff Adjustments [3] (b)	Amount Per Public Staff [4] (c)
<u>Present Rates:</u>				
1	Forfeited discounts	\$0 [1]	\$63,248	\$63,248 [5]
2	Other water/sewer revenues	\$90,390 [1]	(0)	90,390 [6]
3	Sale of utility property	0 [1]	18,373	18,373 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	\$90,390	\$81,620	\$172,011
<u>Company Proposed Rates:</u>				
5	Forfeited discounts	\$63,248 [2]	\$4,627	\$67,875 [8]
6	Other water/sewer revenues	90,390 [2]	0	90,390
7	Sale of utility property	18,373 [2]	0	18,373
8	Total miscellaneous revenues (Sum of L5 thru L7)	\$172,011	\$4,627	\$176,638
<u>Public Staff Recommended Rates:</u>				
9	Forfeited discounts	\$63,248 [2]	\$2,214	\$65,462 [9]
10	Other water/sewer revenues	90,390 [2]	0	90,390
11	Sale of utility property	18,373 [2]	0	18,373
12	Total miscellaneous revenues (Sum of L9 thru L11)	\$172,011	\$2,214	\$174,225

- [1] Per examination of Company's financial records.
- [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
- [3] Column (c) minus Column (a), unless otherwise footnoted.
- [4] Column (a) plus Column (b), unless otherwise footnoted.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (a), Line 6.
- [6] Update other revenues through September 2021 per Company's information.
- [7] Added missing other revenue per examination of Company's records
- [8] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (a), Line 9.
- [9] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (a), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS REVENUES
For The Test Year Ended March 31, 2022

Public Staff Settlement Exh bit 1
Schedule 3-1(b)

CWSNC SEWER OPERATIONS

Base Year

Line No.	<u>Item</u>	Amount Per Before Adjustment (a)	Public Staff Adjustments [3] (b)	Amount Per Public Staff [4] (c)
<u>Present Rates:</u>				
1	Forfeited discounts	\$0 [1]	\$46,814	\$46,814 [5]
2	Other water/sewer revenues	73,544 [1]	(0)	73,544 [6]
3	Sale of utility property	0 [1]	10,961	10,961 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	\$73,544	\$57,775	\$131,319
<u>Company Proposed Rates:</u>				
5	Forfeited discounts	\$46,814 [2]	\$4,742	\$51,556 [8]
6	Other water/sewer revenues	73,544 [2]	0	73,544
7	Sale of utility property	10,961 [2]	0	10,961
8	Total miscellaneous revenues (Sum of L5 thru L7)	\$131,319	\$4,742	\$136,061
<u>Public Staff Recommended Rates:</u>				
9	Forfeited discounts	\$46,814 [2]	\$2,960	\$49,774 [9]
10	Other water/sewer revenues	73,544 [2]	0	73,544
11	Sale of utility property	10,961 [2]	0	10,961
12	Total miscellaneous revenues (Sum of L9 thru L11)	\$131,319	\$2,960	\$134,279

- [1] Per examination of Company's financial records.
- [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
- [3] Column (c) minus Column (a), unless otherwise footnoted.
- [4] Column (a) plus Column (b), unless otherwise footnoted.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (b), Line 6.
- [6] Update other revenues through September 2021 per Company's information.
- [7] Added missing other revenue per examination of Company's records
- [8] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (b), Line 9.
- [9] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (b), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS REVENUES
For The Test Year Ended March 31, 2022

Public Staff Settlement Exh bit 1
Schedule 3-1(c)

BF/FH/TC WATER OPERATIONS		Base Year		
<u>Line No.</u>	<u>Item</u>	Amount Per Before Adjustment (a)	Public Staff Adjustments [3] (b)	Amount Per Public Staff [4] (c)
<u>Present Rates:</u>				
1	Forfeited discounts	\$0 [1]	\$5,289	\$5,289 [5]
2	Other water/sewer revenues	7,861 [1]	0	7,861 [6]
3	Sale of utility property	0 [1]	1,182	1,182 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	<u>\$7,861</u>	<u>\$6,472</u>	<u>\$14,332</u>
<u>Company Proposed Rates:</u>				
5	Forfeited discounts	\$5,289 [2]	\$666	\$5,955 [8]
6	Other water/sewer revenues	7,861 [2]	0	7,861
7	Sale of utility property	1,182 [2]	0	1,182
8	Total miscellaneous revenues (Sum of L5 thru L7)	<u>\$14,332</u>	<u>\$666</u>	<u>\$14,998</u>
<u>Public Staff Recommended Rates:</u>				
9	Forfeited discounts	\$5,289 [2]	\$369	\$5,658 [9]
10	Other water/sewer revenues	7,861 [2]	0	7,861
11	Sale of utility property	1,182 [2]	0	1,182
12	Total miscellaneous revenues (Sum of L9 thru L11)	<u>\$14,332</u>	<u>\$369</u>	<u>\$14,701</u>

- [1] Per examination of Company's financial records.
- [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
- [3] Column (c) minus Column (a), unless otherwise footnoted.
- [4] Column (a) plus Column (b), unless otherwise footnoted.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (c), Line 6.
- [6] Update other revenues through September 2021 per Company's information.
- [7] Added missing other revenue per examination of Company's records
- [8] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (c), Line 9.
- [9] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (c), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS REVENUES
For The Test Year Ended March 31, 2022

Public Staff Settlement Exh bit 1
Schedule 3-1(d)

BF/FH SEWER OPERATIONS		Base Year		
<u>Line No.</u>	<u>Item</u>	Amount Per Before Adjustment (a)	Public Staff Adjustments [3] (b)	Amount Per Public Staff [4] (c)
<u>Present Rates:</u>				
1	Forfeited discounts	\$0 [1]	\$7,094	\$7,094 [5]
2	Other water/sewer revenues	12,471 [1]	(0)	12,471 [6]
3	Sale of utility property	0 [1]	1,210	1,210 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	\$12,471	\$8,304	\$20,775
<u>Company Proposed Rates:</u>				
5	Forfeited discounts	\$7,094 [2]	\$1,070	\$8,164 [8]
6	Other water/sewer revenues	12,471 [2]	0	12,471
7	Sale of utility property	1,210 [2]	0	1,210
8	Total miscellaneous revenues (Sum of L5 thru L7)	\$20,775	\$1,070	\$21,845
<u>Public Staff Recommended Rates:</u>				
9	Forfeited discounts	\$7,094 [2]	\$400	\$7,494 [9]
10	Other water/sewer revenues	12,471 [2]	0	12,471
11	Sale of utility property	1,210 [2]	0	1,210
12	Total miscellaneous revenues (Sum of L9 thru L11)	\$20,775	\$400	\$21,175

- [1] Per examination of Company's financial records.
- [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
- [3] Column (c) minus Column (a), unless otherwise footnoted.
- [4] Column (a) plus Column (b), unless otherwise footnoted.
- [5] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (d), Line 6.
- [6] Update other revenues through September 2021 per Company's information.
- [7] Added missing other revenue per examination of Company's records
- [8] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (d), Line 9.
- [9] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (d), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS REVENUES
 For The Rate Year 1 - Rate Year 3 Ended March
 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-1(a)

CWSNC WATER OPERATIONS		Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per Before Adjustment (a)	Public Staff Adjustments [3] (b)	Amount Per Public Staff [4] (c)	Amount Per Before Adjustment (d)	Public Staff Adjustments [3] (e)	Amount Per Public Staff [4] (f)	Amount Per Before Adjustment (g)	Public Staff Adjustments [3] (h)	Amount Per Public Staff [4] (i)
Present Rates										
1	Forfeited discounts	\$0 [1]	\$67,875	\$67,875 [5]	\$83,166 [1]	(\$9,144)	\$74,023	\$87,883 [1]	(\$10,633)	\$77,250
2	Other water/sewer revenues	90,390 [1]	0	90,390 [6]	90,390 [1]	\$0	90,390	90,390 [1]	\$0	90,390
3	Sale of utility property	0 [1]	18,373	18,373 [7]	0 [1]	\$18,373	18,373	0 [1]	\$18,373	18,373
4	Total miscellaneous revenues (Sum of L1 thru L3)	\$90,390	\$86,247	\$176,638	\$173,557	\$9,229	\$182,786	\$178,273	\$7,740	\$186,014
Company Proposed Rates										
5	Forfeited discounts	\$67,875 [2]	6,148	\$74,023 [8]	\$74,023 [2]	\$3,228	\$77,250	\$77,250 [2]	\$3,242	\$80,492
6	Other water/sewer revenues	90,390 [2]	0	90,390 [6]	90,390 [2]	\$0	90,390	90,390 [2]	\$0	90,390
7	Sale of utility property	18,373 [2]	0	18,373 [7]	18,373 [2]	\$0	18,373	18,373 [2]	\$0	18,373
8	Total miscellaneous revenues (Sum of L5 thru L7)	\$176,638	\$6,148	\$182,786	\$182,786	\$3,228	\$186,014	\$186,014	\$3,242	\$189,256
Public Staff Recommended Rates										
9	Forfeited discounts	\$67,875 [2]	\$2,023	\$69,898 [9]	\$74,023 [2]	(\$281)	\$73,741	\$77,250 [2]	(\$1,999)	\$75,252
10	Other water/sewer revenues	90,390 [2]	0	90,390 [6]	90,390 [2]	0	90,390	90,390 [2]	0	90,390
11	Sale of utility property	18,373 [2]	0	18,373 [7]	18,373 [2]	0	18,373	18,373 [2]	0	18,373
12	Total miscellaneous revenues (Sum of L9 thru L11)	\$176,638	\$2,023	\$178,661	\$182,786	(\$281)	\$182,504	\$186,014	(\$1,999)	\$184,015

[1] Per examination of Company's financial records.
 [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
 [3] Column (c) minus Column (a), unless otherwise footnoted.
 [4] Column (a) plus Column (b), unless otherwise footnoted.
 [5] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (a), Line 6.
 [6] Update other revenues through September 2021 per Company's information.
 [7] Added missing other revenue per examination of Company's records.
 [8] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (a), Line 9.
 [9] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (a), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
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ADJUSTMENT TO MISCELLANEOUS REVENUES
For The Rate Year 1 - Rate Year 3 Ended March
31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-1(b)

Line No.	tem	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per Before Adjustment	Public Staff Adjustments [3]	Amount Per Public Staff [4]	Amount Per Before Adjustment	Public Staff Adjustments [3]	Amount Per Public Staff [4]	Amount Per Before Adjustment	Public Staff Adjustments [3]	Amount Per Public Staff
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Present Rates										
1	Forfeited discounts	\$0 [1]	\$51,556	\$51,556 [5]	\$51,217 [1]	\$6,267	\$57,483 [5]	\$55,743 [1]	\$5,177	\$60,920 [5]
2	Other water/sewer revenues	73544 [1]	0	73544 [6]	73544 [1]	0	73544 [6]	73544 [1]	0	73544 [6]
3	Sale of utility property	0 [1]	10961	10961 [7]	0 [1]	10961	10961 [7]	0 [1]	10961	10961 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	\$73,544	\$62,517	\$136,062	\$124,761	\$17,228	\$141,989	\$129,287	\$16,138	\$145,426
Company Proposed Rates										
5	Forfeited discounts	\$51,556 [2]	\$5,927	\$57,483 [8]	\$57,483 [2]	\$3,437	\$60,920 [8]	\$60,920 [2]	\$3,719	\$64,639 [8]
6	Other water/sewer revenues	73544 [2]	0	73544	73544 [2]	0	73544	73544 [2]	0	73544
7	Sale of utility property	10961 [2]	0	10961	10961 [2]	0	10961	10961 [2]	0	10961
8	Total miscellaneous revenues (Sum of L5 thru L7)	\$136,062	\$5,927	\$141,989	\$141,989	\$3,437	\$145,426	\$145,426	\$3,719	\$149,145
Public Staff Recommended Rates										
9	Forfeited discounts	\$51,556 [2]	\$3,295	\$54,851 [9]	\$57,483 [2]	(\$1,073)	\$56,411 [9]	\$60,920 [2]	\$447	\$61,367 [9]
10	Other water/sewer revenues	73544 [2]	0	73544	73544 [2]	0	73544	73544 [2]	0	73544
11	Sale of utility property	10961 [2]	0	10961	10961 [2]	0	10961	10961 [2]	0	10961
12	Total miscellaneous revenues (Sum of L9 thru L11)	\$136,062	\$3,295	\$139,357	\$141,989	(\$1,073)	\$140,917	\$145,426	\$447	\$145,873

[1] Per examination of Company's financial records.
[2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
[3] Column (c) minus Column (a), unless otherwise footnoted.
[4] Column (a) plus Column (b), unless otherwise footnoted.
[5] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (b), Line 6.
[6] Update other revenues through September 2021 per Company's information.
[7] Added missing other revenue per examination of Company's records.
[8] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (b), Line 9.
[9] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (b), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
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ADJUSTMENT TO MISCELLANEOUS REVENUES
 For The Rate Year 1 - Rate Year 3 Ended March
 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-1(c)

Line No.	BF/FH/TC WATER OPERATIONS	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per Before Adjustment	Public Staff Adjustments [3]	Amount Per Public Staff [4]	Amount Per Before Adjustment	Public Staff Adjustments [3]	Amount Per Public Staff [4]	Amount Per Before Adjustment	Public Staff Adjustments [3]	Amount Per Public Staff
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	Present Rates									
1	Forfeited discounts	\$0 [1]	\$5,955	\$5,955 [5]	\$6,990 [1]	\$75	\$7,065 [5]	\$7,670 [1]	(\$181)	\$7,489 [5]
2	Other water/sewer revenues	7,861 [1]	0	7,861 [6]	7,861 [1]	0	7,861 [6]	7,861 [1]	0	7,861 [6]
3	Sale of utility property	0 [1]	1,182	1,182 [7]	0 [1]	1,182	1,182 [7]	0 [1]	1,182	1,182 [7]
4	Total miscellaneous revenues (Sum of L1 thru L3)	<u>\$7,861</u>	<u>\$7,137</u>	<u>\$14,998</u>	<u>\$14,851</u>	<u>\$1,257</u>	<u>\$16,108</u>	<u>\$15,531</u>	<u>\$1,001</u>	<u>\$16,531</u>
	Company Proposed Rates									
5	Forfeited discounts	\$5,955 [2]	\$1,111	\$7,065 [8]	\$7,065 [2]	\$423	\$7,489 [8]	\$7,489 [2]	\$315	\$7,804 [8]
6	Other water/sewer revenues	7,861 [2]	\$0	7,861 [6]	7,861 [2]	0	7,861 [6]	7,861 [2]	\$0	7,861 [6]
7	Sale of utility property	1,182 [2]	\$0	1,182 [7]	1,182 [2]	0	1,182 [7]	1,182 [2]	\$0	1,182 [7]
8	Total miscellaneous revenues (Sum of L5 thru L7)	<u>\$14,998</u>	<u>\$1,111</u>	<u>\$16,109</u>	<u>\$16,108</u>	<u>\$423</u>	<u>\$16,532</u>	<u>\$16,531</u>	<u>\$316</u>	<u>\$16,847</u>
	Public Staff Recommended Rates									
9	Forfeited discounts	\$5,955 [2]	\$550	\$6,504 [9]	\$7,065 [2]	(\$139)	\$6,926 [9]	\$7,489 [2]	(\$423)	\$7,065 [9]
10	Other water/sewer revenues	7,861 [2]	\$0	7,861 [6]	7,861 [2]	\$0	7,861 [6]	7,861 [2]	\$0	7,861 [6]
11	Sale of utility property	1,182 [2]	\$0	1,182 [7]	1,182 [2]	\$0	1,182 [7]	1,182 [2]	\$0	1,182 [7]
12	Total miscellaneous revenues (Sum of L9 thru L11)	<u>\$14,998</u>	<u>\$550</u>	<u>\$15,548</u>	<u>\$16,108</u>	<u>(\$139)</u>	<u>\$15,970</u>	<u>\$16,531</u>	<u>(\$423)</u>	<u>\$16,108</u>

[1] Per examination of Company's financial records.
 [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
 [3] Column (c) minus Column (a), unless otherwise footnoted.
 [4] Column (a) plus Column (b), unless otherwise footnoted.
 [5] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (c), Line 6.
 [6] Update other revenues through September 2021 per Company's information.
 [7] Added missing other revenue per examination of Company's records.
 [8] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (c), Line 9.
 [9] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (c), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
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ADJUSTMENT TO MISCELLANEOUS REVENUES
 For The Rate Year 1 - Rate Year 3 Ended March
 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-1(d)

Line No.	tem	Rate Year 1			Rate Year 2			Rate Year 3		
		Amount Per Before Adjustment	Public Staff Adjustments [3]	Amount Per Public Staff [4]	Amount Per Before Adjustment	Public Staff Adjustments [3]	Amount Per Public Staff [4]	Amount Per Before Adjustment	Public Staff Adjustments [3]	Amount Per Public Staff
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
BF/FH SEWER OPERATIONS										
Present Rates										
1	Forfeited discounts	\$0 [1]	\$8,164	\$8,164 [5]	\$7,842 [1]	(\$141)	\$7,701 [5]	\$9,396 [1]	(\$211)	\$9,184
2	Other water/sewer revenues	\$12,471 [1]	\$0	12,471 [6]	12,471 [1]	(\$0)	12,471 [6]	12,471 [1]	(\$0)	12,471
3	Sale of utility property	0 [1]	\$1,210	1,210 [7]	0 [1]	\$1,210	1,210 [7]	0 [1]	\$1,210	1,210
4	Total miscellaneous revenues (Sum of L1 thru L3)	\$12,471	\$9,374	\$21,845	\$20,313	\$1,069	\$21,382	\$21,867	\$999	\$22,865
Company Proposed Rates										
5	Forfeited discounts	\$8,164 [2]	\$341	\$8,505 [8]	\$7,701 [2]	\$1,483	\$9,184 [8]	\$9,184 [2]	\$377	\$9,561
6	Other water/sewer revenues	12,471 [2]	\$0	12,471	12,471 [2]	\$0	12,471	12,471 [2]	\$0	12,471
7	Sale of utility property	1,210 [2]	\$0	1,210	1,210 [2]	\$0	1,210	1,210 [2]	\$0	1,210
8	Total miscellaneous revenues (Sum of L5 thru L7)	\$21,845	\$341	\$22,186	\$21,382	\$1,483	\$22,865	\$22,865	\$377	\$23,242
Public Staff Recommended Rates										
9	Forfeited discounts	\$8,164 [2]	(\$198)	\$7,966 [9]	\$7,701 [2]	\$2,212	\$9,914 [9]	\$9,184 [2]	\$937	\$10,121
10	Other water/sewer revenues	12,471 [2]	\$0	12,471	12,471 [2]	\$0	12,471	12,471 [2]	0	12,471
11	Sale of utility property	1,210 [2]	\$0	1,210	1,210 [2]	\$0	1,210	1,210 [2]	0	1,210
12	Total miscellaneous revenues (Sum of L9 thru L11)	\$21,845	(\$198)	\$21,647	\$21,382	\$2,212	\$23,595	\$22,865	\$937	\$23,802

[1] Per examination of Company's financial records.
 [2] Adjusted amount per Public Staff, Column (c), Lines 1 thru 3.
 [3] Column (c) minus Column (a), unless otherwise footnoted.
 [4] Column (a) plus Column (b), unless otherwise footnoted.
 [5] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (d), Line 6.
 [6] Update other revenues through September 2021 per Company's information.
 [7] Added missing other revenue per examination of Company's records.
 [8] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (d), Line 9.
 [9] Public Staff Settlement Exhibit 1, Schedule 3-1(a)(1), Column (d), Line 12.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF FORFEITED DISCOUNTS
For The Test Year Ended March 31, 2022

Public Staff Settlement Exh bit 1
Schedule 3-1(a)(1)

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
Test Year:					
1	Forfeited discount rate - 5 Yr Sum	1.42% [1]	1.34% [1]	1.41% [1]	1.34% [1]
2	Forfeited discounts - 5 YR	5	5	5	5
3	Forfeited discounts 5 Yr Average (Ln1 / Ln 2)	0.28%	0.27%	0.28%	0.27% [1]
Present Rates:					
4	Service revenues	\$22,299,835 [2]	\$17,472,765 [5]	\$1,879,444 [8]	\$2,643,518 [11]
5	Forfeited discounts percentage (L3)	0.28%	0.27%	0.28%	0.27%
6	Forfeited discounts (L4 x L5)	\$63,248	\$46,814	\$5,289	\$7,094
Company Proposed Rates:					
7	Service revenues	\$23,930,960 [3]	\$19,242,476 [6]	\$2,116,038 [9]	\$3,042,317 [12]
8	Forfeited discounts percentage (L3)	0.28%	0.27%	0.28%	0.27%
9	Forfeited discounts (L7 x L8)	\$67,875	\$51,556	\$5,955	\$8,164
Public Staff Recommended Rates:					
10	Service revenues	\$23,080,303 [4]	\$18,577,393 [7]	\$2,010,479 [10]	\$2,792,679 [13]
11	Forfeited discounts percentage (L3)	0.28%	0.27%	0.28%	0.27%
12	Forfeited discounts (L10 x L11)	\$65,462	\$49,774	\$5,658	\$7,494

[1] 3 Yr Avg forfeited discount rate (2017, 2018, 2019) as used in Sub 384.
[2] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 1.
[3] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (e), Line 1.
[4] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (g), Line 1.
[5] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (c), Line 1.
[6] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (e), Line 1.
[7] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (g), Line 1.
[8] Public Staff Settlement Exh bit 1, Sch 3(c), Column (c), Ln 1
[9] Public Staff Settlement Exh bit 1, Sch 3(c), Column (e), Ln 1
[10] Public Staff Settlement Exh bit 1, Sch 3(c), Column (g), Ln 1
[11] Public Staff Settlement Exh bit 1, Sch 3(d), Column (c), Ln 1
[12] Public Staff Settlement Exh bit 1, Sch 3(d), Column (e), Ln 1
[13] Public Staff Settlement Exh bit 1, Sch 3(d), Column (g), Ln 1

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF FORFEITED DISCOUNTS
 For The Rate Year 1 - Rate Year 3 Ended March
 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-1(a)(1)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
Test Year:				
1	Forfeited discount rate - 5 Yr Sum	1.42% [1]	1.42%	1.42%
2	Forfeited discounts - 5 Yr	<u>5</u>	<u>5</u>	<u>5</u>
3	Forfeited discounts 5 Yr Average (Ln1 / Ln 2)	<u>0.28%</u>	<u>0.28%</u>	<u>0.28%</u>
Present Rates:				
4	Service revenues	\$23,930,960 [2]	\$26,098,507 [2]	\$27,236,574 [2]
5	Forfeited discounts percentage (L3)	<u>0.28%</u>	<u>0.28%</u>	<u>0.28%</u>
6	Forfeited discounts (L4 x L5)	<u>\$67,875</u>	<u>\$74,023</u>	<u>\$77,250</u>
Company Proposed Rates:				
7	Service revenues	\$26,098,507 [3]	\$27,236,574 [3]	\$28,379,625 [3]
8	Forfeited discounts percentage (L3)	<u>0.28%</u>	<u>0.28%</u>	<u>0.28%</u>
9	Forfeited discounts (L7 x L8)	<u>\$74,023</u>	<u>\$77,250</u>	<u>\$80,492</u>
Public Staff Recommended Rates:				
10	Service revenues	\$24,644,247 [4]	\$25,999,302 [4]	\$26,531,907 [4]
11	Forfeited discounts percentage (L3)	<u>0.28%</u>	<u>0.28%</u>	<u>0.28%</u>
12	Forfeited discounts (L10 x L11)	<u>\$69,898</u>	<u>\$73,741</u>	<u>\$75,252</u>

[1] 3 Yr Avg forfeited discount rate (2017, 2018, 2019) as used in Sub 384. [8] Public Staff WSIP Exhibit I, Schedule 3(c), Column (c), Line 1.
 [2] Public Staff WSIP Exhibit I, Schedule 3(a), Column (c), Line 1. [9] Public Staff WSIP Exhibit I, Schedule 3(c), Column (e), Line 1.
 [3] Public Staff WSIP Exhibit I, Schedule 3(a), Column (e), Line 1. [10] Public Staff WSIP Exhibit I, Schedule 3(c), Column (g), Line 1.
 [4] Public Staff WSIP Exhibit I, Schedule 3(a), Column (g), Line 1. [11] Public Staff WSIP Exhibit I, Schedule 3(d), Column (c), Line 1.
 [5] Public Staff WSIP Exhibit I, Schedule 3(b), Column (c), Line 1. [12] Public Staff WSIP Exhibit I, Schedule 3(d), Column (e), Line 1.
 [6] Public Staff WSIP Exhibit I, Schedule 3(b), Column (e), Line 1. [13] Public Staff WSIP Exhibit I, Schedule 3(d), Column (g), Line 1.
 [7] Public Staff WSIP Exhibit I, Schedule 3(b), Column (g), Line 1.

CAROLINA WATER SERVICE, INC., OF NC
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CALCULATION OF FORFEITED DISCOUNTS
 For The Rate Year 1 - Rate Year 3 Ended March
 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-1(a)(2)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 1 (a)	Rate Year 2 (b)	Rate Year 3 (c)
Test Year:				
1	Forfeited discount rate - 5 Yr Sum	1.34%	1.34%	1.34%
2	Forfeited discounts - 5 Yr	<u>5</u>	<u>5</u>	<u>5</u>
3	Forfeited discounts 5 Yr Average (Ln1 / Ln 2)	<u>0.27%</u>	<u>0.27%</u>	<u>0.27%</u>
Present Rates:				
4	Service revenues	\$19,242,476 [5]	\$21,454,783 [5]	\$22,737,456 [5]
5	Forfeited discounts percentage (L3)	<u>0.27%</u>	<u>0.27%</u>	<u>0.27%</u>
6	Forfeited discounts (L4 x L5)	<u>\$51,556</u>	<u>\$57,483</u>	<u>\$60,920</u>
Company Proposed Rates:				
7	Service revenues	\$21,454,783 [6]	\$22,737,456 [6]	\$24,125,469 [6]
8	Forfeited discounts percentage (L3)	<u>0.27%</u>	<u>0.27%</u>	<u>0.27%</u>
9	Forfeited discounts (L7 x L8)	<u>\$57,483</u>	<u>\$60,920</u>	<u>\$64,639</u>
Public Staff Recommended Rates:				
10	Service revenues	\$20,472,380 [7]	\$21,054,476 [7]	\$22,904,235 [7]
11	Forfeited discounts percentage (L3)	<u>0.27%</u>	<u>0.27%</u>	<u>0.27%</u>
12	Forfeited discounts (L10 x L11)	<u>\$54,851</u>	<u>\$56,411</u>	<u>\$61,367</u>

[1] 3 Yr Avg forfeited discount rate (2017, 2018, 2019) as used in Sub 384. [8] Public Staff WSIP Exhibit I, Schedule 3(c), Column (c), Line 1.
 [2] Public Staff WSIP Exhibit I, Schedule 3(a), Column (c), Line 1. [9] Public Staff WSIP Exhibit I, Schedule 3(c), Column (e), Line 1.
 [3] Public Staff WSIP Exhibit I, Schedule 3(a), Column (e), Line 1. [10] Public Staff WSIP Exhibit I, Schedule 3(c), Column (g), Line 1.
 [4] Public Staff WSIP Exhibit I, Schedule 3(a), Column (g), Line 1. [11] Public Staff WSIP Exhibit I, Schedule 3(d), Column (c), Line 1.
 [5] Public Staff WSIP Exhibit I, Schedule 3(b), Column (c), Line 1. [12] Public Staff WSIP Exhibit I, Schedule 3(d), Column (e), Line 1.
 [6] Public Staff WSIP Exhibit I, Schedule 3(b), Column (e), Line 1. [13] Public Staff WSIP Exhibit I, Schedule 3(d), Column (g), Line 1.
 [7] Public Staff WSIP Exhibit I, Schedule 3(b), Column (g), Line 1.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF FORFEITED DISCOUNTS
For The Rate Year 1 - Rate Year 3 Ended March
31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-1(a)(3)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
Test Year:				
1	Forfeited discount rate - 5 Yr Sum	1.41%	1.41%	1.41%
2	Forfeited discounts - 5 Yr	<u>5</u>	<u>5</u>	<u>5</u>
3	Forfeited discounts 5 Yr Average (Ln1 / Ln 2)	<u>0.28%</u>	<u>0.28%</u>	<u>0.28%</u>
Present Rates:				
4	Service revenues	\$2,116,038 [8]	\$2,510,770 [8]	\$2,661,120 [8]
5	Forfeited discounts percentage (L3)	<u>0.28%</u>	<u>0.28%</u>	<u>0.28%</u>
6	Forfeited discounts (L4 x L5)	<u>\$5,955</u>	<u>\$7,065</u>	<u>7,489</u>
Company Proposed Rates:				
7	Service revenues	\$2,510,770 [9]	\$2,661,120 [9]	\$2,773,136 [9]
8	Forfeited discounts percentage (L3)	<u>0.28%</u>	<u>0.28%</u>	<u>0.28%</u>
9	Forfeited discounts (L7 x L8)	<u>\$7,065</u>	<u>\$7,489</u>	<u>\$7,804</u>
Public Staff Recommended Rates:				
10	Service revenues	\$2,311,383 [10]	\$2,461,353 [10]	\$2,510,656 [10]
11	Forfeited discounts percentage (L3)	<u>0.28%</u>	<u>0.28%</u>	<u>0.28%</u>
12	Forfeited discounts (L10 x L11)	<u>\$6,504</u>	<u>\$6,926</u>	<u>\$7,065</u>

[1] 3 Yr Avg forfeited discount rate (2017, 2018, 2019) as used in Sub 384. [8] Public Staff WSIP Exhibit I, Schedule 3(c), Column (c), Line 1.
 [2] Public Staff WSIP Exhibit I, Schedule 3(a), Column (c), Line 1. [9] Public Staff WSIP Exhibit I, Schedule 3(c), Column (e), Line 1.
 [3] Public Staff WSIP Exhibit I, Schedule 3(a), Column (e), Line 1. [10] Public Staff WSIP Exhibit I, Schedule 3(c), Column (g), Line 1.
 [4] Public Staff WSIP Exhibit I, Schedule 3(a), Column (g), Line 1. [11] Public Staff WSIP Exhibit I, Schedule 3(d), Column (c), Line 1.
 [5] Public Staff WSIP Exhibit I, Schedule 3(b), Column (c), Line 1. [12] Public Staff WSIP Exhibit I, Schedule 3(d), Column (e), Line 1.
 [6] Public Staff WSIP Exhibit I, Schedule 3(b), Column (e), Line 1. [13] Public Staff WSIP Exhibit I, Schedule 3(d), Column (g), Line 1.
 [7] Public Staff WSIP Exhibit I, Schedule 3(b), Column (g), Line 1.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF FORFEITED DISCOUNTS
For The Rate Year 1 - Rate Year 3 Ended March
31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-1(a)(3)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
Test Year:				
1	Forfeited discount rate - 5 Yr Sum	1.34%	1.34%	1.34%
2	Forfeited discounts - 5 Yr	<u>5</u>	<u>5</u>	<u>5</u>
3	Forfeited discounts 5 Yr Average (Ln1 / Ln 2)	<u>0.27%</u> [1]	<u>0.27%</u> [1]	<u>0.27%</u> [1]
Present Rates:				
4	Service revenues	\$3,042,317 [11]	\$3,169,302 [11]	\$3,422,492 [11]
5	Forfeited discounts percentage (L3)	<u>0.27%</u>	<u>0.24%</u>	<u>0.27%</u>
6	Forfeited discounts (L4 x L5)	<u>\$8,164</u>	<u>\$7,701</u>	<u>\$9,184</u>
Company Proposed Rates:				
7	Service revenues	\$3,169,302 [12]	\$3,422,492 [12]	\$3,562,955 [12]
8	Forfeited discounts percentage (L3)	<u>0.27%</u>	<u>0.27%</u>	<u>0.27%</u>
9	Forfeited discounts (L7 x L8)	<u>\$8,505</u>	<u>\$9,184</u>	<u>\$9,561</u>
Public Staff Recommended Rates:				
10	Service revenues	\$2,968,535 [13]	\$3,694,354 [13]	\$3,771,556 [13]
11	Forfeited discounts percentage (L3)	<u>0.27%</u>	<u>0.27%</u>	<u>0.27%</u>
12	Forfeited discounts (L10 x L11)	<u>\$7,966</u>	<u>\$9,914</u>	<u>\$10,121</u>

[1] 3 Yr Avg forfeited discount rate (2017, 2018, 2019) as used in Sub 384. [8] Public Staff WSIP Exhibit I, Schedule 3(c), Column (c), Line 1.
 [2] Public Staff WSIP Exhibit I, Schedule 3(a), Column (c), Line 1. [9] Public Staff WSIP Exhibit I, Schedule 3(c), Column (e), Line 1.
 [3] Public Staff WSIP Exhibit I, Schedule 3(a), Column (e), Line 1. [10] Public Staff WSIP Exhibit I, Schedule 3(c), Column (g), Line 1.
 [4] Public Staff WSIP Exhibit I, Schedule 3(a), Column (g), Line 1. [11] Public Staff WSIP Exhibit I, Schedule 3(d), Column (c), Line 1.
 [5] Public Staff WSIP Exhibit I, Schedule 3(b), Column (c), Line 1. [12] Public Staff WSIP Exhibit I, Schedule 3(d), Column (e), Line 1.
 [6] Public Staff WSIP Exhibit I, Schedule 3(b), Column (e), Line 1. [13] Public Staff WSIP Exhibit I, Schedule 3(d), Column (g), Line 1.
 [7] Public Staff WSIP Exhibit I, Schedule 3(b), Column (g), Line 1.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF UNCOLLECTIBLE ACCOUNTS
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-2

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
Test Year:					
1	Uncollectible 5 Year Sum	3.75% [1]	3.75% [1]	6.90% [1]	6.90%
2	Uncollectible 5 Years	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
3	Uncollectible 5 Year Average (Ln1 / L2)	<u>0.75%</u>	<u>0.75%</u>	<u>1.38%</u>	<u>1.38%</u> [1]
Present Rates:					
4	Service revenues	\$22,299,835 [2]	\$17,472,765 [5]	\$1,879,444 [8]	\$2,643,518 [11]
5	Uncollectible accounts percentage (L3)	<u>0.75%</u>	<u>0.75%</u>	<u>1.38%</u>	<u>1.38%</u>
6	Uncollectible accounts (L4 x L5)	<u>\$167,249</u>	<u>\$131,046</u>	<u>\$25,936</u>	<u>\$36,481</u>
Company Proposed Rates:					
7	Service revenues	\$23,930,960 [3]	\$19,242,476 [6]	\$2,116,038 [9]	\$3,042,317 [12]
8	Uncollectible accounts percentage (L3)	<u>0.75%</u>	<u>0.75%</u>	<u>1.38%</u>	<u>1.38%</u>
9	Uncollectible accounts (L7 x L8)	<u>\$179,482</u>	<u>\$144,319</u>	<u>\$29,201</u>	<u>\$41,984</u>
Public Staff Recommended Rates:					
10	Service revenues	\$23,080,303 [4]	\$18,577,393 [7]	\$2,010,479 [10]	\$2,792,679 [13]
11	Uncollectible accounts percentage (L3)	<u>0.75%</u>	<u>0.75%</u>	<u>1.38%</u>	<u>1.38%</u>
12	Uncollectible accounts (L10 x L11)	<u>\$173,102</u>	<u>\$139,330</u>	<u>\$27,745</u>	<u>\$38,539</u>

[1] Per examination of Company's financial records.

[2] Public Staff WSIP Exhibit I, Schedule 3(a), Column (c), Line 1.

[3] Public Staff WSIP Exhibit I, Schedule 3(a), Column (e), Line 1.

[4] Public Staff WSIP Exhibit I, Schedule 3(a), Column (g), Line 1.

[5] Public Staff WSIP Exhibit I, Schedule 3(b), Column (c), Line 1.

[6] Public Staff WSIP Exhibit I, Schedule 3(b), Column (e), Line 1.

[7] Public Staff WSIP Exhibit I, Schedule 3(b), Column (g), Line 1.

[8] Public Staff WSIP Exhibit I, Sch 3(c), Column (c), Line 1.

[9] Public Staff WSIP Exhibit I, Sch 3(c), Column (e), Line 1.

[10] Public Staff WSIP Exhibit I, Sch 3(c), Column (g), Line 1.

[11] Public Staff WSIP Exhibit I, Sch 3(d), Column (c), Line 1.

[12] Public Staff WSIP Exhibit I, Sch 3(d), Column (e), Line 1.

[13] Public Staff WSIP Exhibit I, Sch 3(d), Column (g), Line 1.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF UNCOLLECTIBLE ACCOUNTS
 For The Rate Year 1 - Rate Year 3 Ended March 31,
 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-2(a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
Test Year:				
1	Uncollectible 5 Year Sum	3.75%	3.75%	3.75%
2	Uncollectible 5 Years	<u>5</u>	<u>5</u>	<u>5</u>
3	Uncollectible 5 Year Average (L1 / L2)	<u>0.75%</u>	<u>0.75%</u>	<u>0.75%</u>
Present Rates:				
4	Service revenues	\$23,930,960 [2]	\$26,098,507 [2]	\$27,236,574 [2]
5	Uncollectible accounts percentage (L3)	0.75%	0.75%	0.75%
6	Uncollectible accounts (L4 x L5)	<u>\$179,482</u>	<u>\$195,739</u>	<u>\$204,274</u>
Company Proposed Rates:				
7	Service revenues	\$26,098,507 [3]	\$27,236,574 [3]	\$28,379,625 [3]
8	Uncollectible accounts percentage (L3)	0.75%	0.75%	0.75%
9	Uncollectible accounts (L7 x L8)	<u>\$195,739</u>	<u>\$204,274</u>	<u>\$212,847</u>
Public Staff Recommended Rates:				
10	Service revenues	\$24,644,247 [4]	\$25,999,302 [4]	\$26,531,907 [4]
11	Uncollectible accounts percentage (L3)	0.75%	0.75%	0.75%
12	Uncollectible accounts (L10 x L11)	<u>\$184,832</u>	<u>\$194,995</u>	<u>\$198,989</u>

[1] Per examination of Company's financial records.
 [2] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 1.
 [3] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (e), Line 1.
 [4] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (g), Line 1.
 [5] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (c), Line 1.
 [6] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (e), Line 1.
 [7] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (g), Line 1.
 [8] Public Staff Settlement Exhibit 1, Sch 3(c), Column (c), Line 1.
 [9] Public Staff Settlement Exhibit 1, Sch 3(c), Column (e), Line 1.
 [10] Public Staff Settlement Exhibit 1, Sch 3(c), Column (g), Line 1.
 [11] Public Staff Settlement Exhibit 1, Sch 3(d), Column (c), Line 1.
 [12] Public Staff Settlement Exhibit 1, Sch 3(d), Column (e), Line 1.
 [13] Public Staff Settlement Exhibit 1, Sch 3(d), Column (g), Line 1

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF UNCOLLECTIBLE ACCOUNTS
For The Rate Year 1 - Rate Year 3 Ended March 31,
2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-2(b)

CWSNC SEWER OPERATIONS

Line No.	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
	<u>Test Year:</u>			
1	Uncollectible 5 Year Sum	3.75%	3.75%	3.75%
2	Uncollectible 5 Years	5	5	5
3	Uncollectible 5 Year Average (L1 / L2)	<u>0.75%</u>	<u>0.75%</u>	<u>0.75%</u>
	<u>Present Rates:</u>			
4	Service revenues	\$19,242,476 [2]	\$21,454,783 [2]	\$22,737,456 [2]
5	Uncollectible accounts percentage (L3)	0.75%	0.75%	0.75%
6	Uncollectible accounts (L4 x L5)	<u>\$144,319</u>	<u>\$160,911</u>	<u>\$170,531</u>
	<u>Company Proposed Rates:</u>			
7	Service revenues	\$21,454,783 [3]	\$22,737,456 [3]	\$24,125,469 [3]
8	Uncollectible accounts percentage (L3)	0.75%	0.75%	0.75%
9	Uncollectible accounts (L7 x L8)	<u>\$160,911</u>	<u>\$170,531</u>	<u>\$180,941</u>
	<u>Public Staff Recommended Rates:</u>			
10	Service revenues	\$20,472,380 [4]	\$21,054,476 [4]	\$22,904,235 [4]
11	Uncollectible accounts percentage (L3)	0.75%	0.75%	0.75%
12	Uncollectible accounts (L10 x L11)	<u>\$153,543</u>	<u>\$157,909</u>	<u>\$171,782</u>

[1] Per examination of Company's financial records.
[2] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 1.
[3] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (e), Line 1.
[4] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (g), Line 1.
[5] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (c), Line 1.
[6] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (e), Line 1.
[7] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (g), Line 1.
[8] Public Staff WSIPEXhibit I, Sch 3(c), Column (c), Line 1.
[9] Public Staff Settlement Exhibit 1, Sch 3(c), Column (e), Line 1.
[10] Public Staff Settlement Exhibit 1, Sch 3(c), Column (g), Line 1.
[11] Public Staff Settlement Exhibit 1, Sch 3(d), Column (c), Line 1.
[12] Public Staff Settlement Exhibit 1, Sch 3(d), Column (e), Line 1.
[13] Public Staff Settlement Exhibit 1, Sch 3(d), Column (g), Line 1

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF UNCOLLECTIBLE ACCOUNTS
 For The Rate Year 1 - Rate Year 3 Ended March 31,
 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-2(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
	Test Year:			
1	Uncollectible 5 Year Sum	6.90%	6.90%	6.90%
2	Uncollectible 5 Years	<u>5</u>	<u>5</u>	<u>5</u>
3	Uncollectible 5 Year Average (L1 / L2)	<u>1.38%</u>	<u>1.38%</u>	<u>1.38%</u>
	Present Rates:			
4	Service revenues	\$2,116,038 [2]	\$2,510,770 [2]	\$2,661,120 [2]
5	Uncollectible accounts percentage (L3)	<u>1.38%</u>	<u>1.38%</u>	<u>1.38%</u>
6	Uncollectible accounts (L4 x L5)	<u>\$29,201</u>	<u>\$34,649</u>	<u>\$36,723</u>
	Company Proposed Rates:			
7	Service revenues	\$2,510,770 [3]	\$2,661,120 [3]	\$2,773,136 [3]
8	Uncollectible accounts percentage (L3)	<u>1.38%</u>	<u>1.38%</u>	<u>1.38%</u>
9	Uncollectible accounts (L7 x L8)	<u>\$34,649</u>	<u>\$36,723</u>	<u>\$38,269</u>
	Public Staff Recommended Rates:			
10	Service revenues	\$2,311,383 [4]	\$2,461,353 [4]	\$2,510,656 [4]
11	Uncollectible accounts percentage (L3)	<u>1.38%</u>	<u>1.38%</u>	<u>1.38%</u>
12	Uncollectible accounts (L10 x L11)	<u>\$31,897</u>	<u>\$33,967</u>	<u>\$34,647</u>

[1] Per examination of Company's financial records.

[2] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 1.

[3] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (e), Line 1.

[4] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (g), Line 1.

[5] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (c), Line 1.

[6] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (e), Line 1.

[7] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (g), Line 1.

[8] Public Staff Settlement Exhibit 1, Sch 3(c), Column (c), Line 1.

[9] Public Staff Settlement Exhibit 1, Sch 3(c), Column (e), Line 1.

[10] Public Staff Settlement Exhibit 1, Sch 3(c), Column (g), Line 1.

[11] Public Staff Settlement Exhibit 1, Sch 3(d), Column (c), Line 1.

[12] Public Staff Settlement Exhibit 1, Sch 3(d), Column (e), Line 1.

[13] Public Staff Settlement Exhibit 1, Sch 3(d), Column (g), Line 1.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF UNCOLLECTIBLE ACCOUNTS
For The Rate Year 1 - Rate Year 3 Ended March 31,
2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-2(d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
	Test Year:			
1	Uncollectible 5 Year Sum	6.90%	6.90%	6.90%
2	Uncollectible 5 Years	<u>5</u>	<u>5</u>	<u>5</u>
3	Uncollectible 5 Year Average (Ln1 / L2)	<u>1.38%</u>	<u>1.38%</u>	<u>1.38%</u>
	Present Rates:			
4	Service revenues	\$3,042,317 [2]	\$3,169,302 [2]	\$3,422,492 [2]
5	Uncollectible accounts percentage (L3)	<u>1.38%</u>	<u>1.38%</u>	<u>1.38%</u>
6	Uncollectible accounts (L4 x L5)	<u>\$41,984</u>	<u>\$43,736</u>	<u>\$47,230</u>
	Company Proposed Rates:			
7	Service revenues	\$3,169,302 [3]	\$3,422,492 [3]	\$3,562,955 [3]
8	Uncollectible accounts percentage (L3)	<u>1.38%</u>	<u>1.38%</u>	<u>1.38%</u>
9	Uncollectible accounts (L7 x L8)	<u>\$43,736</u>	<u>\$47,230</u>	<u>\$49,169</u>
	Public Staff Recommended Rates:			
10	Service revenues	\$2,968,535 [4]	\$3,694,354 [4]	\$3,771,556 [4]
11	Uncollectible accounts percentage (L3)	<u>1.38%</u>	<u>1.38%</u>	<u>1.38%</u>
12	Uncollectible accounts (L10 x L11)	<u>\$40,966</u>	<u>\$50,982</u>	<u>\$52,047</u>

[1] Per examination of Company's financial records.

[2] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (c), Line 1.

[3] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (e), Line 1.

[4] Public Staff Settlement Exhibit 1, Schedule 3(a), Column (g), Line 1.

[5] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (c), Line 1.

[6] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (e), Line 1.

[7] Public Staff Settlement Exhibit 1, Schedule 3(b), Column (g), Line 1.

[8] Public Staff Settlement Exhibit 1, Sch 3(c), Column (c), Line 1.

[9] Public Staff Settlement Exhibit 1, Sch 3(c), Column (e), Line 1.

[10] Public Staff Settlement Exhibit 1, Sch 3(c), Column (g), Line 1.

[11] Public Staff Settlement Exhibit 1, Sch 3(d), Column (c), Line 1.

[12] Public Staff Settlement Exhibit 1, Sch 3(d), Column (e), Line 1

[13] Public Staff Settlement Exhibit 1, Sch 3(d), Column (g), Line 1

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO SALARY AND WAGES GENERAL
 For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
 Schedule 3-3

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Salaries & Wages general per Company	<u>\$ 3,925,866</u> [1]	<u>\$2,342,194</u>	<u>\$471,682</u>	<u>\$482,814</u>
2	Adjustment to include company 09.19.2022 updates	24,065	14,358	2,891	2,960
3	Salaries & Wages general adjusted for company updates (L1 + L2)	3,949,931 [1]	2,356,552 [1]	474,573	485,774
4	Adjustments to update employee salaries through August 31, 2022	<u>(77,887)</u>	<u>(46,468)</u>	<u>(9,358) [1]</u>	<u>(9,579) [1]</u>
5	Salaries & Wages general per Public Staff (L3 + L4)	<u>\$ 3,872,044</u>	<u>\$ 2,310,084</u>	<u>\$ 465,216</u>	<u>\$ 476,195</u>

[1] Per examination of the company's financial records.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO SALARY AND WAGES GENERAL
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-3 (a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Salaries & Wages Calculation Basis per Company	\$ 3,949,931 [1]	\$4,068,428 [1]	\$4,190,481 [1]
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Salaries & Wages per Company (L1* (1+3%))	\$4,068,428 [1]	\$4,190,481 [1]	\$4,316,196 [1]
4	Salaries & Wages Calculation Basis per Public Staff	3,872,044 [2]	3,988,205 [2]	4,107,851 [2]
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Salaries & Wages per Public Staff (L4*(1+3%))	<u>3,988,205</u>	<u>4,107,851</u>	<u>4,231,087</u>
7	Adjustment to Salaries & Wages (L6 - L3)	<u>(80,223)</u>	<u>(82,630)</u>	<u>(85,109)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO SALARY AND WAGES GENERAL
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-3 (b)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Salaries & Wages Calculation Basis per Company	\$ 2,356,552 [1]	\$2,427,248 [1]	\$2,500,066 [1]
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Salaries & Wages per Company (L1* (1+3%))	\$2,427,248 [1]	\$2,500,066 [1]	\$2,575,068 [1]
4	Salaries & Wages Calculation Basis per Public Staff	2,310,084 [2]	2,379,387 [2]	2,450,768 [2]
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Salaries & Wages per Public Staff (L4*(1+3%))	<u>2,379,387</u>	<u>2,450,768</u>	<u>2,524,291</u>
7	Adjustment to Salaries & Wages (L6 - L3)	<u>(47,862)</u>	<u>(49,297)</u>	<u>(50,776)</u>

[1] Per examination of the Company's response to accounting data requests.
 [2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO SALARY AND WAGES GENERAL
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Settlement Exhibit 1
 Schedule 3-3 (c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Salaries & Wages Calculation Basis per Company	\$ 474,573 [1]	\$488,811 [1]	\$503,475 [1]
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Salaries & Wages per Company (L1* (1+3%))	\$488,811 [1]	\$503,475 [1]	\$518,579 [1]
4	Salaries & Wages Calculation Basis per Public Staff	465,216 [2]	479,172 [2]	493,547 [2]
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Salaries & Wages per Public Staff (L4*(1+3%))	479,172	493,547	508,354
7	Adjustment to Salaries & Wages (L6 - L3)	(9,639)	(9,928)	(10,226)

[1] Per examination of the Company's response to accounting data requests.
 [2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO SALARY AND WAGES GENERAL
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-3 (d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Salaries & Wages Calculation Basis per Company	<u>\$ 485,774 [1]</u>	<u>\$500,347 [1]</u>	<u>\$515,357 [1]</u>
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Salaries & Wages per Company (L1* (1+3%))	<u>\$500,347 [1]</u>	<u>\$515,357 [1]</u>	<u>\$530,818 [1]</u>
4	Salaries & Wages Calculation Basis per Public Staff	476,195 [2]	490,481 [2]	505,195 [2]
5	Public Staff Growth Factor	<u>3.00% [2]</u>	<u>3.00% [2]</u>	<u>3.00% [2]</u>
6	Salaries & Wages per Public Staff (L4*(1+3%))	<u>490,481</u>	<u>505,195</u>	<u>520,351</u>
7	Adjustment to Salaries & Wages (L6 - L3)	<u>(9,866)</u>	<u>(10,162)</u>	<u>(10,467)</u>

[1] Per examination of the Company's response to accounting data requests.
 [2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PURCHASE POWER

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-4

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Purchase power per application	<u>\$1,073,063</u> [1]	<u>\$838,500</u> [1]	<u>\$70,432</u> [1]	<u>\$149,604</u> [1]
2	Adjustment to include company 09.19.2022 updates	(0)	0	(0)	(0)
3	Purchase power after the Company's 09.19.22 updates (L1 + L2)	1,073,063 [1]	838,500 [1]	70,432 [1]	149,604 [1]
4	Adjustment to purchased power	<u>(1,966)</u> [2]	<u>(13,484)</u> [2]	<u>-</u> [2]	<u>-</u> [2]
5	Purchase power per Public Staff (L3 + L4)	<u>\$ 1,071,097</u>	<u>\$ 825,016</u>	<u>\$ 70,432</u>	<u>\$ 149,604</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO PURCHASE POWER
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-4(a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Purchase Power Calculation Basis per Company	<u>\$1,073,063</u>	[1] <u>\$1,154,615</u>	[1] <u>\$1,193,207</u> [1]
2	Growth Factor per Company	7.60% [1]	3.34% [1]	3.34% [1]
3	Purchase Power per Company (L1*(1+ L2)	1,154,615 [1]	1,193,207 [1]	1,233,088 [1]
4	Purchase Power Calculation Basis per Public Staff	1,071,097 [2]	1,118,810 [2]	1,156,431 [2]
5	Public Staff Growth Factor	4.45% [2]	3.36% [2]	3.38% [2]
6	Purchase Power per Public (L4*(1+L5)	<u>1,118,810</u>	<u>1,156,431</u>	1,195,554
7	Adjustment to Purchase Power (L6 - L3)	<u>\$ (35,805)</u>	<u>\$ (36,776)</u>	<u>\$ (37,535)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO PURCHASE POWER
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-4(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Purchase Power Calculation Basis per Company	<u>\$838,500</u>	<u>\$902,226</u>	<u>\$925,585</u>
2	Growth Factor per Company	7.60%	2.59%	2.59%
3	Purchase Power per Company (L1*(1+ L2)	902,226	925,585	949,548
4	Purchase Power Calculation Basis per Public Staff	825,016	856,735	880,894
5	Public Staff Growth Factor	3.84%	2.82%	2.84%
6	Purchase Power per Public (L4*(1+L5)	<u>856,735</u>	<u>880,894</u>	<u>905,914</u>
7	Adjustment to Purchase Power (L6 - L3)	<u>\$ (45,491)</u>	<u>\$ (44,691)</u>	<u>\$ (43,635)</u>

[1] Per examination of the Company's response to accounting data requests.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO PURCHASE POWER
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-4(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Purchase Power Calculation Basis per Company	<u>\$70,432</u> [1]	<u>\$77,306</u> [1]	<u>\$79,830</u> [1]
2	Growth Factor per Company	9.76% [1]	3.26% [1]	3.26% [1]
3	Purchase Power per Company (L1*(1+ L2)	77,306 [1]	79,830 [1]	82,435 [1]
4	Purchase Power Calculation Basis per Public Staff	70,432 [2]	73,154 [2]	75,224 [2]
5	Public Staff Growth Factor	3.87% [2]	2.83% [2]	2.85% [2]
6	Purchase Power per Public (L4*(1+L5)	<u>73,154</u>	<u>75,224</u>	77,369
7	Adjustment to Purchase Power (L6 - L3)	<u>\$ (4,152)</u>	<u>\$ (4,605)</u>	<u>\$ (5,066)</u>

[1] Per examination of the Company's response to accounting data requests.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO PURCHASE POWER
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-4(d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Purchase Power Calculation Basis per Company	<u>\$149,604</u>	<u>\$164,710</u>	<u>\$171,123</u>
2	Growth Factor per Company	10.10%	3.89%	3.89%
3	Purchase Power per Company (L1*(1+ L2)	164,710	171,123	177,786
4	Purchase Power Calculation Basis per Public Staff	149,604	155,294	159,593
5	Public Staff Growth Factor	3.80%	2.77%	2.82%
6	Purchase Power per Public (L4*(1+L5)	<u>155,294</u>	<u>159,593</u>	164,094
7	Adjustment to Purchase Power (L6 - L3)	<u>\$ (9,416)</u>	<u>\$ (11,530)</u>	<u>\$ (13,692)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE AND REPAIR
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-5

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Maintenance and repair per application	<u>\$1,201,678</u> [1]	<u>\$1,662,107</u> [1]	<u>\$195,200</u> [1]	<u>\$236,104</u> [1]
2	Adjustment to include company 09.19.2022 updates	0 [1]	(0) [1]	0 [1]	(0) [1]
3	Maintenance and repair after adjusted for updated (L1 + L2)	1,201,678 [1]	1,662,107 [1]	195,200 [1]	236,104 [1]
4	Adjustment to deferred maintenance and repair per update	28,528 [1]	158,801 [1]	12,756 [1]	(8,938) [1]
5	Adjustment to sludge hauling - remove non-recurring expenses	(34,580) [2]	(15,139) [2]	0 [2]	(20,112) [2]
6	Total adjustment to maintenance and repair (L4+L5)	<u>(6,052)</u> [2]	<u>143,662</u> [2]	<u>12,756</u> [2]	<u>(29,050)</u> [2]
7	Maintenance and repair per Public Staff (L3 + L7)	<u>1,195,626</u>	<u>1,805,769</u>	<u>207,957</u>	<u>207,054</u>

[1] Per examination of Company's financial records.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE AND REPAIR
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-5(1)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
	-	(a)	(b)	(c)
1	Maintenance and repair Calculation Basis per Company	<u>\$1,201,678</u> [1]	<u>1,263,123</u> [1]	<u>1,288,802</u> [1]
2	Compound Growth Factor per Company	5.11% [1]	2.03% [1]	1.89% [1]
3	Maintenance and repair Per Company	1,263,123 [1]	1,288,802 [1]	1,313,104 [1]
4	Deferred Maintenance and repair per Public Staff	216,534 [2]	389,970 [2]	245,522 [2]
5	Sludge hauling per Public Staff	4,705 [2]	4,818 [2]	4,933 [2]
6	M&R expense other than Sludge hauling & Fuel cost	973,680 [2]	997,048 [2]	1,020,977 [2]
7	Total Maintenance and repair expense per Public Staff (L4 through L6)	<u>1,194,919</u>	<u>1,391,835</u>	<u>1,271,432</u>
8	Adjustment to maintenance and repair	<u>(68,204)</u>	<u>103,033</u>	<u>(41,672)</u>

[1] Per examination of Company's financial records.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE AND REPAIR
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-5(2)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
	-	(a)	(b)	(c)
1	Maintenance and repair Calculation Basis per Company	<u>\$1,662,107</u> [1]	<u>1,802,879</u> [1]	<u>1,842,508</u> [1]
2	Compound Growth Factor per Company	8.47% [1]	2.20% [1]	-8.73% [1]
3	Maintenance and repair Per Company	1,802,879 [1]	1,842,508 [1]	1,681,719 [1]
4	Deferred Maintenance and repair per Public Staff	396,735 [2]	353,730 [2]	115,442 [2]
5	Sludge hauling per Public Staff	<u>464,263</u> [2]	475,405 [2]	486,815 [2]
6	M&R expense other than Sludge hauling & Fuel cost	966,766 [2]	989,969 [2]	1,013,728 [2]
7	Total Maintenance and repair expense per Public Staff (L4 through L6)	<u>1,827,764</u>	<u>1,819,104</u>	<u>1,615,985</u>
8	Adjustment to maintenance and repair	<u>24,884</u>	<u>(23,404)</u>	<u>(65,734)</u>

[1] Per examination of the Company's response to accounting data requests.
 [2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE AND REPAIR
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-5(3)

BF/FH/TC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
	-	(a)	(b)	(c)
1	Maintenance and repair Calculation Basis per Company	<u>\$195,200</u> [1]	<u>220,605</u> [1]	<u>222,939</u> [1]
2	Compound Growth Factor per Company	13.01% [1]	1.06% [1]	1.67% [1]
3	Maintenance and repair Per Company	220,605 [1]	222,939 [1]	226,670 [1]
4	Deferred Maintenance and repair per Public Staff	27,592 [2]	27,592 [2]	27,402 [2]
5	Sludge hauling per Public Staff	0 [2]	0 [2]	0 [2]
6	M&R expense other than Sludge hauling & Fuel cost	187,143 [2]	191,635 [2]	196,234 [2]
7	Total Maintenance and repair expense per Public Staff (L4 through L6)	<u>214,735</u>	<u>219,227</u>	<u>223,636</u>
8	Adjustment to maintenance and repair	<u>(5,870)</u>	<u>(3,712)</u>	<u>(3,035)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE AND REPAIR
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-5(4)

BF/FH/TC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
	-	(a)	(b)	(c)
1	Maintenance and repair Calculation Basis per Company	<u>\$236,104</u> [1]	<u>256,093</u> [1]	<u>265,267</u> [1]
2	Compound Growth Factor per Company	8.47% [1]	3.58% [1]	3.59% [1]
3	Maintenance and repair Per Company	256,093 [1]	265,267 [1]	274,798 [1]
4	Deferred Maintenance and repair per Public Staff	33,640 [2]	33,640 [2]	33,640 [2]
5	Sludge hauling per Public Staff	<u>72,964</u> [2]	74,715 [2]	76,509 [2]
6	M&R expense other than Sludge hauling & Fuel cost	127,521 [2]	130,582 [2]	133,716 [2]
7	Total Maintenance and repair expense per Public Staff (L4 through L6)	<u>234,125</u>	<u>238,937</u>	<u>243,864</u>
8	Adjustment to maintenance and repair	<u>(21,968)</u>	<u>(26,330)</u>	<u>(30,934)</u>

[1] Per examination of the Company's response to accounting data requests.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO DEFERRED MAINTENANCE AND REPAIR
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-5(a)

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Annual deferred maintenance and repair per Public Staff	249,413 [1]	421,795 [1]	26,967 [1]	13,161 [1]
2	Deferred maintenance and repair per Company	<u>220,885</u> [2]	<u>262,993</u> [2]	<u>14,211</u> [2]	<u>22,098</u> [2]
3	Adjustment to deferred maintenance and repair (L1 - L2)	<u>\$28,528</u>	<u>\$158,801</u>	<u>\$12,756</u>	<u>(\$8,938)</u>

[1] Annual depreciation expense of systems that have not been fully retired per reviewing the Company's records
[2] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO DEFERRED MAINTENANCE AND REPAIR

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-5(a)(1)

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Annual deferred maintenance and repair per Public Staff	216,534 [1]	389,970 [1]	245,522 [1]
2	Deferred maintenance and repair per Company	<u>186,184</u> [2]	<u>175,867</u> [2]	<u>162,971</u> [2]
3	Adjustment to deferred maintenance and repair (L1 - L2)	<u>30,350</u>	<u>214,103</u>	<u>82,551</u>

[1] Annual depreciation expense of systems that have not been fully retired per reviewing the Company's records.

[2] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO DEFERRED MAINTENANCE AND REPAIR
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-5(a)(2)

CWSNC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Annual deferred maintenance and repair per Public Staff	396,735 [1]	353,730 [1]	115,442 [1]
2	Deferred maintenance and repair per application	<u>272,237</u> [2]	<u>272,237</u> [2]	<u>70,794</u> [2]
3	Adjustment to deferred maintenance and repair (L1 - L2)	<u>124,498</u>	<u>81,493</u>	<u>44,648</u>

[1] Annual depreciation expense of systems that have not been fully retired per reviewing the Company's records.

[2] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO DEFERRED MAINTENANCE AND REPAIR
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-5(a)(3)

BF/FH/TC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Annual deferred maintenance and repair per Public Staff	27,592 [1]	27,592 [1]	27,402 [1]
2	Deferred maintenance and repair per application	<u>21,949</u> [2]	<u>17,799</u> [2]	<u>14,836</u> [2]
3	Adjustment to deferred maintenance and repair (L1 - L2)	<u>5,643</u>	<u>9,792</u>	<u>12,566</u>

[1] Annual depreciation expense of systems that have not been fully retired per reviewing the Company's records.

[2] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO DEFERRED MAINTENANCE AND REPAIR
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-5(a)(4)

BF/FH/TC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Annual deferred maintenance and repair per Public Staff	33,640 [1]	33,640 [1]	33,640 [1]
2	Deferred maintenance and repair per application	<u>20,479 [2]</u>	<u>20,479 [2]</u>	<u>20,479 [2]</u>
3	Adjustment to deferred maintenance and repair (L1 - L2)	<u><u>13,161</u></u>	<u><u>13,161</u></u>	<u><u>13,161</u></u>

[1] Annual depreciation expense of systems that have not been fully retired per reviewing the Company's records.

[2] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE TESTING
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024
-2026

Public Staff Settlement Exhibit 1
Schedule 3-6(a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Maintenance Testing Calculation Basis per Company	<u>\$195,388</u> [1]	<u>\$210,238</u> [1]	<u>\$217,264</u> [1]
2	Growth Factor per Company	7.60% [1]	3.34% [1]	3.34% [1]
3	Maintenance Testing per Company (L1* (1+L2))	210,238 [1]	217,264 [1]	224,526 [1]
4	Maintenance Testing Calculation Basis per Public Staff	<u>195,388</u> [2]	<u>202,031</u> [2]	<u>206,880</u> [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Maintenance Testing per Public Staff (L4*(1+L5))	<u>202,031</u>	<u>206,880</u>	<u>211,845</u>
7	Adjustment to Maintenance Testing (L6 - L3)	<u>(8,206)</u>	<u>(10,384)</u>	<u>(12,681)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE TESTING
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024
 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-6(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Maintenance Testing Calculation Basis per Company	<u>\$305,558</u> [1]	<u>\$328,780</u> [1]	<u>\$337,292</u> [1]
2	Growth Factor per Company	7.60% [1]	2.59% [1]	2.59% [1]
3	Maintenance Testing per Company (L1* (1+L2))	328,780 [1]	337,292 [1]	346,025 [1]
4	Maintenance Testing Calculation Basis per Public Staff	<u>305,558</u> [2]	<u>315,947</u> [2]	<u>323,529</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Maintenance Testing per Public Staff (L4*(1+L5))	<u>315,947</u>	<u>323,529</u>	<u>331,294</u>
7	Adjustment to Maintenance Testing (L6 - L3)	(12,833)	(13,763)	(14,731)

[1] Per examination of the Company's response to accounting data requests.
 [2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE TESTING
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024
 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-6(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Maintenance Testing Calculation Basis per Company	<u>\$10,196</u> [1]	<u>\$10,971</u> [1]	<u>\$11,329</u> [1]
2	Growth Factor per Company	7.60% [1]	3.26% [1]	3.26% [1]
3	Maintenance Testing per Company (L1* (1+L2))	10,971 [1]	11,329 [1]	11,699 [1]
4	Maintenance Testing Calculation Basis per Public Staff	<u>10,196</u> [2]	<u>10,543</u> [2]	<u>10,796</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Maintenance Testing per Public Staff (L4*(1+L5))	<u>10,543</u>	<u>10,796</u>	<u>11,055</u>
7	Adjustment to Maintenance Testing (L6 - L3)	(428)	(533)	(644)

[1] Per examination of the Company's response to accounting data requests.
 [2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO MAINTENANCE TESTING
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024
 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-6(d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Maintenance Testing Calculation Basis per Company	<u>\$24,179</u> [1]	<u>\$26,016</u> [1]	<u>\$27,029</u> [1]
2	Growth Factor per Company	7.60% [1]	3.89% [1]	3.89% [1]
3	Maintenance Testing per Company (L1* (1+L2))	26,016 [1]	27,029 [1]	28,082 [1]
4	Maintenance Testing Calculation Basis per Public Staff	<u>24,179</u> [2]	<u>25,001</u> [2]	<u>25,601</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Maintenance Testing per Public Staff (L4*(1+L5))	<u>25,001</u>	<u>25,601</u>	<u>26,215</u>
7	Adjustment to Maintenance Testing (L6 - L3)	(1,016)	(1,428)	(1,866)

[1] Per examination of the Company's response to accounting data requests.
 [2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO METER READING

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-7

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Meter reading per application	<u>\$229,336</u> [1]	<u>\$3,024</u> [1]	<u>\$47,602</u> [1]	<u>\$1,041</u> [1]
2	Adjustment to include company 09.19.2022 updates	0 [1]	0 [1]	(0) [1]	(0) [1]
3	Meter reading after adjusted for updated (L1 + L2)	229,336	3,024	47,602	1,041
4	Adjustment to remove ineligible meter reading expense	(6,724) [2]	- [2]	- [2]	- [2]
5	Total adjustment (L4)	<u>(6,724)</u>	<u>0</u>	<u>0</u>	<u>0</u>
6	Meter reading per Public Staff (L3 + L5)	<u>222,612</u>	<u>3,024</u>	<u>47,602</u>	<u>1,041</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO METER READING

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-7(a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Meter Reading Calculation Basis per Company	<u>\$229,336</u> [1]	<u>\$251,818</u> [1]	<u>\$260,235</u> [1]
2	Growth Factor per Company	9.80% [1]	3.34% [1]	3.34% [1]
3	Meter Reading per Company (L1* (1+L2))	251,818 [1]	260,235 [1]	268,933 [1]
4	Meter Reading Calculation Basis per Public Staff	<u>222,612</u> [2]	<u>230,181</u> [2]	<u>235,706</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Meter Reading per Public Staff (L4*(1+L5))	<u>230,181</u>	<u>235,706</u>	<u>241,363</u>
7	Adjustment to Meter Reading (L6 - L3)	<u>(21,637)</u>	<u>(24,529)</u>	<u>(27,570)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO METER READING
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-7(b)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Meter Reading Calculation Basis per Company	<u>\$3,024</u> [1]	<u>\$3,308</u> [1]	<u>\$3,394</u> [1]
2	Growth Factor per Company	9.40% [1]	2.59% [1]	2.59% [1]
3	Meter Reading per Company (L1* (1+L2))	3,308 [1]	3,394 [1]	3,482 [1]
4	Meter Reading Calculation Basis per Public Staff	<u>3,024</u> [2]	<u>3,127</u> [2]	<u>3,202</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Meter Reading per Public Staff (L4*(1+L5))	<u>3,127</u>	<u>3,202</u>	<u>3,279</u>
7	Adjustment to Meter Reading (L6 - L3)	(\$181)	(\$192)	(\$203)

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO METER READING
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-7(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Meter Reading Calculation Basis per Company	<u>\$47,602</u> [1]	<u>\$52,248</u> [1]	<u>\$53,954</u> [1]
2	Growth Factor per Company	9.76% [1]	3.26% [1]	3.26% [1]
3	Meter Reading per Company (L1* (1+L2))	52,248 [1]	53,954 [1]	55,715 [1]
4	Meter Reading Calculation Basis per Public Staff	<u>47,602</u> [2]	<u>49,220</u> [2]	<u>50,402</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Meter Reading per Public Staff (L4*(1+L5))	<u>49,220</u>	<u>50,402</u>	<u>51,611</u>
7	Adjustment to Meter Reading (L6 - L3)	(\$3,028)	(\$3,552)	(\$4,103)

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO METER READING
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-7(d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Meter Reading Calculation Basis per Company	<u>\$1,041</u> [1]	<u>\$1,146</u> [1]	<u>\$1,191</u> [1]
2	Growth Factor per Company	10.10% [1]	3.89% [1]	3.89% [1]
3	Meter Reading per Company (L1* (1+L2))	1,146 [1]	1,191 [1]	1,237 [1]
4	Meter Reading Calculation Basis per Public Staff	<u>1,041</u> [2]	<u>1,076</u> [2]	<u>1,102</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Meter Reading per Public Staff (L4*(1+L5))	<u>1,076</u>	<u>1,102</u>	<u>1,129</u>
7	Adjustment to Meter Reading (L6 - L3)	(\$70)	(\$89)	(\$108)

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO TRANSPORTATION

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-8

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Transportation per application	<u>\$280,606</u> [1]	<u>\$167,411</u> [1]	<u>\$38,572</u> [1]	<u>\$39,483</u> [1]
2	Adjustment to include company 10.08.2021 updates	0 [1]	0 [1]	0 [1]	(0) [1]
3	Transportation after adjusted for updated (L1 + L2)	280,606 [1]	167,411 [1]	38,572 [1]	39,483 [1]
4	Remove Company adjustment (-L2)	(0) [2]	(0) [2]	(0) [2]	0 [2]
5	Fuel expense adjustment	<u>6,486</u> [2]	<u>3,869</u> [2]	<u>(2,405)</u> [2]	<u>(2,461)</u> [2]
6	Total adjustments to transportation (L2 + L4 + L5)	<u>6,486</u>	<u>3,869</u>	<u>(2,405)</u>	<u>(2,461)</u>
7	Transportation per Public Staff (L1 + L4)	<u>\$287,092</u>	<u>\$171,280</u>	<u>\$36,167</u>	<u>\$37,022</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO TRANSPORTATION
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-8(a)

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Transportation Calculation Basis per Company	<u>\$280,606</u> [1]	<u>\$308,114</u> [1]	<u>\$318,412</u> [1]
2	Growth Factor per Company	9.80% [1]	3.34% [1]	3.34% [1]
3	Transportation per Company (L1*(1+L2))	308,114 [1]	318,412 [1]	329,055 [1]
4	Transportation Calculation Basis per Public Staff	287,092 [2]	287,092 [2]	287,092 [2]
5	Public Staff Growth Factor	0.00% [2]	0.00% [2]	0.00% [2]
6	Transportation per Public Staff (L4*(1+L5))	<u>287,092</u>	<u>287,092</u>	<u>287,092</u>
7	Adjustment to Transportation (L6 - L3)	<u>(\$21,022)</u>	<u>(\$31,320)</u>	<u>(\$41,963)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO TRANSPORTATION
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-8(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Transportation Calculation Basis per Company	<u>\$167,411</u> [1]	<u>\$183,149</u> [1]	<u>\$187,891</u> [1]
2	Growth Factor per Company	9.40% [1]	2.59% [1]	2.59% [1]
3	Transportation per Company (L1* (1+L2))	183,149 [1]	187,891 [1]	192,756 [1]
4	Transportation Calculation Basis per Public Staff	171,280 [2]	171,280 [2]	171,280 [2]
5	Public Staff Growth Factor	0.00% [2]	0.00% [2]	0.00% [2]
6	Transportation per Public Staff (L4*(1+L5))	<u>\$171,280</u>	<u>\$171,280</u>	<u>\$171,280</u>
7	Adjustment to Transportation (L6 - L3)	<u>(\$11,869)</u>	<u>(\$16,611)</u>	<u>(\$21,476)</u>

[1] Per examination of the Company's response to accounting data requests.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO TRANSPORTATION
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-8(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Transportation Calculation Basis per Company	<u>\$38,572</u> [1]	<u>\$42,337</u> [1]	<u>\$43,719</u> [1]
2	Growth Factor per Company	9.76% [1]	3.26% [1]	3.26% [1]
3	Transportation per Company (L1*(1+L2))	42,337 [1]	43,719 [1]	45,146 [1]
4	Transportation Calculation Basis per Public Staff	36,167 [2]	36,167 [2]	36,167 [2]
5	Public Staff Growth Factor	0.00% [2]	0.00% [2]	0.00% [2]
6	Transportation per Public Staff (L4*(1+L5))	<u>\$36,167</u>	<u>\$36,167</u>	<u>\$36,167</u>
7	Adjustment to Transportation (L6 - L3)	<u>(\$6,170)</u>	<u>(\$7,552)</u>	<u>(\$8,979)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO TRANSPORTATION
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-8(d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Transportation Calculation Basis per Company	<u>\$39,483</u> [1]	<u>\$43,469</u> [1]	<u>\$45,162</u> [1]
2	Growth Factor per Company	10.10% [1]	3.89% [1]	3.89% [1]
3	Transportation per Company (L1* (1+L2))	43,469 [1]	45,162 [1]	46,920 [1]
4	Transportation Calculation Basis per Public Staff	37,022 [2]	37,022 [2]	37,022 [2]
5	Public Staff Growth Factor	0.00% [2]	0.00% [2]	0.00% [2]
6	Transportation per Public Staff (L4*(1+L5))	<u>\$37,022</u>	<u>\$37,022</u>	<u>\$37,022</u>
7	Adjustment to Transportation (L6 - L3)	<u>(\$6,447)</u>	<u>(\$8,140)</u>	<u>(\$9,898)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO CAPITALIZED TIME ADJUSTMENT
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-9

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Operating expenses charged to plant per application	<u>(\$450,858) [1]</u>	<u>(\$268,985) [1]</u>	<u>(\$65,538) [1]</u>	<u>(\$67,085) [1]</u>
2	Adjustment to include company 09.19.2022 updates	-	-	-	-
3	Operating expenses charged to plant after adjusted per updates (L1 + L2)	(450,858)	(268,985)	(65,538)	(67,085)
4	Adjust FP&A Captive to 1/4 to align with WSIP period	<u>(4,287) [2]</u>	<u>(2,558) [2]</u>	<u>(515) [2]</u>	<u>(527) [2]</u>
5	Total adjustments to capitalized time (L4)	<u>(4,287)</u>	<u>(2,558)</u>	<u>(515)</u>	<u>(527)</u>
6	Operating expenses charged to plant per Public Staff (L3 + L5)	<u>(\$455,145)</u>	<u>(\$271,543)</u>	<u>(\$66,053)</u>	<u>(\$67,612)</u>

[1] Per examination of the company's response to accounting data requests.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO CAPITALIZED TIME ADJUSTMENT
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-9(a)

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Operating Expenses Charged to Plant Calculation Basis per Company	<u>(\$450,858)</u> [1]	<u>(\$464,384)</u> [1]	<u>(\$478,315)</u> [1]
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Operating Expenses Charged to Plant per Company (L1* (1+L2))	(464,384) [1]	(478,315) [1]	(492,665) [1]
4	Operating Expenses Charged to Plant Calculation Basis per Public Staff	(455,145) [2]	(468,799) [2]	(482,863) [2]
5	Public Staff Growth Factor	<u>3.00%</u> [2]	<u>3.00%</u> [2]	<u>3.00%</u> [2]
6	Operating Expenses Charged to Plant per Public Staff (L4*(1+L5))	<u>(468,799)</u>	<u>(482,863)</u>	<u>(497,349)</u>
7	Adjustment to Operating Expenses Charged to Plant (L6 - L3)	<u>(\$4,416)</u>	<u>(\$4,548)</u>	<u>(\$4,685)</u>

[1] Per examination of the Company's response to accounting data requests.
[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO CAPITALIZED TIME ADJUSTMENT

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-9(b)

CWSNC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Operating Expenses Charged to Plant Calculation Basis per Company	<u>(\$268,985) [1]</u>	<u>(\$277,055) [1]</u>	<u>(\$285,366) [1]</u>
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Operating Expenses Charged to Plant per Company (L1* (1+L2))	(277,055) [1]	(285,366) [1]	(293,927) [1]
4	Operating Expenses Charged to Plant Calculation Basis per Public Staff	<u>(271,543) [2]</u>	<u>(279,689) [2]</u>	<u>(288,080) [2]</u>
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Operating Expenses Charged to Plant per Public Staff (L4*(1+L5))	<u>(\$279,689)</u>	<u>(\$288,080)</u>	<u>(\$296,722)</u>
7	Adjustment to Operating Expenses Charged to Plant (L6 - L3)	(\$2,635)	(\$2,714)	(\$2,795)

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO CAPITALIZED TIME ADJUSTMENT

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-9(c)

BF/FH/TC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Operating Expenses Charged to Plant Calculation Basis per Company	<u>(\$65,538)</u> [1]	<u>(\$67,504)</u> [1]	<u>(\$69,529)</u> [1]
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Operating Expenses Charged to Plant per Company (L1* (1+L2))	(67,504) [1]	(69,529) [1]	(71,615) [1]
4	Operating Expenses Charged to Plant Calculation Basis per Public Staff	<u>(66,053)</u> [2]	<u>(68,035)</u> [2]	<u>(70,076)</u> [2]
5	Public Staff Growth Factor	<u>3.00%</u> [2]	<u>3.00%</u> [2]	<u>3.00%</u> [2]
6	Operating Expenses Charged to Plant per Public Staff (L4*(1+L5))	<u>(\$68,035)</u>	<u>(\$70,076)</u>	<u>(\$72,178)</u>
7	Adjustment to Operating Expenses Charged to Plant (L6 - L3)	(\$530)	(\$546)	(\$563)

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO CAPITALIZED TIME ADJUSTMENT

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-9(d)

BF/FH/TC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Operating Expenses Charged to Plant Calculation Basis per Company	<u>(\$67,085) [1]</u>	<u>(\$69,098) [1]</u>	<u>(\$71,170) [1]</u>
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Operating Expenses Charged to Plant per Company (L1* (1+L2))	(69,098) [1]	(71,170) [1]	(73,306) [1]
4	Operating Expenses Charged to Plant Calculation Basis per Public Staff	(67,612) [2]	(69,640) [2]	(71,730) [2]
5	Public Staff Growth Factor	<u>3.00% [2]</u>	<u>3.00% [2]</u>	<u>3.00% [2]</u>
6	Operating Expenses Charged to Plant per Public Staff (L4*(1+L5))	<u>(69,640)</u>	<u>(71,730)</u>	<u>(73,881)</u>
7	Adjustment to Operating Expenses Charged to Plant (L6 - L3)	<u>(\$543)</u>	<u>(\$559)</u>	<u>(\$576)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff Calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO OUTSIDE SERVICE OTHER
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-10

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Outside service per application	\$124,388 [1]	\$74,211 [1]	\$24,735 [1]	\$25,319 [1]
2	Adjustments to include company updates 09.19.2022	0 [1]	(0) [1]	0 [1]	(0) [1]
3	Outside service after adjusted per updates (L1 + L2)	124,388	74,211	24,735	25,319
4	Acquisition of Echota Development Water System	(5,777) [2]	(3,447) [2]	[2]	[2]
5	Acquisition of the Seven Devils Resort WWTP	(5,453) [2]	(3,254) [2]	[2]	[2]
6	Total adjustments to outside service other (Sum of L2 thru L4)	(11,230)	(6,701)	0	0
7	Outside service other per Public Staff (L3 + L6)	113,158	67,510	24,735	25,319

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO OUTSIDE SERVICE OTHER
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-10(a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Outside Services - Other Calculation Basis per Company	<u>\$124,388</u> [1]	<u>\$136,582</u> [1]	<u>\$141,147</u> [1]
2	Growth Factor per Company	9.80% [1]	3.34% [1]	3.34% [1]
3	Outside Services - Other per Company (L1* (1+L2))	136,582 [1]	141,147 [1]	145,864 [1]
4	Outside Services - Other Calculation Basis per Public Staff	113,158 [2]	117,005 [2]	119,813 [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Outside Services - Other per Public Staff (L4*(1+L5))	<u>117,005</u>	<u>119,813</u>	<u>122,689</u>
7	Adjustment to Outside Services - Other (L6 - L3)	<u>(19,576)</u>	<u>(21,333)</u>	<u>(23,175)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO OUTSIDE SERVICE OTHER
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-10(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Outside Services - Other Calculation Basis per Company	<u>\$74,211</u> [1]	<u>\$81,187</u> [1]	<u>\$83,289</u> [1]
2	Growth Factor per Company	9.40% [1]	2.59% [1]	2.59% [1]
3	Outside Services - Other per Company (L1* (1+L2))	81,187 [1]	83,289 [1]	85,445 [1]
4	Outside Services - Other Calculation Basis per Public Staff	<u>67,510</u> [2]	<u>69,805</u> [2]	<u>71,480</u> [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Outside Services - Other per Public Staff (L4*(1+L5))	<u>69,805</u>	<u>71,480</u>	<u>73,196</u>
7	Adjustment to Outside Services - Other (L6 - L3)	<u>(11,382)</u>	<u>(11,808)</u>	<u>(12,249)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO OUTSIDE SERVICE OTHER
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-10(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Outside Services - Other Calculation Basis per Company	<u>\$24,735</u> [1]	<u>\$27,149</u> [1]	<u>\$28,035</u> [1]
2	Growth Factor per Company	9.76% [1]	3.26% [1]	3.26% [1]
3	Outside Services - Other per Company (L1* (1+L2))	27,149 [1]	28,035 [1]	28,950 [1]
4	Outside Services - Other Calculation Basis per Public Staff	<u>24,735</u> [2]	<u>25,576</u> [2]	<u>26,190</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Outside Services - Other per Public Staff (L4*(1+L5))	<u>25,576</u>	<u>26,190</u>	<u>26,818</u>
7	Adjustment to Outside Services - Other (L6 - L3)	<u>(1,573)</u>	<u>(1,846)</u>	<u>(2,132)</u>

[1] Per examination of the company's response to accounting data requests

[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO OUTSIDE SERVICE OTHER
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-10(d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Outside Services - Other Calculation Basis per Company	<u>\$25,319</u> [1]	<u>\$27,875</u> [1]	<u>\$28,960</u> [1]
2	Growth Factor per Company	10.10% [1]	3.89% [1]	3.89% [1]
3	Outside Services - Other per Company (L1* (1+L2))	27,875 [1]	28,960 [1]	30,088 [1]
4	Outside Services - Other Calculation Basis per Public Staff	<u>25,319</u> [2]	<u>26,179</u> [2]	<u>26,808</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Outside Services - Other per Public Staff (L4*(1+L5))	<u>26,179</u>	<u>26,808</u>	<u>27,451</u>
7	Adjustment to Outside Services - Other (L6 - L3)	<u>(1,696)</u>	<u>(2,153)</u>	<u>(2,637)</u>

[1] Per examination of the company's response to accounting data requests

[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO OFFICE SUPPLIES AND OTHER OFFICE EXPENSE
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exh bit 1
Schedule 3-11(a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Office Supplies Calculation Basis per Company	<u>\$319,242</u> [1]	<u>\$344,606</u> [1]	<u>\$356,124</u> [1]
2	Growth Factor per Company	7.94% [1]	3.34% [1]	3.34% [1]
3	Office Supplies per Company (L1* (1+3%))	344,606 [1]	356,124 [1]	368,027 [1]
4	Office Supplies Calculation Basis per Public Staff	<u>319,242</u> [2]	<u>330,097</u> [2]	<u>338,019</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Office Supplies per Public Staff (L4*(1+3%))	<u>330,097</u>	<u>338,019</u>	<u>346,131</u>
7	Adjustment to Office Supplies (L6 - L3)	<u>(\$14,509)</u>	<u>(\$18,105)</u>	<u>(\$21,895)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO OFFICE SUPPLIES AND OTHER OFFICE EXPENSE
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exh bit 1
 Schedule 3-11(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Office Supplies Calculation Basis per Company	<u>\$190,462</u> [1]	<u>\$205,474</u> [1]	<u>\$210,794</u> [1]
2	Growth Factor per Company	7.88% [1]	2.59% [1]	2.59% [1]
3	Office Supplies per Company (L1* (1+3%))	205,474 [1]	210,794 [1]	216,251 [1]
4	Office Supplies Calculation Basis per Public Staff	<u>190,462</u> [2]	<u>196,938</u> [2]	<u>201,664</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Office Supplies per Public Staff (L4*(1+3%))	<u>196,938</u>	<u>201,664</u>	<u>206,504</u>
7	Adjustment to Office Supplies (L6 - L3)	<u>(8,536)</u>	<u>(9,130)</u>	<u>(9,747)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO OFFICE SUPPLIES AND OTHER OFFICE EXPENSE
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exh bit 1
Schedule 3-11(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Office Supplies Calculation Basis per Company	<u>\$36,081</u> [1]	<u>\$38,881</u> [1]	<u>\$40,150</u> [1]
2	Growth Factor per Company	7.76% [1]	3.26% [1]	3.26% [1]
3	Office Supplies per Company (L1*(1+3%))	38,881 [1]	40,150 [1]	41,460 [1]
4	Office Supplies Calculation Basis per Public Staff	<u>36,081</u> [2]	<u>37,308</u> [2]	<u>38,203</u> [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Office Supplies per Public Staff (L4*(1+3%))	<u>37,308</u>	<u>38,203</u>	<u>39,120</u>
7	Adjustment to Office Supplies (L6 - L3)	<u>(1,573)</u>	<u>(1,947)</u>	<u>(2,340)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO OFFICE SUPPLIES AND OTHER OFFICE EXPENSE
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exh bit 1
Schedule 3-11(d)

BF/FH/TC SEWER OPERATIONS

Line No.	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Office Supplies Calculation Basis per Company	<u>\$36,933</u> [1]	<u>\$39,808</u> [1]	<u>\$41,358</u> [1]
2	Growth Factor per Company	7.78% [1]	3.89% [1]	3.89% [1]
3	Office Supplies per Company (L1* (1+3%))	39,808 [1]	41,358 [1]	42,968 [1]
4	Office Supplies Calculation Basis per Public Staff	<u>36,933</u> [2]	<u>38,188</u> [2]	<u>39,105</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Office Supplies per Public Staff (L4*(1+3%))	<u>38,188</u>	<u>39,105</u>	<u>40,043</u>
7	Adjustment to Office Supplies (L6 - L3)	<u>(\$1,619)</u>	<u>(\$2,253)</u>	<u>(\$2,925)</u>

[1] Per examination of the Company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF REGULATORY COMMISSION EXPENSE
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-12

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustment [1] (b)	Amount Per Public Staff (c)	CWSNC Water (d)	Base Year		BF/FH Sewer (g)
						CWSNC Sewer (e)	BF/FH/TC Water (f)	
1	Rate case expenses for current proceeding	<u>\$750,000</u>	<u>(\$382,523)</u>	\$367,477 [2]				
2	Amortization period in years			<u>4</u>				
3	Annual rate case expense for current proceeding (L1 / L2)			<u>91,869</u>	<u>\$49,935</u> [4]	<u>\$29,792</u> [5]	<u>\$6,001</u> [6]	<u>\$6,141</u> [7]
4	Unamor ized balance of current rate case expense (L1 - L3)			<u>275,608</u>	<u>149,806</u> [4]	<u>89,376</u> [5]	<u>18,002</u> [6]	<u>18,424</u> [7]
5	Sub 384 and prior rate cases unamortized rate case expense	<u>\$955,238</u>	<u>(\$0)</u>	955,238 [3]				
6	Amortization period in years			<u>4</u>				
7	Sub 384 and prior rate cases unamortized annual rate case expense (L5 / L6)			<u>238,809</u>	<u>129,804</u> [4]	<u>77,443</u> [5]	<u>15,598</u> [6]	<u>15,964</u> [7]
8	Unamor ized balance of prior rate case expense (L5 - L7)			<u>716,429</u>	<u>389,413</u> [4]	<u>232,330</u> [5]	<u>46,794</u> [6]	<u>47,892</u> [7]
9	Total annual rate case expense (L3 + L7)			\$330,678	\$179,739	\$107,235	\$21,599	\$22,105
10	Miscellaneous regulatory matters per application			\$4,726 [2]	<u>\$2,518</u> [2]	<u>\$1,502</u> [2]	<u>\$349</u> [2]	<u>\$357</u> [2]
11	Other regulatory expenses per application (account 612900)			\$140,543	<u>\$74,950</u>	<u>\$44,716</u>	<u>\$10,317</u>	<u>\$10,560</u> [2]
12	Total regulatory commission expense per Public Staff (L9 to L11)			<u>\$475,947</u>	<u>\$257,208</u>	<u>\$153,453</u>	<u>\$32,264</u>	<u>\$33,022</u>
13	Total unamortized balance of rate case expense (L4 + L8)			<u>\$992,037</u>	<u>\$539,219</u>	<u>\$321,706</u>	<u>\$64,796</u>	<u>\$66,316</u>

[1] Column (c) minus Column (a).

[2] Per examination of the Company's response to accounting data requests.

[3] Calculated base on amount approved in prior rate cases.

[5] Column (c) multiplied by CWSNC Uniform sewer allocation factor.

[6] Column (c) multiplied by BF/FH water allocation factor.

[7] Column (c) multiplied by BF/FH sewer allocation factor.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF REGULATORY COMMISSION EXPENSE
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -
 2026

Public Staff Set lement Exhibit 1
 Schedule 3-12 (a)

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustment [1] (b)	Amount Per Public Staff (c)	Rate Year 1			
					CWSNC Water (d)	CWSNC Sewer (e)	BF/FH/TC Water (f)	BF/FH Sewer (g)
1	Rate case expenses for current proceeding	<u>\$750,000</u>	<u>(\$382,523)</u>	\$367,477 [2]				
2	Amortization period in years			<u>4</u>				
3	Annual rate case expense for current proceeding (L1 / L2)			<u>91,869</u>	<u>\$49,935</u> [4]	<u>\$29,792</u> [5]	<u>\$6,001</u> [6]	<u>\$6,141</u> [7]
4	Unamortized balance of current rate case expense (L1 - L3)			<u>183,739</u>	<u>99,870</u> [4]	<u>59,584</u> [5]	<u>12,001</u> [6]	<u>12,283</u> [7]
5	Sub 384 and prior rate cases unamortized rate case expense	<u>\$955,238</u>	<u>(\$0)</u>	955,238 [3]				
6	Amortization period in years			<u>4</u>				
7	Sub 384 and prior rate cases unamortized annual rate case expense (L5 / L6)			<u>238,809</u>	<u>129,804</u> [4]	<u>77,443</u> [5]	<u>15,598</u> [6]	<u>15,964</u> [7]
8	Unamortized balance of prior rate case expense (L5 - L7)			<u>477,620</u>	<u>259,609</u> [4]	<u>154,887</u> [5]	<u>31,196</u> [6]	<u>31,928</u> [7]
9	Total annual rate case expense (L3 + L7)			\$330,678	\$179,739	\$107,235	\$21,599	\$22,105
10	Miscellaneous regulatory matters per application			\$4,726 [2]	\$2,518 [2]	\$1,502 [2]	\$349 [2]	\$357 [2]
11	Other regulatory expenses per application (account 612900)			\$140,543	\$74,950	\$44,716	\$10,317	\$10,560 [2]
12	Total regulatory commission expense per Public Staff (L9 to L11)			<u>\$475,947</u>	<u>\$257,207</u>	<u>\$153,453</u>	<u>\$32,264</u>	<u>\$33,022</u>
13	Total unamortized balance of rate case expense (L4 + L8)			<u>\$661,358</u>	<u>\$359,479</u>	<u>\$214,471</u>	<u>\$43,197</u>	<u>\$44,211</u>

[1] Column (c) minus Column (a).

[2] Per examination of the company's response to accounting data requests.

[3] Calculated base on amount approved in prior rate cases.

[4] Column (c) multiplied by CWSNC Uniform water allocation factor.

[5] Column (c) multiplied by CWSNC Uniform sewer allocation factor

[6] Column (c) multiplied by BF/FH water allocation factor

[7] Column (c) multiplied by BF/FH sewer allocation factor

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
CALCULATION OF REGULATORY COMMISSION EXPENSE
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -
 2026

Public Staff Set lement Exhibit 1
 Schedule 3-12 (b)

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustment [1] (b)	Amount Per Public Staff (c)	Rate Year 2			
					CWSNC Water (d)	CWSNC Sewer (e)	BF/FH/TC Water (f)	BF/FH Sewer (g)
1	Rate case expenses for current proceeding	<u>\$750,000</u>	<u>(\$382,523)</u>	\$367,477 [2]				
2	Amortization period in years			<u>4</u>				
3	Annual rate case expense for current proceeding (L1 / L2)			<u>91,869</u>	\$49,935 [4]	\$29,792 [5]	\$6,001 [6]	\$6,141 [7]
4	Unamortized balance of current rate case expense (L1 - L3)			<u>91,869</u>	<u>49,935</u> [4]	<u>29,792</u> [5]	<u>6,001</u> [6]	<u>6,141</u> [7]
5	Sub 384 and prior rate cases unamortized rate case expense	<u>\$955,238</u>	<u>(\$0)</u>	955,238 [3]				
6	Amortization period in years			<u>4</u>				
7	Sub 384 and prior rate cases unamortized annual rate case expense (L5 / L6)			<u>238,809</u>	129,804 [4]	77,443 [5]	15,598 [6]	15,964 [7]
8	Unamortized balance of prior rate case expense (L5 - L7)			<u>238,810</u>	<u>129,805</u> [4]	<u>77,443</u> [5]	<u>15,598</u> [6]	<u>15,964</u> [7]
9	Total annual rate case expense (L3 + L7)			\$330,679	\$179,739 [4]	\$107,235 [5]	\$21,599 [6]	\$22,106
10	Miscellaneous regulatory matters per application			\$4,726 [2]	\$2,518 [2]	\$1,502 [2]	\$349 [2]	\$357 [2]
11	Other regulatory expenses per application (account 612900)			\$140,543	\$74,950	\$44,716	\$10,317	\$10,560 [2]
12	Total regulatory commission expense per Public Staff (L9 to L11)			<u>\$475,947</u>	<u>\$257,208</u>	<u>\$153,453</u>	<u>\$32,264</u>	<u>\$33,023</u>
13	Total unamortized balance of rate case expense (L4 + L8)			<u>\$330,680</u>	<u>\$179,740</u>	<u>\$107,236</u>	<u>\$21,599</u>	<u>\$22,106</u>

[1] Column (c) minus Column (a).

[2] Per examination of the company's response to accounting data requests.

[3] Calculated base on amount approved in prior rate cases.

[4] Column (c) multiplied by CWSNC Uniform water allocation factor.

[5] Column (c) multiplied by CWSNC Uniform sewer allocation factor

[6] Column (c) multiplied by BF/FH water allocation factor

[7] Column (c) multiplied by BF/FH sewer allocation factor

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF REGULATORY COMMISSION EXPENSE
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -
2026

Public Staff Set lement Exhibit 1
Schedule 3-12 (c)

Line No.	Item	Amount Per Updates (a)	Public Staff Adjustment [1] (b)	Amount Per Public Staff (c)	Rate Year 3			
					CWSNC Water (d)	CWSNC Sewer (e)	BF/FH/TC Water (f)	BF/FH Sewer (g)
1	Rate case expenses for current proceeding	<u>\$750,000</u>	<u>(\$382,523)</u>	\$367,477 [2]				
2	Amortization period in years			<u>4</u>				
3	Annual rate case expense for current proceeding (L1 / L2)			<u>91,869</u>	\$49,935 [4]	\$29,792 [5]	\$6,001 [6]	\$6,141 [7]
4	Unamortized balance of current rate case expense (L1 - L3)			<u>0</u>	<u>0</u> [4]	<u>0</u> [5]	<u>0</u> [6]	<u>0</u> [7]
5	Sub 384 and prior rate cases unamortized rate case expense	<u>\$955,238</u>	<u>(\$0)</u>	955,238 [3]				
6	Amortization period in years			<u>4</u>				
7	Sub 384 and prior rate cases unamortized annual rate case expense (L5 / L6)			<u>238,809</u>	<u>129,804</u> [4]	<u>77,443</u> [5]	<u>15,598</u> [6]	<u>15,964</u> [7]
8	Unamortized balance of prior rate case expense (L5 - L7)			<u>(0)</u>	<u>(0)</u> [4]	<u>(0)</u> [5]	<u>(0)</u> [6]	<u>(0)</u> [7]
9	Total annual rate case expense (L3 + L7)			\$330,679	\$179,739 [4]	\$107,235 [5]	\$21,599 [6]	\$22,106
10	Miscellaneous regulatory matters per application			\$4,726 [2]	\$2,518 [2]	\$1,502 [2]	\$349 [2]	\$357 [2]
11	Other regulatory expenses per application (account 612900)			\$140,543	\$74,950	\$44,716	\$10,317	\$10,560 [2]
12	Total regulatory commission expense per Public Staff (L9 to L11)			<u>\$475,947</u>	<u>\$257,208</u>	<u>\$153,453</u>	<u>\$32,264</u>	<u>\$33,023</u>
13	Total unamortized balance of rate case expense (L4 + L8)			<u>(\$0)</u>	<u>(\$0)</u>	<u>(\$0)</u>	<u>(\$0)</u>	<u>(\$0)</u>

[1] Column (c) minus Column (a).

[2] Per examination of the Company's response to accounting data requests.

[3] Calculated base on amount approved in prior rate cases.

[4] Column (c) multiplied by CWSNC Uniform water allocation factor.

[5] Column (c) multiplied by CWSNC Uniform sewer allocation factor.

[6] Column (c) multiplied by BF/FH water allocation factor.

[7] Column (c) multiplied by BF/FH sewer allocation factor.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PENSION AND BENEFITS

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-13

Line No.	Item	<u>Base Year</u>			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Pension and benefits per application	<u>\$856,975</u> [1]	<u>\$511,276</u> [1]	<u>\$109,030</u> [1]	<u>\$111,603</u> [1]
2	Adjustments to include company updates 9.19.2022	119,177	71,102	8,252	8,447
3	Pension and benefits expense after adjusted per updates (L1 + L2)	\$976,152	\$582,378	\$117,282	\$120,050
4	Adjustments to update employee benefits through August 31, 2022	(39,702) [1]	(23,686) [1]	(4,770) [1]	(4,883) [1]
5	Pension and benefits per Public Staff (L3 + L4)	<u><u>936,450</u></u>	<u><u>558,692</u></u>	<u><u>112,512</u></u>	<u><u>115,167</u></u>

[1] Calculated per the company's response to accounting data request.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PENSION AND BENEFITS

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-13(a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Pension & Other Benefits Calculation Basis per Company	<u>\$976,152</u> [1]	<u>\$1,050,339</u> [1]	<u>\$1,085,446</u> [1]
2	Growth Factor per Company	7.60% [1]	3.34% [1]	3.34% [1]
3	Pension & Other Benefits to Plant per Company (L1* (1+L2))	\$1,050,339 [1]	\$1,085,446 [1]	\$1,121,725 [1]
4	Pension & Other Benefits Calculation Basis per Public Staff	936,450 [2]	\$964,543 [2]	\$993,480 [2]
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Pension & Other Benefits per Public Staff (L4*(1+L5))	<u>964,543</u>	<u>993,480</u>	<u>1,023,284</u>
7	Adjustment to Pension & Other Benefits (L6 - L3)	<u>(85,796)</u>	<u>(91,966)</u>	<u>(98,441)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO PENSION AND BENEFITS
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-13(b)

CWSNC SEWER OPERATIONS

Line No.	<u>Item</u>	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Pension & Other Benefits Calculation Basis per Company	<u>\$582,378</u>	<u>\$626,639</u>	<u>\$642,862</u>
2	Growth Factor per Company	7.60%	2.59%	2.59%
3	Pension & Other Benefits to Plant per Company (L1* (1+L2))	626,639	642,862	659,506
4	Pension & Other Benefits Calculation Basis per Public Staff	558,692	575,453	592,716
5	Public Staff Growth Factor	3.00%	3.00%	3.00%
6	Pension & Other Benefits per Public Staff (L4*(1+L5))	<u>575,453</u>	<u>592,716</u>	<u>610,498</u>
7	Adjustment to Pension & Other Benefits (L6 - L3)	<u>(51,186)</u>	<u>(50,146)</u>	<u>(49,008)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO PENSION AND BENEFITS
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-13(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1		Rate Year 2		Rate Year 3	
		(a)		(b)		(c)	
1	Pension & Other Benefits Calculation Basis per Company	<u>\$117,282</u>	[1]	<u>\$126,195</u>	[1]	<u>\$130,314</u>	[1]
2	Growth Factor per Company	7.60%	[1]	3.26%	[1]	3.26%	[1]
3	Pension & Other Benefits to Plant per Company (L1* (1+L2))	126,195	[1]	130,314	[1]	134,567	[1]
4	Pension & Other Benefits Calculation Basis per Public Staff	112,512	[2]	115,887	[2]	119,364	[2]
5	Public Staff Growth Factor	3.00%	[2]	3.00%	[2]	3.00%	[2]
6	Pension & Other Benefits per Public Staff (L4*(1+L5))	<u>115,887</u>		<u>119,364</u>		<u>122,945</u>	
7	Adjustment to Pension & Other Benefits (L6 - L3)	<u><u>(10,308)</u></u>		<u><u>(10,950)</u></u>		<u><u>(11,622)</u></u>	

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO PENSION AND BENEFITS
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-13(d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Pension & Other Benefits Calculation Basis per Company	<u>\$120,050</u> [1]	<u>\$129,174</u> [1]	<u>\$134,203</u> [1]
2	Growth Factor per Company	7.60% [1]	3.89% [1]	3.89% [1]
3	Pension & Other Benefits to Plant per Company (L1*(1+L2))	\$129,174 [1]	\$134,203 [1]	\$139,429 [1]
4	Pension & Other Benefits Calculation Basis per Public Staff	115,167 [2]	118,622 [2]	122,181 [2]
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Pension & Other Benefits per Public Staff (L4*(1+L5))	<u>\$118,622</u>	<u>\$122,181</u>	<u>\$125,846</u>
7	Adjustment to Pension & Other Benefits (L6 - L3)	<u>(10,552)</u>	<u>(12,023)</u>	<u>(13,583)</u>

[1] Per examination of the company's response to accounting data requests.
 [2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO RENT
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -
2026

Public Staff Settlement Exh bit 1
Schedule 3-14(a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Rent Calculation Basis per Company	<u>\$211,794</u> [1]	<u>\$227,890</u> [1]	<u>\$233,360</u> [1]
2	Growth Factor per Company	7.60% [1]	2.40% [1]	2.40% [1]
3	Rent per Company (L1* (1+L2))	<u>227,890</u> [1]	<u>233,360</u> [1]	<u>238,960</u> [1]
4	Rent Calculation Basis per Public Staff	<u>211,794</u> [2]	<u>218,995</u> [2]	<u>224,251</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Rent per Public Staff (L4*(1+L5))	<u>218,995</u>	<u>224,251</u> [1]	<u>229,633</u>
7	Adjustment to Rent (L6 - L3)	<u>(\$8,895)</u>	<u>(\$9,109)</u>	<u>(\$9,327)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO RENT
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exh bit 1
Schedule 3-14(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Rent Calculation Basis per Company	<u>\$126,358</u> [1]	<u>\$135,961</u> [1]	<u>\$139,224</u> [1]
2	Growth Factor per Company	7.60% [1]	2.40% [1]	2.40% [1]
3	Rent per Company (L1* (1+L2))	<u>135,961</u> [1]	<u>139,224</u> [1]	<u>142,566</u> [1]
4	Rent Calculation Basis per Public Staff	<u>126,358</u> [2]	<u>130,654</u> [2]	<u>133,790</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Rent per Public Staff (L4*(1+L5))	<u>130,654</u>	<u>133,790</u>	<u>137,001</u>
7	Adjustment to Rent (L6 - L3)	<u>(\$5,307)</u>	<u>(\$5,434)</u>	<u>(\$5,565)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO RENT
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exh bit 1
Schedule 3-14(c)

BF/FH/TC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Rent Calculation Basis per Company	<u>\$25,446</u> [1]	<u>\$27,380</u> [1]	<u>\$28,274</u> [1]
2	Growth Factor per Company	7.60% [1]	3.26% [1]	3.26% [1]
3	Rent per Company (L1* (1+L2))	27,380 [1]	28,274 [1]	29,196 [1]
4	Rent Calculation Basis per Public Staff	<u>25,446</u> [2]	<u>26,311</u> [2]	<u>26,943</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Rent per Public Staff (L4*(1+L5))	<u>26,311</u>	<u>26,943</u>	<u>27,589</u>
7	Adjustment to Rent (L6 - L3)	<u>(\$1,069)</u>	<u>(\$1,331)</u>	<u>(\$1,607)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO RENT
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exh bit 1
Schedule 3-14(d)

BF/FH/TC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Rent Calculation Basis per Company	<u>\$26,047</u> [1]	<u>\$28,027</u> [1]	<u>\$29,118</u> [1]
2	Growth Factor per Company	7.60% [1]	3.89% [1]	3.89% [1]
3	Rent per Company (L1* (1+L2))	28,027 [1]	29,118 [1]	30,252 [1]
4	Rent Calculation Basis per Public Staff	<u>26,047</u> [2]	<u>26,933</u> [2]	<u>27,579</u> [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Rent per Public Staff (L4*(1+L5))	<u>26,933</u>	<u>27,579</u>	<u>28,241</u>
7	Adjustment to Rent (L6 - L3)	<u>(\$1,094)</u>	<u>(\$1,539)</u>	<u>(\$2,011)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ALLOCATION OF INSURANCE

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-15

No.	Item	CWSNC	CWSNC	Base Year	BF/FH	Total [3]
		Water (a)	Sewer (b)	BF/FH/TC Water (c)	Sewer (d)	
1	Auto	\$88,072 [1]	\$52,545 [1]	\$10,582 [1]	\$10,831 [1]	\$162,030
2	Workers compensation	41,370 [1]	24,681 [1]	4,970 [1]	5,088 [1]	76,109
3	Property insurance	368,678 [1]	219,955 [1]	44,296 [1]	45,341 [1]	678,270
4	General Liability and Umbrella insurance	153,340 [1]	91,484 [1]	18,423 [1]	18,858 [1]	282,106
5	Excess Liability	23,907 [1]	14,263 [1]	2,872 [1]	2,940 [1]	43,982
6	Insurance deductibles	51,304 [1]	30,608 [1]	6,164 [1]	6,309 [1]	94,385
7	Cyber security insurance	13,019 [1]	7,767 [1]	1,564 [1]	1,601 [1]	23,951
8	Pollution liability	26,872 [1]	16,032 [1]	3,229 [1]	3,305 [1]	49,437
9	Broker fee	38,607 [1]	23,033 [1]	4,638 [1]	4,748 [1]	71,026
10	Total insurance per Public Staff (Sum of L1 thru L9)	805,169	480,368	96,738	99,021	1,481,296
11	Less: Company updates on 9.19.2022	51,380 [2]	30,654 [2]	6,174 [2]	6,319 [2]	94,527
12	Less: Amount per Company in original filing	663,022 [2]	395,563 [2]	79,660 [2]	81,540 [2]	1,219,785
13	Total adjustment to insurance expense (L10 - L11 - L12)	90,767	54,151	10,904	11,162	166,984

[1] Column (f) times customer ratios for each rate division.

[2] Based on information provided by the Company.

[3] Feasel Exhibit I, Schedule 3-14(a), Column (c).

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ALLOCATION OF INSURANCE
 For The Rate Year 1 - Rate Year 3 Ended March 31,
 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-15(a)

No.	Item	Rate Year 1					Total [3]
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)	(f)	
1	Auto	\$82,138 [1]	\$49,004 [1]	\$9,869 [1]	\$10,102 [1]	\$151,112	
2	Workers compensation	42,776 [1]	25,520 [1]	5,139 [1]	5,261 [1]	78,697	
3	Property insurance	330,889 [1]	197,410 [1]	39,755 [1]	40,694 [1]	608,748	
4	General Liability and Umbrella insurance	210,221 [1]	125,419 [1]	25,258 [1]	25,854 [1]	386,752	
5	Excess Liability	32,775 [1]	19,554 [1]	3,938 [1]	4,031 [1]	60,297	
6	Insurance deductibles	53,233 [1]	31,759 [1]	6,396 [1]	6,547 [1]	97,935	
7	Cyber security insurance	13,458 [1]	8,029 [1]	1,617 [1]	1,655 [1]	24,760	
8	Pollution liability	23,325 [1]	13,916 [1]	2,802 [1]	2,869 [1]	42,911	
9	Broker fee	52,928 [1]	31,577 [1]	6,359 [1]	6,509 [1]	97,374	
10	Total insurance per Public Staff (Sum of L1 thru L9)	<u>841,743</u>	<u>502,188</u>	<u>101,133</u>	<u>103,522</u>	<u>1,548,585</u>	
11	Less: Amount per Company RY1	<u>767,442</u> [2]	<u>457,711</u> [2]	<u>100,326</u> [2]	<u>94,596</u> [2]	<u>1,420,075</u>	
12	Total adjustment to insurance expense (L10 - L11)	<u>\$74,301</u>	<u>\$44,477</u>	<u>\$807</u>	<u>\$8,926</u>	<u>\$128,511</u>	

[1] Column (f) times customer ratios for each rate division.
 [2] Based on information provided by the Company.
 [3] Sun Exhibit I, Schedule 3-14(d), Column (c).

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ALLOCATION OF INSURANCE
For The Rate Year 1 - 3 Ended March 31, 2024 to 2026

Public Staff Settlement Exhibit 1
Schedule 3-15(b)

No.	Item	CWSNC		<u>Rate Year 2</u>		BF/FH		Total [3]
		Water (a)	Sewer (b)	Water (c)	BF/FH/TC (c)	Sewer (d)	(f)	
1	Auto	\$84,109 [1]	\$50,180 [1]	\$10,106 [1]		\$10,344 [1]		\$154,739
2	Workers compensation	\$43,802 [1]	\$26,133 [1]	\$5,263 [1]		\$5,387 [1]		\$80,585
3	Property insurance	\$338,830 [1]	\$202,148 [1]	\$40,710 [1]		\$41,670 [1]		\$623,358
4	General Liability and Umbrella insurance	\$215,267 [1]	\$128,429 [1]	\$25,864 [1]		\$26,474 [1]		\$396,034
5	Excess Liability	\$33,561 [1]	\$20,023 [1]	\$4,032 [1]		\$4,127 [1]		\$61,744
6	Insurance deductibles	\$54,511 [1]	\$32,522 [1]	\$6,549 [1]		\$6,704 [1]		\$100,286
7	Cyber security insurance	\$13,781 [1]	\$8,222 [1]	\$1,656 [1]		\$1,695 [1]		\$25,354
8	Pollution liability	\$23,884 [1]	\$14,250 [1]	\$2,870 [1]		\$2,937 [1]		\$43,941
9	Broker fee	\$54,199 [1]	\$32,335 [1]	\$6,512 [1]		\$6,665 [1]		\$99,711
10	Total insurance per Public Staff (Sum of L1 thru L9)	<u>861,944</u>	<u>514,242</u>	<u>103,562</u>		<u>106,003</u>		<u>1,585,752</u>
11	Less: Amount per Company RY2	<u>805,357</u> [2]	<u>487,864</u> [2]	<u>109,838</u> [2]		<u>107,635</u> [2]		<u>1,510,695</u>
12	Total adjustment to insurance expense (L10 - L11)	<u>\$56,587</u>	<u>\$26,378</u>	<u>(\$6,276)</u>		<u>(\$1,632)</u>		<u>\$75,056</u>

[1] Column (f) times customer ratios for each rate division.
[2] Based on information provided by the Company.
[3] Sun Exhibit I, Schedule 3-14(d), Column (c).

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ALLOCATION OF INSURANCE
 For The Rate Year 1 - 3 Ended March 31, 2024 to 2026

Public Staff Settlement Exhibit 1
 Schedule 3-15(c)

No.	Item	Rate Year 3					Total [3]
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)	(f)	
1	Auto	\$86,128 [1]	\$51,385 [1]	\$10,348 [1]	\$10,592 [1]	\$158,453	
2	Workers compensation	44,854 [1]	26,760 [1]	5,389 [1]	5,516 [1]	\$82,519	
3	Property insurance	346,962 [1]	206,999 [1]	41,687 [1]	42,670 [1]	\$638,318	
4	General Liability and Umbrella insurance	220,433 [1]	131,512 [1]	26,484 [1]	27,110 [1]	\$405,539	
5	Excess Liability	34,367 [1]	20,503 [1]	4,129 [1]	4,227 [1]	\$63,226	
6	Insurance deductibles	55,819 [1]	33,302 [1]	6,707 [1]	6,865 [1]	\$102,693	
7	Cyber security insurance	14,112 [1]	8,420 [1]	1,696 [1]	1,736 [1]	\$25,963	
8	Pollution liability	24,457 [1]	14,591 [1]	2,938 [1]	3,008 [1]	\$44,995	
9	Broker fee	55,499 [1]	33,111 [1]	6,668 [1]	6,825 [1]	\$102,104	
10	Total insurance per Public Staff (Sum of L1 thru L9)	<u>882,631</u>	<u>526,583</u>	<u>106,046</u>	<u>108,549</u>	<u>1,623,810</u>	
11	Less: Amount per Company RY3	<u>842,056</u> [2]	<u>517,228</u> [2]	<u>116,690</u> [2]	<u>117,589</u> [2]	<u>1,593,563</u>	
12	Total adjustment to insurance expense (L10 - L11)	<u>\$40,575</u>	<u>\$9,355</u>	<u>(\$10,644)</u>	<u>(\$9,040)</u>	<u>\$30,246</u>	

[1] Column (f) times customer ratios for each rate division.
 [2] Based on information provided by the Company.
 [3] Sun Exhibit I, Schedule 3-14(d), Column (c).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 384

CALCULATION OF INSURANCE

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-15 (a)

Line No.	Item	Base Year		CWSNC Insurance Expense [6]
		Annual Premium [1] (a)	CWSNC Percentage [1] (b)	
1	Auto	\$761,407	21.28% [2]	\$162,030
2	Workers compensation	662,302	11.49% [3]	76,109
3	Property insurance	2,915,322	23.27% [4]	678,270
4	General Liability and Umbrella insurance	1,941,424	14.53% [5]	282,106
5	Excess Liability	302,681	14.53% [5]	43,982
6	Insurance deduct bles	503,000	18.76% [1]	94,385
7	Cyber security insurance	124,290	19.27% [1]	23,951
8	Pollution liability	212,490	23.27% [4]	49,437
9	Broker fee	488,797	14.53% [5]	71,026
10	Total insurance per Public Staff (Sum of L1 thru L9)			\$1,481,296

[1] Based on current insurance policies and information provided by Company.

[2] Percentage of CWSNC automobiles covered under current policy.

[3] Percentage of CWSNC workers compensation insurance based on CSWNC payroll.

[4] Percentage of CWSNC property insurance based on CSWNC value of property covered.

[5] Percentage of CWSNC insurance based on revenue.

[6] Column (a) X Column (b).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 384

CALCULATION OF INSURANCE

For The Rate Year 1 - Rate Year 3

Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-15 (d)

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Annual Premium [1]	CWSNC Percentage [2]	CWSNC Insurance Expense [6]	Annual Premium [1]	CWSNC Percentage [2]	CWSNC Insurance Expense [6]	Annual Premium [1]	CWSNC Percentage [2]	CWSNC Insurance Expense [6]
		(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)
1	Auto	\$787,295	19.19% [2]	\$151,112	\$806,190	19.19% [2]	\$154,739	\$825,538	19.19% [2]	\$158,453
2	Workers compensation	\$684,820	11.49% [3]	78,697	\$701,256	11.49% [3]	\$80,585	\$718,086	11.49% [3]	\$82,519
3	Property insurance	\$3,014,443	20.19% [4]	608,748	\$3,086,790	20.19% [4]	\$623,358	\$3,160,873	20.19% [4]	\$638,318
4	General Liability and Umbrella insurance	\$2,007,432	19.27% [5]	386,752	\$2,055,611	19.27% [5]	\$396,034	\$2,104,945	19.27% [5]	\$405,539
5	Excess Liability	\$312,972	19.27% [5]	60,297	\$320,483	19.27% [5]	\$61,744	\$328,175	19.27% [5]	\$63,226
6	Insurance deductibles	\$520,102	18.83% [5]	97,935	\$532,584	18.83% [5]	\$100,286	\$545,366	18.83% [5]	\$102,693
7	Cyber security insurance	\$128,516	19.27% [5]	24,760	\$131,600	19.27% [5]	\$25,354	\$134,759	19.27% [5]	\$25,963
8	Pollution liability	\$212,490	20.19% [4]	42,911	\$217,589	20.19% [4]	\$43,941	\$222,811	20.19% [4]	\$44,995
9	Broker fee	\$505,416	19.27% [5]	97,374	\$517,546	19.27% [5]	\$99,711	\$529,967	19.27% [5]	\$102,104
10	Total insurance per Public Staff (Sum of L1 thru L9)			\$1,548,585			\$1,585,752			\$1,623,810

[1] Based on current insurance policies and information provided by Company.

[2] Percentage of CWSNC automobiles covered under current policy.

[3] Percentage of CWSNC workers compensation insurance based on CWSNC payroll.

[4] Percentage of CWSNC property insurance based on CWSNC value of property covered.

[5] Percentage of CWSNC insurance based on revenue.

[6] Column (a) X Column (b).

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO OFFICE UTILITY

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-16(a)

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Office Utility to Plant Calculation Basis per Company	<u>\$180,673</u> [1]	<u>\$198,385</u> [1]	<u>\$205,015</u> [1]
2	Growth Factor per Company	9.80% [1]	3.34% [1]	3.34% [1]
3	Office Utility per Company (L1* (1+L2))	\$198,385 [1]	\$205,015 [1]	\$211,868 [1]
4	Office Utility Calculation Basis per Public Staff	\$180,673 [2]	\$186,816 [2]	\$191,299 [2]
5	Public Staff Growth Factor	<u>3.40%</u> [2]	<u>2.40%</u> [2]	<u>2.40%</u> [2]
6	Office Utility per Public Staff (L4*(1+L5))	<u>186,816</u>	<u>191,299</u>	<u>195,891</u>
7	Adjustment to Office Utility (L6 - L3)	<u>(\$11,569)</u>	<u>(\$13,716)</u>	<u>(\$15,977)</u>

[1] Per examination of the company's response to accounting data requests

[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO OFFICE UTILITY
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-16(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Office Utility to Plant Calculation Basis per Company	<u>\$106,857</u> [1]	<u>\$116,903</u> [1]	<u>\$119,929</u> [1]
2	Growth Factor per Company	9.40% [1]	2.59% [1]	2.59% [1]
3	Office Utility per Company (L1* (1+L2))	\$116,903 [1]	\$119,929 [1]	\$123,034 [1]
4	Office Utility Calculation Basis per Public Staff	<u>106,857</u> [2]	<u>110,490</u> [2]	<u>113,142</u> [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Office Utility per Public Staff (L4*(1+L5))	<u>\$110,490</u>	<u>\$113,142</u>	<u>\$115,857</u>
7	Adjustment to Office Utility (L6 - L3)	<u>(\$6,412)</u>	<u>(\$6,787)</u>	<u>(\$7,177)</u>

[1] Per examination of the company's response to accounting data requests
 [2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO OFFICE UTILITY

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-16(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Office Utility to Plant Calculation Basis per Company	<u>\$17,363</u> [1]	<u>\$19,058</u> [1]	<u>\$19,680</u> [1]
2	Growth Factor per Company	9.76% [1]	3.26% [1]	3.26% [1]
3	Office Utility per Company (L1* (1+L2))	\$19,058 [1]	\$19,680 [1]	\$20,322 [1]
4	Office Utility Calculation Basis per Public Staff	<u>17,363</u> [2]	<u>17,953</u> [2]	<u>18,384</u> [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Office Utility per Public Staff (L4*(1+L5))	<u>\$17,953</u>	<u>\$18,384</u>	<u>\$18,825</u>
7	Adjustment to Office Utility (L6 - L3)	<u>(\$1,104)</u>	<u>(\$1,295)</u>	<u>(\$1,496)</u>

[1] Per examination of the company's response to accounting data requests

[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO OFFICE UTILITY

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Settlement Exhibit 1

Schedule 3-16(d)

BF/FH/TC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Office Utility to Plant Calculation Basis per Company	<u>\$17,772</u>	<u>\$19,567</u>	<u>\$20,329</u>
2	Growth Factor per Company	10.10%	3.89%	3.89%
3	Office Utility per Company (L1* (1+L2))	\$19,567	\$20,329	\$21,120
4	Office Utility Calculation Basis per Public Staff	<u>17,772</u>	<u>18,376</u>	<u>18,817</u> [1]
5	Public Staff Growth Factor	3.40%	2.40%	2.40%
6	Office Utility per Public Staff (L4*(1+L5))	<u>\$18,376</u> [1]	<u>\$18,817</u> [1]	<u>\$19,269</u>
7	Adjustment to Office Utility (L6 - L3)	<u>(\$1,191)</u>	<u>(\$1,511)</u>	<u>(\$1,851)</u>

[1] Per examination of the company's response to accounting data requests.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS EXPENSE
For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-17

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH Sewer (d)
1	Miscellaneous expense per application	<u>\$3,141,337</u>	<u>\$1,813,728</u>	<u>\$339,650</u>	<u>\$347,635</u>
2	Adjustment to reflect company's updates 9.19.2022	(171,920) [1]	(102,568) [1]	(20,655) [1]	(21,143) [1]
3	Miscellaneous expense after adjusted for company's updates (L1 + L2)	2,969,417	1,711,160	318,995	326,492
4	Adjustments to remove unqualified miscellaneous expense	(2,261) [1]	(1,343) [1]	(270) [1]	(277) [1]
5	Adjustment to remove Echota and Seven Devils pro-forma acquisition opex	(243,811) [1]	(65,171) [1]		
5	Excess deferred taxes reclassified to deferred income taxes	64,882 [1]	38,709 [1]	8,585 [1]	8,786 [1]
6	Total miscellaneous adjustments (L4+L5)	<u>(181,190)</u>	<u>(27,805)</u>	<u>8,315</u>	<u>8,509</u>
7	Miscellaneous expense per Public Staff (L3 + L6)	<u><u>2,788,227</u></u>	<u><u>1,683,355</u></u>	<u><u>327,310</u></u>	<u><u>335,001</u></u>

[1] Per examination of Company's financial records.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS EXPENSE
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-17(a)

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Miscellaneous Expenses Calculation Basis per Company	<u>\$2,969,417</u> [1]	<u>\$3,205,160</u> [1]	<u>\$3,313,224</u> [1]
2	Growth Factor per Company	7.94% [1]	3.37% [1]	3.37% [1]
3	Miscellaneous Expenses per Company (L1*(1+L2))	3,205,160 [1]	3,313,224 [1]	3,424,883 [1]
4	Miscellaneous Expenses Calculation Basis per Public Staff	<u>2,788,227</u> [2]	<u>2,883,027</u> [2]	<u>2,952,219</u> [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Miscellaneous Expenses per Public Staff (L4*(1+L5))	<u>2,883,027</u>	<u>2,952,219</u>	<u>3,023,072</u>
7	Adjustment to Miscellaneous Expenses (L6 - L3)	<u>(322,133)</u>	<u>(361,005)</u>	<u>(401,811)</u>

[1] Per examination of the company's response to accounting data requests
[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS EXPENSE
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-17(b)

CWSNC SEWER OPERATIONS

Line No.	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Miscellaneous Expenses Calculation Basis per Company	<u>\$1,711,160</u> [1]	<u>\$1,845,289</u> [1]	<u>\$1,893,520</u> [1]
2	Growth Factor per Company	7.84% [1]	2.61% [1]	2.61% [1]
3	Miscellaneous Expenses per Company (L1*(1+L2))	1,845,289 [1]	1,893,520 [1]	1,942,998 [1]
4	Miscellaneous Expenses Calculation Basis per Public Staff	<u>1,683,355</u> [2]	<u>1,740,589</u> [2]	<u>1,782,363</u> [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Miscellaneous Expenses per Public Staff (L4*(1+L5))	<u>1,740,589</u>	<u>1,782,363</u>	<u>1,825,140</u>
7	Adjustment to Miscellaneous Expenses (L6 - L3)	<u>(104,700)</u>	<u>(111,157)</u>	<u>(117,858)</u>

[1] Per examination of the company's response to accounting data requests
[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS EXPENSE
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-17(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Miscellaneous Expenses Calculation Basis per Company	<u>\$318,995</u> [1]	<u>\$344,102</u> [1]	<u>\$355,613</u> [1]
2	Growth Factor per Company	7.87% [1]	3.35% [1]	3.34% [1]
3	Miscellaneous Expenses per Company (L1* (1+L2))	344,102 [1]	355,613 [1]	367,500 [1]
4	Miscellaneous Expenses Calculation Basis per Public Staff	<u>327,310</u> [2]	<u>338,438</u> [2]	<u>346,561</u> [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Miscellaneous Expenses per Public Staff (L4*(1+L5))	<u>338,438</u>	<u>346,561</u>	<u>354,878</u>
7	Adjustment to Miscellaneous Expenses (L6 - L3)	<u>(5,664)</u>	<u>(9,052)</u>	<u>(12,621)</u>

[1] Per examination of the company's response to accounting data requests
 [2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC
 Docket No. W-354, Sub 400
ADJUSTMENT TO MISCELLANEOUS EXPENSE
 For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-17(d)

BF/FH/TC SEWER OPERATIONS

Line No.	<u>Item</u>	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
1	Miscellaneous Expenses Calculation Basis per Company	<u>\$326,492</u> [1]	<u>\$352,222</u> [1]	<u>\$366,279</u> [1]
2	Growth Factor per Company	7.88% [1]	3.99% [1]	3.99% [1]
3	Miscellaneous Expenses per Company (L1*(1+L2))	352,222 [1]	366,279 [1]	380,882 [1]
4	Miscellaneous Expenses Calculation Basis per Public Staff	<u>335,001</u> [2]	<u>346,391</u> [2]	<u>354,704</u> [2]
5	Public Staff Growth Factor	3.40% [2]	2.40% [2]	2.40% [2]
6	Miscellaneous Expenses per Public Staff (L4*(1+L5))	<u>346,391</u>	<u>354,704</u>	<u>363,217</u>
7	Adjustment to Miscellaneous Expenses (L6 - L3)	<u>(5,832)</u>	<u>(11,575)</u>	<u>(17,665)</u>

[1] Per examination of the company's response to accounting data requests
 [2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF DEPRECIATION AND AMORTIZATION EXPENSE

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-18

Line No.		Base Year			
		CWSNC	CWSNC	BF/FH/TC	BF/FH
		Water	Sewer	Water	Sewer
		(a)	(b)	(c)	(d)
1	Depreciation on direct plant	\$3,378,788 [1]	\$3,065,342 [6]	\$149,231 [9]	\$422,108 [12]
2	Depreciation on allocated plant	202,699 [2]	113,577 [2]	27,377 [2]	27,914 [2]
3	Gain on sale	0 [3]	0 [3]	0 [3]	0 [3]
4	Excess book value	0 [3]	0 [3]	0 [3]	0 [3]
5	Total depreciation expense (Sum of L1 thru L4)	<u>\$3,581,487</u>	<u>\$3,178,919</u>	<u>\$176,608</u>	<u>\$450,022</u>
6	Depreciable AIA	0 [3]	0 [3]	0 [3]	0 [3]
7	Amortization rate	2.88% [4]	2.81% [7]	2.38% [10]	2.73% [13]
8	AIA amortization expense (L6 x L7)	\$0	\$0	\$0	\$0
9	CIAC amortization expense	<u>(733,560) [2]</u>	<u>(625,462) [2]</u>	<u>(57,707) [2]</u>	<u>(150,635) [2]</u>
10	CIAC and AIAC amortization expense (L8 + L9)	<u>(733,560)</u>	<u>(625,462)</u>	<u>(57,707)</u>	<u>(150,635)</u>
11	Purchase acquisition adjustment	(\$4,221,509) [5]	(\$627,070) [8]	\$607,432 [11]	\$1,680,077 [14]
12	Amortization rate	2.88% [4]	2.81% [7]	2.38% [10]	2.73% [13]
13	PAA amortization expense (L11 x L12)	<u>(\$121,579)</u>	<u>(\$17,621)</u>	<u>\$14,457</u>	<u>\$45,866</u>

[1] Public Staff Settlement Exhibit 1, Schedule 3-17-1(a), Column (c), Line 52.
 [2] Calculated by the Public Staff based on information provided by the Company.
 [3] Per examination of Company's financial records.
 [4] Public Staff Settlement Exhibit 1, Schedule 3-17-1(a), Column (a), Line 7.
 [5] Public Staff Settlement Exhibit 1, Schedule 2-8, Column (a), Line 7.
 [6] Public Staff Settlement Exhibit 1, Schedule 3-17-1(b), Column (c), Line 65.
 [7] Public Staff Settlement Exhibit 1, Schedule 3-17-1(b), Column (d), Line 65.

[8] Public Staff Settlement Exhibit 1, Sch 2-8, Column (d), L 7.
 [9] Public Staff Settlement Exhibit 1, Sch 3-17-1(c), Col (c), L46.
 [10] Public Staff Settlement Exhibit 1, Sch 3-17-1(c), Col (d), L 46.
 [11] Public Staff Settlement Exhibit 1, Sch 2-8, Col (g), L 7.
 [12] Public Staff Settlement Exhibit 1, Sch 3-17-1(d), Col (c), L 58.
 [13] Public Staff Settlement Exhibit 1, Sch 3-17-1(d), Col (d), L 58.
 [14] Public Staff Settlement Exhibit 1, Sch 2-8, Col (j), L 7.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
**CALCULATION OF DEPRECIATION AND
AMORTIZATION EXPENSE**
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -
2026

Public Staff Settlement Exhibit 1
Schedule 3-18(a)

CWSNC WATER OPERATIONS

Line No.		Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Depreciation on direct plant	\$3,746,977 [1]	\$3,970,877 [1]	\$4,108,869 [1]
2	Depreciation on allocated plant	202,699 [1]	202,699 [1]	202,699 [1]
3	Gain on sale	0 [2]	0 [2]	0 [2]
4	Excess book value	0 [2]	0 [2]	0 [2]
5	Total depreciation expense (Sum of L1 thru L4)	<u>\$3,949,676</u>	<u>\$4,173,576</u>	<u>\$4,311,568</u>
6	Depreciable AIA	0 [2]	0 [2]	0 [2]
7	Amortization rate	2.89% [3]	2.85% [3]	2.84% [3]
8	AIA amortization expense (L6 x L7)	-	-	-
9	CIAC amortization expense	<u>(733,560) [4]</u>	<u>(733,560) [4]</u>	<u>(733,560) [4]</u>
10	CIAC and AIAC amortization expense (L8 + L9)	<u>(733,560)</u>	<u>(733,560)</u>	<u>(733,560)</u>
11	Purchase acquisition adjustment	(\$4,221,509) [5]	(\$4,221,509) [5]	(\$4,221,509) [5]
12	Amortization rate	2.89% [3]	2.85% [3]	2.84% [3]
13	PAA amortization expense (L11 x L12)	<u>(\$122,002)</u>	<u>(\$120,313)</u>	<u>(\$119,891)</u>

[1] Public Staff WSIP Exhibit I, Schedule 3-17-1(a), Column (c), Line 52.
[2] Per examination of Company's financial records.
[3] Public Staff WSIP Exhibit I, Schedule 3-17-1(a), Column (d), Line 52.
[4] Public Staff WSIP Exhibit I, Schedule 3-18-1(a), Column (e),
[5] Public Staff WSIP Exhibit I, Schedule 2-8, Column (a), Line 7.
[6] Public Staff WSIP Exhibit I, Schedule 3-17-1(b), Column (c), Line 65.
[7] Public Staff WSIP Exhibit I, Schedule 3-17-1(b), Column (d), Line 65.

[8] Public Staff WSIP Exhibit I, Schedule 2-8, Column (d), Line 7.
[9] Public Staff WSIP Exhibit I, Schedule 3-17-1(c), Column (c), Line 46.
[10] Public Staff WSIP Exhibit I, Schedule 3-17-1(c), Column (d), Line 46.
[11] Public Staff WSIP Exhibit I, Schedule 2-8, Column (g), Line 7.
[12] Public Staff WSIP Exhibit I, Schedule 3-17-1(d), Column (c), Line 58.
[13] Public Staff WSIP Exhibit I, Schedule 3-17-1(d), Column (d), Line 58.
[14] Public Staff WSIP Exhibit I, Schedule 2-8, Column (j), Line 7.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF DEPRECIATION AND AMORTIZATION EXPENSE
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-18(b)

CWSNC SEWER OPERATIONS		<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
<u>Line No.</u>		(a)	(b)	(c)
1	Depreciation on direct plant	\$3,444,125 [6]	\$3,578,570 [6]	\$4,019,711 [6]
2	Depreciation on allocated plant	113,577 [2]	113,577 [2]	113,577 [2]
3	Gain on sale	0 [3]	0 [3]	0 [3]
4	Excess book value	0 [3]	0 [3]	0 [3]
5	Total depreciation expense (Sum of L1 thru L4)	<u>\$3,557,702</u>	<u>\$3,692,147</u>	<u>\$4,133,288</u>
6	Depreciable AIA	0 [3]	0 [3]	0 [3]
7	Amortization rate	2.75% [7]	2.74% [7]	2.72% [7]
8	AIA amortization expense (L6 x L7)	-	-	-
9	CIAC amortization expense	<u>(625,462)</u>	<u>(625,462)</u>	<u>(625,462) [2]</u>
10	CIAC and AIAC amortization expense (L8 + L9)	<u>(625,462)</u>	<u>(625,462)</u>	<u>(625,462)</u>
11	Purchase acquisition adjustment	(\$627,070) [8]	(\$627,070) [8]	(\$627,070) [8]
12	Amortization rate	2.75% [7]	2.74% [7]	2.72% [7]
13	PAA amortization expense (L11 x L12)	<u>(\$17,244)</u>	<u>(\$17,182)</u>	<u>(\$17,056)</u>

[1] Public Staff WSIP Exhibit I, Schedule 3-17-1(a), Column (c), Line 52.	[8] Public Staff WSIP Exhibit I, Schedule 2-8, Column (d), Line 7.
[2] Calculated by the Public Staff based on information provided by the Company.	[9] Public Staff WSIP Exhibit I, Schedule 3-17-1(c), Column (c), Line 46.
[3] Per examination of Company's financial records.	[10] Public Staff WSIP Exhibit I, Schedule 3-17-1(c), Column (d), Line 46.
[4] Public Staff WSIP Exhibit I, Schedule 3-17-1(a), Column (d),	[11] Public Staff WSIP Exhibit I, Schedule 2-8, Column (g), Line 7.
[5] Public Staff WSIP Exhibit I, Schedule 2-8, Column (a), Line 7.	[12] Public Staff WSIP Exhibit I, Schedule 3-17-1(d), Column (c), Line 58.
[6] Public Staff WSIP Exhibit I, Schedule 3-17-1(b), Column (c), Line 65.	[13] Public Staff WSIP Exhibit I, Schedule 3-17-1(d), Column (d), Line 58.
[7] Public Staff WSIP Exhibit I, Schedule 3-17-1(b), Column (d), Line 65.	[14] Public Staff WSIP Exhibit I, Schedule 2-8, Column (j), Line 7.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF DEPRECIATION AND AMORTIZATION EXPENSE
For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-18(c)

Line No.	BF/FH/TC WATER OPERATIONS	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Depreciation on direct plant	\$205,295 [9]	\$234,145 [9]	\$241,321 [9]
2	Depreciation on allocated plant	27,377 [2]	27,377 [2]	27,377 [2]
3	Gain on sale	0 [3]	0 [3]	0 [3]
4	Excess book value	0 [3]	0 [3]	0 [3]
5	Total depreciation expense (Sum of L1 thru L4)	<u>\$232,672</u>	<u>\$261,522</u>	<u>\$268,698</u>
6	Depreciable AIA	0 [3]	0 [3]	0 [3]
7	Amortization rate	2.33% [10]	2.41% [10]	2.39% [10]
8	AIA amortization expense (L6 x L7)	-	-	-
9	CIAC amortization expense	<u>(57,707)</u>	<u>(57,707)</u>	<u>(57,707) [2]</u>
10	CIAC and AIAC amortization expense (L8 + L9)	<u>(57,707)</u>	<u>(57,707)</u>	<u>(57,707)</u>
11	Purchase acquisition adjustment	\$607,432 [11]	\$607,432 [11]	\$607,432 [11]
12	Amortization rate	2.33% [10]	2.41% [10]	2.39% [10]
13	PAA amortization expense (L11 x L12)	<u>\$14,153</u>	<u>\$14,639</u>	<u>\$14,518</u>

[1] Public Staff WSIP Exhibit I, Schedule 3-17-1(a), Column (c), Line 52.
[2] Calculated by the Public Staff based on information provided by the Company.
[3] Per examination of Company's financial records.
[4] Public Staff WSIP Exhibit I, Schedule 3-17-1(a), Column (d),
[5] Public Staff WSIP Exhibit I, Schedule 2-8, Column (a), Line 7.
[6] Public Staff WSIP Exhibit I, Schedule 3-17-1(b), Column (c), Line 65.
[7] Public Staff WSIP Exhibit I, Schedule 3-17-1(b), Column (d), Line 65.
[8] Public Staff WSIP Exhibit I, Schedule 2-8, Column (d), Line 7.
[9] Public Staff WSIP Exhibit I, Schedule 3-17-1(c), Column (c), Line 46.
[10] Public Staff WSIP Exhibit I, Schedule 3-17-1(c), Column (d), Line 46.
[11] Public Staff WSIP Exhibit I, Schedule 2-8, Column (g), Line 7.
[12] Public Staff WSIP Exhibit I, Schedule 3-17-1(d), Column (c), Line 58.
[13] Public Staff WSIP Exhibit I, Schedule 3-17-1(d), Column (d), Line 58.
[14] Public Staff WSIP Exhibit I, Schedule 2-8, Column (j), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF DEPRECIATION AND AMORTIZATION EXPENSE

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-18(d)

BF/FH/TC SEWER OPERATIONS

Line No.		Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Depreciation on direct plant	\$437,654 [12]	\$582,941 [12]	\$593,306 [12]
2	Depreciation on allocated plant	27,914 [2]	27,914 [2]	27,914 [2]
3	Gain on sale	0 [3]	0 [3]	0 [3]
4	Excess book value	0 [3]	0 [3]	0 [3]
5	Total depreciation expense (Sum of L1 thru L4)	<u>\$465,568</u>	<u>\$610,855</u>	<u>\$621,220</u>
6	Depreciable AIA	0 [3]	0 [3]	0 [3]
7	Amortization rate	2.64% [13]	2.59% [13]	2.57% [13]
8	AIA amortization expense (L6 x L7)	-	-	-
9	CIAC amortization expense	<u>(150,635) [2]</u>	<u>(150,635) [2]</u>	<u>(150,635) [2]</u>
10	CIAC and AIAC amortization expense (L8 + L9)	<u>(150,635)</u>	<u>(150,635)</u>	<u>(150,635)</u>
11	Purchase acquisition adjustment	\$1,680,077 [14]	\$1,680,077 [14]	\$1,680,077 [14]
12	Amortization rate	2.64% [13]	2.59% [13]	2.57% [13]
13	PAA amortization expense (L11 x L12)	<u>\$44,354</u>	<u>\$43,514</u>	<u>\$43,178</u>

[1] Public Staff WSIP Exhibit I, Schedule 3-17-1(a), Column (c), Line 52.

[2] Calculated by the Public Staff based on information provided by the Company.

[3] Per examination of Company's financial records.

[4] Public Staff WSIP Exhibit I, Schedule 3-17-1(a), Column (d),

[5] Public Staff WSIP Exhibit I, Schedule 2-8, Column (a), Line 7.

[6] Public Staff WSIP Exhibit I, Schedule 3-17-1(b), Column (c), Line 65.

[7] Public Staff WSIP Exhibit I, Schedule 3-17-1(b), Column (d), Line 65.

[8] Public Staff WSIP Exhibit I, Schedule 2-8, Column (d), Line 7.

[9] Public Staff WSIP Exhibit I, Schedule 3-17-1(c), Column (c), Line 46.

[10] Public Staff WSIP Exhibit I, Schedule 3-17-1(c), Column (d), Line 46.

[11] Public Staff WSIP Exhibit I, Schedule 2-8, Column (g), Line 7.

[12] Public Staff WSIP Exhibit I, Schedule 3-17-1(d), Column (c), Line 58.

[13] Public Staff WSIP Exhibit I, Schedule 3-17-1(d), Column (d), Line 58.

[14] Public Staff WSIP Exhibit I, Schedule 2-8, Column (j), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-18-1(a)

CWSNC WATER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$410,888	2 50%	\$10,272	
2	141202	Franchises	\$140,283	2 50%	3,507	
3	141102	Land & land rights pump	\$0	0 00%	0	
4	141103	Land and Rights Water	\$0	0 00%	0	
5	141104	Land and Rights Trans	\$0	0 00%	0	
6	141101	Land & land rights gen. plt.	\$150,596	0 00%	0	
7	141204	Struct & improv. src. supply	\$4,489,620	2 00%	89,792	
8	141205	Struct & improv. wtr. trt. plt.	\$1,606,807	2 00%	32,136	
9	141206	Struct & improv. trans. dist.	\$290,026	2 00%	5,801	
10	141203	Struct & improv. gen. plt.	\$422,052	2 00%	8,441	
11	141221	Collecting reservoirs	\$732,382	2 00%	14,648	
12	141223	Wells & springs	\$14,627,308	2 00%	292,546	
13	141224	Infiltration gallery	\$45,185	2 50%	1,130	
14	141225	Supply mains	\$853,751	1 00%	8,538	
15	141226	Power generation equip.	\$167,421	10 00%	16,742	
16	141227	Electric pump equip. src. plt.	\$3,022,067	14 29%	431,853	
17	141228	Electric pump equip. wtp.	\$9,069,838	3 33%	302,026	
18	141229	Electric pump equip. trans.	\$4,786,213	14 29%	683,950	
19	141230	Water treatment equip.	\$5,681,387	2 50%	142,035	
20	141231	Dist. resv. & standpipes	\$8,243,639	2 00%	164,873	
21	141232	Trans. & distr. mains	\$35,648,630	1 00%	356,486	
22	141233	Service lines	\$14,950,351	2 00%	299,007	
23	141234	Meters	\$6,361,624	3 33%	211,842	
24	141235	Meter installations	\$2,095,782	3 33%	69,790	
25	141236	Hydrants	\$1,452,995	2 50%	36,325	
26	141237	Backflow prevention devic.	\$61,347	10 00%	6,135	
27	141268	Other plt. & misc. equip. src. su.	\$0	2 50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$23,372	2 50%	584	
29	141220	Office struct & improv.	\$95,359	10 00%	9,536	
30	141303	Office furn. & equip.	\$80,259	10 00%	8,026	
31	141305	Stores equipment	\$16,056	3 33%	535	
32	141308	Tool shop & misc. equip.	\$510,940	5 00%	25,547	
33	141306	Laboratory equipment	\$67,258	10 00%	6,726	
34	141309	Power operated equip.	\$371,593	10 00%	37,159	
35	141310	Communication equip.	\$168,137	10 00%	16,814	
36	141311	Misc. equipment	\$207,547	3 33%	6,911	
37	141278	Water plant allocated	\$207,809	6 67%	13,861	
38	141271	Other tangible plt. water	\$11,508	2 50%	288	
39	141248	Receiving Wells	\$176,603	2 00%	3,532	
40	141401	Transportation equip.	\$306,968	20 00%	61,394	
41	141503	Mainframe computer - wtr	(\$4,591)	0 00%	0	
42	141504	Mini computer - wtr	(\$31,950)	0 00%	0	
43	141602	Comp. system cost - wtr	(\$136,755)	0 00%	0	
44	141603	Micro system cost - wtr	(\$2,375)	0 00%	0	
45	141255	Plant Sewers Treatment Pit	\$0	2 50%	0	
46	141299	Utility Plant Clearing	(\$0)	0 00%	0	
47	141699	Computer Clearing	\$0	0 00%	0	
48	141601	Computer Software	(\$4,470)	0 00%	0	
49	141501	Computer Hardware	(\$30)	0 00%	0	
50	141502	Desktop/Laptop Computers	(\$679)	0 00%	0	
51	141293	Plant Held for Future Use	\$0	0 00%	0	
52	141399	Building and Equipment Clearing	\$0	0 00%	0	
53		Pro forma plant additions		0 00%	0	
54		Total plant in service (Sum of L1 thru L51)	<u>\$117,372,752</u>		<u>\$3,378,788</u>	<u>2 88%</u> [4]

[1] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(1), Column (d).
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 54.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-18-1(b)

CWSNC SEWER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$883,492	2 50%	\$22,087	
2	141202	Franchises intang. plt.	\$127,476	2 50%	3,187	
3	141107	Land and Rights Treatment	\$0	0 00%	0	
4	141108	Land and Rights Reclaim	\$0	0 00%	0	
5	141101	Land & land rights gen. plt.	\$0	0 00%	0	
6	141207	Struct/improv. coll. plt.	\$107,603	2 00%	2,152	
7	141208	Struct/improv. pump plt. ls.	\$11,419,401	2 00%	228,388	
8	141209	Struct/improv. treat. plt.	\$20,068,597	2 50%	501,715	
9	141210	Struct/improv. reclaim. wtp.	\$2,586	2 50%	65	
10	141211	Struct/improv. reclaim. wtr.	\$180,481	2 50%	4,512	
11	141203	Struct/improv. gen. plt.	\$1,707,245	2 00%	34,145	
12	141238	Power gen. equip. coll. plt.	\$107,623	10 00%	10,762	
13	141239	Power gen. equip. pump plt.	\$53,341	10 00%	5,334	
14	141240	Power gen. equip. treat. plt.	\$313,217	10 00%	31,322	
15	141241	Sewer force main/serv. lin.	\$4,404,358	1 33%	58,578	
16	141242	Sewer gravity main	\$18,842,080	1 00%	188,421	
17	141243	Manholes	\$1,521,696	1 00%	15,217	
18	141244	Special coll. structures	\$7,032	2 00%	141	
19	141245	Services to customers	\$2,249,446	1 33%	29,918	
20	141246	Flow measure devices	\$145,734	4 00%	5,829	
21	141247	Flow measure install	\$1,106	4 00%	44	
22	141248	Receiving wells	\$233,985	2 00%	4,680	
23	141249	Pumping equipment pump plt.	\$5,142,262	14 29%	734,829	
24	141250	Pumping equipment reclaim.	\$39,650	14 29%	5,666	
25	141251	Pumping equipment rcl. wtr.	\$83,456	14 29%	11,926	
26	141252	Treat /disp. equip. lagoon	\$597,528	2 50%	14,938	
27	141253	Treat /disp. equip. trt. plt.	\$18,875,550	2 50%	471,889	
28	141254	Treat /disp. equip. rct. wtp.	\$29,387	2 50%	735	
29	141255	Plant sewers treat. plt.	\$17,985,978	2 50%	449,649	
30	141256	Plant sewers reclaim wtp.	\$8,065	2 50%	202	
31	141257	Outfall lines	\$656,343	1 00%	6,563	
32	141271	Other plt. tangible	\$14,761	2 50%	369	
33	141272	Other plt. collection	\$11,641	2 00%	233	
34	141273	Other plt. pump	\$471,095	2 50%	11,777	
35	141274	Other plt. treatment	\$334,740	2 50%	8,369	
36	141275	Other plt. reclaim wtr. trt.	\$0	2 50%	0	
37	141276	Other plt. reclaim wtr. dis.	\$460	2 50%	11	
38	141220	Office struct & improv.	\$52,857	10 00%	5,286	
39	141303	Office furn. & equip.	\$43,408	10 00%	4,341	
40	141305	Stores equipment	\$8,111	3 33%	270	
41	141308	Tool shop & misc. equip.	\$226,555	5 00%	11,328	
42	141306	Laboratory equipment	\$159,287	10 00%	15,929	
43	141309	Power operated equip.	\$478,138	10 00%	47,814	
44	141310	Communication equip.	\$103,571	10 00%	10,357	
45	141311	Misc equip. sewer	\$66,764	3 33%	2,223	
46	141278	Sewer plant allocated	\$526,952	6 67%	35,148	
47	0	Other tangible plt. sewer	\$0	2 50%	0	
48	141263	Reuse dist. reservoirs	\$3,507	2 00%	70	
49	141264	Reuse transmission & dist.	\$121,119	2 00%	2,422	
50	141401	Transportation equip.	\$183,139	20 00%	36,628	
51	141502	Desktop computer - wtr	(\$405)	0 00%	0	
52	141503	Mainframe computer - wtr	(\$2,739)	0 00%	0	
53	141504	Mini computer - wtr	(\$22,943)	0 00%	0	
54	141602	Comp. system cost - wtr	\$27,423	0 00%	0	
55	141603	Micro system cost - wtr	(\$1,417)	0 00%	0	
56	141501	Computer Hardware	(\$18)	0 00%	0	
57	141299	Utility Plant Clearing	(\$0)	0 00%	0	
58	141399	Building and Equipment Clearing	\$0	0 00%	0	
59	141233	Service Lines	(\$120)	2 00%	(2)	
60	141699	Computer Clearing	\$0	0 00%	0	
62	141601	Computer Software	(\$2,667)	0 00%	0	
63	141231	Dist Resv and Standpipes	\$0	2 00%	0	
64	141232	Trans and Distr Mains	\$0	1 00%	0	
65	141293	Plt. held for future use	\$0	0 00%	0	
66	141205	Struct and Improv Water Treat Plt	\$0	2 00%	0	
67	141230	Water Treatment Equipment	\$0	2 50%	0	
68	141226	Power Generation Equipment	\$298,745	10 00%	29,875	
69	113101		\$0	0 00%	0	
70		Pro forma plant additions	\$0	0 00%	0	
71		Total plant in service (Sum of L1 thru L64)	<u>\$108 896 685</u>		<u>\$3 065 342</u>	<u>2 81%</u> [4]

[1] Public Staff Settlement Exhibit 1, Schedule 2-1(b)(1), Column (d).

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 71.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
Schedule 3-18-1(c)

BF/FH/TC WATER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$79,800	2 50%	\$1,995	
2	141202	Franchises	\$51,240	2 50%	1,281	
3	141501	Computer Hardware	(\$4)	16 67%	(1)	
4	141502	Desktop/Laptop Computers	(\$82)	16 67%	(14)	
5	141601	Computer Software	(\$537)	0 00%	0	
6	141101	Land & land rights gen. plt.	\$0	0 00%	0	
7	141204	Struct & improv. src. supply	\$214,617	2 00%	4,292	
8	141205	Struct & improv. wtr. trt. plt.	\$147,285	2 00%	2,946	
9	141206	Struct & improv. trans. dist.	\$461	2 00%	9	
10	141203	Struct & improv. gen. plt.	\$2,244	2 00%	45	
11	141221	Collecting reservoirs	\$0	2 00%	0	
12	141223	Wells & springs	\$510,515	2 00%	10,210	
13	141224	Infiltration gallery		2 50%	0	
14	141225	Supply mains	\$10,995	1 00%	110	
15	141226	Power generation equip.		10 00%	0	
16	141227	Electric pump equip. src. plt.	\$63,258	14 29%	9,040	
17	141228	Electric pump equip. wtp.	\$400,215	3 33%	13,327	
18	141229	Electric pump equip. trans.	\$63,012	14 29%	9,004	
19	141230	Water treatment equip.	\$152,696	2 50%	3,817	
20	141231	Dist. resv. & standpipes	\$920,874	2 00%	18,417	
21	141232	Trans. & distr. mains	\$1,900,043	1 00%	19,000	
22	141233	Service lines	\$874,073	2 00%	17,481	
23	141234	Meters	\$197,234	3 33%	6,588	
24	141235	Meter installations	\$186,239	3 33%	6,202	
25	141236	Hydrants	\$278,957	2 50%	6,974	
26	141237	Backflow prevention devic.	\$151	10 00%	15	
27	141268	Other plt. & misc. equip. src. su.		2 50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$0	2 50%	0	
29	141220	Office struct & improv.	\$24,979	10 00%	2,498	
30	141303	Office furn. & equip.	\$2,993	10 00%	299	
31	141305	Stores equipment	\$348	3 33%	12	
32	141308	Tool shop & misc. equip.	\$102,382	5 00%	5,119	
33	141306	Laboratory equipment	\$14,540	10 00%	1,454	
34	141309	Power operated equip.	\$13,291	10 00%	1,329	
35	141310	Communication equip.	\$77,889	10 00%	7,789	
36	141311	Misc. equipment	\$528	3 33%	18	
37	141278	Water plant allocated		6 67%	0	
38	141271	Other tangible plt. water		2 50%	0	
39	141401	Transportation equip.	(\$26)	20 00%	(5)	
40	141503	Mainframe computer - wtr	(\$552)	0 00%	0	
41	141504	Mini computer - wtr	(\$3,474)	0 00%	0	
42	141602	Comp. system cost - wtr	(\$16,431)	0 00%	0	
43	141603	Micro system cost - wtr	(\$285)	0 00%	0	
44	141293	Plt. held for future use		0 00%	0	
45	141699	Computer Clearing	\$0	0 00%	0	
46	141299	Utility Plant Clearing	\$0	0 00%	0	
47	141102	Land & land rights pump	\$0	0 00%	0	
48	141399	Building and Equipment Clearing	\$0	0 00%	0	
49		Total plant in service (Sum of L1 thru L45)	\$6 269 466		\$149 231	2 38% [4]

[1] Public Staff Settlement Exhibit 1, Schedule 2-1(c)(1), Column (d)

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 49.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF DIRECT PLANT

DEPRECIATION EXPENSE

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-18-1(d)

BF/FH SEWER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$14,682	2.50%	\$367	
2	141202	Franchises	\$41,938	2.50%	1,048	
3	141203	Struct and Improv General Plant	\$267,093	2.00%	5,342	
4	141207	Struct and Improv Collect Plant	\$150	0.00%	0	
5	141208	Struct and Improv Pump Plant	\$1,690,854	2.00%	33,817	
6	141209	Struct and Improv Treatment Plant	\$1,837,554	2.50%	45,939	
7	141211	Struct and Improv Reclaim Wtr Dist	\$2,477	2.50%	62	
8	141220	Struct and Improv Office	\$74,442	10.00%	7,444	
9	141227	Electric Pump Equip Src Pump	(\$2,538)	0.00%	0	
10	141230	Water Treatment Equipment	\$0	0.00%	0	
11	141231	Dist Resv and Standpipes	\$0	2.00%	0	
12	141232	Trans and Distr Mains	\$0	1.00%	0	
13	141239	Power Gen Equip Pump Pit	\$112,475	10.00%	11,247	
14	141241	Sewer Force Main	\$227,006	1.33%	3,019	
15	141242	Sewer Gravity Main	\$5,331,906	1.00%	53,319	
16	141243	Manholes	\$53,112	1.00%	531	
17	141244	Special Collection Structures	\$775	2.00%	16	
18	141245	Service to Customers	\$339,216	1.33%	4,512	
19	141246	Flow Measure Devices	\$17,806	4.00%	712	
20	141249	Pumping Equip Pump Pit	\$826,753	14.29%	118,143	
21	141250	Pumping Equip Reclaim WTP	\$96,219	14.29%	13,750	
22	141252	Treat/Disp Equip Lagoon	\$56	2.50%	1	
23	141253	Treat/Disp Equip Trt Pit	\$3,775,113	2.50%	94,378	
24	141255	Plant Sewers Treatment Pit	\$393,451	2.50%	9,836	
25	141257	Outfall Lines	\$74,700	1.00%	747	
26	141263	Reuse Dist Reservoirs	\$2,763	2.00%	55	
27	141264	Reuse Transmission and Dist	\$2,491	2.00%	50	
28	141271	Other Tangible Plant	\$79,334	2.50%	1,983	
29	141272	Other Plant Collection	(\$224)	2.00%	(4)	
30	141273	Other Plant Pump	\$3,442	2.50%	86	
31	141275	Other Plant Reclaim Water Trt	\$12,677	2.50%	317	
32	141299	Utility Plant Clearing	(\$0)	0.00%	0	
33	141303	Office Furniture	\$316	10.00%	32	
34	141305	Stores Equipment	\$2,798	3.33%	93	
35	141306	Lab Equipment	\$6,734	10.00%	673	
36	141308	Tool Shop Equipment	\$21,346	5.00%	1,067	
37	141309	Power Operated Equipment	\$53,931	10.00%	5,393	
38	141310	Communications Equipment	\$58,359	10.00%	5,836	
39	141311	Misc Equipment	\$68,996	3.33%	2,298	
40	141399	Building and Equipment Clearing	\$0	0.00%	0	
41	141401	Vehicles	(\$26)	0.00%	0	
42	141501	Computer Hardware	(\$4)	16.67%	(1)	
43	141502	Desktop/Laptop Computers	(\$83)	0.00%	0	
44	141503	Mainframe Computers	(\$565)	0.00%	0	
45	141504	Mini Comp Wtr	(\$5,283)	0.00%	0	
46	141601	Computer Software	(\$550)	0.00%	0	
47	141602	Comp Systems	(\$16,819)	0.00%	0	
48	141603	Micro Systems	(\$292)	0.00%	0	
49	141699	Computer Clearing	\$0	0.00%	0	
50	141251	Pumping Equip Rcl Wtr Dist	\$0	14.29%	0	
51	141254	Treat/Disp Equip Rclm Wtr	\$0	2.50%	0	
52						
53		Total plant in service (Sum of L1 thru L57)	<u>\$15,464,580</u>		<u>\$422,108</u>	<u>2.73%</u> [4]

[1] Public Staff Settlement Exhibit 1, Schedule 2-1(d)(1), Column (d).

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 53.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 3-18(a)(1)

CWSNC WATER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$410,888	2 50%	\$10,272	
2	141202	Franchises	\$140,283	2 50%	3,507	
3	141102	Land & land rights pump	\$0	0 00%	0	
4	141103	Land and Rights Water	\$0	0 00%	0	
5	141104	Land and Rights Trans	\$0	0 00%	0	
6	141101	Land & land rights gen. plt.	\$150,596	0 00%	0	
7	141204	Struct & improv. src. supply	\$4,879,730	2 00%	97,595	
8	141205	Struct & improv. wtr. trt. plt.	\$1,660,660	2 00%	33,213	
9	141206	Struct & improv. trans. dist.	\$297,499	2 00%	5,950	
10	141203	Struct & improv. gen. plt.	\$437,878	2 00%	8,758	
11	141221	Collecting reservoirs	\$732,382	2 00%	14,648	
12	141223	Wells & springs	\$15,567,071	2 00%	311,341	
13	141224	Infiltration gallery	\$45,185	2 50%	1,130	
14	141225	Supply mains	\$952,189	1 00%	9,522	
15	141226	Power generation equip.	\$168,108	10 00%	16,811	
16	141227	Electric pump equip. src. plt.	\$3,080,832	14 29%	440,251	
17	141228	Electric pump equip. wtp.	\$9,494,119	3 33%	316,154	
18	141229	Electric pump equip. trans.	\$4,896,743	14 29%	699,745	
19	141230	Water treatment equip.	\$6,480,346	2 50%	162,009	
20	141231	Dist. resv. & standpipes	\$8,392,936	2 00%	167,859	
21	141232	Trans. & distr. mains	\$39,921,539	1 00%	399,215	
22	141233	Service lines	\$15,518,254	2 00%	310,365	
23	141234	Meters	\$9,279,611	3 33%	309,011	
24	141235	Meter installations	\$2,152,288	3 33%	71,671	
25	141236	Hydrants	\$1,498,605	2 50%	37,465	
26	141237	Backflow prevention devic.	\$62,898	10 00%	6,290	
27	141268	Other plt. & misc. equip. src. su.	\$0	2 50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$23,372	2 50%	584	
29	141220	Office struct & improv.	\$320,359	10 00%	32,036	
30	141303	Office furn. & equip.	\$80,259	10 00%	8,026	
31	141305	Stores equipment	\$18,867	3 33%	628	
32	141308	Tool shop & misc. equip.	\$517,194	5 00%	25,860	
33	141306	Laboratory equipment	\$68,729	10 00%	6,873	
34	141309	Power operated equip.	\$377,447	10 00%	37,745	
35	141310	Communication equip.	\$1,162,663	10 00%	116,266	
36	141311	Misc. equipment	\$213,259	3 33%	7,102	
37	141278	Water plant allocated	\$207,809	6 67%	13,861	
38	141271	Other tangible plt. water	\$11,508	2 50%	288	
39	141248	Receiving Wells	\$176,603	2 00%	3,532	
40	141401	Transportation equip.	\$306,968	20 00%	61,394	
41	141503	Mainframe computer - wtr	(\$4,591)	0 00%	0	
42	141504	Mini computer - wtr	(\$31,950)	0 00%	0	
43	141602	Comp. system cost - wtr	(\$136,755)	0 00%	0	
44	141603	Micro system cost - wtr	(\$2,375)	0 00%	0	
45	141255	Plant Sewers Treatment Pit	\$0	2 50%	0	
46	141299	Utility Plant Clearing	(\$0)	0 00%	0	
47	141699	Computer Clearing	\$0	0 00%	0	
48	141601	Computer Software	(\$4,470)	0 00%	0	
49	141501	Computer Hardware	(\$30)	0 00%	0	
50	141502	Desktop/Laptop Computers	(\$679)	0 00%	0	
51	141293	Plant Held for Future Use	\$0	0 00%	0	
52	141399	Building and Equipment Clearing	\$0	0 00%	0	
53		Pro forma plant additions		0 00%	0	
54		Total plant in service (Sum of L1 thru L51)	<u>\$129,524,831</u>		<u>\$3,746,977</u>	<u>2 89%</u> [4]

[1] Sun Exhibit I, Schedule 2-1(a)(1), Column (d).
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 54.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 3-18(b)(1)

CWSNC SEWER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$883,492	2 50%	\$22,087	
2	141202	Franchises intang. plt.	\$127,476	2 50%	3,187	
3	141107	Land and Rights Treatment	\$0	0 00%	0	
4	141108	Land and Rights Reclaim	\$0	0 00%	0	
5	141101	Land & land rights gen. plt.	\$0	0 00%	0	
6	141207	Struct/improv. coll. plt.	\$112,301	2 00%	2,246	
7	141208	Struct/improv. pump plt. ls.	\$11,591,694	2 00%	231,834	
8	141209	Struct/improv. treat. plt.	\$30,529,118	2 50%	763,228	
9	141210	Struct/improv. reclaim. wtp.	\$2,586	2 50%	65	
10	141211	Struct/improv. reclaim. wtr.	\$180,699	2 50%	4,517	
11	141203	Struct/improv. gen. plt.	\$1,735,846	2 00%	34,717	
12	141238	Power gen. equip. coll. plt.	\$107,623	10 00%	10,762	
13	141239	Power gen. equip. pump plt.	\$53,476	10 00%	5,348	
14	141240	Power gen. equip. treat. plt.	\$320,738	10 00%	32,074	
15	141241	Sewer force main/serv. lin.	\$4,457,704	1 33%	59,287	
16	141242	Sewer gravity main	\$22,201,357	1 00%	222,014	
17	141243	Manholes	\$1,588,701	1 00%	15,887	
18	141244	Special coll. structures	\$7,313	2 00%	146	
19	141245	Services to customers	\$2,443,983	1 33%	32,505	
20	141246	Flow measure devices	\$152,603	4 00%	6,104	
21	141247	Flow measure install	\$1,126	4 00%	45	
22	141248	Receiving wells	\$269,954	2 00%	5,399	
23	141249	Pumping equipment pump plt.	\$5,318,066	14 29%	759,952	
24	141250	Pumping equipment reclaim.	\$40,271	14 29%	5,755	
25	141251	Pumping equipment rcl. wtr.	\$87,420	14 29%	12,492	
26	141252	Treat /disp. equip. lagoon	\$603,169	2 50%	15,079	
27	141253	Treat /disp. equip. trt. plt.	\$20,570,008	2 50%	514,250	
28	141254	Treat /disp. equip. rct. wtp.	\$33,489	2 50%	837	
29	141255	Plant sewers treat. plt.	\$18,041,175	2 50%	451,029	
30	141256	Plant sewers reclaim wtp.	\$8,252	2 50%	206	
31	141257	Outfall lines	\$692,341	1 00%	6,923	
32	141271	Other plt. tangible	\$17,346	2 50%	434	
33	141272	Other plt. collection	\$11,727	2 00%	235	
34	141273	Other plt. pump	\$472,395	2 50%	11,810	
35	141274	Other plt. treatment	\$350,886	2 50%	8,772	
36	141275	Other plt. reclaim wtr. trt.	\$0	2 50%	0	
37	141276	Other plt. reclaim wtr. dis.	\$460	2 50%	11	
38	141220	Office struct & improv.	\$52,857	10 00%	5,286	
39	141303	Office furn. & equip.	\$43,408	10 00%	4,341	
40	141305	Stores equipment	\$8,722	3 33%	290	
41	141308	Tool shop & misc. equip.	\$230,278	5 00%	11,514	
42	141306	Laboratory equipment	\$162,500	10 00%	16,250	
43	141309	Power operated equip.	\$497,051	10 00%	49,705	
44	141310	Communication equip.	\$108,700	10 00%	10,870	
45	141311	Misc equip. sewer	\$72,655	3 33%	2,419	
46	141278	Sewer plant allocated	\$526,952	6 67%	35,148	
47	0	Other tangible plt. sewer	\$0	2 50%	0	
48	141263	Reuse dist. reservoirs	\$3,533	2 00%	71	
49	141264	Reuse transmission & dist.	\$129,825	2 00%	2,596	
50	141401	Transportation equip.	\$183,139	20 00%	36,628	
51	141502	Desktop computer - wtr	(\$405)	0 00%	0	
52	141503	Mainframe computer - wtr	(\$2,739)	0 00%	0	
53	141504	Mini computer - wtr	(\$22,943)	0 00%	0	
54	141602	Comp. system cost - wtr	\$27,423	0 00%	0	
55	141603	Micro system cost - wtr	(\$1,417)	0 00%	0	
56	141501	Computer Hardware	(\$18)	0 00%	0	
57	141299	Utility Plant Clearing	(\$0)	0 00%	0	
58	141399	Building and Equipment Clearing	\$0	0 00%	0	
59	141233	Service Lines	(\$5,243)	2 00%	(105)	
60	141699	Computer Clearing	\$0	0 00%	0	
62	141601	Computer Software	(\$2,667)	0 00%	0	
63	141231	Dist Resv and Standpipes	\$0	2 00%	0	
64	141232	Trans and Distr Mains	\$0	1 00%	0	
65	141293	Plt. held for future use	\$0	0 00%	0	
66	141205	Struct and Improv Water Treat Plt	\$0	2 00%	0	
67	141230	Water Treatment Equipment	\$0	2 50%	0	
68	141226	Power Generation Equipment	\$298,745	10 00%	29,875	
69	113101		\$0	0 00%	0	
70		Pro forma plant additions	\$0	0 00%	0	
71		Total plant in service (Sum of L1 thru L64)	<u>\$125 325 154</u>		<u>\$3 444 125</u>	<u>2.75%</u> [4]

[1] Sun Exhibit I, Schedule 2-1(b)(1), Column (d).
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 71.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 3-17(c)(1)

BF/FH/TC WATER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$79,800	2 50%	\$1,995	
2	141202	Franchises	\$51,240	2 50%	1,281	
3	141501	Computer Hardware	(\$4)	16 67%	(1)	
4	141502	Desktop/Laptop Computers	(\$82)	16 67%	(14)	
5	141601	Computer Software	(\$537)	0 00%	0	
6	141101	Land & land rights gen. plt.	\$0	0 00%	0	
7	141204	Struct & improv. src. supply	\$226,207	2 00%	4,524	
8	141205	Struct & improv. wtr. trt. plt.	\$148,430	2 00%	2,969	
9	141206	Struct & improv. trans. dist.	\$461	2 00%	9	
10	141203	Struct & improv. gen. plt.	\$2,611	2 00%	52	
11	141221	Collecting reservoirs	\$0	2 00%	0	
12	141223	Wells & springs	\$518,518	2 00%	10,370	
13	141224	Infiltration gallery		2 50%	0	
14	141225	Supply mains	\$12,113	1 00%	121	
15	141226	Power generation equip.		10 00%	0	
16	141227	Electric pump equip. src. plt.	\$67,316	14 29%	9,619	
17	141228	Electric pump equip. wtp.	\$410,965	3 33%	13,685	
18	141229	Electric pump equip. trans.	\$66,865	14 29%	9,555	
19	141230	Water treatment equip.	\$157,395	2 50%	3,935	
20	141231	Dist. resv. & standpipes	\$2,704,374	2 00%	54,087	
21	141232	Trans. & distr. mains	\$2,096,146	1 00%	20,961	
22	141233	Service lines	\$953,237	2 00%	19,065	
23	141234	Meters	\$609,917	3 33%	20,310	
24	141235	Meter installations	\$192,573	3 33%	6,413	
25	141236	Hydrants	\$282,272	2 50%	7,057	
26	141237	Backflow prevention devic.	\$193	10 00%	19	
27	141268	Other plt. & misc. equip. src. su.		2 50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$0	2 50%	0	
29	141220	Office struct & improv.	\$24,979	10 00%	2,498	
30	141303	Office furn. & equip.	\$2,993	10 00%	299	
31	141305	Stores equipment	\$373	3 33%	12	
32	141308	Tool shop & misc. equip.	\$103,034	5 00%	5,152	
33	141306	Laboratory equipment	\$14,883	10 00%	1,488	
34	141309	Power operated equip.	\$14,238	10 00%	1,424	
35	141310	Communication equip.	\$83,945	10 00%	8,394	
36	141311	Misc. equipment	\$620	3 33%	21	
37	141278	Water plant allocated		6 67%	0	
38	141271	Other tangible plt. water		2 50%	0	
39	141401	Transportation equip.	(\$26)	20 00%	(5)	
40	141503	Mainframe computer - wtr	(\$552)	0 00%	0	
41	141504	Mini computer - wtr	(\$3,474)	0 00%	0	
42	141602	Comp. system cost - wtr	(\$16,431)	0 00%	0	
43	141603	Micro system cost - wtr	(\$285)	0 00%	0	
44	141293	Plt. held for future use		0 00%	0	
45	141699	Computer Clearing	\$0	0 00%	0	
46	141299	Utility Plant Clearing	\$0	0 00%	0	
47	141102	Land & land rights pump	\$0	0 00%	0	
48	141399	Building and Equipment Clearing	\$0	0 00%	0	
49		Total plant in service (Sum of L1 thru L45)	\$8 804 306		\$205 295	2 33% [4]

[1] Sun Exhibit I, Schedule 2-1(c)(1), Column (d)

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 49.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule 3-17(d)(1) Revised

BF/FH SEWER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$14,682	2.50%	\$367	
2	141202	Franchises	\$41,938	2.50%	1,048	
3	141203	Struct and Improv General Plant	\$285,393	2.00%	5,708	
4	141207	Struct and Improv Collect Plant	\$150	0.00%	0	
5	141208	Struct and Improv Pump Plant	\$1,692,434	2.00%	33,849	
6	141209	Struct and Improv Treatment Plant	\$1,846,462	2.50%	46,162	
7	141211	Struct and Improv Reclaim Wtr Dist	\$2,477	2.50%	62	
8	141220	Struct and Improv Office	\$74,442	10.00%	7,444	
9	141227	Electric Pump Equip Src Pump	(\$2,538)	0.00%	0	
10	141230	Water Treatment Equipment	\$0	0.00%	0	
11	141231	Dist Resv and Standpipes	\$0	2.00%	0	
12	141232	Trans and Distr Mains	\$0	1.00%	0	
13	141239	Power Gen Equip Pump Pit	\$112,594	10.00%	11,259	
14	141241	Sewer Force Main	\$237,067	1.33%	3,153	
15	141242	Sewer Gravity Main	\$6,278,265	1.00%	62,783	
16	141243	Manholes	\$52,823	1.00%	528	
17	141244	Special Collection Structures	\$775	2.00%	16	
18	141245	Service to Customers	\$436,945	1.33%	5,811	
19	141246	Flow Measure Devices	\$17,972	4.00%	719	
20	141249	Pumping Equip Pump Pit	\$837,326	14.29%	119,654	
21	141250	Pumping Equip Reclaim WTP	\$105,260	14.29%	15,042	
22	141252	Treat/Disp Equip Lagoon	\$56	2.50%	1	
23	141253	Treat/Disp Equip Trt Pit	\$3,775,113	2.50%	94,378	
24	141255	Plant Sewers Treatment Pit	\$400,332	2.50%	10,008	
25	141257	Outfall Lines	\$83,211	1.00%	832	
26	141263	Reuse Dist Reservoirs	\$2,763	2.00%	55	
27	141264	Reuse Transmission and Dist	\$2,845	2.00%	57	
28	141271	Other Tangible Plant	\$79,334	2.50%	1,983	
29	141272	Other Plant Collection	(\$224)	2.00%	(4)	
30	141273	Other Plant Pump	\$3,442	2.50%	86	
31	141275	Other Plant Reclaim Water Trt	\$13,511	2.50%	338	
32	141299	Utility Plant Clearing	(\$0)	0.00%	0	
33	141303	Office Furniture	\$316	10.00%	32	
34	141305	Stores Equipment	\$2,808	3.33%	94	
35	141306	Lab Equipment	\$6,734	10.00%	673	
36	141308	Tool Shop Equipment	\$21,936	5.00%	1,097	
37	141309	Power Operated Equipment	\$54,905	10.00%	5,491	
38	141310	Communications Equipment	\$65,620	10.00%	6,562	
39	141311	Misc Equipment	\$71,073	3.33%	2,367	
40	141399	Building and Equipment Clearing	\$0	0.00%	0	
41	141401	Vehicles	(\$26)	0.00%	0	
42	141501	Computer Hardware	(\$4)	16.67%	(1)	
43	141502	Desktop/Laptop Computers	(\$83)	0.00%	0	
44	141503	Mainframe Computers	(\$565)	0.00%	0	
45	141504	Mini Comp Wtr	(\$5,283)	0.00%	0	
46	141601	Computer Software	(\$550)	0.00%	0	
47	141602	Comp Systems	(\$16,819)	0.00%	0	
48	141603	Micro Systems	(\$292)	0.00%	0	
49	141699	Computer Clearing	\$0	0.00%	0	
50	141251	Pumping Equip Rcl Wtr Dist	\$0	14.29%	0	
51	141254	Treat/Disp Equip Rclm Wtr	\$0	2.50%	0	
52						
53		Total plant in service (Sum of L1 thru L57)	<u>\$16,594,618</u>		<u>\$437,654</u>	<u>2.64%</u> [4]

[1] Sun Exhibit I, Schedule 2-1(d)(1), Column (d).
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 53.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule 3-18(a)(2)

CWSNC WATER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$410,888	2 50%	\$10,272	
2	141202	Franchises	\$140,283	2 50%	3,507	
3	141102	Land & land rights pump	\$0	0 00%	0	
4	141103	Land and Rights Water	\$0	0 00%	0	
5	141104	Land and Rights Trans	\$0	0 00%	0	
6	141101	Land & land rights gen. plt.	\$150,596	0 00%	0	
7	141204	Struct & improv. src. supply	\$5,861,208	2 00%	117,224	
8	141205	Struct & improv. wtr. trt. plt.	\$1,714,513	2 00%	34,290	
9	141206	Struct & improv. trans. dist.	\$304,973	2 00%	6,099	
10	141203	Struct & improv. gen. plt.	\$453,704	2 00%	9,074	
11	141221	Collecting reservoirs	\$732,382	2 00%	14,648	
12	141223	Wells & springs	\$16,462,516	2 00%	329,250	
13	141224	Infiltration gallery	\$45,185	2 50%	1,130	
14	141225	Supply mains	\$1,050,626	1 00%	10,506	
15	141226	Power generation equip.	\$168,796	10 00%	16,880	
16	141227	Electric pump equip. src. plt.	\$3,139,597	14 29%	448,648	
17	141228	Electric pump equip. wtp.	\$9,768,210	3 33%	325,281	
18	141229	Electric pump equip. trans.	\$5,007,273	14 29%	715,539	
19	141230	Water treatment equip.	\$6,655,125	2 50%	166,378	
20	141231	Dist. resv. & standpipes	\$8,528,798	2 00%	170,576	
21	141232	Trans. & distr. mains	\$43,739,602	1 00%	437,396	
22	141233	Service lines	\$16,086,158	2 00%	321,723	
23	141234	Meters	\$11,817,061	3 33%	393,508	
24	141235	Meter installations	\$2,208,794	3 33%	73,553	
25	141236	Hydrants	\$1,544,215	2 50%	38,605	
26	141237	Backflow prevention devic.	\$64,450	10 00%	6,445	
27	141268	Other plt. & misc. equip. src. su.	\$0	2 50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$23,372	2 50%	584	
29	141220	Office struct & improv.	\$320,359	10 00%	32,036	
30	141303	Office furn. & equip.	\$80,259	10 00%	8,026	
31	141305	Stores equipment	\$21,679	3 33%	722	
32	141308	Tool shop & misc. equip.	\$523,449	5 00%	26,172	
33	141306	Laboratory equipment	\$70,200	10 00%	7,020	
34	141309	Power operated equip.	\$383,301	10 00%	38,330	
35	141310	Communication equip.	\$1,210,877	10 00%	121,088	
36	141311	Misc. equipment	\$218,970	3 33%	7,292	
37	141278	Water plant allocated	\$207,809	6 67%	13,861	
38	141271	Other tangible plt. water	\$11,508	2 50%	288	
39	141248	Receiving Wells	\$176,603	2 00%	3,532	
40	141401	Transportation equip.	\$306,968	20 00%	61,394	
41	141503	Mainframe computer - wtr	(\$4,591)	0 00%	0	
42	141504	Mini computer - wtr	(\$31,950)	0 00%	0	
43	141602	Comp. system cost - wtr	(\$136,755)	0 00%	0	
44	141603	Micro system cost - wtr	(\$2,375)	0 00%	0	
45	141255	Plant Sewers Treatment Pit	\$0	2 50%	0	
46	141299	Utility Plant Clearing	(\$0)	0 00%	0	
47	141699	Computer Clearing	\$0	0 00%	0	
48	141601	Computer Software	(\$4,470)	0 00%	0	
49	141501	Computer Hardware	(\$30)	0 00%	0	
50	141502	Desktop/Laptop Computers	(\$679)	0 00%	0	
51	141293	Plant Held for Future Use	\$0	0 00%	0	
52	141399	Building and Equipment Clearing	\$0	0 00%	0	
53		Pro forma plant additions		0 00%	0	
54		Total plant in service (Sum of L1 thru L51)	<u>\$139,429,457</u>		<u>\$3,970,877</u>	<u>2 85%</u> [4]

[1] Sun Exhibit I, Schedule 2-1(a)(1), Column (d).
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 54.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule 3-18(b)(2)

CWSNC SEWER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$883,492	2 50%	\$22,087	
2	141202	Franchises intang. plt.	\$127,476	2 50%	3,187	
3	141107	Land and Rights Treatment	\$0	0 00%	0	
4	141108	Land and Rights Reclaim	\$0	0 00%	0	
5	141101	Land & land rights gen. plt.	\$0	0 00%	0	
6	141207	Struct/improv. coll. plt.	\$116,999	2 00%	2,340	
7	141208	Struct/improv. pump plt. ls.	\$13,560,865	2 00%	271,217	
8	141209	Struct/improv. treat. plt.	\$32,063,687	2 50%	801,592	
9	141210	Struct/improv. reclaim. wtp.	\$2,586	2 50%	65	
10	141211	Struct/improv. reclaim. wtr.	\$180,917	2 50%	4,523	
11	141203	Struct/improv. gen. plt.	\$1,764,447	2 00%	35,289	
12	141238	Power gen. equip. coll. plt.	\$107,623	10 00%	10,762	
13	141239	Power gen. equip. pump plt.	\$53,611	10 00%	5,361	
14	141240	Power gen. equip. treat. plt.	\$328,260	10 00%	32,826	
15	141241	Sewer force main/serv. lin.	\$4,511,049	1 33%	59,997	
16	141242	Sewer gravity main	\$22,318,715	1 00%	223,187	
17	141243	Manholes	\$1,655,707	1 00%	16,557	
18	141244	Special coll. structures	\$7,594	2 00%	152	
19	141245	Services to customers	\$2,638,519	1 33%	35,092	
20	141246	Flow measure devices	\$159,472	4 00%	6,379	
21	141247	Flow measure install	\$1,146	4 00%	46	
22	141248	Receiving wells	\$305,924	2 00%	6,118	
23	141249	Pumping equipment pump plt.	\$5,493,869	14 29%	785,074	
24	141250	Pumping equipment reclaim.	\$40,893	14 29%	5,844	
25	141251	Pumping equipment rcl. wtr.	\$91,384	14 29%	13,059	
26	141252	Treat /disp. equip. lagoon	\$608,810	2 50%	15,220	
27	141253	Treat /disp. equip. trt. plt.	\$21,275,995	2 50%	531,900	
28	141254	Treat /disp. equip. rct. wtp.	\$37,592	2 50%	940	
29	141255	Plant sewers treat. plt.	\$18,096,372	2 50%	452,409	
30	141256	Plant sewers reclaim plt.	\$8,438	2 50%	211	
31	141257	Outfall lines	\$728,340	1 00%	7,283	
32	141271	Other plt. tangible	\$19,930	2 50%	498	
33	141272	Other plt. collection	\$11,813	2 00%	236	
34	141273	Other plt. pump	\$473,696	2 50%	11,842	
35	141274	Other plt. treatment	\$367,031	2 50%	9,176	
36	141275	Other plt. reclaim wtr. trt.	\$0	2 50%	0	
37	141276	Other plt. reclaim wtr. dis.	\$460	2 50%	11	
38	141220	Office struct & improv.	\$52,857	10 00%	5,286	
39	141303	Office furn. & equip.	\$43,408	10 00%	4,341	
40	141305	Stores equipment	\$9,334	3 33%	311	
41	141308	Tool shop & misc. equip.	\$234,001	5 00%	11,700	
42	141306	Laboratory equipment	\$165,714	10 00%	16,571	
43	141309	Power operated equip.	\$515,963	10 00%	51,596	
44	141310	Communication equip.	\$113,829	10 00%	11,383	
45	141311	Misc equip. sewer	\$78,546	3 33%	2,616	
46	141278	Sewer plant allocated	\$526,952	6 67%	35,148	
47	0	Other tangible plt. sewer	\$0	2 50%	0	
48	141263	Reuse dist. reservoirs	\$3,560	2 00%	71	
49	141264	Reuse transmission & dist.	\$138,530	2 00%	2,771	
50	141401	Transportation equip.	\$183,139	20 00%	36,628	
51	141502	Desktop computer - wtr	(\$405)	0 00%	0	
52	141503	Mainframe computer - wtr	(\$2,739)	0 00%	0	
53	141504	Mini computer - wtr	(\$22,943)	0 00%	0	
54	141602	Comp. system cost - wtr	\$27,423	0 00%	0	
55	141603	Micro system cost - wtr	(\$1,417)	0 00%	0	
56	141501	Computer Hardware	(\$18)	0 00%	0	
57	141299	Utility Plant Clearing	(\$0)	0 00%	0	
58	141399	Building and Equipment Clearing	\$0	0 00%	0	
59	141233	Service Lines	(\$10,366)	2 00%	(207)	
60	141699	Computer Clearing	\$0	0 00%	0	
62	141601	Computer Software	(\$2,667)	0 00%	0	
63	141231	Dist Resv and Standpipes	\$0	2 00%	0	
64	141232	Trans and Distr Mains	\$0	1 00%	0	
65	141293	Plt. held for future use	\$0	0 00%	0	
66	141205	Struct and Improv Water Treat Plt	\$0	2 00%	0	
67	141230	Water Treatment Equipment	\$0	2 50%	0	
68	141226	Power Generation Equipment	\$298,745	10 00%	29,875	
69	113101		\$0	0 00%	0	
70		Pro forma plant additions	\$0	0 00%	0	
71		Total plant in service (Sum of L1 thru L64)	<u>\$130 394 161</u>		<u>\$3 578 570</u>	<u>2.74%</u> [4]

[1] Sun Exhibit I, Schedule 2-1(b)(1), Column (d).
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 71.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF DIRECT PLANT DEPRECIATION EXPENSE

For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule 3-18(c)(2)

BF/FH/TC WATER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$79,800	2 50%	\$1,995	
2	141202	Franchises	\$51,240	2 50%	1,281	
3	141501	Computer Hardware	(\$4)	16 67%	(1)	
4	141502	Desktop/Laptop Computers	(\$82)	16 67%	(14)	
5	141601	Computer Software	(\$537)	0 00%	0	
6	141101	Land & land rights gen. plt.	\$0	0 00%	0	
7	141204	Struct & improv. src. supply	\$305,575	2 00%	6,112	
8	141205	Struct & improv. wtr. trt. plt.	\$149,576	2 00%	2,992	
9	141206	Struct & improv. trans. dist.	\$461	2 00%	9	
10	141203	Struct & improv. gen. plt.	\$2,979	2 00%	60	
11	141221	Collecting reservoirs	\$0	2 00%	0	
12	141223	Wells & springs	\$526,521	2 00%	10,530	
13	141224	Infiltration gallery		2 50%	0	
14	141225	Supply mains	\$13,231	1 00%	132	
15	141226	Power generation equip.		10 00%	0	
16	141227	Electric pump equip. src. plt.	\$71,374	14 29%	10,199	
17	141228	Electric pump equip. wtp.	\$421,715	3 33%	14,043	
18	141229	Electric pump equip. trans.	\$70,718	14 29%	10,106	
19	141230	Water treatment equip.	\$162,094	2 50%	4,052	
20	141231	Dist. resv. & standpipes	\$2,707,941	2 00%	54,159	
21	141232	Trans. & distr. mains	\$2,126,820	1 00%	21,268	
22	141233	Service lines	\$1,032,402	2 00%	20,648	
23	141234	Meters	\$1,283,265	3 33%	42,733	
24	141235	Meter installations	\$198,906	3 33%	6,624	
25	141236	Hydrants	\$285,587	2 50%	7,140	
26	141237	Backflow prevention devic.	\$234	10 00%	23	
27	141268	Other plt. & misc. equip. src. su.		2 50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$0	2 50%	0	
29	141220	Office struct & improv.	\$24,979	10 00%	2,498	
30	141303	Office furn. & equip.	\$2,993	10 00%	299	
31	141305	Stores equipment	\$398	3 33%	13	
32	141308	Tool shop & misc. equip.	\$103,686	5 00%	5,184	
33	141306	Laboratory equipment	\$15,227	10 00%	1,523	
34	141309	Power operated equip.	\$15,185	10 00%	1,518	
35	141310	Communication equip.	\$90,000	10 00%	9,000	
36	141311	Misc. equipment	\$711	3 33%	24	
37	141278	Water plant allocated		6 67%	0	
38	141271	Other tangible plt. water		2 50%	0	
39	141401	Transportation equip.	(\$26)	20 00%	(5)	
40	141503	Mainframe computer - wtr	(\$552)	0 00%	0	
41	141504	Mini computer - wtr	(\$3,474)	0 00%	0	
42	141602	Comp. system cost - wtr	(\$16,431)	0 00%	0	
43	141603	Micro system cost - wtr	(\$285)	0 00%	0	
44	141293	Plt. held for future use		0 00%	0	
45	141699	Computer Clearing	\$0	0 00%	0	
46	141299	Utility Plant Clearing	\$0	0 00%	0	
47	141102	Land & land rights pump	\$0	0 00%	0	
48	141399	Building and Equipment Clearing	\$0	0 00%	0	
49		Total plant in service (Sum of L1 thru L45)	\$9 722 227		\$234 145	2.41% [4]

[1] Sun Exhibit I, Schedule 2-1(c)(1), Column (d)
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 49.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule 3-18(d)(2) Revised

BF/FH SEWER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$14,682	2 50%	\$367	
2	141202	Franchises	\$41,938	2 50%	1,048	
3	141203	Struct and Improv General Plant	\$303,694	2 00%	6,074	
4	141207	Struct and Improv Collect Plant	\$150	0 00%	0	
5	141208	Struct and Improv Pump Plant	\$2,150,654	2 00%	43,013	
6	141209	Struct and Improv Treatment Plant	\$7,041,135	2 50%	176,028	
7	141211	Struct and Improv Reclaim Wtr Dist	\$2,477	2 50%	62	
8	141220	Struct and Improv Office	\$74,442	10 00%	7,444	
9	141227	Electric Pump Equip Src Pump	(\$2,538)	0 00%	0	
10	141230	Water Treatment Equipment	\$0	0 00%	0	
11	141231	Dist Resv and Standpipes	\$0	2 00%	0	
12	141232	Trans and Distr Mains	\$0	1 00%	0	
13	141239	Power Gen Equip Pump Pit	\$112,713	10 00%	11,271	
14	141241	Sewer Force Main	\$247,128	1 33%	3,287	
15	141242	Sewer Gravity Main	\$6,321,606	1 00%	63,216	
16	141243	Manholes	\$52,533	1 00%	525	
17	141244	Special Collection Structures	\$775	2 00%	16	
18	141245	Service to Customers	\$534,673	1 33%	7,111	
19	141246	Flow Measure Devices	\$18,137	4 00%	725	
20	141249	Pumping Equip Pump Pit	\$847,899	14 29%	121,165	
21	141250	Pumping Equip Reclaim WTP	\$114,301	14 29%	16,334	
22	141252	Treat/Disp Equip Lagoon	\$56	2 50%	1	
23	141253	Treat/Disp Equip Trt Pit	\$3,775,113	2 50%	94,378	
24	141255	Plant Sewers Treatment Pit	\$407,212	2 50%	10,180	
25	141257	Outfall Lines	\$91,722	1 00%	917	
26	141263	Reuse Dist Reservoirs	\$2,763	2 00%	55	
27	141264	Reuse Transmission and Dist	\$3,198	2 00%	64	
28	141271	Other Tangible Plant	\$79,334	2 50%	1,983	
29	141272	Other Plant Collection	(\$224)	2 00%	(4)	
30	141273	Other Plant Pump	\$3,442	2 50%	86	
31	141275	Other Plant Reclaim Water Trt	\$14,345	2 50%	359	
32	141299	Utility Plant Clearing	(\$0)	0 00%	0	
33	141303	Office Furniture	\$316	10 00%	32	
34	141305	Stores Equipment	\$2,818	3 33%	94	
35	141306	Lab Equipment	\$6,734	10 00%	673	
36	141308	Tool Shop Equipment	\$22,525	5 00%	1,126	
37	141309	Power Operated Equipment	\$55,879	10 00%	5,588	
38	141310	Communications Equipment	\$72,881	10 00%	7,288	
39	141311	Misc Equipment	\$73,149	3 33%	2,436	
40	141399	Building and Equipment Clearing	\$0	0 00%	0	
41	141401	Vehicles	(\$26)	0 00%	0	
42	141501	Computer Hardware	(\$4)	16 67%	(1)	
43	141502	Desktop/Laptop Computers	(\$83)	0 00%	0	
44	141503	Mainframe Computers	(\$565)	0 00%	0	
45	141504	Mini Comp Wtr	(\$5,283)	0 00%	0	
46	141601	Computer Software	(\$550)	0 00%	0	
47	141602	Comp Systems	(\$16,819)	0 00%	0	
48	141603	Micro Systems	(\$292)	0 00%	0	
49	141699	Computer Clearing	\$0	0 00%	0	
50	141251	Pumping Equip Rcl Wtr Dist	\$0	14 29%	0	
51	141254	Treat/Disp Equip Rclm Wtr	\$0	2 50%	0	
52						
53		Total plant in service (Sum of L1 thru L57)	<u>\$22,464,042</u>		<u>\$582,941</u>	<u>2 59%</u> [4]

[1] Sun Exhibit I, Schedule 2-1(d)(1), Column (d).
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 53.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2026

Public Staff Settlement Exhibit 1
Schedule 3-18(a)(3)

CWSNC WATER OPERATIONS

Line No.	New Account No.	Item	Plant In Service [1] (a)	Depreciation Rate [2] (b)	Annual Depreciation [3] (c)	Composite Rate (d)
1	141201	Organization	\$410,888	2.50%	\$10,272	
2	141202	Franchises	\$140,283	2.50%	3,507	
3	141102	Land & land rights pump	\$0	0.00%	0	
4	141103	Land and Rights Water	\$0	0.00%	0	
5	141104	Land and Rights Trans	\$0	0.00%	0	
6	141101	Land & land rights gen. plt.	\$150,596	0.00%	0	
7	141204	Struct & improv. src. supply	\$5,898,913	2.00%	117,978	
8	141205	Struct & improv. wtr. trt. plt.	\$1,768,366	2.00%	35,367	
9	141206	Struct & improv. trans. dist.	\$312,447	2.00%	6,249	
10	141203	Struct & improv. gen. plt.	\$469,529	2.00%	9,391	
11	141221	Collecting reservoirs	\$732,382	2.00%	14,648	
12	141223	Wells & springs	\$16,523,218	2.00%	330,464	
13	141224	Infiltration gallery	\$45,185	2.50%	1,130	
14	141225	Supply mains	\$1,149,063	1.00%	11,491	
15	141226	Power generation equip.	\$389,984	10.00%	38,998	
16	141227	Electric pump equip. src. plt.	\$3,198,362	14.29%	457,046	
17	141228	Electric pump equip. wtp.	\$10,042,300	3.33%	334,409	
18	141229	Electric pump equip. trans.	\$5,117,802	14.29%	731,334	
19	141230	Water treatment equip.	\$6,829,903	2.50%	170,748	
20	141231	Dist. resv. & standpipes	\$8,664,659	2.00%	173,293	
21	141232	Trans. & distr. mains	\$46,577,044	1.00%	465,770	
22	141233	Service lines	\$16,654,062	2.00%	333,081	
23	141234	Meters	\$11,884,011	3.33%	395,738	
24	141235	Meter installations	\$2,265,301	3.33%	75,435	
25	141236	Hydrants	\$1,589,825	2.50%	39,746	
26	141237	Backflow prevention devic.	\$66,002	10.00%	6,600	
27	141268	Other plt. & misc. equip. src. su.	\$0	2.50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$23,372	2.50%	584	
29	141220	Office struct & improv.	\$320,359	10.00%	32,036	
30	141303	Office furn. & equip.	\$80,259	10.00%	8,026	
31	141305	Stores equipment	\$24,490	3.33%	816	
32	141308	Tool shop & misc. equip.	\$529,703	5.00%	26,485	
33	141306	Laboratory equipment	\$71,671	10.00%	7,167	
34	141309	Power operated equip.	\$389,154	10.00%	38,915	
35	141310	Communication equip.	\$1,455,884	10.00%	145,588	
36	141311	Misc. equipment	\$224,682	3.33%	7,482	
37	141278	Water plant allocated	\$207,809	6.67%	13,861	
38	141271	Other tangible plt. water	\$11,508	2.50%	288	
39	141248	Receiving Wells	\$176,603	2.00%	3,532	
40	141401	Transportation equip.	\$306,968	20.00%	61,394	
41	141503	Mainframe computer - wtr	(\$4,591)	0.00%	0	
42	141504	Mini computer - wtr	(\$31,950)	0.00%	0	
43	141602	Comp. system cost - wtr	(\$136,755)	0.00%	0	
44	141603	Micro system cost - wtr	(\$2,375)	0.00%	0	
45	141255	Plant Sewers Treatment Pit	\$0	2.50%	0	
46	141299	Utility Plant Clearing	(\$0)	0.00%	0	
47	141699	Computer Clearing	\$0	0.00%	0	
48	141601	Computer Software	(\$4,470)	0.00%	0	
49	141501	Computer Hardware	(\$30)	0.00%	0	
50	141502	Desktop/Laptop Computers	(\$679)	0.00%	0	
51	141293	Plant Held for Future Use	\$0	0.00%	0	
52	141399	Building and Equipment Clearing	\$0	0.00%	0	
53		Pro forma plant additions		0.00%	0	
54		Total plant in service (Sum of L1 thru L51)	<u>\$144,521,739</u>		<u>\$4,108,869</u>	<u>2.84%</u> [4]

[1] Public Staff Settlement Exhibit 1, Schedule 2-1(a)(1), Column (d).
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 54.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2026

Public Staff Settlement Exhibit 1
Schedule 3-18(b)(3)

CWSNC SEWER OPERATIONS

Line No.	New Account No.	tem	Plant In Service [1] (a)	Depreciation Rate [2] (b)	Annual Depreciation [3] (c)	Composite Rate (d)
1	141201	Organization	\$883,492	2.50%	\$22,087	
2	141202	Franchises intang. plt.	\$127,476	2.50%	3,187	
3	141107	Land and Rights Treatment	\$0	0.00%	0	
4	141108	Land and Rights Reclaim	\$0	0.00%	0	
5	141101	Land & land rights gen. plt.	\$0	0.00%	0	
6	141207	Struct/improv. coll. plt.	\$121,697	2.00%	2,434	
7	141208	Struct/improv. pump plt. ls.	\$13,918,938	2.00%	278,379	
8	141209	Struct/improv. treat. plt.	\$46,958,638	2.50%	1,173,966	
9	141210	Struct/improv. reclaim. wtp.	\$2,586	2.50%	65	
10	141211	Struct/improv. reclaim. wtr.	\$181,136	2.50%	4,528	
11	141203	Struct/improv. gen. plt.	\$1,793,048	2.00%	35,861	
12	141238	Power gen. equip. coll. plt.	\$107,623	10.00%	10,762	
13	141239	Power gen. equip. pump plt.	\$53,746	10.00%	5,375	
14	141240	Power gen. equip. treat. plt.	\$431,780	10.00%	43,178	
15	141241	Sewer force main/serv. lin.	\$4,564,395	1.33%	60,706	
16	141242	Sewer gravity main	\$23,416,438	1.00%	234,164	
17	141243	Manholes	\$1,722,712	1.00%	17,227	
18	141244	Special coll. structures	\$7,876	2.00%	158	
19	141245	Services to customers	\$2,833,056	1.33%	37,680	
20	141246	Flow measure devices	\$166,341	4.00%	6,654	
21	141247	Flow measure install	\$1,166	4.00%	47	
22	141248	Receiving wells	\$341,893	2.00%	6,838	
23	141249	Pumping equipment pump plt.	\$5,669,673	14.29%	810,196	
24	141250	Pumping equipment reclaim.	\$41,514	14.29%	5,932	
25	141251	Pumping equipment rcl. wtr.	\$95,349	14.29%	13,625	
26	141252	Treat /disp. equip. lagoon	\$614,451	2.50%	15,361	
27	141253	Treat /disp. equip. trt. plt.	\$21,402,149	2.50%	535,054	
28	141254	Treat /disp. equip. rct. wtp.	\$41,694	2.50%	1,042	
29	141255	Plant sewers treat. plt.	\$18,151,569	2.50%	453,789	
30	141256	Plant sewers reclaim wtp.	\$8,625	2.50%	216	
31	141257	Outfall lines	\$764,338	1.00%	7,643	
32	141271	Other plt. tangible	\$22,515	2.50%	563	
33	141272	Other plt. collection	\$11,899	2.00%	238	
34	141273	Other plt. pump	\$474,996	2.50%	11,875	
35	141274	Other plt. treatment	\$383,177	2.50%	9,579	
36	141275	Other plt. reclaim wtr. trt.	\$0	2.50%	0	
37	141276	Other plt. reclaim wtr. dis.	\$460	2.50%	11	
38	141220	Office struct & improv.	\$52,857	10.00%	5,286	
39	141303	Office furn. & equip.	\$43,408	10.00%	4,341	
40	141305	Stores equipment	\$9,946	3.33%	331	
41	141308	Tool shop & misc. equip.	\$237,724	5.00%	11,886	
42	141306	Laboratory equipment	\$168,927	10.00%	16,893	
43	141309	Power operated equip.	\$534,876	10.00%	53,488	
44	141310	Communication equip.	\$118,958	10.00%	11,896	
45	141311	Misc equip. sewer	\$84,436	3.33%	2,812	
46	141278	Sewer plant allocated	\$526,952	6.67%	35,148	
47	0	Other tangible plt. sewer	\$0	2.50%	0	
48	141263	Reuse dist. reservoirs	\$3,586	2.00%	72	
49	141264	Reuse transmission & dist.	\$147,235	2.00%	2,945	
50	141401	Transportation equip.	\$183,139	20.00%	36,628	
51	141502	Desktop computer - wtr	(\$405)	0.00%	0	
52	141503	Mainframe computer - wtr	(\$2,739)	0.00%	0	
53	141504	Mini computer - wtr	(\$22,943)	0.00%	0	
54	141602	Comp. system cost - wtr	\$27,423	0.00%	0	
55	141603	Micro system cost - wtr	(\$1,417)	0.00%	0	
56	141501	Computer Hardware	(\$18)	0.00%	0	
57	141299	Utility Plant Clearing	(\$0)	0.00%	0	
58	141399	Building and Equipment Clearing	\$0	0.00%	0	
59	141233	Service Lines	(\$15,489)	2.00%	(310)	
60	141699	Computer Clearing	\$0	0.00%	0	
62	141601	Computer Software	(\$2,667)	0.00%	0	
63	141231	Dist Resv and Standpipes	\$0	2.00%	0	
64	141232	Trans and Distr Mains	\$0	1.00%	0	
65	141293	Plt. held for future use	\$0	0.00%	0	
66	141205	Struct and Improv Water Treat Plt	\$0	2.00%	0	
67	141230	Water Treatment Equipment	\$0	2.50%	0	
68	141226	Power Generation Equipment	\$298,745	10.00%	29,875	
69	113101		\$0	0.00%	0	
70		Pro forma plant additions	\$0	0.00%	0	
71		Total plant in service (Sum of L1 thru L64)	\$147,708,980		\$4,019,711	2.72% [4]

[1] Public Staff WS P Exhibit I, Schedule 2-1(b)(1), Column (d).

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 71.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2026

Public Staff Settlement Exhibit 1
Schedule 3-18(c)(3)

BF/FH/TC WATER OPERATIONS

Line No.	New Account No.	tem	Plant	Depreciation	Annual	Composite
			In Service [1]	Rate [2]	Depreciation [3]	Rate
			(a)	(b)	(c)	(d)
1	141201	Organization	\$79,800	2.50%	\$1,995	
2	141202	Franchises	\$51,240	2.50%	1,281	
3	141501	Computer Hardware	(\$4)	16.67%	(1)	
4	141502	Desktop/Laptop Computers	(\$82)	16.67%	(14)	
5	141601	Computer Software	(\$537)	0.00%	0	
6	141101	Land & land rights gen. plt.	\$0	0.00%	0	
7	141204	Struct & improv. src. supply	\$317,165	2.00%	6,343	
8	141205	Struct & improv. wtr. trt. plt.	\$150,721	2.00%	3,014	
9	141206	Struct & improv. trans. dist.	\$461	2.00%	9	
10	141203	Struct & improv. gen. plt.	\$3,347	2.00%	67	
11	141221	Collecting reservoirs	\$0	2.00%	0	
12	141223	Wells & springs	\$534,524	2.00%	10,690	
13	141224	Infiltration gallery		2.50%	0	
14	141225	Supply mains	\$14,349	1.00%	143	
15	141226	Power generation equip.		10.00%	0	
16	141227	Electric pump equip. src. plt.	\$75,432	14.29%	10,779	
17	141228	Electric pump equip. wtp.	\$432,465	3.33%	14,401	
18	141229	Electric pump equip. trans.	\$74,571	14.29%	10,656	
19	141230	Water treatment equip.	\$166,793	2.50%	4,170	
20	141231	Dist. resv. & standpipes	\$2,711,509	2.00%	54,230	
21	141232	Trans. & distr. mains	\$2,322,942	1.00%	23,229	
22	141233	Service lines	\$1,111,566	2.00%	22,231	
23	141234	Meters	\$1,296,902	3.33%	43,187	
24	141235	Meter installations	\$205,240	3.33%	6,834	
25	141236	Hydrants	\$288,902	2.50%	7,223	
26	141237	Backflow prevention devic.	\$275	10.00%	28	
27	141268	Other plt. & misc. equip. src. su.		2.50%	0	
28	141269	Other plt. & misc. equip. wtp.	\$0	2.50%	0	
29	141220	Office struct & improv.	\$24,979	10.00%	2,498	
30	141303	Office furn. & equip.	\$2,993	10.00%	299	
31	141305	Stores equipment	\$423	3.33%	14	
32	141308	Tool shop & misc. equip.	\$104,338	5.00%	5,217	
33	141306	Laboratory equipment	\$15,570	10.00%	1,557	
34	141309	Power operated equip.	\$16,132	10.00%	1,613	
35	141310	Communication equip.	\$96,056	10.00%	9,606	
36	141311	Misc. equipment	\$803	3.33%	27	
37	141278	Water plant allocated		6.67%	0	
38	141271	Other tangible plt. water		2.50%	0	
39	141401	Transportation equip.	(\$26)	20.00%	(5)	
40	141503	Mainframe computer - wtr	(\$552)	0.00%	0	
41	141504	Mini computer - wtr	(\$3,474)	0.00%	0	
42	141602	Comp. system cost - wtr	(\$16,431)	0.00%	0	
43	141603	Micro system cost - wtr	(\$285)	0.00%	0	
44	141293	Plt. held for future use		0.00%	0	
45	141699	Computer Clearing	\$0	0.00%	0	
46	141299	Utility Plant Clearing	\$0	0.00%	0	
47	141102	Land & land rights pump	\$0	0.00%	0	
48	141399	Building and Equipment Clearing	\$0	0.00%	0	
49		Total plant in service (Sum of L1 thru L45)	<u>\$10,078,108</u>		<u>\$241,321</u>	<u>2.39%</u> [4]

[1] Public Staff Settlement Exhibit 1, Schedule 2-1(c)(1), Column (d)

[2] Depreciation rates approved in Docket No. W-354, Sub 344.

[3] Column (a) multiplied by Column (b).

[4] Column (c) divided by Column (a), Line 49.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

**CALCULATION OF DIRECT PLANT
DEPRECIATION EXPENSE**

For The Test Year Ended March 31, 2026

Public Staff Settlement Exhibit 1
Schedule 3-18(d)(3) Revised

BF/FH SEWER OPERATIONS

Line No.	New Account No.	tem	Plant In Service [1] (a)	Depreciation Rate [2] (b)	Annual Depreciation [3] (c)	Composite Rate (d)
1	141201	Organization	\$14,682	2.50%	\$367	
2	141202	Franchises	\$41,938	2.50%	1,048	
3	141203	Struct and Improv General Plant	\$321,994	2.00%	6,440	
4	141207	Struct and Improv Collect Plant	\$150	0.00%	0	
5	141208	Struct and Improv Pump Plant	\$2,152,235	2.00%	43,045	
6	141209	Struct and Improv Treatment Plant	\$7,050,042	2.50%	176,251	
7	141211	Struct and Improv Reclaim Wtr Dist	\$2,477	2.50%	62	
8	141220	Struct and Improv Office	\$74,442	10.00%	7,444	
9	141227	Electric Pump Equip Src Pump	(\$2,538)	0.00%	0	
10	141230	Water Treatment Equipment	\$0	0.00%	0	
11	141231	Dist Resv and Standpipes	\$0	2.00%	0	
12	141232	Trans and Distr Mains	\$0	1.00%	0	
13	141239	Power Gen Equip Pump Pit	\$112,832	10.00%	11,283	
14	141241	Sewer Force Main	\$257,189	1.33%	3,421	
15	141242	Sewer Gravity Main	\$6,750,149	1.00%	67,501	
16	141243	Manholes	\$52,244	1.00%	522	
17	141244	Special Collection Structures	\$775	2.00%	16	
18	141245	Service to Customers	\$632,402	1.33%	8,411	
19	141246	Flow Measure Devices	\$18,303	4.00%	732	
20	141249	Pumping Equip Pump Pit	\$858,472	14.29%	122,676	
21	141250	Pumping Equip Reclaim WTP	\$123,342	14.29%	17,626	
22	141252	Treat/Disp Equip Lagoon	\$56	2.50%	1	
23	141253	Treat/Disp Equip Trt Plt	\$3,775,113	2.50%	94,378	
24	141255	Plant Sewers Treatment Pit	\$414,093	2.50%	10,352	
25	141257	Outfall Lines	\$100,233	1.00%	1,002	
26	141263	Reuse Dist Reservoirs	\$2,763	2.00%	55	
27	141264	Reuse Transmission and Dist	\$3,552	2.00%	71	
28	141271	Other Tangible Plant	\$79,334	2.50%	1,983	
29	141272	Other Plant Collection	(\$224)	2.00%	(4)	
30	141273	Other Plant Pump	\$3,442	2.50%	86	
31	141275	Other Plant Reclaim Water Trt	\$15,178	2.50%	379	
32	141299	Utility Plant Clearing	(\$0)	0.00%	0	
33	141303	Office Furniture	\$316	10.00%	32	
34	141305	Stores Equipment	\$2,828	3.33%	94	
35	141306	Lab Equipment	\$6,734	10.00%	673	
36	141308	Tool Shop Equipment	\$23,115	5.00%	1,156	
37	141309	Power Operated Equipment	\$56,854	10.00%	5,685	
38	141310	Communications Equipment	\$80,142	10.00%	8,014	
39	141311	Misc Equipment	\$75,225	3.33%	2,505	
40	141399	Building and Equipment Clearing	\$0	0.00%	0	
41	141401	Vehicles	(\$26)	0.00%	0	
42	141501	Computer Hardware	(\$4)	16.67%	(1)	
43	141502	Desktop/Laptop Computers	(\$83)	0.00%	0	
44	141503	Mainframe Computers	(\$565)	0.00%	0	
45	141504	Mini Comp Wtr	(\$5,283)	0.00%	0	
46	141601	Computer Software	(\$550)	0.00%	0	
47	141602	Comp Systems	(\$16,819)	0.00%	0	
48	141603	Micro Systems	(\$292)	0.00%	0	
49	141699	Computer Clearing	\$0	0.00%	0	
50	141251	Pumping Equip Rcl Wtr Dist	\$0	14.29%	0	
51	141254	Treat/Disp Equip Rclm Wtr	\$0	2.50%	0	
52						
53		Total plant in service (Sum of L1 thru L57)	<u>\$23,076,264</u>		<u>\$593,306</u>	<u>2.57%</u> [4]

[1] Public Staff Settlement Exhibit 1, Schedule 2-1(d)(1), Column (d).
 [2] Depreciation rates approved in Docket No. W-354, Sub 344.
 [3] Column (a) multiplied by Column (b).
 [4] Column (c) divided by Column (a), Line 53.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
ADJUSTMENT TO FRANCHISE TAX & OTHER TAX
For The Rate Year 1 - Rate Year 3 Ended March 31,
2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-19(a)

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	FranchiseCalculation Basis per Company	<u>\$56,486</u> [1]	<u>\$62,023</u> [1]	<u>\$64,096</u> [1]
2	Growth Factor per Company	9.80% [1]	3.34% [1]	3.34% [1]
3	Franchiseper Company (L1* (1+L2))	\$62,023 [1]	\$64,096 [1]	\$66,238 [1]
4	FranchiseCalculation Basis per Public Staff	\$56,486 [2]	\$56,486 [2]	\$56,486 [2]
5	Public Staff Growth Factor	0.00% [2]	0.00% [2]	0.00% [2]
6	Franchiseper Public Staff (L4*(1+L5))	<u>56,486</u>	<u>56,486</u>	<u>56,486</u>
7	Adjustment to Franchise(L6 - L3)	<u>(5,537)</u>	<u>(7,610)</u>	<u>(9,753)</u>

[1] Per examination of the company's response to accounting data requests

[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO FRANCHISE TAX & OTHER TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-19(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	FranchiseCalculation Basis per Company	<u>\$48,172</u> [1]	<u>\$52,701</u> [1]	<u>\$54,065</u> [1]
2	Growth Factor per Company	9.40% [1]	2.59% [1]	2.59% [1]
3	Franchiseper Company (L1* (1+L2))	\$52,701 [1]	\$54,065 [1]	\$55,465 [1]
4	FranchiseCalculation Basis per Public Staff	<u>\$48,172</u> [2]	<u>\$48,172</u> [2]	<u>\$48,172</u> [2]
5	Public Staff Growth Factor	0.00% [2]	0.00% [2]	0.00% [2]
6	Franchiseper Public Staff (L4*(1+L5))	<u>48,172</u>	<u>48,172</u>	<u>48,172</u>
7	Adjustment to Franchise(L6 - L3)	<u>(4,529)</u>	<u>(5,893)</u>	<u>(7,293)</u>

[1] Per examination of the company's response to accounting data requests

[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO FRANCHISE TAX & OTHER TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-19(c)

BF/FH/TC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	FranchiseCalculation Basis per Company	<u>(\$1,321) [1]</u>	<u>(\$1,450) [1]</u>	<u>(\$1,497) [1]</u>
2	Growth Factor per Company	9.76% [1]	3.26% [1]	3.26% [1]
3	Franchiseper Company (L1* (1+L2))	(1,450) [1]	(1,497) [1]	(1,546) [1]
4	FranchiseCalculation Basis per Public Staff	(1,321) [2]	(1,321) [2]	(1,321) [2]
5	Public Staff Growth Factor	0.00% [2]	0.00% [2]	0.00% [2]
6	Franchiseper Public Staff (L4*(1+L5))	<u>(1,321)</u>	<u>(1,321)</u>	<u>(1,321)</u>
7	Adjustment to Franchise(L6 - L3)	<u>129</u>	<u>176</u>	<u>225</u>

[1] Per examination of the company's response to accounting data requests

[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO FRANCHISE TAX & OTHER TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-19(d)

BF/FH/TC SEWER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	FranchiseCalculation Basis per Company	<u>(\$1,352) [1]</u>	<u>(\$1,489) [1]</u>	<u>(\$1,547) [1]</u>
2	Growth Factor per Company	10.10% [1]	3.89% [1]	3.89% [1]
3	Franchiseper Company (L1* (1+L2))	(1,489) [1]	(1,547) [1]	(1,607) [1]
4	FranchiseCalculation Basis per Public Staff	(1,352) [2]	(1,352) [2]	(1,352) [2]
5	Public Staff Growth Factor	0.00% [2]	0.00% [2]	0.00% [2]
6	Franchiseper Public Staff (L4*(1+L5))	<u>(1,352)</u>	<u>(1,352)</u>	<u>(1,352)</u>
7	Adjustment to Franchise(L6 - L3)	<u>137</u>	<u>194</u>	<u>255</u>

[1] Per examination of the company's response to accounting data requests

[2] Per Public Staff Calculation

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PAYROLL TAX

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-20

Line No.	Item	Base Year			
		CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH/TC Sewer (d)
1	Payroll taxes per Company	<u>\$ 302,217</u> [1]	<u>\$179,305</u> [1]	<u>\$36,311</u> [1]	<u>\$37,168</u> [1]
2	Adjustment to include company 09.19.2022 updates	2,188 [1]	2,305 [1]	262 [1]	269 [1]
3	Payroll taxes adjusted for company updates (L1 + L2)	304,405	181,610	36,573	37,437
4	Adjustments to update payroll taxes through September 30, 2021	<u>(6,480)</u>	<u>(3,866)</u>	<u>(778)</u>	<u>(797)</u>
5	Payroll taxes per Public Staff (L3 + L4)	<u>\$ 297,925</u>	<u>\$ 177,744</u>	<u>\$ 35,795</u>	<u>\$ 36,640</u>

[1] Per examination of the company's response to accounting data requests.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PAYROLL TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-20(a)

CWSNC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Payroll Tax Calculation Basis per Company	<u>\$ 304,405</u> [1]	<u>\$313,537</u> [1]	<u>\$322,944</u> [1]
2	Growth Factor per Company	3.0% [1]	3.0% [1]	3.0% [1]
3	Payroll Tax per Company (L1* (1+L2))	313,537 [1]	322,944 [1]	332,632 [1]
4	Payroll Tax Calculation Basis per Public Staff	297,925 [2]	306,863 [2]	316,069 [2]
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Payroll Tax per Public Staff (L4*(1+L5))	<u>306,863</u>	<u>316,069</u>	<u>325,551</u>
7	Adjustment to Payroll Tax (L6 - L3)	<u>\$ (6,675)</u>	<u>\$ (6,875)</u>	<u>\$ (7,081)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PAYROLL TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-20(b)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Payroll Tax Calculation Basis per Company	<u>\$ 181,610</u> [1]	<u>\$187,058</u> [1]	<u>\$192,670</u> [1]
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Payroll Tax per Company (L1* (1+L2))	187,058 [1]	192,670 [1]	198,450 [1]
4	Payroll Tax Calculation Basis per Public Staff	177,744 [2]	183,076 [2]	188,569 [2]
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Payroll Tax per Public Staff (L4*(1+L5))	<u>183,076</u>	<u>188,569</u>	<u>194,226</u>
7	Adjustment to Payroll Tax (L6 - L3)	<u>\$ (3,982)</u>	<u>\$ (4,101)</u>	<u>\$ (4,224)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PAYROLL TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-20(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Payroll Tax Calculation Basis per Company	<u>\$ 36,573</u> [1]	<u>\$37,671</u> [1]	<u>\$38,801</u> [1]
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Payroll Tax per Company (L1* (1+L2))	37,671 [1]	38,801 [1]	39,965 [1]
4	Payroll Tax Calculation Basis per Public Staff	35,795 [2]	36,869 [2]	37,975 [2]
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Payroll Tax per Public Staff (L4*(1+L5))	<u>36,869</u>	<u>37,975</u>	<u>39,114</u>
7	Adjustment to Payroll Tax (L6 - L3)	<u>\$ (802)</u>	<u>\$ (826)</u>	<u>\$ (851)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PAYROLL TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-20(d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	Rate Year 1	Rate Year 2	Rate Year 3
		(a)	(b)	(c)
1	Payroll Tax Calculation Basis per Company	<u>\$ 37,437</u> [1]	<u>\$38,560</u> [1]	<u>\$39,717</u> [1]
2	Growth Factor per Company	3.00% [1]	3.00% [1]	3.00% [1]
3	Payroll Tax per Company (L1* (1+L2))	38,560 [1]	39,717 [1]	40,908 [1]
4	Payroll Tax Calculation Basis per Public Staff	36,640 [2]	37,739 [2]	38,871 [2]
5	Public Staff Growth Factor	3.00% [2]	3.00% [2]	3.00% [2]
6	Payroll Tax per Public Staff (L4*(1+L5))	<u>37,739</u>	<u>38,871</u>	<u>40,038</u>
7	Adjustment to Payroll Tax (L6 - L3)	<u>\$ (821)</u>	<u>\$ (845)</u>	<u>\$ (870)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PROPERTY TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-21(a)

CWSNC WATER OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Property Taxes Calculation Basis per Company	<u>\$135,969</u> [1]	<u>\$145,817</u> [1]	<u>\$155,440</u> [1]
2	Growth Factor per Company	7.2% [1]	6.6% [1]	5.8% [1]
3	Property Taxes per Company (L1* (1+3%))	\$145,817 [1]	\$155,440 [1]	\$164,424 [1]
4	Property Taxes Calculation Basis per Public Staff	\$135,969 [2]	\$135,969 [2]	\$135,969 [2]
5	Public Staff Growth Factor	<u>0.00%</u> [2]	<u>0.00%</u> [2]	<u>0.00%</u> [2]
6	Property Taxes per Public Staff (L4*(1+3%))	<u>135,969</u>	<u>135,969</u>	<u>135,969</u>
7	Adjustment to Property Taxes (L6 - L3)	<u>(\$9,848)</u>	<u>(\$19,471)</u>	<u>(\$28,455)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PROPERTY TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-20(b)

CWSNC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Property Taxes Calculation Basis per Company	<u>\$105,629</u> [1]	<u>\$113,204</u> [1]	<u>\$125,366</u> [1]
2	Growth Factor per Company	7.17% [1]	10.74% [1]	9.32% [1]
3	Property Taxes per Company (L1* (1+3%))	113,204 [1]	125,366 [1]	137,050 [1]
4	Property Taxes Calculation Basis per Public Staff	\$105,629 [2]	\$105,629 [2]	\$105,629 [2]
5	Public Staff Growth Factor	<u>0.00%</u> [2]	<u>0.00%</u> [2]	<u>0.00%</u> [2]
6	Property Taxes per Public Staff (L4*(1+3%))	<u>105,629</u>	<u>105,629</u>	<u>105,629</u>
7	Adjustment to Property Taxes (L6 - L3)	<u><u>(\$7,575)</u></u>	<u><u>(\$19,736)</u></u>	<u><u>(\$31,421)</u></u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PROPERTY TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-21(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Property Taxes Calculation Basis per Company	<u>\$7,746</u> [1]	<u>\$9,798</u> [1]	<u>\$11,264</u> [1]
2	Growth Factor per Company	26.5% [1]	15.0% [1]	8.6% [1]
3	Property Taxes per Company (L1* (1+3%))	\$9,798 [1]	\$11,264 [1]	\$12,231 [1]
4	Property Taxes Calculation Basis per Public Staff	\$7,746 [2]	\$7,746 [2]	\$7,746 [2]
5	Public Staff Growth Factor	<u>0.0%</u> [2]	<u>0.0%</u> [2]	<u>0.0%</u> [2]
6	Property Taxes per Public Staff (L4*(1+3%))	<u>7,746</u>	<u>7,746</u>	<u>7,746</u>
7	Adjustment to Property Taxes (L6 - L3)	<u>(\$2,052)</u>	<u>(\$3,518)</u>	<u>(\$4,485)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

ADJUSTMENT TO PROPERTY TAX

For The Rate Year 1 - Rate Year 3 Ended March 31, 2024 -2026

Public Staff Settlement Exhibit 1

Schedule 3-21(d)

BF/FH/TC SEWER OPERATIONS

Line No.	Item	<u>Rate Year 1</u>	<u>Rate Year 2</u>	<u>Rate Year 3</u>
		(a)	(b)	(c)
1	Property Taxes Calculation Basis per Company	<u>\$9,754</u> [1]	<u>\$10,508</u> [1]	<u>\$13,031</u> [1]
2	Growth Factor per Company	7.74% [1]	24.01% [1]	13.88% [1]
3	Property Taxes per Company (L1* (1+3%))	\$10,508 [1]	\$13,031 [1]	\$14,840 [1]
4	Property Taxes Calculation Basis per Public Staff	\$9,754 [2]	\$9,754 [2]	\$9,754 [2]
5	Public Staff Growth Factor	<u>0.00%</u> [2]	<u>0.00%</u> [2]	<u>0.00%</u> [2]
6	Property Taxes per Public Staff (L4*(1+3%))	<u>9,754</u>	<u>9,754</u>	<u>9,754</u>
7	Adjustment to Property Taxes (L6 - L3)	<u>(\$755)</u>	<u>(\$3,277)</u>	<u>(\$5,087)</u>

[1] Per examination of the company's response to accounting data requests.

[2] Per Public Staff calculation.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INCOME TAXES

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-22(a)

CWSNC WATER OPERATIONS

Line No.	Item	Present Rates [1] (a)	Company Proposed Rates [3] (b)	Public Staff Recommended Rates [5] (c)
1	Operating revenue	<u>\$22,304,597</u>	<u>\$23,928,116</u>	<u>\$23,081,426</u>
	Operating revenue deductions:			
2	Maintenance expenses	4,631,909	4,631,909	4,631,909
3	General expenses	9,370,807	9,370,807	9,370,807
4	Depreciation expense	3,581,487	3,581,487	3,581,487
5	Amortization of CIAC	(733,560)	(733,560)	(733,560)
6	Amortization of PAA	(121,579)	(121,579)	(121,579)
7	Amortization of ITC	(265)	(265)	(265)
8	Franchise and other taxes	56,486	56,486	56,486
9	Property taxes	135,969	135,969	135,969
10	Payroll taxes	297,925	297,925	297,925
11	Regulatory fee	31,226	33,499	32,314
12	Gross receipts tax	0	0	0
13	Interest expense	<u>1,648,243</u> [2]	<u>1,648,243</u> [4]	<u>1,648,243</u> [6]
14	Total deductions (Sum of L2 thru L13)	<u>18,898,648</u>	<u>18,900,921</u>	<u>18,899,736</u>
15	Taxable income (L1 - L14)	<u>3,405,948</u>	<u>5,027,194</u>	<u>4,181,689</u>
16	State income tax (L15 x 2.5%)	<u>85,149</u>	<u>125,680</u>	<u>104,542</u>
17	Federal taxable income after state income tax (L15 - L16)	<u>3,320,799</u>	<u>4,901,514</u>	<u>4,077,147</u>
18	Federal income tax (L17 x 21%)	<u>697,368</u>	<u>1,029,318</u>	<u>856,201</u>
19	Excess deferred income tax amortization	<u>(64,882)</u>	<u>(64,882)</u>	<u>(64,882)</u>
20	Net amount (L15 - L16 - L18 - L19)	<u>2,688,313</u>	<u>3,937,078</u>	<u>3,285,828</u>
21	Add: Interest expense	<u>1,648,243</u> [2]	<u>1,648,243</u> [4]	<u>1,648,243</u> [6]
22	Net income for a return (L20 + L21)	<u>\$4,336,556</u>	<u>\$5,585,321</u>	<u>\$4,934,071</u>

[1] Public Staff WSIP Exhibit I, Schedule 3(a), Column (c).

[2] Public Staff WSIP Exhibit I, Schedule 1(a), Column (e), Line 1.

[3] Public Staff WSIP Exhibit I, Schedule 3(a), Column (e).

[4] Public Staff WSIP Exhibit I, Schedule 1(a), Column (e), Line 4.

[5] Public Staff WSIP Exhibit I, Schedule 3(a), Column (g).

[6] Public Staff WSIP Exhibit I, Schedule 1(a), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INCOME TAXES

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-22(b)

CWSNC SEWER OPERATIONS

Line No.	Item	Present Rates [1] (a)	Company Proposed Rates [3] (b)	Public Staff Recommended Rates [5] (c)
1	Operating revenue	<u>\$17,473,038</u>	<u>\$19,234,218</u>	<u>\$18,572,342</u>
	Operating revenue deductions:			
2	Maintenance expenses	4,556,383	4,556,383	4,556,383
3	General expenses	5,609,629	5,609,629	5,609,629
4	Depreciation expense	3,178,919	3,178,919	3,178,919
5	Amortization of CIAC	(625,462)	(625,462)	(625,462)
6	Amortization of PAA	(17,621)	(17,621)	(17,621)
7	Amortization of ITC	(254)	(254)	(254)
8	Franchise and other taxes	48,172	48,172	48,172
9	Property taxes	105,629	105,629	105,629
10	Payroll taxes	177,744	177,744	177,744
11	Regulatory fee	24,462	26,928	26,001
12	Gross receipts tax	0	0	0
13	Interest expense	1,550,502 [2]	1,550,502 [4]	1,550,502 [6]
14	Total deductions (Sum of L2 thru L13)	<u>14,608,103</u>	<u>14,610,569</u>	<u>14,609,642</u>
15	Taxable income (L1 - L14)	<u>2,864,935</u>	<u>4,623,649</u>	<u>3,962,700</u>
16	State income tax (L15 x 2.5%)	<u>71,623</u>	<u>115,591</u>	<u>99,067</u>
17	Federal taxable income after state income tax (L15 - L16)	<u>2,793,312</u>	<u>4,508,058</u>	<u>3,863,633</u>
18	Federal income tax (L17 x 21%)	<u>586,596</u>	<u>946,692</u>	<u>811,363</u>
19	Excess deferred income tax amortization	<u>(38,709)</u>	<u>(38,709)</u>	<u>(38,709)</u>
20	Net amount (L15 - L16 - L18 - L19)	<u>2,245,425</u>	<u>3,600,075</u>	<u>3,090,979</u>
21	Add: Interest expense	<u>1,550,502 [2]</u>	<u>1,550,502 [4]</u>	<u>1,550,502 [6]</u>
22	Net income for a return (L20 + L21)	<u>\$3,795,927</u>	<u>\$5,150,577</u>	<u>\$4,641,481</u>

[1] Public Staff WSIP Exhibit I, Schedule 3(b), Column (c).

[2] Public Staff WSIP Exhibit I, Schedule 1(b), Column (e), Line 1.

[3] Public Staff WSIP Exhibit I, Schedule 3(b), Column (e).

[4] Public Staff WSIP Exhibit I, Schedule 1(b), Column (e), Line 4.

[5] Public Staff WSIP Exhibit I, Schedule 3(b), Column (g).

[6] Public Staff WSIP Exhibit I, Schedule 1(b), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INCOME TAXES

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-22(c)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Present	Company Proposed	Public Staff Recommended
		Rates [1]	Rates [3]	Rates [5]
		(a)	(b)	(c)
1	Operating revenue	<u>\$1,867,840</u>	<u>\$2,101,835</u>	<u>\$1,997,435</u>
	Operating revenue deductions:			
2	Maintenance expenses	417,844	417,844	417,844
3	General expenses	1,112,929	1,112,929	1,112,929
4	Depreciation expense	176,608	176,608	176,608
5	Amortization of CIAC	(57,707)	(57,707)	(57,707)
6	Amortization of PAA	14,457	14,457	14,457
7	Amortization of ITC	0	0	0
8	Franchise and other taxes	(1,321)	(1,321)	(1,321)
9	Property taxes	7,746	7,746	7,746
10	Payroll taxes	35,795	35,795	35,795
11	Regulatory fee	2,615	2,943	2,796
12	Gross receipts tax	0	0	0
13	Interest expense	83,450 [2]	83,450 [4]	83,450 [6]
14	Total deductions (Sum of L2 thru L13)	<u>1,792,416</u>	<u>1,792,744</u>	<u>1,792,597</u>
15	Taxable income (L1 - L14)	<u>75,424</u>	<u>309,091</u>	<u>204,838</u>
16	State income tax (L15 x 2.5%)	<u>1,886</u>	<u>7,727</u>	<u>5,121</u>
17	Federal taxable income after state income tax (L15 - L16)	<u>73,538</u>	<u>301,364</u>	<u>199,717</u>
18	Federal income tax (L17 x 21%)	<u>15,443</u>	<u>63,287</u>	<u>41,941</u>
19	Excess deferred income tax amortization	<u>(8,585)</u>	<u>(8,585)</u>	<u>(8,585)</u>
20	Net amount (L15 - L16 - L18 - L19)	66,680	246,662	166,361
21	Add: Interest expense	<u>83,450 [2]</u>	<u>83,450 [4]</u>	<u>83,450 [6]</u>
22	Net income for a return (L20 + L21)	<u>\$150,130</u>	<u>\$330,112</u>	<u>\$249,811</u>

[1] Public Staff WSIP Exhibit I, Schedule 3(c), Column (c).

[2] Public Staff WSIP Exhibit I, Schedule 1(c), Column (e), Line 1.

[3] Public Staff WSIP Exhibit I, Schedule 3(c), Column (e).

[4] Public Staff WSIP Exhibit I, Schedule 1(c), Column (e), Line 4.

[5] Public Staff WSIP Exhibit I, Schedule 3(c), Column (g).

[6] Public Staff WSIP Exhibit I, Schedule 1(c), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INCOME TAXES

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule 3-22(d)

BF/FH SEWER OPERATIONS

Line No.	Item	Present Rates [1] (a)	Company Proposed Rates [3] (b)	Public Staff Recommended Rates [5] (c)
1	Operating revenue	<u>\$2,627,812</u>	<u>\$3,022,178</u>	<u>\$2,775,315</u>
	Operating revenue deductions:			
2	Maintenance expenses	439,310	439,310	439,310
3	General expenses	1,139,157	1,139,157	1,139,157
4	Depreciation expense	450,022	450,022	450,022
5	Amortization of CIAC	(150,635)	(150,635)	(150,635)
6	Amortization of PAA	45,866	45,866	45,866
7	Amortization of ITC	0	0	0
8	Franchise and other taxes	(1,352)	(1,352)	(1,352)
9	Property taxes	9,754	9,754	9,754
10	Payroll taxes	36,640	36,640	36,640
11	Regulatory fee	3,679	4,231	3,885
12	Gross receipts tax	0	0	0
13	Interest expense	<u>226,878</u> [2]	<u>226,878</u> [4]	<u>226,878</u> [6]
14	Total deductions (Sum of L2 thru L13)	<u>2,199,318</u>	<u>2,199,870</u>	<u>2,199,524</u>
15	Taxable income (L1 - L14)	<u>428,494</u>	<u>822,308</u>	<u>575,791</u>
16	State income tax (L15 x 2.5%)	<u>10,712</u>	<u>20,558</u>	<u>14,395</u>
17	Federal taxable income after state income tax (L15 - L16)	<u>417,782</u>	<u>801,750</u>	<u>561,396</u>
18	Federal income tax (L17 x 21%)	<u>87,734</u>	<u>168,367</u>	<u>117,893</u>
19	Excess deferred income tax amortization	<u>(8,786)</u>	<u>(8,786)</u>	<u>(8,786)</u>
20	Net amount (L15 - L16 - L18 - L19)	<u>338,834</u>	<u>642,169</u>	<u>452,289</u>
21	Add: Interest expense	<u>226,878</u> [2]	<u>226,878</u> [4]	<u>226,878</u> [6]
22	Net income for a return (L20 + L21)	<u>\$565,712</u>	<u>\$869,047</u>	<u>\$679,167</u>

[1] Public Staff WSIP Exhibit I, Schedule 3(d), Column (c).

[2] Public Staff WSIP Exhibit I, Schedule 1(d), Column (e), Line 1.

[3] Public Staff WSIP Exhibit I, Schedule 3(d), Column (e).

[4] Public Staff WSIP Exhibit I, Schedule 1(d), Column (e), Line 4.

[5] Public Staff WSIP Exhibit I, Schedule 3(d), Column (g).

[6] Public Staff WSIP Exhibit I, Schedule 1(d), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
CALCULATION OF INCOME TAXES
For The Rate Year 1 - Rate Year 3 Ended March 31,
2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-22(a)(1)

CWSNC WATER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Present Rates	Company Proposed Rates	Public Staff Recommended Rates	Present Rates	Company Proposed Rates	Public Staff Recommended Rates	Present Rates	Company Proposed Rates	Public Staff Recommended Rates
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating revenue	\$23,928,116	\$26,085,554	\$24,638,076	\$26,085,554	\$27,218,313	\$25,986,812	\$27,218,313	\$28,356,033	\$26,516,933
	Operating revenue deductions:									
2	Maintenance expenses	4,698,317	4,698,317	4,698,317	4,943,795	4,943,795	4,943,795	4,873,821	4,873,821	4,873,821
3	General expenses	9,670,633	9,670,633	9,670,633	9,926,271	9,926,271	9,926,271	10,188,937	10,188,937	10,188,937
4	Depreciation expense	3,949,676	3,949,676	3,949,676	4,173,576	4,173,576	4,173,576	4,311,568	4,311,568	4,311,568
5	Amortization of CIAC	(733,560)	(733,560)	(733,560)	(733,560)	(733,560)	(733,560)	(733,560)	(733,560)	(733,560)
6	Amortization of PAA	(122,002)	(122,002)	(122,002)	(120,313)	(120,313)	(120,313)	(119,891)	(119,891)	(119,891)
7	Amortization of ITC	(265)	(265)	(265)	(265)	(265)	(265)	(265)	(265)	(265)
8	Franchise and other taxes	56,486	56,486	56,486	56,486	56,486	56,486	56,486	56,486	56,486
9	Property taxes	135,969	135,969	135,969	135,969	135,969	135,969	135,969	135,969	135,969
10	Payroll taxes	306,863	306,863	306,863	316,069	316,069	316,069	325,551	325,551	325,551
11	Regulatory fee	33,499	36,520	34,493	36,520	38,106	36,382	38,106	39,698	37,124
12	Gross receipts tax	0	0	0	0	0	0	0	0	0
13	Interest expense	1,874,413 [2]	1,874,413 [4]	1,874,413 [6]	2,044,677 [2]	2,044,677 [4]	2,044,677 [6]	2,097,292 [2]	2,097,292 [4]	2,097,292 [6]
14	Total deductions (Sum of L2 thru L13)	19,870,029	19,873,050	19,871,023	20,779,225	20,780,811	20,779,087	21,174,014	21,175,606	21,173,032
15	Taxable income (L1 - L14)	4,058,087	6,212,504	4,767,053	5,306,329	6,437,503	5,207,725	6,044,299	7,180,427	5,343,900
16	State income tax (L15 x 2.5%)	101,452	155,313	119,176	132,658	160,938	130,193	151,107	179,511	133,598
17	Federal taxable income after state income tax (L15 - L16)	3,956,635	6,057,191	4,647,877	5,173,671	6,276,565	5,077,532	5,893,192	7,000,916	5,210,303
18	Federal income tax (L17 x 21%)	830,893	1,272,010	976,054	1,086,471	1,318,079	1,066,282	1,237,570	1,470,192	1,094,164
19	Excess deferred income tax amortization	(64,882)	(64,882)	(64,882)	(64,882)	(64,882)	(64,882)	(64,882)	(64,882)	(64,882)
20	Net amount (L15 - L16 - L18 - L19)	3,190,623	4,850,063	3,736,705	4,152,082	5,023,368	4,076,132	4,720,503	5,595,606	4,181,021
21	Add: Interest expense	1,874,413 [2]	1,874,413 [4]	1,874,413 [6]	2,044,677 [2]	2,044,677 [4]	2,044,677 [6]	2,097,292 [2]	2,097,292 [4]	2,097,292 [6]
22	Net income for a return (L20 + L21)	\$5,065,036	\$6,724,476	\$5,611,118	\$6,196,759	\$7,068,045	\$6,120,809	\$6,817,795	\$7,692,898	\$6,278,313

[1] Public Staff WS P Exhibit 1, Schedule 3(a)(1), Column (c).
[2] Public Staff WS P Exhibit 1, Schedule 1(a), Column (e), Line 1.
[3] Public Staff WS P Exhibit 1, Schedule 3(a)(1), Column (e).
[4] Public Staff WS P Exhibit 1, Schedule 1(a), Column (e), Line 4.
[5] Public Staff WS P Exhibit 1, Schedule 3(a)(1), Column (g).
[6] Public Staff WS P Exhibit 1, Schedule 1(a), Column (e), Line 7.

[1] Public Staff WSIP Exhibit 1, Schedule 3(a)(2), Column (c).
[2] Public Staff WSIP Exhibit 1, Schedule 1(a), Column (e), Line 1.
[3] Public Staff WSIP Exhibit 1, Schedule 3(a)(2), Column (e).
[4] Public Staff WSIP Exhibit 1, Schedule 1(a), Column (e), Line 4.
[5] Public Staff WSIP Exhibit 1, Schedule 3(a)(2), Column (g).
[6] Public Staff WSIP Exhibit 1, Schedule 1(a), Column (e), Line 7.

[1] Public Staff WS P Exhibit 1, Schedule 3(a)(3), Column (c).
[2] Public Staff WS P Exhibit 1, Schedule 1(a), Column (e), Line 1.
[3] Public Staff WS P Exhibit 1, Schedule 3(a)(3), Column (e).
[4] Public Staff WS P Exhibit 1, Schedule 1(a), Column (e), Line 4.
[5] Public Staff WS P Exhibit 1, Schedule 3(a)(3), Column (g).
[6] Public Staff WS P Exhibit 1, Schedule 1(a), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400
CALCULATION OF INCOME TAXES
 For The Rate Year 1 - Rate Year 3 Ended March 31,
 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-22(b)(2)

CWSNC SEWER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Present Rates	Company Proposed Rates	Public Staff Recommended Rates	Present Rates	Company Proposed Rates	Public Staff Recommended Rates	Present Rates	Company Proposed Rates	Public Staff Recommended Rates
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating revenue	\$19,234,219	\$21,435,861	\$20,458,194	\$21,435,861	\$22,712,351	\$21,037,484	\$22,712,351	\$24,093,673	\$22,878,326
	Operating revenue deductions:									
2	Maintenance expenses	4,637,852	4,637,852	4,637,852	4,671,898	4,671,898	4,671,898	4,512,948	4,512,948	4,512,948
3	General expenses	5,789,151	5,789,151	5,789,151	5,942,138	5,942,138	5,942,138	6,099,327	6,099,327	6,099,327
4	Depreciation expense	3,557,702	3,557,702	3,557,702	3,692,147	3,692,147	3,692,147	4,133,288	4,133,288	4,133,288
5	Amortization of CIAC	(625,462)	(625,462)	(625,462)	(625,462)	(625,462)	(625,462)	(625,462)	(625,462)	(625,462)
6	Amortization of PAA	(17,244)	(17,244)	(17,244)	(17,182)	(17,182)	(17,182)	(17,056)	(17,056)	(17,056)
7	Amortization of ITC	(254)	(254)	(254)	(254)	(254)	(254)	(254)	(254)	(254)
8	Franchise and other taxes	48,172	48,172	48,172	48,172	48,172	48,172	48,172	48,172	48,172
9	Property taxes	105,629	105,629	105,629	105,629	105,629	105,629	105,629	105,629	105,629
10	Payroll taxes	183,076	183,076	183,076	188,569	188,569	188,569	194,226	194,226	194,226
11	Regulatory fee	26,928	30,010	28,641	30,010	31,797	29,452	31,797	33,731	32,030
12	Gross receipts tax	0	0	0	0	0	0	0	0	0
13	Interest expense	1,895,450	1,895,450	1,895,450	1,965,526	1,965,526	1,965,526	2,353,776	2,353,776	2,353,776
14	Total deductions (Sum of L2 thru L13)	15,601,000	15,604,082	15,602,713	16,001,192	16,002,979	16,000,634	16,836,391	16,838,325	16,836,624
15	Taxable income (L1 - L14)	3,633,219	5,831,779	4,855,481	5,434,669	6,709,372	5,036,850	5,875,960	7,255,348	6,041,702
16	State income tax (L15 x 2.5%)	90,830	145,794	121,387	135,867	167,734	125,921	146,899	181,384	151,043
17	Federal taxable income after state income tax (L15 - L16)	3,542,389	5,685,985	4,734,094	5,298,802	6,541,637	4,910,928	5,729,061	7,073,964	5,890,659
18	Federal income tax (L17 x 21%)	743,902	1,194,057	994,160	1,112,748	1,373,744	1,031,295	1,203,103	1,485,532	1,237,038
19	Excess deferred income tax amortization	(38,709)	(38,709)	(38,709)	(38,709)	(38,709)	(38,709)	(38,709)	(38,709)	(38,709)
20	Net amount (L15 - L16 - L18 - L19)	2,837,196	4,530,637	3,778,643	4,224,763	5,206,602	3,918,343	4,564,667	5,627,141	4,692,330
21	Add: Interest expense	1,895,450	1,895,450	1,895,450	1,965,526	1,965,526	1,965,526	2,353,776	2,353,776	2,353,776
22	Net income for a return (L20 + L21)	\$4,732,646	\$6,426,087	\$5,674,093	\$6,190,289	\$7,172,128	\$5,883,869	\$6,918,443	\$7,980,917	\$7,046,106

[1] Public Staff WS P Exhibit I, Schedule 3(b), Column (c).
 [2] Public Staff WS P Exhibit I, Schedule 1(b), Column (e), Line 1.
 [3] Public Staff WS P Exhibit I, Schedule 3(b), Column (e).
 [4] Public Staff WS P Exhibit I, Schedule 1(b), Column (e), Line 4.
 [5] Public Staff WS P Exhibit I, Schedule 3(b), Column (g).
 [6] Public Staff WS P Exhibit I, Schedule 1(b), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400
CALCULATION OF INCOME TAXES
 For The Rate Year 1 - Rate Year 3 Ended March 31,
 2024 -2026

Public Staff Settlement Exhibit 1
 Schedule 3-22(c)(3)

BF/FH/TC WATER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Present Rates	Company Proposed Rates	Public Staff Recommended Rates	Present Rates	Company Proposed Rates	Public Staff Recommended Rates	Present Rates	Company Proposed Rates	Public Staff Recommended Rates
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating revenue	\$2,101,834	\$2,492,230	\$2,295,033	\$2,492,230	\$2,640,928	\$2,443,356	\$2,640,928	\$2,751,714	\$2,492,117
	Operating revenue deductions:									
2	Maintenance expenses	\$431,501	\$431,501	\$431,501	\$441,503	\$441,503	\$441,503	\$450,701	\$450,701	\$450,701
3	General expenses	\$1,148,467	\$1,148,467	\$1,148,467	\$1,178,828	\$1,178,828	\$1,178,828	\$1,210,021	\$1,210,021	\$1,210,021
4	Depreciation expense	\$232,672	\$232,672	\$232,672	\$261,522	\$261,522	\$261,522	\$268,698	\$268,698	\$268,698
5	Amortization of CIAC	(\$57,707)	(\$57,707)	(\$57,707)	(\$57,707)	(\$57,707)	(\$57,707)	(\$57,707)	(\$57,707)	(\$57,707)
6	Amortization of PAA	\$14,153	\$14,153	\$14,153	\$14,639	\$14,639	\$14,639	\$14,518	\$14,518	\$14,518
7	Amortization of ITC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Franchise and other taxes	(\$1,321)	(\$1,321)	(\$1,321)	(\$1,321)	(\$1,321)	(\$1,321)	(\$1,321)	(\$1,321)	(\$1,321)
9	Property taxes	\$7,746	\$7,746	\$7,746	\$7,746	\$7,746	\$7,746	\$7,746	\$7,746	\$7,746
10	Payroll taxes	\$36,869	\$36,869	\$36,869	\$37,975	\$37,975	\$37,975	\$39,114	\$39,114	\$39,114
11	Regulatory fee	\$2,943	\$3,489	\$3,213	\$3,489	\$3,697	\$3,421	\$3,697	\$3,852	\$3,489
12	Gross receipts tax	0	0	0	0	0	0	0	0	0
13	Interest expense	136,723	136,723	136,723	158,269	158,269	158,269	158,299	158,299	158,299
14	Total deductions (Sum of L2 thru L13)	1,952,046	1,952,592	1,952,316	2,044,943	2,045,151	2,044,875	2,093,767	2,093,922	2,093,559
15	Taxable income (L1 - L14)	149,789	539,639	342,718	447,287	595,777	398,481	547,161	657,792	398,559
16	State income tax (L15 x 2.5%)	3,745	13,491	8,568	11,182	14,894	9,962	13,679	16,445	9,964
17	Federal taxable income after state income tax (L15 - L16)	146,044	526,148	334,150	436,104	580,882	388,519	533,482	641,347	388,595
18	Federal income tax (L17 x 21%)	30,669	110,491	70,171	91,582	121,985	81,589	112,031	134,683	81,605
19	Excess deferred income tax amortization	(8,585)	(8,585)	(8,585)	(8,585)	(8,585)	(8,585)	(8,585)	(8,585)	(8,585)
20	Net amount (L15 - L16 - L18 - L19)	123,960	424,242	272,563	353,107	467,482	315,515	430,036	515,249	315,575
21	Add: Interest expense	136,723	136,723	136,723	158,269	158,269	158,269	158,299	158,299	158,299
22	Net income for a return (L20 + L21)	\$260,683	\$560,965	\$409,286	\$511,376	\$625,751	\$473,784	\$588,335	\$673,548	\$473,874

[1] Public Staff WS P Exhibit I, Schedule 3(c), Column (c).
 [2] Public Staff WS P Exhibit I, Schedule 1(c), Column (e), Line 1.
 [3] Public Staff WS P Exhibit I, Schedule 3(c), Column (e).
 [4] Public Staff WS P Exhibit I, Schedule 1(c), Column (e), Line 4.
 [5] Public Staff WS P Exhibit I, Schedule 3(c), Column (g).
 [6] Public Staff WS P Exhibit I, Schedule 1(c), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC

Docket No. W-354, Sub 400

CALCULATION OF INCOME TAXES

For The Rate Year 1 - Rate Year 3 Ended March 31,
2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-22(d)(4)

BF/FH SEWER OPERATIONS

Line No.	Item	Rate Year 1			Rate Year 2			Rate Year 3		
		Present Rates	Company Proposed Rates	Public Staff Recommended Rates	Present Rates	Company Proposed Rates	Public Staff Recommended Rates	Present Rates	Company Proposed Rates	Public Staff Recommended Rates
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating revenue	\$3,022,178	\$3,147,751	\$2,949,216	\$3,146,948	\$3,398,127	\$3,666,967	\$3,398,127	\$3,537,028	\$3,743,311
	Operating revenue deductions:									
2	Maintenance expenses	474,145	474,145	474,145	484,224	484,224	484,224	494,670	494,670	494,670
3	General expenses	1,175,535	1,175,535	1,175,535	1,206,607	1,206,607	1,206,607	1,238,539	1,238,539	1,238,539
4	Depreciation expense	465,568	465,568	465,568	610,855	610,855	610,855	621,220	621,220	621,220
5	Amortization of CIAC	(150,635)	(150,635)	(150,635)	(150,635)	(150,635)	(150,635)	(150,635)	(150,635)	(150,635)
6	Amortization of PAA	44,354	44,354	44,354	43,514	43,514	43,514	43,178	43,178	43,178
7	Amortization of ITC	0	0	0	0	0	0	0	0	0
8	Franchise and other taxes	(1,352)	(1,352)	(1,352)	(1,352)	(1,352)	(1,352)	(1,352)	(1,352)	(1,352)
9	Property taxes	9,754	9,754	9,754	9,754	9,754	9,754	9,754	9,754	9,754
10	Payroll taxes	37,739	37,739	37,739	38,871	38,871	38,871	40,038	40,038	40,038
11	Regulatory fee	4,231	4,407	4,129	4,406	4,757	5,134	4,757	4,952	5,241
12	Gross receipts tax	0	0	0	0	0	0	0	0	0
13	Interest expense	251,211	251,211	251,211	398,924	398,924	398,924	405,240	405,240	405,240
14	Total deductions (Sum of L2 thru L13)	2,310,549	2,310,725	2,310,447	2,645,167	2,645,518	2,645,895	2,705,407	2,705,602	2,705,891
15	Taxable income (L1 - L14)	711,629	837,026	638,769	501,781	752,609	1,021,072	692,720	831,426	1,037,419
16	State income tax (L15 x 2.5%)	17,791	20,926	15,969	12,545	18,815	25,527	17,318	20,786	25,935
17	Federal taxable income after state income tax (L15 - L16)	693,838	816,100	622,800	489,237	733,793	995,545	675,402	810,641	1,011,484
18	Federal income tax (L17 x 21%)	145,706	171,381	130,788	102,740	154,097	209,064	141,834	170,235	212,412
19	Excess deferred income tax amortization	(8,786)	(8,786)	(8,786)	(8,786)	(8,786)	(8,786)	(8,786)	(8,786)	(8,786)
20	Net amount (L15 - L16 - L18 - L19)	556,918	653,505	500,798	395,283	588,483	795,267	542,353	649,192	807,858
21	Add: Interest expense	251,211	251,211	251,211	398,924	398,924	398,924	405,240	405,240	405,240
22	Net income for a return (L20 + L21)	\$808,129	\$904,716	\$752,009	\$794,207	\$987,407	\$1,194,191	\$947,593	\$1,054,432	\$1,213,098

[1] Public Staff WS P Exhibit I, Schedule 3(d), Column (c).

[2] Public Staff WS P Exhibit I, Schedule 1(d), Column (e), Line 1.

[3] Public Staff WS P Exhibit I, Schedule 3(d), Column (e).

[4] Public Staff WS P Exhibit I, Schedule 1(d), Column (e), Line 4.

[5] Public Staff WS P Exhibit I, Schedule 3(d), Column (g).

[6] Public Staff WS P Exhibit I, Schedule 1(d), Column (e), Line 7.

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 400
STATUTORY REVENUE CAP ADJUSTMENT
For The Rate Year 1 - Rate Year 3 Ended March 31,
2024 -2026

Public Staff Settlement Exhibit 1
Schedule 3-23

CWSNC OPERATIONS

<u>Line No.</u>	<u>Item</u>	<u>Rate Year 1</u> (a)	<u>Rate Year 2</u> (b)	<u>Rate Year 3</u> (c)
<u>Uniform Water</u>				
1	Annual Service Revenue Percentage Increase	6.78%	5.50%	2.05%
2	Statutory Cap	N/A	5.00%	5.00%
3	Public Staff Calculated Service Revenue	24,644,247	25,999,302	26,531,907
4	Service Revenue Allowed at Statutory Cap	<u>24,644,247</u>	<u>25,876,459</u> [1]	<u>27,170,282</u> [2]
5	Adjustment to Statutory Cap (L4 - L3)	0	(122,843)	0
<u>Uniform Sewer</u>				
6	Annual Service Revenue Percentage Increase	10.20%	2.84%	8.79%
7	Statutory Cap	N/A	5.00%	5.00%
8	Public Staff Calculated Service Revenue	20,472,380	21,054,476	22,904,235
9	Service Revenue Allowed at Statutory Cap	<u>20,472,380</u>	<u>21,495,999</u> [1]	<u>22,107,200</u> [2]
10	Adjustment to Statutory Cap (L9 - L8)	0	0	(797,035)
<u>BFHTC Water</u>				
11	Annual Service Revenue Percentage Increase	14.97%	6.49%	2.00%
12	Statutory Cap	N/A	5.00%	5.00%
13	Public Staff Calculated Service Revenue	2,311,383	2,461,353	2,510,656
14	Service Revenue Allowed at Statutory Cap	<u>2,311,383</u>	<u>2,426,952</u> [1]	<u>2,548,300</u> [2]
15	Adjustment to Statutory Cap (L14 - L13)	0	(34,401)	0
<u>BFHTC Sewer</u>				
16	Annual Service Revenue Percentage Increase	6.30%	24.45%	2.09%
17	Statutory Cap	N/A	5.00%	5.00%
18	Public Staff Calculated Service Revenue	2,968,535	3,694,354	3,771,556
19	Service Revenue Allowed at Statutory Cap	<u>2,968,535</u>	<u>3,116,962</u> [1]	<u>3,272,810</u> [3]
20	Adjustment to Statutory Cap (L19 - L18)	0	(577,392)	(498,746)

[1] Rate Year 1 plus Rate Year 1 times 5%

[1] Rate Year 2 plus Rate Year 2 times 5%

[3] Statutory limit at 5% Rate Year 2 cap

CAROLINA WATER SERVICE, INC. OF NC
 Docket No. W-354, Sub 400
CALCULATION OF GROSS REVENUE
IMPACT OF PUBLIC STAFF ADJUSTMENTS
 For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1
 Schedule BY

Base Year

Line No.	Item	CWSNC	CWSNC	BF/FH/TC	BF/FH/TC	Total
		Water	Sewer	Water	Sewer	
		(a)	(b)	(c)	(d)	
1	Increase/(decrease) in total revenue per Company application	\$ 1,651,225	\$ 1,747,307	\$ 233,033	\$ 390,704	\$ 4,022,268
2	Company 09.19.2022 updates	403,404	319,362	(18,202)	(61,783)	652,781
3	Increase/(decrease) in total revenue per Company updates	2,054,629	2,066,669	214,830	338,921	4,675,049
4	Difference in calculation of revenue requirement based on Company amounts	0	0	(1)	1	0
5	Adjust capital structure to 50% debt and 50% equity	0	0	0	0	0
6	Adjust return on equity from 10.45% to 9.25%	(564,589)	(531,090)	(28,458)	(76,609)	(1,200,746)
7	Adjust debt cost rate from 4.64% to 4.64%	0	0	0	0	0
8	Adjustment to uncollectibles	(55,646)	(40,500)	(3,604)	(4,876)	(104,626)
9	Adjustment to forfeited discounts	(63,248)	(46,814)	(5,289)	(7,094)	(122,445)
10	Adjustment to miscellaneous revenues	(18,372)	(10,961)	(1,183)	(1,210)	(31,725)
11	Update revenues to 8/31/2022	516,339	87,187	1,668	(9,864)	595,330
12	Adjustment to reclassify utility accounts	(1,980)	1,980	0	0	0
13	Adjustment to remove pro forma estimates	0	0	0	0	0
14	Adjustment to over booked AFUDC	(269)	(254)	0	(7)	(530)
15	Adjustment to customer deposits	0	0	0	0	0
16	Adjustment to inventory	0	0	0	0	0
17	Adjustment to average tax accruals	(12,395)	(9,640)	(735)	(939)	(23,709)
18	Adjustment to remove Company proposed additions to add PS post TY a	(295,880)	(241,434)	(12,322)	21,436	(528,200)
19	Adjustment to add back ERC book adjustment	(3,622)	(2,161)	(435)	(446)	(6,664)
20	Adjustment to gain on sale	0	0	0	0	0
21	Adjustment to include actual post TY GL additions	252,754	163,962	13,436	20,666	450,818
22	Adjustment to reclassify wrongly booked gross up tax to CIAC	0	0	0	0	0
23	Adjustment to allocated cost GL adjustments	0	0	0	0	0
24	Adjustment to reflect annual level of depreciation	(14,635)	(8,959)	(1,553)	(3,516)	(28,663)
25	Adjustment to cash working capital	(4,520)	97	(24)	(513)	(4,960)
26	Adjustment to ADIT	(8,950)	(2,454)	(1,020)	2,351	(10,073)
27	Adjustment for excess deferred taxes	(84,353)	(50,326)	(11,161)	(11,423)	(157,263)
28	Adjustment to deferred charges	(5,946)	(4,171)	(675)	(607)	(11,399)
29	Adjustment to purchased power	(1,969)	(13,503)	0	0	(15,472)
30	Adjustment to maintenance and repair	(6,061)	143,864	12,774	(29,090)	121,487
31	Adjustment to maintenance testing	0	0	0	0	0
32	Adjustment to chemicals	(58,837)	13,776	(32)	(4,839)	(49,932)
33	Adjustment to office utility	0	0	0	0	0
34	Adjustment to amortization expense - CIAC	0	0	0	0	0
35	Adjustment to regulatory commission expense	(143,423)	(85,565)	(17,228)	(17,638)	(263,854)
36	Adjustment to pension and benefits	(39,758)	(23,719)	(4,777)	(4,890)	(73,144)
37	Adjustment to amortization expense - PAA	(4,227)	(189)	(1,399)	2,019	(3,796)
38	Adjustment to meter reading	(6,733)	0	0	0	(6,733)
39	Adjustment to property tax	0	0	0	0	0
40	Adjustment to general salaries and wages	(77,996)	(46,533)	(9,371)	(9,592)	(143,492)
41	Adjustment to payroll tax	(6,489)	(3,871)	(780)	(798)	(11,938)
42	Adjustment to depreciation expense	(454,213)	(277,739)	(28,649)	(29,058)	(789,659)
43	Adjustment to office supplies and other office exp.	0	0	0	0	0
44	Adjustment to capitalized time	(4,293)	(2,562)	(516)	(528)	(7,899)
45	Adjustment to rent	0	0	0	0	0
46	Adjustment to insurance	90,894	54,227	10,920	11,177	167,218
47	Adjustment to miscellaneous	(181,444)	(27,844)	8,327	8,521	(192,440)
48	Adjustment to purchased water/sewer	0	0	0	0	0

CAROLINA WATER SERVICE, INC. OF NC

Docket No. W-354, Sub 400

CALCULATION OF GROSS REVENUE

IMPACT OF PUBLIC STAFF ADJUSTMENTS

For The Test Year Ended March 31, 2022

Public Staff Settlement Exhibit 1

Schedule BY

Base Year

<u>Line No.</u>	<u>Item</u>	<u>CWSNC Water</u> (a)	<u>CWSNC Sewer</u> (b)	<u>BF/FH/TC Water</u> (c)	<u>BF/FH/TC Sewer</u> (d)	<u>Total</u>
49	Rounding					0
50	Revenue impact of Public Staff adjustments (Sum of L4 thru L49)	<u>(1,277,803)</u>	<u>(967,366)</u>	<u>(85,234)</u>	<u>(191,420)</u>	<u>(2,521,823)</u>
51	Increase/(decrease) per Public Staff (L3 + L50)	<u>\$ 776,826</u>	<u>\$ 1,099,303</u>	<u>\$ 129,596</u>	<u>\$ 147,501</u>	<u>\$ 2,153,226</u>

CAROLINA WATER SERVICE, INC. OF NC
Docket No. W-354, Sub 400
CALCULATION OF GROSS REVENUE
IMPACT OF PUBLIC STAFF ADJUSTMENTS
For The Rate Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule RY 1

Rate Year 1

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH/TC Sewer (d)	Total
1	Increase/(decrease) in total revenue per Company application	\$ 3,635,456	\$ 3,881,523	\$ 603,728	\$ 630,021	\$ 8,750,728
2	Company 09.19.2022 updates	334,720	(174,594)	(34,117)	(37,930)	88,079
3	Increase/(decrease) in total revenue per Company updates	<u>3,970,177</u>	<u>3,706,929</u>	<u>569,611</u>	<u>592,091</u>	<u>8,838,807</u>
Difference in calculation of revenue requirement						
4	based on Company amounts	0	(0)	1	(1)	(0)
5	Adjust capital structure to 50% debt and 50% equity	0	0	0	0	0
6	Adjust return on equity from 10.70% to 9.25%	(759,799)	(712,062)	(52,831)	(103,122)	(1,627,814)
7	Adjust debt cost rate from 4.64% to 4.64%	0	0	0	0	0
8	Adjustment to uncollectibles	(43,413)	(27,228)	(339)	627	(70,352)
9	Adjustment to forfeited discounts	(67,875)	(51,556)	(5,955)	(8,164)	(133,549)
10	Adjustment to miscellaneous revenues	(18,373)	(10,961)	(1,183)	(1,210)	(31,726)
11	Update revenues to 8/31/2022	(1,114,786)	(1,682,524)	(234,926)	(408,663)	(3,440,899)
12	Adjustment to plant in service	132,169	574,322	47,113	(4,508)	749,096
13	Adjustment to accumulated depreciation	(132,964)	(60,309)	(18,437)	(13,161)	(224,870)
14	Adjustment to cash working capital	(14,219)	(3,516)	49	(926)	(18,611)
15	Adjustment to deferred charges	(6,947)	(12,598)	(1,041)	1,711	(18,876)
16	Adjustment to average tax accruals	(12,886)	(10,033)	(833)	(31)	(23,783)
17	Adjustment to PAA	11,454	548	(1,184)	(4,552)	6,266
18	Adjustment to CIAC	32,668	25,762	3,802	6,743	68,975
19	Adjustment to ADIT	6,111	(1,011)	(5,430)	5,353	5,023
20	Adjustment to EDIT	(84,353)	(50,326)	(11,161)	(11,423)	(157,263)
21	Adjustment to purchased power	(35,855)	(45,555)	(4,158)	(9,429)	(94,997)
22	Adjustment to purchased water/sewer	0	0	0	0	0
23	Adjustment to maintenance and repair	(68,300)	24,919	(5,878)	(21,999)	(71,258)
24	Adjustment to maintenance testing	(8,218)	(12,851)	(429)	(1,017)	(22,515)
25	Adjustment to meter reading	(21,667)	(182)	(3,032)	(70)	(24,951)
26	Adjustment to chemicals	(73,911)	(7,787)	(3,258)	(7,591)	(92,548)
27	Adjustment to transportation	(21,051)	(11,886)	(6,179)	(6,456)	(45,572)
28	Adjustment to capitalized time	(4,422)	(2,638)	(531)	(544)	(8,135)
29	Adjustment to outside services - other	(19,604)	(11,398)	(1,576)	(1,698)	(34,275)
30	Adjustment to general salaries and wages	(80,336)	(47,929)	(9,652)	(9,880)	(147,796)

CAROLINA WATER SERVICE, INC. OF NC
Docket No. W-354, Sub 400
CALCULATION OF GROSS REVENUE
IMPACT OF PUBLIC STAFF ADJUSTMENTS
For The Rate Year Ended March 31, 2024

Public Staff Settlement Exhibit 1
Schedule RY 1

Rate Year 1

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH/TC Sewer (d)	Total
31	Adjustment to office supplies and other office exp.	(14,530)	(8,548)	(1,575)	(1,622)	(26,275)
32	Adjustment to regulatory commission expense	(152,402)	(90,703)	(18,435)	(18,916)	(280,455)
33	Adjustment to pension and benefits	(85,916)	(51,258)	(10,323)	(10,567)	(158,063)
34	Adjustment to rent	(8,908)	(5,314)	(1,070)	(1,096)	(16,388)
35	Adjustment to insurance	74,405	44,540	808	8,939	128,691
36	Adjustment to office utility	(11,585)	(6,421)	(1,106)	(1,192)	(20,304)
37	Adjustment to miscellaneous	(322,585)	(104,847)	(5,672)	(5,840)	(438,944)
38	Adjustment to depreciation expense	(308,040)	(109,797)	(17,803)	(34,135)	(469,775)
39	Adjustment to amortization expense - CIAC	0	0	0	(0)	0
40	Adjustment to amortization expense - PAA	(4,651)	188	(1,703)	505	(5,661)
41	Adjustment to franchise tax	(5,545)	(4,535)	129	137	(9,814)
42	Adjustment to property tax	(9,861)	(7,585)	(2,055)	(756)	(20,258)
43	Adjustment to payroll tax	(6,684)	(3,988)	(803)	(822)	(12,296)
44	Adjustment to reflect reg rate change impact on oper deduction	1,921	1,418	191	219	3,749
45	Adjustment to reflect regulatory rate change impact on rate base	742	695	51	102	1,590
46	Rounding	0	0	0	0	0
48	Revenue impact of Public Staff adjustments (Sum of L4 thru L47)	<u>(3,260,215)</u>	<u>(2,482,954)</u>	<u>(376,414)</u>	<u>(665,053)</u>	<u>(6,784,635)</u>
49	Increase/(decrease) per Public Staff (L3 + L48)	<u>\$ 709,962</u>	<u>\$ 1,223,975</u>	<u>\$ 193,197</u>	<u>\$ (72,962)</u>	<u>\$ 2,054,172</u>

CAROLINA WATER SERVICE, INC. OF NC
 Docket No. W-354, Sub 384
CALCULATION OF GROSS REVENUE
IMPACT OF PUBLIC STAFF ADJUSTMENTS
 For The Rate Year Ended March 31, 2025

Public Staff Settlement Exhibit 1
 Schedule RY 2

Rate Year 2

Line No.	tem	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH/TC Sewer (d)	Total
1	Increase/(decrease) in total revenue per Company application	\$ 1,044,932	\$ 1,403,608	\$ 140,204	\$ 248,864	\$ 2,837,608
2	Company 9.19.22 updates	461,631	460,651	95,249	381,917	1,399,448
3	Increase/(decrease) in total revenue per Company updates	1,506,563	1,864,259	235,453	630,781	4,237,056
4	Difference in calculation of revenue requirement based on Company amounts	(0)	(0)	(0)	0	(0)
5	Adjust capital structure to 50% debt and 50% equity	0	0	0	0	0
6	Adjust return on equity from 10.70% to 9.25%	(841,290)	(838,545)	(67,705)	(148,019)	(1,895,559)
7	Adjust debt cost rate from 4.64% to 4.64%	0	0	0	0	0
8	Adjustment to uncollectibles	(65,504)	(46,701)	(3,867)	(6,942)	(123,014)
9	Adjustment to forfeited discounts	9,144	(6,267)	(75)	141	2,943
10	Adjustment to miscellaneous revenues	(18,373)	(10,961)	(1,182)	(1,210)	(31,726)
11	Update revenues to 8/31/2022	643,025	(203,053)	(58,062)	57,922	439,832
12	Adjustment to plant in service	188,081	(122,259)	7,564	128,483	201,869
13	Adjustment to accumulated depreciation	(286,006)	(241,322)	(31,610)	7,625	(551,313)
14	Adjustment to cash working capital	(13,023)	(4,350)	(58)	(1,240)	(18,671)
15	Adjustment to deferred charges	188,081	(17,099)	(3,495)	(3,655)	(44,607)
16	Adjustment to average tax accruals	(13,370)	(10,632)	(909)	(147)	(25,057)
17	Adjustment to PAA	11,700	527	(1,083)	(4,524)	6,620
18	Adjustment to CIAC	32,668	25,762	3,802	6,743	68,975
19	Adjustment to ADIT	6,765	15,701	(4,314)	(8,970)	9,182
20	Adjustment to EDIT	(84,353)	(50,326)	(11,161)	(11,423)	(157,263)
21	Adjustment to purchased power	(36,827)	(44,754)	(4,612)	(11,546)	(97,739)
22	Adjustment to purchased water/sewer	0	0	0	0	0
23	Adjustment to maintenance and repair	103,178	(23,437)	(3,717)	(26,367)	49,657
24	Adjustment to maintenance testing	(10,399)	(13,782)	(534)	(1,430)	(26,146)
25	Adjustment to meter reading	(24,564)	(192)	(3,557)	(89)	(28,402)
26	Adjustment to chemicals	(76,311)	(6,546)	(2,853)	(8,620)	(94,329)
27	Adjustment to transportation	(31,364)	(16,634)	(7,563)	(8,151)	(63,712)
28	Adjustment to capitalized time	(4,554)	(2,718)	(547)	(560)	(8,379)
29	Adjustment to outside services - other	(21,363)	(11,825)	(1,848)	(2,156)	(37,192)
30	Adjustment to general salaries and wages	(82,746)	(49,367)	(9,942)	(10,176)	(152,230)
31	Adjustment to office supplies and other office exp.	(18,130)	(9,142)	(1,949)	(2,256)	(31,478)
32	Adjustment to regulatory commission expense	(155,763)	(92,251)	(18,878)	(19,458)	(286,349)
33	Adjustment to pension and benefits	(92,095)	(50,216)	(10,965)	(12,040)	(165,316)
34	Adjustment to rent	(9,122)	(5,442)	(1,333)	(1,541)	(17,437)
35	Adjustment to insurance	56,666	26,415	(6,285)	(1,634)	75,162
36	Adjustment to office utility	(13,735)	(6,797)	(1,297)	(1,513)	(23,343)
37	Adjustment to miscellaneous	(361,511)	(111,313)	(9,065)	(11,591)	(493,480)
38	Adjustment to depreciation expense	(341,619)	(307,889)	(22,102)	(2,532)	(674,141)
39	Adjustment to amortization expense - CIAC	0	0	0	(0)	0
40	Adjustment to amortization expense - PAA	(2,959)	251	(1,217)	(336)	(4,261)

CAROLINA WATER SERVICE, INC. OF NC

Docket No. W-354, Sub 384

**CALCULATION OF GROSS REVENUE
IMPACT OF PUBLIC STAFF ADJUSTMENTS**
For The Rate Year Ended March 31, 2025

Public Staff Settlement Exhibit 1
Schedule RY 2

Rate Year 2

Line No.	Item	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH/TC Sewer (d)	Total
41	Adjustment to franchise tax	(7,621)	(5,901)	177	195	(13,151)
42	Adjustment to property tax	(19,499)	(19,764)	(3,522)	(3,282)	(46,067)
43	Adjustment to payroll tax	(6,885)	(4,107)	(827)	(846)	(12,665)
44	Adjustment to reflect reg rate change impact on oper deduction	1,991	1,480	200	237	3,908
45	Adjustment to reflect regulatory rate change impact on rate base	821	818	66	145	1,850
46	Rounding	0	0	0	0	0
47	Revenue impact of Public Staff adjustments (Sum of L4 thru L47)	<u>(1,605,305)</u>	<u>(2,262,637)</u>	<u>(284,326)</u>	<u>(110,762)</u>	<u>(4,263,030)</u>
48	Increase/(decrease) per Public Staff before revenue cap (L3 + L47)	<u>\$ (98,742)</u>	<u>\$ (398,378)</u>	<u>\$ (48,873)</u>	<u>\$ 520,019</u>	<u>\$ (25,974)</u>
49	Adjustment to Statutory Cap Limited	<u>(122,843)</u>	<u>0</u>	<u>\$ (34,401)</u>	<u>\$ (577,392)</u>	<u>\$ (734,636)</u>
50	Increase/(decrease) to Revenue Requirement (L48+L49)	<u>\$ (221,585)</u>	<u>\$ (398,378)</u>	<u>\$ (83,274)</u>	<u>\$ (57,373)</u>	<u>\$ (760,610)</u>

CAROLINA WATER SERVICE, INC. OF NC
Docket No. W-354, Sub 384
CALCULATION OF GROSS REVENUE
IMPACT OF PUBLIC STAFF ADJUSTMENTS
For The Rate Year Ended March 31, 2026

Public Staff Settlement Exhibit 1
Schedule RY 3

Rate Year 3

Line No.	<u>Item</u>	CWSNC Water (a)	CWSNC Sewer (b)	BF/FH/TC Water (c)	BF/FH/TC Sewer (d)	Total
1	Increase/(decrease) in total revenue per Company application	\$ 1,041,973	\$ 1,131,288	\$ 101,601	\$ 133,312	\$ 2,408,174
2	Company 9.19.22 updates	241,443	430,518	75,692	291,888	1,039,541
3	Increase/(decrease) in total revenue per Company updates	<u>1,283,416</u>	<u>1,561,806</u>	<u>177,293</u>	<u>425,200</u>	<u>3,447,715</u>
Difference in calculation of revenue requirement based on Company amounts						
4		(1)	1	(1)	(0)	(2)
5	Adjust capital structure to 50% debt and 50% equity	0	0	0	0	0
6	Adjust return on equity from 10.70% to 9.25%	(905,554)	(953,317)	(77,553)	(177,150)	(2,113,574)
7	Adjust debt cost rate from 4.64% to 4.64%	0	0	0	0	0
8	Adjustment to uncollectibles	(71,785)	(55,428)	(5,538)	(13,487)	(146,238)
9	Adjustment to forfeited discounts	10,633	(5,177)	181	211	5,848
10	Adjustment to miscellaneous revenues	(18,373)	(10,961)	(1,182)	(1,210)	(31,726)
11	Update revenues to 8/31/2022	1,021,621	392,354	30,107	443,998	1,888,080
12	Adjustment to plant in service	(105,980)	245,912	(39,403)	(75,996)	24,533
13	Adjustment to accumulated depreciation	(374,415)	(204,630)	(72,679)	(25,616)	(677,340)
14	Adjustment to cash working capital	(15,122)	(5,110)	(166)	(1,531)	(21,929)
15	Adjustment to deferred charges	(33,741)	(21,618)	(4,435)	(4,752)	(64,546)
16	Adjustment to average tax accruals	(13,799)	(11,183)	(956)	(226)	(26,164)
17	Adjustment to PAA	11,911	496	(971)	(4,468)	6,968
18	Adjustment to CIAC	32,668	25,762	3,802	6,743	68,975
19	Adjustment to ADIT	25,634	(3,296)	(2,278)	(4,790)	15,270
20	Adjustment to EDIT	(84,353)	(50,326)	(11,161)	(11,423)	(157,263)
21	Adjustment to purchased power	(37,587)	(43,696)	(5,073)	(13,711)	(100,068)
22	Adjustment to purchased water/sewer	0	0	0	0	0
23	Adjustment to maintenance and repair	(41,731)	(65,826)	(3,039)	(30,977)	(141,573)
24	Adjustment to maintenance testing	(12,699)	(14,751)	(645)	(1,869)	(29,964)
25	Adjustment to meter reading	(27,609)	(203)	(4,109)	(109)	(32,030)
26	Adjustment to chemicals	(78,713)	(5,099)	(3,331)	(9,675)	(96,818)
27	Adjustment to transportation	(42,021)	(21,506)	(8,991)	(9,912)	(82,431)
28	Adjustment to capitalized time	(4,691)	(2,799)	(564)	(577)	(8,630)
29	Adjustment to outside services - other	(23,208)	(12,266)	(2,135)	(2,641)	(40,250)
30	Adjustment to general salaries and wages	(85,228)	(50,848)	(10,240)	(10,482)	(156,797)

CAROLINA WATER SERVICE, INC. OF NC
Docket No. W-354, Sub 384
CALCULATION OF GROSS REVENUE
IMPACT OF PUBLIC STAFF ADJUSTMENTS
For The Rate Year Ended March 31, 2026

Public Staff Settlement Exhibit 1
Schedule RY 3

Rate Year 3

Line No.	Item	CWSNC Water	CWSNC Sewer	BF/FH/TC Water	BF/FH/TC Sewer	Total
		(a)	(b)	(c)	(d)	
31	Adjustment to office supplies and other office exp.	(21,926)	(9,761)	(2,344)	(2,929)	(36,959)
32	Adjustment to regulatory commission expense	(159,237)	(93,838)	(19,335)	(20,022)	(292,432)
33	Adjustment to pension and benefits	(98,579)	(49,077)	(11,639)	(13,602)	(172,897)
34	Adjustment to rent	(9,341)	(5,573)	(1,609)	(2,014)	(18,536)
35	Adjustment to insurance	40,632	9,368	(10,659)	(9,053)	30,289
36	Adjustment to office utility	(15,999)	(7,187)	(1,499)	(1,854)	(26,539)
37	Adjustment to miscellaneous	(402,374)	(118,023)	(12,639)	(17,690)	(550,727)
38	Adjustment to depreciation expense	(398,878)	(208,056)	(39,851)	(57,245)	(704,029)
39	Adjustment to amortization expense - CIAC	0	0	0	(0)	0
40	Adjustment to amortization expense - PAA	(2,537)	377	(1,338)	(673)	(4,171)
41	Adjustment to franchise tax	(9,766)	(7,303)	225	255	(16,589)
42	Adjustment to property tax	(28,495)	(31,465)	(4,491)	(5,094)	(69,545)
43	Adjustment to payroll tax	(7,091)	(4,230)	(852)	(872)	(13,045)
44	Adjustment to reflect reg rate change impact on oper deduction	2,056	1,523	208	251	4,038
45	Adjustment to reflect regulatory rate change impact on rate base	884	931	77	172	2,064
46	Rounding	0	0	0	0	0
47	Revenue impact of Public Staff adjustments (Sum of L4 thru L47)	<u>(1,984,795)</u>	<u>(1,395,831)</u>	<u>(326,104)</u>	<u>(80,015)</u>	<u>(3,786,746)</u>
48	Increase/(decrease) per Public Staff before revenue cap (L3 + L47)	<u>\$ (701,379)</u>	<u>\$ 165,975</u>	<u>\$ (148,811)</u>	<u>\$ 345,185</u>	<u>\$ (339,031)</u>
49	Adjustment to Statutory Cap Limited	0	(797,035)	0	(498,746)	\$ (1,295,781)
50	Increase/(decrease) to Revenue Requirement (L48+L49)	<u>\$ (701,379)</u>	<u>\$ (631,060)</u>	<u>\$ (148,811)</u>	<u>\$ (153,562)</u>	<u>\$ (1,634,812)</u>