

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 384
Summary of Rate Case Adjustments
Test Year: March 31, 2021

W1-10
Updated 10/08/21

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

Adjustment #	Description	Updated?	Adjustment Type	Cost Category	Filing Exhibit Schedule	Support Schedule	Adjustment Amount				Total Adjustment	
							Uniform Water	Uniform Sewer	BF/EH/TC Water	BF/EH/TC Sewer		
1	Allocation Adjustment - re-allocate Plant In-Service, A/D, ADIT based on 25% ratio for Availability ERCs:											
	Plant In-Service	N	Book	Allocated	A-1a, A-1b	Schedule 1	(241,987.12)	(143,714.32)	(29,378.70)	(30,040.14)	(445,120.28)	
	Accumulated Depreciation	N	Book	Allocated	A-2a, A-2b	Schedule 1	185,519.54	110,178.65	22,523.19	23,030.29	341,251.67	
	Accumulated Deferred Income Taxes	N	Book	Allocated	A-6a, A-6b	Schedule 1	(489.74)	(290.85)	(59.46)	(60.80)	(900.84)	
2	Adjust cash working capital for changes in maintenance and general expenses:											
	Book Adjustment	Y	Book	Direct & Allocated	A-3a, A-3b	A-3a, A-3b	51,597.24	90,586.01	5,439.16	9,380.34	157,002.75	
	Pro-Forma Adjustment	Y	Pro-Forma	Direct & Allocated	A-3a, A-3b	A-3a, A-3b	37,181.63	65,720.84	22,519.98	18,523.10	143,945.55	
3	Adjust book ADIT for state and federal for prior order adjustments not recorded:											
	State	N	Pro-Forma	Direct	A-6a, A-6b	Schedule 3	109,241.18	44,861.90	49,419.36	(23,288.36)	180,234.08	
	Federal	N	Pro-Forma	Direct	A-6a, A-6b	Schedule 3	722,222.47	(1,350,072.38)	237,141.56	(404,633.47)	(795,341.82)	
4	Include Cost Free Capital as approved in W-354, Sub 266	N	Book	Direct Cost	A-12a	Schedule 4	(121,791.00)	(139,708.00)	-	-	(261,499.00)	
5	Avg. Tax Accruals - Adjust Regulatory Fee for pro-forma service revenues * 0.13%:											
	Book Adjustment	N	Book	Direct & Allocated	A-13a, A-13b	A-13a, A-13b	(5,313.00)	(4,281.00)	(74.00)	(137.00)	(9,805.00)	
	Pro-Forma Adjustment	Y	Pro-Forma	Pro-Forma	A-13a, A-13b	A-13a, A-13b	5,196.24	4,145.03	372.45	595.41	10,309.13	
6	Include unamortized balance of Federal Protected EDIT:											
	Unamortized Federal Protected EDIT reserve	N	Book	Direct	A-14a, A-14b	Schedule 6	(1,984,185.34)	(1,178,367.00)	(296,293.98)	(303,006.14)	(3,761,852.46)	
7	Adjust Deferred Charges and Amortization of Rate Case Expenses:											
	Remove all Test Year cost in Deferred Charges & Rate Case Expense balances	N	Book	Direct	A-15a, A-15b	A-15a, A-15b	(1,108,182.79)	(2,212,178.51)	(141,070.96)	(94,213.38)	(3,555,645.64)	
8	Include W-354, Sub 384 estimated rate case expense. In addition to unamortized balance from prior cases	N	Pro-Forma	Direct	A-15a, A-15b	Schedule 8	555,554.00	333,082.00	66,840.00	69,156.00	1,024,632.00	
8	To adjust annual rate case amortization expense	N	Pro-Forma	Direct	B-15a, B-15b	Schedule 8	24,691.55	19,379.22	1,166.47	1,460.47	46,697.71	
9a	To Adjust non-rate case expense deferred charges to reflect unamortized balances as of 4/1/2022	Y	Pro-Forma	Direct	A-15a, A-15b	Schedule 9a	595,546.91	636,264.56	53,165.63	-	1,284,977.10	
9b	To adjust deferred charges annualized expenses	Y	Pro-Forma	Direct	B-8a, B-8b	Schedule 9b	(191,229.73)	(115,222.91)	(8,110.35)	(15,895.85)	(330,458.84)	
9c	Adjust Maintenance Testing Expense to current testing schedule costs	Y	Pro-Forma	Direct	B-9a, B-9b	Schedule 9c	8,334.82	(8,631.08)	(6,971.65)	5,355.44	(1,912.47)	
10	Include Pro-Forma Plant											
	Include post Test Year pro-forma plant additions (non-project) through 08/31/21	Y	Pro-Forma	Direct	A-1a, A-1b	Schedule 10	1,500,133.43	778,119.12	59,444.93	162,680.89	2,500,378.37	
	Include post Test Year pro-forma A/D (non-project) through 08/31/21	Y	Pro-Forma	Direct	A-2a, A-2b	Schedule 10	(1,160,128.29)	(1,043,743.31)	49,179.15	154,972.81	(1,999,719.64)	
	Include post Test Year pro-forma CIAC through 08/31/21	Y	Pro-Forma	Direct	A-4a, A-4b	Schedule 10	5,686.00	27,016.56	(23,194.00)	57,901.00	67,409.56	
	Include post Test Year pro-forma plant additions	Y	Pro-Forma	Direct	A-15a, A-15b	Schedule 10	1,426,815.00	1,952,778.00	-	1,344,472.00	4,724,065.00	
	Include retirements associated with post Test Year pro-forma plant additions	Y	Pro-Forma	Direct	A-15a, A-15b	Schedule 10	(117,145.00)	(313,017.00)	-	(52,685.00)	(482,847.00)	
	Include incremental accumulated depreciation associated with post Test Year pro-forma plant	Y	Pro-Forma	Direct	A-15a, A-15b	Schedule 10	(28,160.00)	(41,322.00)	-	(30,397.00)	(99,879.00)	
	Include depreciation expense associated with pro-forma plant	Y	Pro-Forma	Direct	B-21a, B-21b	Schedule 10	28,160.00	41,322.00	-	30,397.00	99,879.00	
11	To reclass Test Year Corporate Allocations											
	Salaries & Wages	N	Book	Allocated	B-4a, B-4b	Schedule 11	(585,522.95)	(330,321.28)	(84,112.35)	(81,856.53)	(1,081,813.10)	
	Salary Captive	N	Book	Allocated	B-5a, B-5b	Schedule 11	14,160.48	8,050.93	2,140.38	1,994.35	26,346.15	
	Maintenance & Repair	N	Book	Allocated	B-8a, B-8b	Schedule 11	(10,398.17)	(5,825.23)	(1,419.12)	(1,443.27)	(19,085.79)	
	Transportation	N	Book	Allocated	B-12a, B-12b	Schedule 11	(59.95)	(33.82)	(8.72)	(8.40)	(110.89)	
	Outside Services	N	Book	Allocated	B-13a, B-13b	Schedule 11	26,371.77	14,767.29	3,332.94	3,717.17	48,189.17	
	Office Supplies & Other Exp	N	Book	Allocated	B-14a, B-14b	Schedule 11	(204,974.12)	(114,898.54)	(28,142.20)	(28,696.90)	(376,711.77)	
	Pension & Other Benefits	N	Book	Allocated	B-16a, B-16b	Schedule 11	(121,114.19)	(68,201.41)	(17,193.16)	(16,898.86)	(223,407.61)	
	Rent Expense	N	Book	Allocated	B-17a, B-17b	Schedule 11	(47,848.65)	(27,008.26)	(6,899.26)	(6,692.71)	(88,448.88)	
	Insurance Expense	N	Book	Allocated	B-18a, B-18b	Schedule 11	(10,755.20)	(6,065.93)	(1,541.89)	(1,503.12)	(19,866.13)	
	Office Utilities	N	Book	Allocated	B-19a, B-19b	Schedule 11	(82,805.23)	(46,632.43)	(11,777.11)	(11,555.98)	(152,770.75)	
	Bad Debt Expense	N	Book	Allocated	B-1a, B-1b	Schedule 11	(888.67)	(504.81)	(133.28)	(125.05)	(1,457.81)	
	Miscellaneous Expense	N	Book	Allocated	B-20a, B-20b	Schedule 11	(29,774.97)	(16,790.00)	(4,171.55)	(4,152.24)	(54,888.76)	
	Travel	N	Book	Allocated	B-20a, B-20b	Schedule 11	(3,114.64)	(1,784.82)	(497.39)	(442.41)	(5,839.26)	
	Depreciation Expense	N	Book	Allocated	B-21a, B-21b	Schedule 11	(225,061.34)	(120,649.72)	(31,350.67)	(30,004.56)	(407,066.29)	
	Taxes other than Income	N	Book	Allocated	B-25a, B-25b	Schedule 11	(56,218.93)	(31,642.35)	(7,972.34)	(7,841.94)	(103,675.55)	
	Corporate Allocation	N	Book	Allocated	B-20a, B-20b	Schedule 11	1,338,004.76	747,540.38	189,745.72	185,510.44	2,460,801.30	
12	Adjust Service Revenues to pro-forma present rate levels	Y	Book	Direct	B-1a, B-1b	Schedule E	452,214.45	132,690.64	13,412.67	26,394.93	624,712.69	
	Adjust Miscellaneous Revenues:											
13	Adjust Late Payment Charges	Y	Book	Direct	B-1a, B-1b	B-3a, B-3b	63,060.97	38,680.72	4,841.33	5,688.20	112,271.22	
14	Remove Allocated Misc. Revenues	N	Book	Allocated	B-1a, B-1b	B-1a, B-1b	(106.94)	(63.54)	-	-	(170.48)	

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							Uniform Water	Uniform Sewer	BE/EH/TC Water	BE/EH/TC Sewer		
15	Update Salaries & Wages to reflect new going level rates and headcount:											
	Adjustment to reflect going level pay rates and headcount	Y	Pro-Forma	Direct	B-4a, B-4b	Schedule 15	107,581.79	353,783.41	208,351.51	176,415.27		846,131.98
	Adjustment to reflect updated payroll taxes based on going level salary and wages update	Y	Pro-Forma	Direct	B-25a, B-25b	Schedule 15	31,111.88	35,624.42	13,187.16	13,515.70		93,439.16
16	Adjust Power Expense for vendor price changes since start of Test Year	N	Pro-Forma	Direct	B-6a, B-6b	Schedule 16	7,492.23	4,357.93	156.47	-		12,006.62
17	Adjust Purchased Water/Purchased Sewer Expense for vendor price changes since start of Test Year	Y	Pro-Forma	Direct	B-7a	Schedule 17	83,571.90	53,209.68	-	-		136,781.58
18	Remove Unrecoverable Expenses:											
	Lobbying	Y	Book	Allocated	B-13a, B-13b	Schedule 18	(39,856.59)	(23,670.52)	(4,586.40)	(4,970.89)		(73,084.40)
	Charitable Donations	N	Book	Allocated	B-20a, B-20b	Schedule 18	(16,279.01)	(9,111.75)	(2,213.90)	(2,255.40)		(29,860.06)
	Penalties/Fines	N	Book	Direct & Allocated	B-20a, B-20b	B-20a, B-20b	(1,717.31)	(6,354.87)	(65.88)	(67.03)		(8,205.09)
	Regulatory Fees	Y	Book	Allocated	B-15a, B-15b	Schedule 18	(2,110.02)	(1,253.12)	(256.17)	(261.94)		
19	Remove Test Year entries related to Sub 364 Proceeding:											
	Remove Test Year entries related to Sub 364 Proceeding deferred accounting and acquisition cost	N	Book	Direct	B-20a, B-20b	B-20a, B-20b	-	167,085.00	-	-		167,085.00
	Remove Test Year entries related to Sub 364 Proceeding deferred accounting and acquisition cost	N	Book	Direct & Allocated	B-20a, B-20b	B-20a, B-20b	176,517.45	438,181.80	9,875.10	43,333.79		667,908.14
20	Adjust Chemicals Expense for vendor price changes since start of Test Year	Y	Pro-Forma	Direct	B-11a, B-11b	Schedule 20	98,773.72	14,116.99	2,912.74	94.40		115,897.85
21	Adjust rent expense for going level rates	N	Pro-Forma	Direct	B-17a, B-17b	Schedule 21	(6,149.19)	2,733.29	3,952.45	3,976.43		4,512.98
22	Reclassify Customer Deposit Interest as Miscellaneous Expense	N	Book	Direct	B-20a, B-20b	Schedule 22	14,055.69	7,872.33	1,304.20	1,286.88		24,519.10
23	To Include Payment Processing Fees and Water Efficiency Program Noticing Cost	N	Pro-Forma	Direct	B-14a, B-14b	Schedule 23	156,345.83	92,852.61	18,981.33	19,408.68		287,588.44
24	Adjust Insurance Expense to annualize current policy premiums											
	General Liability Insurance	Y	Pro-Forma	Direct	B-18a, B-18b	Schedule 24	(57,490.75)	(24,223.26)	(11,146.41)	(11,285.69)		(104,146.11)
	Property Insurance	Y	Pro-Forma	Direct	B-18a, B-18b	Schedule 24	22,251.70	133,565.61	26,273.36	26,888.70		208,979.37
	Vehicle Insurance	Y	Pro-Forma	Direct	B-18a, B-18b	Schedule 24	5,780.12	5,570.87	(26.75)	(174.87)		11,149.37
	Uninsured Losses	Y	Pro-Forma	Direct	B-18a, B-18b	Schedule 24	47,471.54	28,581.79	7,118.48	7,278.75		90,450.56
	Other Insurance	Y	Pro-Forma	Direct	B-18a, B-18b	Schedule 24	(7,225.76)	(2,757.01)	(1,533.68)	(1,544.89)		(13,061.34)
	To reflect pro-forma Corix Shared Service Cost to North Carolina											
25a	Fusion Oracle ERP Rate Base Addition	Y	Pro-Forma	Direct	A-15a, A-15b	Schedule 25a	989,979.00	587,941.00	120,189.00	122,895.00		1,821,004.00
25a	Fusion Oracle ERP Accumulated Amortization	Y	Pro-Forma	Direct	A-15a, A-15b	Schedule 25a	(173,791.00)	(103,213.00)	(21,099.00)	(21,574.00)		(319,677.00)
25b	Corporate Cost	Y	Pro-Forma	Direct	B-20a, B-20b	Schedule 25b	(396,520.33)	(145,730.69)	(93,593.88)	(86,482.74)		(722,327.64)
25b	Regional Cost	Y	Pro-Forma	Direct	B-20a, B-20b	Schedule 25b	140,122.35	85,775.41	15,945.73	16,341.99		258,185.48
25b	Fusion Oracle ERP Regulatory Asset Amortization	Y	Pro-Forma	Direct	B-15a, B-15b	Schedule 25b	13,682.03	8,125.65	1,661.08	1,698.48		25,167.24
26	Adjust Regulatory Fee (Utility/Commission Tax) for proposed revenues											
	Remove test year amount	Y	Book	Direct	B-25a, B-25b	B-25a, B-25b	(26,564.73)	(21,405.11)	(372.25)	(685.35)		(49,027.44)
	Include annualized amount to reflect going level based on proposed revenues	Y	Pro-Forma	Direct	B-25a, B-25b	B-25a, B-25b	29,319.00	23,098.00	2,471.00	3,493.00		58,381.00

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Schedule A
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Combined Operations - CWS - NC Uniform
Rate Base and Rate of Return

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Line No.	Description	As-Filed	Updated	Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1	Net Operating Income	7,255,960	6,688,625	(567,335)	Schedule B
2	Gross Plant In Service	229,156,375	231,434,628	2,278,253	Schedule 10
3	Accumulated Depreciation	(60,541,379)	(62,745,251)	(2,203,872)	Schedule 10
4	Net Plant In Service	168,614,996	168,689,377	74,381	
5	Cash Working Capital	2,392,265	2,492,936	100,671	Per O&M Updates
6	Contributions In Aid of Construction	(34,067,243)	(34,034,540)	32,702	Schedule 10
7	Advances in Aid of Construction	(32,940)	(32,940)	-	
8	Accumulated Deferred Income Taxes	(6,273,119)	(6,273,119)	-	
9	Customer Deposits	(277,503)	(277,503)	-	
10	Inventory	230,966	230,966	-	
11	Gain on Sale and Flowback Taxes	-	-	-	
12	Net Plant Acquisition Adjustment	(1,594,202)	(1,594,202)	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	(261,499)	(261,499)	-	
15	Average Tax accruals	125,597	125,648	51	At 0.13% rate
16	Excess Deferred Taxes	(3,162,552)	(3,162,552)	-	
17	Deferred Charges	1,531,627	2,120,447	588,820	Schedule 9
18	Pro Forma Plant	5,785,790	4,180,864	(1,604,926)	Schedule 10, 25a
19	Total Rate Base	133,012,184	132,203,883	(808,301)	
20	Return on Rate Base	5.46%	5.06%		

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Schedule A
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Water Operations - CWS - NC - Uniform
Rate Base and Rate of Return

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Line No.	Description	As-Filed		Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1	Net Operating Income	3,827,348	3,345,720	(481,628)	Schedule B
2	Gross Plant In Service	121,358,897	122,859,030	1,500,133	Schedule 10
3	Accumulated Depreciation	(33,692,531)	(34,852,660)	(1,160,128)	Schedule 10
4	Net Plant In Service	87,666,365	88,006,370	340,005	
5	Cash Working Capital	1,357,361	1,425,901	68,540	Per O&M Updates
6	Contributions In Aid of Construction	(17,018,003)	(17,012,317)	5,686	Schedule 10
7	Advances in Aid of Construction	(20,666)	(20,666)	-	
8	Accumulated Deferred Income Taxes	(2,883,849)	(2,883,849)	-	
9	Customer Deposits	(178,310)	(178,310)	-	
10	Inventory	137,825	137,825	-	
11	Gain on Sale and Flowback Taxes	-	-	-	
12	Net Plant Acquisition Adjustment	(1,946,044)	(1,946,044)	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	(121,791)	(121,791)	-	
15	Average Tax accruals	111,688	111,699	11	At 0.13% rate
16	Excess Deferred Taxes	(1,984,185)	(1,984,185)	-	
17	Deferred charges	1,198,545	1,151,101	(47,445)	Schedule 9
18	Pro Forma Plant	2,103,047	2,097,697	(5,350)	Schedule 10, 25a
19	Total Rate Base	68,421,985	68,783,433	361,448	
20	Return on Rate Base	5.59%	4.86%		

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Carolina Water Service, Inc. of North Carolina
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Schedule A
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Sewer Operations - CWS - NC - Uniform
Rate Base and Rate of Return

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Line No.	Description	As-Filed		Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
			[G]		
1	Net Operating Income	3,428,612	3,342,905	(85,707)	Schedule B
2	Gross Plant In Service	107,797,479	108,575,598	778,119	Schedule 10
3	Accumulated Depreciation	(26,848,848)	(27,892,591)	(1,043,743)	Schedule 10
4	Net Plant In Service	80,948,631	80,683,006	(265,624)	
5	Cash Working Capital	1,034,904	1,067,035	32,131	Per O&M Updates
6	Contributions In Aid of Construction	(17,049,240)	(17,022,223)	27,017	Schedule 10
7	Advances in Aid of Construction	(12,274)	(12,274)	-	
8	Accumulated Deferred Income Taxes	(3,389,270)	(3,389,270)	-	
9	Customer Deposits	(99,193)	(99,193)	-	
10	Inventory	93,141	93,141	-	
11	Gain on Sale and Flowback Taxes	-	-	-	
12	Net Plant Acquisition Adjustment	351,841	351,841	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	(139,708)	(139,708)	-	
15	Average Tax accruals	13,909	13,949	40	At 0.13% rate
16	Excess Deferred Taxes	(1,178,367)	(1,178,367)	-	
17	Deferred Charges	333,082	969,347	636,265	Schedule 9
18	Pro Forma Plant, Net of Retirements	3,682,743	2,083,167	(1,599,576)	Schedule 10, 25a
19	Total Rate Base	64,590,199	63,420,450	(1,169,749)	
20	Return on Rate Base	5.31%	5.27%		

Combined Operations - Brafield Farms / Fairfield Harbour / Treasure Cove
Rate Base and Rate of Return

Line No.	Description	As-Filed	Updated	Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1	Net Operating Income	443,770	319,797	(123,973)	Schedule B
2	Gross Plant In Service	21,879,607	22,101,733	222,126	Schedule 10
3	Accumulated Depreciation	(5,661,105)	(5,456,953)	204,152	Schedule 10
4	Net Plant In Service	16,218,501	16,644,779	426,278	
5	Cash Working Capital	336,036	351,655	15,619	Per O&M Updates
6	Contributions In Aid of Construction	(4,896,090)	(4,861,383)	34,707	Schedule 10
7	Advances in Aid of Construction	-	-	-	
8	Accumulated Deferred Income Taxes	(879,736)	(879,736)	-	
9	Customer Deposits	(36,303)	(36,303)	-	
10	Inventory	7,464	7,464	-	
11	Gain on Sale and Flowback Taxes	-	-	-	
12	Net Plant Acquisition Adjustment	902,090	902,090	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	-	-	-	
15	Average Tax accruals	10,433	10,431	(2)	At 0.13% rate
16	Excess Deferred Taxes	(599,300)	(599,300)	-	
17	Deferred Charges	210,364	189,162	(21,202)	Schedule 9
18	Pro Forma Plant	1,781,686	1,461,801	(319,885)	Schedule 10, 25a
19	Total Rate Base	13,055,145	13,190,659	135,515	
20	Return on Rate Base	3.40%	2.42%		

Water Operations - Brafield Farms / Fairfield Harbour / Treasure Cove
Rate Base and Rate of Return

Line No.	Description	As-Filed		Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
			[G]		
1	Net Operating Income	(38,796)	(93,418)	(54,622)	Schedule B
2	Gross Plant In Service	6,809,229	6,868,674	59,445	Schedule 10
3	Accumulated Depreciation	(2,376,707)	(2,327,528)	49,179	Schedule 10
4	Net Plant In Service	4,432,522	4,541,146	108,624	
5	Cash Working Capital	165,647	173,669	8,022	Per O&M Updates
6	Contributions In Aid of Construction	(1,048,011)	(1,071,205)	(23,194)	Schedule 10
7	Advances in Aid of Construction	-	-	-	
8	Accumulated Deferred Income Taxes	(99,444)	(99,444)	-	
9	Customer Deposits	(19,338)	(19,338)	-	
10	Inventory	5,285	5,285	-	
11	Gain on Sale and Flowback Taxes	-	-	-	
12	Net Plant Acquisition Adjustment	(2,046)	(2,046)	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	-	-	-	
15	Average Tax accruals	8,599	8,598	(1)	At 0.13% rate
16	Excess Deferred Taxes	(296,294)	(296,294)	-	
17	Deferred charges	141,208	120,006	(21,202)	Schedule 9
18	Pro Forma Plant	99,997	99,090	(907)	Schedule 10, 25a
19	Total Rate Base	3,388,124	3,459,467	71,343	
20	Return on Rate Base	-1.15%	-2.70%		

Sewer Operations - Brafield Farms / Fairfield Harbour / Treasure Cove
Rate Base and Rate of Return

Line No.	Description	As-Filed		Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
			[G]		
1	Net Operating Income	482,565	413,214	(69,351)	Schedule B
2	Gross Plant In Service	15,070,378	15,233,059	162,681	Schedule 10
3	Accumulated Depreciation	(3,284,399)	(3,129,426)	154,973	Schedule 10
4	Net Plant In Service	11,785,979	12,103,633	317,654	
5	Cash Working Capital	170,389	177,986	7,596	Per O&M Updates
6	Contributions In Aid of Construction	(3,848,079)	(3,790,178)	57,901	Schedule 10
7	Advances in Aid of Construction	-	-	-	
8	Accumulated Deferred Income Taxes	(780,292)	(780,292)	-	
9	Customer Deposits	(16,965)	(16,965)	-	
10	Inventory	2,179	2,179	-	
11	Gain on Sale and Flowback Taxes	-	-	-	
12	Net Plant Acquisition Adjustment	904,137	904,137	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	-	-	-	
15	Average Tax accruals	1,834	1,832	-	(1) At 0.13% rate
16	Excess Deferred Taxes	(303,006)	(303,006)	-	
17	Deferred Charges	69,156	69,156	-	Schedule 9
18	Pro Forma Plant, Net of Retirements	1,681,689	1,362,711	(318,978)	Schedule 10, 25a
19	Total Rate Base	9,667,021	9,731,192	64,172	
20	Return on Rate Base	4.99%	4.25%		

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 384
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Combined Operations - CWS - NC Uniform
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Line No.	Description	As-Filed	Updated	Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1	Operating Revenues				
2	Service Revenues - Water	19,942,681.00	19,985,529.00	42,848.00	Schedule E
3	Service Revenues - Sewer	15,788,677.00	15,942,434.00	153,757.00	Schedule E
4	Miscellaneous Revenues	230,921.74	231,425.55	503.81	Late Fees Calc
5	Uncollectible Accounts	(299,278.41)	(299,278.41)	-	
6	Total Operating Revenues	35,663,001.33	35,860,110.14	197,108.81	
7	Maintenance Expenses				
8	Salaries and Wages	-	-	-	
9	Purchased Power	1,865,205.00	1,865,205.00	-	
10	Purchased Water / Sewer	2,402,981.33	2,514,662.86	111,681.53	Schedule 17
11	Maintenance and Repair	3,295,823.80	2,989,371.16	(306,452.64)	Schedule 9b
12	Maintenance Testing	540,413.06	540,116.80	(296.26)	Schedule 9c
13	Meter Reading	223,864.76	223,864.76	-	
14	Chemicals	684,542.28	776,967.81	92,425.53	Schedule 20
15	Transportation	346,472.59	346,472.59	-	
16	Operating Exp. Charged to Plant	(434,423.42)	(434,423.42)	-	
17	Outside Services - Other	66,273.81	57,436.21	(8,837.60)	Schedule 18
18	Total	8,991,153.22	8,879,673.78	(111,479.44)	
19	General Expenses				
20	Salaries and Wages	5,155,563.49	5,748,474.36	592,910.87	Schedule 15
21	Office Supplies & Other Office Exp.	526,791.37	526,791.37	-	
22	Regulatory Commission Exp.	299,948.83	317,536.47	17,587.64	Schedule 18, 25
23	Pension & Other Benefits	1,114,045.06	1,114,045.06	-	
24	Rent	224,371.00	224,371.00	-	
25	Insurance	836,156.80	1,056,956.62	220,799.82	Schedule 24
26	Office Utilities	438,890.90	438,890.90	-	
27	Miscellaneous	3,954,181.99	4,151,412.02	197,230.03	Schedule 25
28	Total	12,549,949.44	13,578,477.81	1,028,528.37	
29	Depreciation	6,432,773.09	6,415,392.48	(17,380.62)	Schedule 10
30	Amortization of PAA	(136,578.81)	(136,578.81)	-	
31	Payroll Taxes	396,929.28	443,336.39	46,407.11	Schedule 15
32	Franchise Tax	97,958.58	97,958.58	-	
33	Gross Receipts Tax	-	-	-	
34	Property Taxes	238,186.68	238,186.68	-	
35	Special Assessments	(23,103.65)	(23,103.65)	-	
36	Utility/Commission Tax	-	-	-	
37	Other General Taxes	35,806.67	35,806.67	-	
38	Income Taxes - Federal	1,012,068.67	861,257.97	(150,810.69)	
39	Income Taxes - State	123,573.71	105,159.70	(18,414.00)	
40	Amortization of ITC	(519.00)	(519.00)	-	
41	Amortization of CIAC	(1,311,156.59)	(1,323,563.03)	(12,406.44)	
42	Total	6,865,938.62	6,713,333.97	(152,604.64)	
43	Total Operating Expenses	28,407,041.28	29,171,485.56	764,444.28	
44	Net Operating Income	7,255,960.05	6,688,624.58	(567,335.47)	
45	Other Income	-	-	-	
46	Interest During Construction	-	-	-	
47	Interest on Debt	3,448,460.73	3,448,460.73	-	
48	Net Income	3,807,499.00	3,240,164.00	(567,335.00)	
49	Add: Interest Expense	3,448,460.73	3,448,460.73	-	
50	Net Income for Return	7,255,959.73	6,688,624.73	(567,335.00)	

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 384
Summary of Rate Case Adjustments
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Schedule B
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Water Operations - CWS - NC - Uniform
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Line No.	Description	As-Filed	Pro-forma Adjusted Under Present Rates	Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates			
			[G]		
1	Operating Revenues				
2	Service Revenues - Water	19,942,681.00	19,985,529.00	42,848.00	Schedule E
3	Service Revenues - Sewer	-	-	-	Schedule E
4	Miscellaneous Revenues	160,160.31	160,293.57	133.26	Late Fees Calc
5	Uncollectible Accounts	(209,831.74)	(209,831.74)	-	
6	Total Operating Revenues	19,893,009.56	19,935,990.82	42,981.26	
7	<u>Maintenance Expenses</u>				
8	Salaries and Wages	-	-	-	
9	Purchased Power	1,073,381.03	1,073,381.03	-	
10	Purchased Water / Sewer	1,524,234.45	1,588,925.40	64,690.95	Schedule 17
11	Maintenance and Repair	1,326,634.92	1,135,405.19	(191,229.73)	Schedule 9b
12	Maintenance Testing	216,299.08	224,633.90	8,334.82	Schedule 9c
13	Meter Reading	215,163.23	215,163.23	-	
14	Chemicals	256,093.57	348,519.10	92,425.53	Schedule 20
15	Transportation	226,910.99	226,910.99	-	
16	Operating Exp. Charged to Plant	(293,983.65)	(293,983.65)	-	
17	Outside Services - Other	9,552.75	4,008.08	(5,544.67)	Schedule 18
18	Total	4,554,286.36	4,522,963.26	(31,323.10)	
19	<u>General Expenses</u>				
20	Salaries and Wages	3,235,826.99	3,606,563.52	370,736.53	Schedule 15
21	Office Supplies & Other Office Exp.	338,396.89	338,396.89	-	
22	Regulatory Commission Exp.	188,937.38	200,509.39	11,572.01	Schedule 18, 25
23	Pension & Other Benefits	718,543.37	718,543.37	-	
24	Rent	140,769.00	140,769.00	-	
25	Insurance	524,844.45	663,129.20	138,284.75	Schedule 24
26	Office Utilities	208,125.89	208,125.89	-	
27	Miscellaneous	2,473,394.69	2,597,135.81	123,741.12	Schedule 25
28	Total	7,828,838.66	8,473,173.08	644,334.41	
29	Depreciation	3,457,916.43	3,490,486.66	32,570.23	Schedule 10
30	Amortization of PAA	(102,531.13)	(102,531.13)	-	
31	Payroll Taxes	247,542.65	278,146.99	30,604.34	Schedule 15
32	Franchise Tax	60,471.80	60,471.80	-	
33	Gross Receipts Tax	-	-	-	
34	Property Taxes	214,908.34	214,908.34	-	
35	Special Assessments	(14,824.54)	(14,824.54)	-	
36	Utility/Commission Tax	-	-	-	
37	Other General Taxes	25,708.27	25,708.27	-	
38	Income Taxes - Federal	433,493.09	305,465.40	(128,027.70)	
39	Income Taxes - State	52,929.56	37,297.36	(15,632.20)	
40	Amortization of ITC	(325.62)	(325.62)	-	
41	Amortization of CIAC	(692,751.90)	(700,668.63)	(7,916.73)	
42	Total	3,682,536.96	3,594,134.90	(88,402.06)	
43	Total Operating Expenses	16,065,661.98	16,590,271.24	524,609.25	
44	<u>Net Operating Income</u>	3,827,347.58	3,345,719.58	(481,628.00)	
45	Other Income	-	-	-	
46	Interest During Construction	-	-	-	
47	Interest on Debt	2,196,587.85	2,196,587.85	-	
48	Net Income	1,630,760.00	1,149,132.00	(481,628.00)	
49	Add: Interest Expense	2,196,587.85	2,196,587.85	-	
50	Net Income for Return	3,827,347.85	3,345,719.85	(481,628.00)	

Carolina Water Service, Inc. of North Carolina
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Line No.	Description	As-Filed	Pro-forma	Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates	Adjusted Under Present Rates		
		[G]	[G]		
1	Operating Revenues				
2	Service Revenues - Water	-	-	-	Schedule E
3	Service Revenues - Sewer	15,788,677.00	15,942,434.00	153,757.00	Schedule E
4	Miscellaneous Revenues	70,761.43	71,131.99	370.55	Late Fees Calc
5	Uncollectible Accounts	(89,446.67)	(89,446.67)	-	
6	Total Operating Revenues	15,769,991.76	15,924,119.32	154,127.55	
7	Maintenance Expenses				
8	Salaries and Wages	-	-	-	
9	Purchased Power	791,823.97	791,823.97	-	
10	Purchased Water / Sewer	878,746.88	925,737.46	46,990.58	Schedule 17
11	Maintenance and Repair	1,969,188.88	1,853,965.97	(115,222.91)	Schedule 9b
12	Maintenance Testing	324,113.98	315,482.90	(8,631.08)	Schedule 9c
13	Meter Reading	8,701.53	8,701.53	-	
14	Chemicals	428,448.71	428,448.71	-	Schedule 20
15	Transportation	119,561.60	119,561.60	-	
16	Operating Exp. Charged to Plant	(140,439.77)	(140,439.77)	-	
17	Outside Services - Other	56,721.07	53,428.14	(3,292.93)	Schedule 18
18	Total	4,436,866.86	4,356,710.52	(80,156.34)	
19	General Expenses				
20	Salaries and Wages	1,919,736.50	2,141,910.84	222,174.34	Schedule 15
21	Office Supplies & Other Office Exp.	188,394.48	188,394.48	-	
22	Regulatory Commission Exp.	111,011.45	117,027.08	6,015.63	Schedule 18, 25
23	Pension & Other Benefits	395,501.69	395,501.69	-	
24	Rent	83,602.00	83,602.00	-	
25	Insurance	311,312.36	393,827.42	82,515.07	Schedule 24
26	Office Utilities	230,765.00	230,765.00	-	
27	Miscellaneous	1,480,787.30	1,554,276.21	73,488.91	Schedule 25
28	Total	4,721,110.78	5,105,304.73	384,193.95	
29	Depreciation	2,974,856.66	2,924,905.82	(49,950.84)	Schedule 10
30	Amortization of PAA	(34,047.68)	(34,047.68)	-	
31	Payroll Taxes	149,386.63	165,189.40	15,802.77	Schedule 15
32	Franchise Tax	37,486.78	37,486.78	-	
33	Gross Receipts Tax	-	-	-	
34	Property Taxes	23,278.34	23,278.34	-	
35	Special Assessments	(8,279.11)	(8,279.11)	-	
36	Utility/Commission Tax	-	-	-	
37	Other General Taxes	10,098.39	10,098.39	-	
38	Income Taxes - Federal	578,575.58	555,792.58	(22,783.00)	
39	Income Taxes - State	70,644.15	67,862.34	(2,781.81)	
40	Amortization of ITC	(193.38)	(193.38)	-	
41	Amortization of CIAC	(618,404.69)	(622,894.40)	(4,489.71)	
42	Total	3,183,401.66	3,119,199.08	(64,202.59)	
43	Total Operating Expenses	12,341,379.29	12,581,214.32	239,835.03	
44	Net Operating Income	3,428,612.47	3,342,905.00	(85,707.47)	
45	Other Income	-	-	-	
46	Interest During Construction	-	-	-	
47	Interest on Debt	1,251,872.87	1,251,872.87	-	
48	Net Income	2,176,740.00	2,091,032.00	(85,708.00)	
49	Add: Interest Expense	1,251,872.87	1,251,872.87	-	
50	Net Income for Return	3,428,611.87	3,342,904.87	(85,707.00)	

Line No.	Description	As-Filed	Updated	Change	Adjustment Comments / Reference
		Pro-forma Adjusted Under Present Rates	Pro-forma Adjusted Under Present Rates		
1	Operating Revenues				
2	Service Revenues - Water	1,433,835.00	1,432,484.00	(1,351.00)	Schedule E
3	Service Revenues - Sewer	2,295,562.00	2,290,044.00	(5,518.00)	Schedule E
4	Miscellaneous Revenues	24,054.64	24,037.38	(17.26)	Late Fees Calc
5	Uncollectible Accounts	(49,858.39)	(49,858.39)	-	
6	Total Operating Revenues	3,703,593.25	3,696,706.99	(6,886.26)	
7	Maintenance Expenses				
8	Salaries and Wages	-	-	-	
9	Purchased Power	210,933.20	210,933.20	-	
10	Purchased Water / Sewer	24.49	24.49	-	Schedule 17
11	Maintenance and Repair	357,649.57	333,643.37	(24,006.20)	Schedule 9b
12	Maintenance Testing	60,048.40	47,721.31	(12,327.09)	Schedule 9c
13	Meter Reading	36,681.34	36,681.34	-	
14	Chemicals	97,473.85	98,079.67	605.82	Schedule 20
15	Transportation	58,049.89	58,049.89	-	
16	Operating Exp. Charged to Plant	(69,992.22)	(69,992.22)	-	
17	Outside Services - Other	10,958.50	9,597.03	(1,361.47)	Schedule 18
18	Total	761,827.02	724,738.08	(37,088.94)	
19	General Expenses				
20	Salaries and Wages	793,644.79	885,575.28	91,930.49	Schedule 15
21	Office Supplies & Other Office Exp.	81,227.96	81,227.96	-	
22	Regulatory Commission Exp.	47,694.33	50,541.55	2,847.22	Schedule 18, 25
23	Pension & Other Benefits	180,361.14	180,361.14	-	
24	Rent	34,565.00	34,565.00	-	
25	Insurance	129,186.28	166,062.29	36,876.00	Schedule 24
26	Office Utilities	51,694.35	51,694.35	-	
27	Miscellaneous	608,113.13	638,497.19	30,384.06	Schedule 25
28	Total	1,926,486.98	2,088,524.75	162,037.77	
29	Depreciation	584,562.65	585,217.66	655.02	Schedule 10
30	Amortization of PAA	41,901.11	41,901.11	-	
31	Payroll Taxes	61,749.34	68,297.73	6,548.39	Schedule 15
32	Franchise Tax	5.70	5.70	-	
33	Gross Receipts Tax	-	-	-	
34	Property Taxes	16,945.67	16,945.67	-	
35	Special Assessments	(4,070.68)	(4,070.68)	-	
36	Utility/Commission Tax	-	-	-	
37	Other General Taxes	18,897.44	18,897.44	-	
38	Income Taxes - Federal	32,106.66	(848.37)	(32,955.03)	
39	Income Taxes - State	3,920.23	(103.59)	(4,023.81)	
40	Amortization of ITC	-	-	-	
41	Amortization of CIAC	(184,508.57)	(162,594.56)	21,914.01	
42	Total	571,509.55	563,648.13	(7,861.42)	
43	Total Operating Expenses	3,259,823.55	3,376,910.96	117,087.41	
44	Net Operating Income	443,769.70	319,796.03	(123,973.67)	
45	Other Income	-	-	-	
46	Interest During Construction	-	-	-	
47	Interest on Debt	322,987.51	322,987.51	-	
48	Net Income	120,782.00	(3,191.00)	(123,973.00)	
49	Add: Interest Expense	322,987.51	322,987.51	-	
50	Net Income for Return	443,769.51	319,796.51	(123,973.00)	

Water Operations - Brafield Farms / Fairfield Harbour / Treasure Cove
Income Statement

Line No.	Description	As-Filed	Pro-forma	Pro-forma	Change	Adjustment Comments / Reference
		Adjusted Under Present Rates	Adjusted Under Present Rates	Adjusted Under Present Rates		
				[G]		
1	Operating Revenues					
2	Service Revenues - Water	1,433,835.00	1,432,484.00		(1,351.00)	Schedule E
3	Service Revenues - Sewer	-	-		-	Schedule E
4	Miscellaneous Revenues	11,976.86	11,973.01		(3.85)	Late Fees Calc
5	Uncollectible Accounts	(34,412.08)	(34,412.08)		-	
6	Total Operating Revenues	1,411,399.78	1,410,044.93		(1,354.85)	
7	<u>Maintenance Expenses</u>					
8	Salaries and Wages	-	-		-	
9	Purchased Power	75,077.67	75,077.67		-	
10	Purchased Water / Sewer	12.13	12.13		-	Schedule 17
11	Maintenance and Repair	150,778.81	142,668.46		(8,110.35)	Schedule 9b
12	Maintenance Testing	25,587.05	18,615.40		(6,971.65)	Schedule 9c
13	Meter Reading	36,681.34	36,681.34		-	
14	Chemicals	71,912.74	72,518.56		605.82	Schedule 20
15	Transportation	28,981.35	28,981.35		-	
16	Operating Exp. Charged to Plant	(21,010.18)	(21,010.18)		-	
17	Outside Services - Other	10,535.64	9,862.48		(673.16)	Schedule 18
18	Total	378,556.55	363,407.21		(15,149.34)	
19	<u>General Expenses</u>					
20	Salaries and Wages	393,282.10	437,858.59		44,576.49	Schedule 15
21	Office Supplies & Other Office Exp.	42,039.40	42,039.40		-	
22	Regulatory Commission Exp.	23,524.74	24,929.65		1,404.91	Schedule 18, 25
23	Pension & Other Benefits	89,690.87	89,690.87		-	
24	Rent	17,090.00	17,090.00		-	
25	Insurance	63,876.80	82,200.55		18,323.76	Schedule 24
26	Office Utilities	16,448.74	16,448.74		-	
27	Miscellaneous	300,677.65	315,700.57		15,022.92	Schedule 25
28	Total	946,630.30	1,025,958.37		79,328.07	
29	Depreciation	162,166.92	163,315.05		1,148.13	Schedule 10
30	Amortization of PAA	11,671.91	11,671.91		-	
31	Payroll Taxes	30,530.98	33,768.72		3,237.74	Schedule 15
32	Franchise Tax	2.66	2.66		-	
33	Gross Receipts Tax	-	-		-	
34	Property Taxes	15,410.08	15,410.08		-	
35	Special Assessments	(2,018.47)	(2,018.47)		-	
36	Utility/Commission Tax	-	-		-	
37	Other General Taxes	9,656.27	9,656.27		-	
38	Income Taxes - Federal	(55,974.38)	(70,494.34)		(14,519.96)	
39	Income Taxes - State	(6,834.48)	(8,607.37)		(1,772.89)	
40	Amortization of ITC	-	-		-	
41	Amortization of CIAC	(39,603.77)	(38,607.68)		996.09	
42	Total	125,007.72	114,096.84		(10,910.88)	
43	Total Operating Expenses	1,450,194.57	1,503,462.42		53,267.85	
44	<u>Net Operating Income</u>	(38,794.79)	(93,417.49)		(54,622.70)	
45	Other Income	-	-		-	
46	Interest During Construction	-	-		-	
47	Interest on Debt	171,775.49	171,775.49		-	
48	Net Income	(210,570.00)	(265,192.00)		(54,622.00)	
49	Add: Interest Expense	171,775.49	171,775.49		-	
50	<u>Net Income for Return</u>	(38,794.51)	(93,416.51)		(54,622.00)	

Sewer Operations - Brafield Farms / Fairfield Harbour / Treasure Cove
Income Statement

Line No.	Description	As-Filed	Pro-forma	Change	Adjustment Comments / Reference
		Adjusted Under Present Rates	Adjusted Under Present Rates		
			[G]		
1	Operating Revenues				
2	Service Revenues - Water	-	-	-	Schedule E
3	Service Revenues - Sewer	2,295,562.00	2,290,044.00	(5,518.00)	Schedule E
4	Miscellaneous Revenues	12,077.78	12,064.37	(13.41)	Late Fees Calc
5	Uncollectible Accounts	(15,446.31)	(15,446.31)	-	
6	Total Operating Revenues	2,292,193.47	2,286,662.06	(5,531.41)	
7	<u>Maintenance Expenses</u>				
8	Salaries and Wages	-	-	-	
9	Purchased Power	135,855.53	135,855.53	-	
10	Purchased Water / Sewer	12.36	12.36	-	Schedule 17
11	Maintenance and Repair	206,870.76	190,974.91	(15,895.85)	Schedule 9b
12	Maintenance Testing	34,461.35	29,105.91	(5,355.44)	Schedule 9c
13	Meter Reading	-	-	-	
14	Chemicals	25,561.11	25,561.11	-	Schedule 20
15	Transportation	29,068.54	29,068.54	-	
16	Operating Exp. Charged to Plant	(48,982.04)	(48,982.04)	-	
17	Outside Services - Other	422.86	(265.45)	(688.31)	Schedule 18
18	Total	383,270.48	361,330.88	(21,939.60)	
19	<u>General Expenses</u>				
20	Salaries and Wages	400,362.70	447,716.70	47,354.00	Schedule 15
21	Office Supplies & Other Office Exp.	39,188.56	39,188.56	-	
22	Regulatory Commission Exp.	24,169.59	25,611.90	1,442.31	Schedule 18, 25
23	Pension & Other Benefits	90,670.26	90,670.26	-	
24	Rent	17,475.00	17,475.00	-	
25	Insurance	65,309.49	83,861.73	18,552.25	Schedule 24
26	Office Utilities	35,245.61	35,245.61	-	
27	Miscellaneous	307,435.48	322,796.62	15,361.14	Schedule 25
28	Total	979,856.68	1,062,566.38	82,709.70	
29	Depreciation	422,395.73	421,902.62	(493.11)	Schedule 10
30	Amortization of PAA	30,229.20	30,229.20	-	
31	Payroll Taxes	31,218.36	34,529.01	3,310.65	Schedule 15
32	Franchise Tax	3.05	3.05	-	
33	Gross Receipts Tax	-	-	-	
34	Property Taxes	1,535.58	1,535.58	-	
35	Special Assessments	(2,052.20)	(2,052.20)	-	
36	Utility/Commission Tax	-	-	-	
37	Other General Taxes	9,241.17	9,241.17	-	
38	Income Taxes - Federal	88,081.04	69,645.97	(18,435.07)	
39	Income Taxes - State	10,754.71	8,503.78	(2,250.92)	
40	Amortization of ITC	-	-	-	
41	Amortization of CIAC	(144,904.80)	(123,986.88)	20,917.92	
42	Total	446,501.82	449,551.29	3,049.46	
43	Total Operating Expenses	1,809,628.98	1,873,448.54	63,819.56	
44	<u>Net Operating Income</u>	482,564.49	413,213.52	(69,350.97)	
45	Other Income	-	-	-	
46	Interest During Construction	-	-	-	
47	Interest on Debt	151,212.02	151,212.02	-	
48	Net Income	331,353.00	262,002.00	(69,351.00)	
49	Add: Interest Expense	151,212.02	151,212.02	-	
50	Net Income for Return	482,565.02	413,214.02	(69,351.00)	

Narrative of Certain Book and Pro-Forma Adjustments

<u>Adjustment #</u>	
1	<p>Purpose: Public Staff has historically adjusted the ERC count used for allocation of corporate costs by treating availability customers as 0.25 of 1 customer. This calculation sheet adjusts the Test Year amounts based on Test Year ended 3/31/2021 ERC counts, with all Utilities, Inc. availability customers treated as 0.25 customers.</p> <p>Method: The Company took Test Year ended customer counts per the Company's ERP system and recalculated total ERCs by subsidiary of Utilities, Inc. by treating availability customers as 0.25 customers. CWSNC recalculated the allocated costs at the updated ERC allocation percentage and allocated to the Rate Divisions based on their Test Year end ERC counts.</p>
2	<p>Purpose: To recalculate book and pro-forma Cash Working Capital based on accumulated adjustments to O&M expenses.</p> <p>Method: Total Per Books Adjustment, Column D, captures the matching Column D on the Income Statement Schedule B for the applicable Rate Division. Total Pro-Forma Adjustment, Column F, captures the matching Column F on the Income Statement Schedule B for the applicable Rate Division. The amount is the sum on Income Statement B for the total General or Maintenance Expenses. Purchased Water and Sewer Expenses are excluded from the Cash Working Capital rate base amount. Cash Working Capital is calculated as 1/8th of the total Pro-Forma Proposed General and Maintenance Expenses.</p>
3	<p>Purpose: To adjust book balances of ADIT for each Rate Division per approved adjustments in prior orders, as well as for pro-forma balances in deferred rate case expense and unamortized deferred maintenance (Schedule A-14a and b).</p> <p>Method: Utilized direct ledger book balances for Uniform and BF/FH/TC consolidated (Water/Sewer) rate divisions. Combined with adjustments in prior cases Sub 344 and Sub 354. Then took pro-forma deferred rate case expense multiplied by effective tax rate for federal and state to determine ADIT for rate case costs, resulting in adjustment for Column C. Did the same for Deferred Maintenance (Schedule A-14a), resulting in adjustment for Column D. Column G identifies the allocation method for the consolidated Rate Divisions used by Public Staff in Sub 364. Pro-forma values for these allocation factors were used to allocate between Water and Sewer. Please see Excel Workpaper for identification of allocation factor inputs and prior case values.</p>
4	<p>Purpose: To incorporate cost free capital as identified in W-354, Sub 266 for gross-up on CIAC received but not refunded to developers for sold systems. No amortization to be included with this rate base deduction.</p> <p>Method: Identified Cost Free Capital balance as utilized by Public Staff in Sub 360 (Henry Schedule 2-10), consistent with workpapers included in Sub 266 filing and resulting Final Order.</p>
5	<p>Purpose: To adjust Regulatory Fee book amounts in Average Tax Accruals for pro-forma present rate service revenues.</p> <p>Method: The Company removed the book balances as a Per Books Adjustment. The Pro-Forma Adjustment multiplies the Regulatory Fee rate of 0.13% by the pro-forma present rate</p>

Narrative of Certain Book and Pro-Forma Adjustments

<u>Adjustment #</u>	
	service revenues in Column F, Schedules B-1a and b. 1/5th of the resulting value is used as a rate base deduction.
6	<p>Purpose: To provide updated balances and resulting amortization levels for the federal protected excess deferred income tax regulatory liability.</p> <p>Method: Page 1 summarizes the federal unprotected EDIT balances as utilized in setting of the rider surcredit in Sub 364. The amortization was set for 2 years as of 03/31/20 and will be fully amortized when as of 03/31/22. Page 2 summarized the federal protected EDIT balances as set in Sub 364 and updated through 03/31/22 for rate base and amortization updates.</p>
7	<p>Purpose: To remove maintenance testing deferrals from Deferred Charges, and therefore rate base, as these deferrals are historically not recoverable in rate base.</p> <p>Method: Identified direct ledger balances and reversed Test Year activity to present pro-forma amounts as \$0. The expense levels related to these deferrals are captured in Schedules B-9a and b.</p>
8	<p>Purpose: To adjust book Deferred Rate Case Expense balances for continued amortization through 3/31/2022, increase deferral for new rate case expense pro-forma amount from the current rate case, and re-amortize resulting combined deferral for a 5 year term.</p> <p>Method: Identified authorized deferred rate case expense from Sub 364 The 5 year amortization from Sub 364 was carried from 4/1/2020 to 3/31/2022. This anticipates rates effective in the current case of 4/1/2022. When combined with the estimated rate case expenses in this case (see page 2), the totals on lines 6 and 12 for the Rate Divisions are divided by a new 5 year term to produce an updated annual amortization expense. This amortization expense replaces the book amortization expense of Schedules B-15a and b.</p>
9a	<p>Purpose: To adjust Test Year Deferred Charges to reflect approved gross balances approved in W-354, Sub 364 proceeding and update for continued amortization through 3/31/2022. Additionally, to update Deferred Maintenance Expense for amortization levels consistent with the updated deferred charges balances on Schedule A-15a and b.</p> <p>Method: Removed book balances as of Test Year end for Deferred Charges and Accumulated Amortization deferred charges accounts. Updated the amortization schedules used in setting of rates in Sub 364 calculating unamortized balances for open deferrals through 3/31/2022. This anticipates rates effective from the current proceeding of 4/1/2022.</p> <p>Update: Additional deferred maintenance work has been provided through 10/08/21. Asset # 1012511 has been moved from Water Tank Painting to WWTP Tank Painting.</p>

Narrative of Certain Book and Pro-Forma Adjustments

<u>Adjustment #</u>	
9b	<p>Purpose: To adjust Deferred Maintenance Expense for pro-forma</p> <p>Method: Using approved amortization schedules from Sub 364, carried amortization activity through 3/31/2022, anticipating new rates effective 4/1/2022. Pro-forma deferred maintenance additions were included per estimated costs from Schedule 9. Deferred maintenance items from Sub 364 were annualized based on their respective March 2022 amortization expense. Add the equity component to the Nags Head and Connetsee Falls WWTP Deferrals approved in W-354, Sub 364.</p>
9c	<p>Purpose: To adjust Test Year Testing Expense to coincide with sampling schedules, as provided by CWSNC Water Quality Department.</p> <p>Method: The CWSNC Water Quality Department prepares and tracks schedules of sampling and testing requirements by system, including frequency and costs. All costs are annualized to generate a levelized accrued cost - for example, a test required every 5 years will have 1/5th the most recent cost included in the pro-forma schedule. The most recent actual cost for each test/sample is what is being annualized and levelized.</p> <p>Only compared to Direct testing expenses, allocated testing expenses represent PFAS and PFOA testing booked at the cost center level.</p>
10	<p>Purpose: To include plant additions not yet in-service at the end of the Test Year, 3/31/2021, as additions to rate base. Estimated retirements and Accumulated Depreciation are calculated and included as offsets to the gross additions. All listed projects are anticipated to be in-service by 9/30/2021. Net rate base additions are included in Schedules A-15a and b, and annualized depreciation is captured in Schedules B-21a and b.</p> <p>Method: Per review of planned and in-progress projects with CWSNC Project Manager, list of projects, descriptions, system, project ID, and Rate Division were obtained. Project costs are based on most recent actual level at time of filing plus anticipated remaining costs to close each project. Retirement estimates are based on either actual postings to the general ledger or estimates by the Project Manager, based on company records or the relevant Handy-Whitman index. Depreciation rates used are consistent with those utilized in W-354, Sub 364. No CIAC is involved in the listed projects.</p> <p>Update: Updated capital projects closed as of 10/08/21. Add general ledger additions to rate base through 8/31/21.</p>
11	<p>Purpose: To reallocate Test Year corporate expenses allocated to North Carolina. All costs incurred at WSC are now included as part of the total shared services cost for Corix Group of Companies. These costs are now allocated using the Cost Allocation Methodology ("CAM") outlined in W-354, Sub 364.</p> <p>Method: The book allocation process used during the Test Year was recreated using the gross costs incurred at WSC to calculate the adjustments needed for each expense line item. Going forward these line items are consolidated in the Corporate Allocation account.</p>

Narrative of Certain Book and Pro-Forma Adjustments

<u>Adjustment #</u>	
12	<p>Purpose: To reflect, as an direct Per Books Adjustment, the difference between direct ledger service revenues and End of Period Revenues at Present Rates, as shown in Schedule E.</p> <p>Method: Identified End of Period Pro-Forma Present Rate Revenues for each applicable Rate Division from Schedule E, and used that value in Column F for Service Revenues, Schedules B-1a and b. The resulting difference between direct ledger Service Revenues and this value is reflected in Column D of Schedules B-1a and b.</p>
13	<p>Purpose: Adjust late payment charges to a normalized level.</p> <p>Method: Calculate a three year average late payment charge rate to apply to present rate and proposed revenues.</p>
14	<p>Purpose: To remove allocated ledger Miscellaneous Revenues, as they are non-recurring amounts without known and measurable values for pro-forma inclusion.</p> <p>Method: Identified allocated ledger balances and reversed Test Year activity in Schedules B-1a and b</p>
15	<p>Purpose: To calculate pro-forma salaries and wages, as well as related payroll taxes, and deferred compensation.</p> <p>Method: To annualize current pay rates as of May 15 2021 pay period. Adjustment also includes vacancies expected to be filled during the rate case at estimated pay levels. Please see the Direct Testimony of Phil Drennan for a detailed explanation of the method used to calculate these adjustments. Update: Updated for most recent pay period including new hire and vacancies.</p>
16	<p>Purpose: To adjust Test Year actual power expenses for rate changes from vendors occurring after the start of the Test Year (4/1/2020). This allows for pro-forma adjustments to reflect the annualized costs for Power Expense for CWSNC in this rate case.</p> <p>Method: The Company reviewed bills from and corresponded with its power suppliers to identify those who changed rates since 4/1/2020 or who had anticipated changes pending (i.e., filed a rate case). The Company pulled percent increases for Duke Progress and Duke Energy Carolinas from compliance filings for the SGS customer class, effective 06-01-21. The adjustment was calculated on costs from the end of the Test Year to the beginning of interim rates effective date.</p>
17	<p>Purpose: To adjust Test Year actual purchased services expenses for rate changes from vendors occurring after the start of the Test Year (4/1/2020). This allows for pro-forma adjustments to reflect the annualized costs for Purchased Water/Sewer Treatment Expense for CWSNC in this rate case.</p> <p>Method: The Company reviewed bills from and corresponded with its vendors to identify where rates changed since 4/1/2020, or who had issued notice that their rates will change in the near future. CWSNC identified invoices paid during the Test Year before the effective date of the rate change and increased those bill amounts by the effective rate increase for the vendor. The Company compared invoices to the vendor website rate schedule or a copy of prior rates effective to identify the percent of rate change. Johnston County issued a notice that their rates would change as of 09/01/2021. All other rate increases noted are identified from vendor invoices or the provider's rate UPDATE: Updated rates to newly approved purchased water and sewer rates. Updated town of Lake Lure Expense for 12 mo at current rate.</p>

Narrative of Certain Book and Pro-Forma Adjustments

<u>Adjustment #</u>	
18	<p>Purpose: To remove unrecoverable costs from the Test Year.</p> <p>Method: All costs related to lobbying efforts are removed from the Test Year data. These costs are already partially allocated to non-reg departments, the remainder is removed from this filing. This includes costs related to Public Sector Group and Sanford Law Office (Account 549000). Additional costs related to contributions were removed (Account 623100). Update: Removed employee time spent on lobbying activities at fully loaded captive rate. Removed additional legal expenses incurred due to lobbying activities in the t</p>
19	<p>Purpose: Remove Commission Ordered Adjustments booked during the Test Year as they are non-recurring amounts that should not be included for pro-forma.</p> <p>Method: Identified and removed Test Year activity related to Commission Ordered Adjustments from the Sub 364 rate case.</p>
20	<p>Purpose: To adjust Test Year actual chemicals expenses for rate changes from primary vendor, WaterGuard, that was effective 7/1/2021. This allows for pro-forma adjustments to reflect the annualized costs for Chemicals Expense for CWSNC in this rate case.</p> <p>Method: The Company received correspondence from WaterGuard that identified certain chemical price changes to be effective 7/1/2021. The Company identified WaterGuard invoices in the Test Year. CWSNC identified invoices paid during the Test Year before the effective date of the rate change and increased those bill amounts by the effective rate increase for the vendor for the particular chemical identified on the invoice. The Company then increased the pre-increase invoice amounts for the percent increase noted by WaterGuard. The Company used the book activity by subdivision to apply the increase for each chemical to the location it was utilized. Update: Updated Waterguard costs for most recent price schedule from Waterguard.</p>
21	<p>Purpose: To annualize most current rent expense levels for lease locations in North Carolina</p> <p>Method: The Company reviewed its rental property list to identify changes in lease payments. The Company identified in its lease agreements those leases which utilize step increase rates (Charlotte Office), as well as those that pass through operating cost variances (Charlotte Warehouse). For the Charlotte Office, the annualized lease cost at 6/1/2021 was utilized for pro-forma purposes. For the Charlotte Warehouse, the annualized lease cost at 6/1/2021, plus a projected O&M variance true up charge was calculated based on the average annual percent increase incurred for Years 1 through 6 of the existing agreement, as supported by invoices paid. All other CWSNC rent is computed as the annualization of the most recent invoice paid.</p>
22	<p>Purpose: To include customer deposit interest for the Test Year as an expense item. This inclusion allows for completeness of customer deposit effects, combined with the rate base deduction of customer deposit reserves. The activity is moved from Interest Expense account 811002 to Other Misc Expense account 629900 for pro-forma presentation purposes in this rate filing.</p> <p>Method: The Company's billing system calculated interest on deposits at the legacy company level for posting to the general ledger. Therefore, the company balances must be allocated to the Rate Divisions to be captured in the revenue requirement. Each legacy company balance is allocated based on adjusted ERC's for the subdivision(s) within that company:</p>

Narrative of Certain Book and Pro-Forma Adjustments

<u>Adjustment #</u>	
23	<p>Purpose: This adjustment reflects the charges to be incurred by the Company for payment processing fees from its outside vendor, First Billing Services, when customers use a fee-based payment method to pay their water/sewer bills. These costs are current incurred by customers at the point of transaction and not included in Company costs. Further this adjustment reflects the approximate cost of annual supplemental noticing for the water efficiency program.</p> <p>Method: The Company generated a report for the number of customers using fee-based electronic payment methods in the first quarter of 2021. CWSNC annualized those transactions and the aggregated fees to generate a pro-forma adjustment to account for payment processing fees the Company will be incurring in the cost to serve customers going forward. The Company used the first quarter of 2021 as representative of "normal" operations, as the remainder of the Test Year reflects a suspension of full collection processes due to COVID-19 NCUC orders. The Company resumed "normal" collections processes, except late payment fees, as of bills rendered November 1, 2020.</p>
24	<p>Purpose: To annualize most current insurance premiums</p> <p>Method: The Company reviewed its insurance policies for the most recent renewal period and annualized those cost. The premiums were then allocated to the North Carolina regulated companies using the various allocation methodologies outlined. Update: Coverages have been updated for most recent policies as of 10/08/21.</p>
25	<p>Purpose: To reflect annualized 2021 first quarter costs allocated to North Carolina Regulated Companies from the Corix Infrastructure, Inc. Shared Services Group</p> <p>Method: Test Year per books adjusted costs were further adjusted to reflect the annualization of the first quarter 2020 Share Services costs. Update: CAM Actuals for Q2 2021 were added and annualization changed. Include rate base costs associated with the Fusion - Oracle Accounting ERP system. Include amortization of the Oracle ERP Regulatory Asset starting 03/31/22.</p>
26	<p>Purpose: To recalculate Regulatory Fee Expense based on Pro-Forma Proposed Revenues, inclusive of Service Revenues, Miscellaneous Revenues, and Uncollectible Accounts.</p> <p>Method: Multiplies the 0.13% Regulatory Fee rate by the Total Operating Revenues as shown on the Income Statement Schedule B, Column I.</p>

Supplement to Schedules A-15a and b

Deferred Charges - Maintenance

<u>Line No</u>	<u>Item</u>	<u>CWSNC Uniform - Water</u>	<u>CWSNC Uniform - Sewer</u>	<u>BF/FH/TC - Water</u>	<u>BF/FH/TC - Sewer</u>
Excluded in W-354 Sub 364:					
1	Gross Balance (W-354, Sub 364)		3,424,839.08		
2	Accumulated Amortization @ 3/31/2022		(3,304,321.03)		
3	Unamortized Balance @ 3/31/2022 - (L1 + L2)		120,518.05		
Remaining Balances from W-354 Sub 364:					
4	Deferred elevated storage tank painting	779,037.16			
5	Deferred hydro storage tank painting	852,731.96			
6	Deferred hydro storage tank inspection	837,562.90			
7	WWTP		200,327.48		
8	Deferred elevated storage tank painting			66,027.78	
9	Deferred hydro storage tank inspection			60,189.37	
10	WWTP				110,491.69
11	Accumulated Amortization @ 3/31/2022	(1,855,523.07)	(200,327.48)	(73,811.52)	(110,491.69)
12	Unamortized Balance @ 3/31/2022 - (L4 to L11)	613,808.95	-	52,405.63	-
Additions after W-354 Sub 364:					
13	Deferred hydro storage tank painting	(268,026.78)			
14	Deferred hydro storage tank inspection	72,200.00		950.00	
15	WWTP		864,749.01		
16	Accumulated Amortization @ 3/31/2022	177,564.74	(228,484.45)	(190.00)	
17	Unamortized Balance @ 3/31/2022 - (L13 to L17)	(18,262.04)	636,264.56	760.00	-
Total Pro-Forma Deferred Charges:					
18	Gross Balance/ Additions (L4:L10 + L13:L16)	2,273,505.24	1,065,076.49	127,167.15	110,491.69
19	Accumulated Amortization (L11 + L18)	(1,677,958.33)	(428,811.93)	(74,001.52)	(110,491.69)
20	Total - (L19 + L20)	595,546.91	636,264.56	53,165.63	-
21	Pro-Forma - Account 181002	2,273,505.24	1,065,076.49	127,167.15	110,491.69
22	Pro-Forma - Account 182002	(1,677,958.33)	(428,811.93)	(74,001.52)	(110,491.69)
23	Net Rate Base	595,546.91	636,264.56	53,165.63	-

Purpose:

To adjust Test Year Deferred Charges to reflect approved gross balances approved in W-354, Sub 364 proceeding and update for continued amortization through 3/31/2022. Additionally, to update Deferred Maintenance Expense for amortization levels consistent with the updated deferred charges balances on Schedule A-15a and b.

Method:

Removed book balances as of Test Year end for Deferred Charges and Accumulated Amortization deferred charges accounts. Updated the amortization schedules used in setting of rates in Sub 364 calculating unamortized balances for open deferrals through 3/31/2022. This anticipates rates effective from the current proceeding of 4/1/2022.

Update: Additional deferred maintenance work has been provided through 10/08/21. Asset # 1012511 has been moved from Water Tank Painting to WWTP Tank Painting.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 384
Test Year: March 31, 2021

W1-10
Updated 10/08/21
Schedule 9b

Supplement to Schedules B-8a and b

Deferred Maintenance Expense

<u>Line No</u>	<u>Item</u>	<u>Pro-Forma Annual Amortization</u>
<u>Deferred maintenance - CWSNC Uniform Water</u>		
1	Elevated Storage	77,903.73
2	Tank Painting	28,987.63
3	Tank Inspection	74,015.14
4	Total pro-forma deferred maintenance - Uniform Water (Sum of L1 thru L4)	180,906.50
<u>Deferred Maintenance Expense - CWSNC Uniform Sewer</u>		
5	<u>Nags Head WWTP Deferral:</u>	
6	Sub 364 Allowed Nags Head WWTP Deferral Amortization	115,727.00
7	<u>Connestee Falls WWTP Deferral:</u>	
8	Sub 364 Allowed Connestee Falls WWTP Deferral Amortization	104,029.00
9	Belvedere pump and haul	120,518.05
10	WWTP	43,237.45
11	Total pro-forma deferred maintenance - Uniform Sewer	383,511.50
<u>Deferred maintenance - BF/FH/TC Water</u>		
12	Elevated Storage	6,602.78
13	Tank Painting	-
14	Tank Inspection	7,303.44
15	Total pro-forma deferred maintenance - BFFH/TC Water	13,906.22
<u>Deferred maintenance - BF/FH/TC Sewer</u>		
16	WWTP	-
17	Total pro-forma deferred maintenance - BFFH Sewer	-
18	Total (L4 + L11 + L15 + L17)	<u>578,324.22</u>

Purpose:

To adjust Deferred Maintenance Expense for pro-forma adjustments to deferred maintenance rate base and correct for the equity component of the allowed Connestee Falls and Nags Head WWTP Deferral.

Method:

Using approved amortization schedules from Sub 364, carried amortization activity through 3/31/2022, anticipating new rates effective 4/1/2022. Pro-forma deferred maintenance additions were included per estimated costs from Schedule 9. Deferred maintenance items from Sub 364 were annualized based on their respective March 2022 amortization expense.

Add the equity component to the Nags Head and Connestee Falls WWTP Deferrals approved in W-354, Sub 364.

Carolina Water Service, Inc. of North Carolina
W-354, Sub 384
Test Year: March 31, 2021

W-10
Updated 10/08/2021
Schedule 9c

Supplement to Schedule B-9a and b

Maintenance Testing

Line No .	Item	CWSNC Uniform Allocation - Water	CWSNC Uniform Allocation - Sewer	BF/FH/TC - Water	BF/FH/TC - Sewer
1	<u>515001/515002 - Test Water / Sewer</u>				
2	Per Books Direct Amount	152,034.06	300,328.11	17,124.15	28,905.24
3	Pro-Forma Amount	160,368.88	291,697.03	10,152.50	23,549.80
4	Pro-Forma Adjustment	8,334.82	(8,631.08)	(6,971.65)	(5,355.44)

Purpose:

To adjust Test Year Testing Expense to coincide with sampling schedules, as provided by CWSNC Water Quality Department.

Method:

The CWSNC Water Quality Department prepares and tracks schedules of sampling and testing requirements by system, including frequency and costs. All costs are annualized to generate a levelized accrued cost - for example, a test required every 5 years will have 1/5th the most recent cost included in the pro-forma schedule. The most recent actual cost for each test/sample is what is being annualized and levelized.

Only compared to Direct testing expenses, allocated testing expenses represent PFAS and PFOA testing booked at the cost center level.

Carolina Water Service, Inc. of North Carolina
W-354, Sub 384
Test Year: March 31, 2021

WI-10

Schedule 10
Updated 11/08/21
Page 1 of 4

Supplement to Schedule A-15a and b

Pro-Forma Plant Additions

Line No.	Project ID	System	BU#	Type	Rate Division	Project	Obj Account Code	Actual/ Estimated Retirement		Gross Additions to Rate Base	Annual Depreciation %	Annual Depreciation Expense	Net Addition To Plant in Service	Actual/ Estimated In-Service Date
								[a]	[b]					
1	202008	Bear Paw	320055	S	Uniform	NC - 2021 - Bear Paw - LS1 Replacement	141208	203,971.10	83,705	120,266.36	2.00%	2,405.33	117,861.03	2/28/2021
2	2019171	Fairfield Mountain	320157	S	Uniform	NC - 2021 - Fairfield Mtn - WWCS Relocation	141242	208,271.54	83,988	124,283.09	1.00%	1,242.83	123,040.26	2/28/2021
3	2020150	Sugar Mountain	320015	S	Uniform	NC - 2020 - Aeration Improvements - Sugar Mountain	141274	181,315.65	-	181,315.65	2.50%	4,532.89	176,782.76	4/30/2021
4	2020108	Brandywine Bay	320121	W	Uniform	NC - 2021 - Brandywine Bay - Water Impr	141248	176,744.12	-	176,744.12	2.00%	3,534.88	173,209.24	5/31/2021
5	2022017	Hound Ears	320028	W	Uniform	NC - 2021 - Hound Ears - Water Main Replacement - 2,000 LF	141232	158,241.49	45,730	112,511.48	1.00%	1,125.11	111,386.36	6/30/2021
6	2021057	Conestee Falls	320201	S	Uniform	NC - 2021 - Conestee Falls - Generator 80KW	141274	59,713.86	-	59,713.86	2.50%	1,492.85	58,221.01	6/30/2021
7	2018037	Monterey Shores	320076	S	Uniform	NC - 2021 - Monterey Shores - 5 Upset Tank recoating (Monterey Shores)	181002	-	-	-	-	-	-	5/31/2021
8	2020051	Fairfield Harbour	320154	S	BF/FH/TC	NC - 2021 - Fairfield Harbour - LS Replacements	141208	432,306.90	52,685	379,621.75	2.00%	7,592.44	372,029.32	8/20/2021
9	2020035	Elk River	320006	W	Uniform	NC - 2020 - Elk River -Well 7 Rehab	141230	456,136.01	-	456,136.01	2.50%	11,403.40	444,732.61	7/31/2021
10	2021027	Wolf Laurel	320035	W	Uniform	NC - 2021 - Wolf Laurel - Water Tank Rehab - 25,000-Gallon Concrete Ground Storage Tank	141231	102,948.25	9,199	92,849.19	2.00%	1,856.98	90,992.21	9/27/2021
11	2022019	Jordan Woods	320170	W	Uniform	NC - 2022 - Jordan Woods - Replace Hydrotank @E01, 3,000	141231	48,694.23	11,018	37,676.48	2.00%	753.53	36,922.95	8/31/2021
12	2022022	Neuse Woods	320169	W	Uniform	NC - 2022 - Neuse Woods - Replace Hydrotank and Well House	141231	39,510.67	7,622	31,888.62	2.00%	637.77	31,250.85	8/31/2021
13	2022013	Hemby	320081	S	Uniform	NC - 2022 - Hemby - Sewer LS Replacement (#1, #2)	141208	804,038.70	97,988	706,050.68	2.00%	14,121.01	691,929.66	9/30/2021
14	2023032	Wood Trace	320099	W	Uniform	NC - 2023 - Wood Trace - Replace Hydrotank	141231	66,379.99	5,984	60,396.22	2.00%	1,207.92	59,188.29	9/30/2021
15	2021010	Holly Acres	320071	W	Uniform	NC - 2021 - Holly Acres - Hydrotanks Replacement (2)	141231	84,160.38	18,565	65,595.84	2.00%	1,311.92	64,283.92	9/14/2021
16	2021016	Rutledge Landing	320176	W	Uniform	NC - 2021 - Rutledge Landing - Filters- Well 3 Rads	141230	162,203.00	-	162,203.00	2.50%	4,055.08	158,147.93	9/19/2021
17	2020161	Bradfield Farms	320205	S	BF/FH/TC	NC - 2021 - Bradfield Farms - WWTP Rehab - Electrical	141209	912,164.81	-	912,164.81	2.50%	22,804.12	889,360.69	11/5/2021
18	2021018	Sapphire Valley	320149	W	Uniform	NC - 2021 - Sapphire Valley - Repl or remove Golf view hydro-tank and repl with constant psi pumps.	141231	91,004.84	8,204	82,801.28	2.00%	1,656.03	81,145.25	9/30/2021
19	2021084	Conestee Falls	320201	S	Uniform	NC - 2021 - Conestee Falls WWTP SCADA System	141310	107,052.85	-	107,052.85	10.00%	10,705.29	96,347.57	9/30/2021
20	2021019	Sapphire Valley	320150	S	Uniform	NC - 2021 - Sapphire Valley - Sewer LS Replacement - #41 Dry Can to Submersible w/ generator	141208	388,414.00	47,336	341,078.07	2.00%	6,821.56	334,256.51	10/7/2021
21	2021088	Sherwood Forest	320020	W	Uniform	NC - 2021 - Sherwood Forest - Hydrotank/BIS/Generator	141231	41,692.37	10,824	30,868.39	2.00%	617.37	30,251.02	8/31/2021
22	2021017	Sapphire Valley	320149	W	Uniform	NC - 2021 - Sapphire Valley - Ground Storage Tank Coating at well #7	181002	-	-	-	-	-	-	9/30/2021
23														
24						Total		4,724,064.76	482,847.00	4,241,217.75		99,878.30	4,141,339.45	
						Subtotal		1,426,815	117,145	1,309,671		28,160	1,281,511	
						Subtotal		1,952,778	313,017	1,639,761		41,322	1,598,439	
						Subtotal		-	-	-		-	-	
						Subtotal		1,344,472	52,685	1,291,787		30,397	1,261,390	

Notes:
Column [a] - Per Company records
Column [b] - Per Company records
Column [c] - Column [a] - [b]
Column [d] - Per Company depreciation rates used in W-354, Sub 364
Column [e] - Column [c] * [d]
Column [f] - Column [c] - [d]

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

Utility Plant, A/D, CIAC Additions - Post Test Year - thru August 2021

CWSNC Uniform
Post Test Year Net Additions

BF/HH/TC
Post Test Year Net Additions

Natural Account	Natural Account Description	Water	Sewer	Total	Water	Sewer	Total
141101	Land and Rights General	(9,662.15)	(5,401.72)	(15,063.87)	(1,309.41)	(1,334.15)	(2,643.56)
141203	Struct and Improv General Plant	9,533.16	39,645.91	49,179.07	-	390.00	390.00
141204	Struct and Improv Service Supplies	4,971.67	-	4,971.67	647.39	-	647.39
141205	Struct and Improv Water Treat Plt	26,021.21	-	26,021.21	2,539.36	-	2,539.36
141206	Struct and Improv Trans Dist Plt	750.00	-	750.00	-	-	-
141207	Struct and Improv Collect Plant	-	2,450.00	2,450.00	-	-	-
141208	Struct and Improv Pump Plant	-	35,592.04	35,592.04	-	-	-
141220	Struct and Improv Office	(326,059.12)	(179,820.12)	(505,879.24)	(44,667.92)	(37,948.00)	(82,615.92)
141223	Wells and Springs	19,652.53	-	19,652.53	2,472.94	-	2,472.94
141225	Supply Mains	67,741.92	-	67,741.92	308.04	-	308.04
141226	Power Generation Equipment	2,503.01	-	2,503.01	-	-	-
141227	Electric Pump Equip Sec Pump	65,490.33	-	65,490.33	918.00	-	918.00
141228	Electric Pump Equip WTP	272,791.42	-	272,791.42	7,094.12	-	7,094.12
141229	Electric Pump Equip Trans Dist	18,476.50	-	18,476.50	646.80	-	646.80
141230	Water Treatment Equipment	48,672.25	-	48,672.25	1,903.80	-	1,903.80
141231	Dist Resv and Standpipes	51,944.57	(303.36)	51,641.21	20,434.42	(102.57)	20,331.85
141232	Trans and Distr Mains	457,076.35	(1,002.96)	456,073.39	6,504.66	(339.17)	6,165.49
141233	Service Lines	394,027.42	(425.00)	393,602.42	30,134.66	-	30,134.66
141234	Meters	86,685.97	-	86,685.97	469.78	-	469.78
141235	Meter Installations	29,558.89	-	29,558.89	284.34	-	284.34
141236	Hydrants	35,030.25	-	35,030.25	2,016.31	-	2,016.31
141237	Backflow Prevention Devices	814.26	-	814.26	-	-	-
141240	Power Gen Equip Treat Plt	-	18,621.36	18,621.36	-	-	-
141241	Sewer Force Main	-	15,276.26	15,276.26	-	23,000.00	23,000.00
141242	Sewer Gravity Main	-	43,921.52	43,921.52	-	49,613.00	49,613.00
141243	Manholes	-	60,133.05	60,133.05	-	-	-
141245	Service to Customers	-	82,053.05	82,053.05	-	51,681.14	51,681.14
141246	Flow Measure Devices	-	2,375.21	2,375.21	-	-	-
141248	Receiving Wells	-	27,428.28	27,428.28	-	-	-
141249	Pumping Equip Pump Plt	-	222,306.82	222,306.82	-	68.73	68.73
141250	Pumping Equip Reclaim WTP	-	924.02	924.02	-	57,785.61	57,785.61
141251	Pumping Equip Rcl Wtr Dist	-	20,927.54	20,927.54	-	-	-
141252	Treat/Disp Equip Lagoon	-	1,037.46	1,037.46	-	-	-
141253	Treat/Disp Equip Trt Plt	-	186,958.47	186,958.47	-	5,392.68	5,392.68
141255	Plant Sewers Treatment Plt	-	12,271.68	12,271.68	-	4,256.53	4,256.53
141257	Outfall Lines	-	22,568.99	22,568.99	-	-	-
141264	Reuse Transmission and Dist	-	696.32	696.32	-	-	-
141269	Other and Misc Equip WTP	2,343.16	-	2,343.16	-	-	-
141272	Other Plant Collection	-	300.00	300.00	-	-	-
141273	Other Plant Pump	-	1,270.49	1,270.49	-	-	-
141274	Other Plant Treatment	-	5,295.77	5,295.77	-	-	-
141275	Other Plant Reclaim Water Trt	-	-	-	-	-	-
141299	Utility Plant Clearing	15,446.32	13,314.79	28,761.11	-	3,182.71	3,182.71
141303	Office Furniture	(2,232.03)	(754.87)	(2,986.90)	(487.43)	(491.28)	(978.71)
141305	Stores Equipment	202.46	1,099.55	1,302.01	27.33	74.26	101.59
141306	Lab Equipment	1,410.69	3,793.33	5,204.02	-	-	-
141308	Tool Shop Equipment	130.98	2,660.45	2,791.43	(2.57)	(2.58)	(5.15)
141309	Power Operated Equipment	4,956.50	20,068.48	25,024.98	500.00	-	500.00
141310	Communications Equipment	526.16	5,877.26	6,403.42	25,010.05	3,796.28	28,806.33
141311	Misc Equipment	5,977.60	1,814.46	7,792.06	-	813.75	813.75
141399	Building and Equipment Clearing	-	(16,276.60)	(16,276.60)	-	-	-
TOTAL	Plant in Service	1,284,782.28	646,697.93	1,931,480.21	55,444.67	160,211.94	215,656.61
141401	Vehicles	131,282.59	80,672.72	211,955.31	(6,265.52)	(6,355.06)	(12,620.58)
TOTAL	Vehicles	131,282.59	80,672.72	211,955.31	(6,265.52)	(6,355.06)	(12,620.58)
141501	Computer Hardware	712.82	399.08	1,111.90	96.19	98.03	194.22
141502	Desktop/Laptop Computers	(1,162.17)	(647.74)	(1,809.91)	(158.85)	(161.81)	(320.66)
141503	Mainframe Computers	(965.37)	(429.95)	(1,395.32)	(207.80)	(209.38)	(417.18)
141504	Mini Comp Wtr	5,617.49	3,962.46	9,579.95	1,602.65	(64.19)	1,538.66
141601	Computer Software	82,594.40	46,253.77	128,848.17	11,137.99	11,550.10	22,688.09
141602	Comp Systems	1,332.44	3,363.55	4,695.99	(1,656.36)	(1,631.32)	(3,287.68)
141603	Micro Systems	(443.95)	(194.18)	(638.13)	(98.08)	(98.75)	(196.83)
141699	Computer Clearing	(3,617.10)	(1,958.52)	(5,575.62)	(450.16)	(458.67)	(908.83)
TOTAL	COMPUTER EQUIPMENT	84,068.55	50,748.48	134,817.03	10,265.78	8,824.01	19,089.79
142201	Acc Dep - Organization	(5,049.87)	(9,208.15)	(14,258.02)	(706.38)	(135.20)	(841.58)
142202	Acc Dep - Franchises	(2,390.85)	(1,327.90)	(3,718.75)	(289.00)	(394.45)	(683.45)
142203	Acc Dep - Struct and Improv General Plant	(1,838.08)	(14,892.19)	(16,730.27)	(18.70)	(2,266.47)	(2,285.17)
142204	Acc Dep - Struct and Improv Service Supplies	(36,559.39)	-	(36,559.39)	(1,599.00)	-	(1,599.00)
142205	Acc Dep - Struct and Improv Water Treat Plt	(12,485.36)	-	(12,485.36)	(1,213.87)	-	(1,213.87)
142206	Acc Dep - Struct and Improv Trans Dist Plt	(2,363.25)	-	(2,363.25)	(3.85)	-	(3.85)
142207	Acc Dep - Struct and Improv Collect Plant	-	(762.49)	(762.49)	-	-	-
142208	Acc Dep - Struct and Improv Pump Plant	-	(83,422.32)	(83,422.32)	-	(14,418.22)	(14,418.22)
142209	Acc Dep - Struct and Improv Treatment Plant	-	(207,628.15)	(207,628.15)	-	(23,930.05)	(23,930.05)
142210	Acc Dep - Struct and Improv Reclaim WTP	-	(34.10)	(34.10)	-	-	-
142211	Acc Dep - Struct and Improv Reclaim Wtr Dist	-	(1,877.00)	(1,877.00)	-	(20.65)	(20.65)
142220	Acc Dep - Struct and Improv Office	240,017.32	134,439.97	374,457.29	32,958.08	33,278.22	66,236.30
142221	Acc Dep - Collecting Reservoirs	(116.05)	-	(116.05)	-	-	-
142223	Acc Dep - Wells and Springs	(122,557.75)	-	(122,557.75)	(4,316.48)	-	(4,316.48)
142224	Acc Dep - Infiltration Gallery	(470.70)	-	(470.70)	-	-	-
142225	Acc Dep - Supply Mains	(2,121.14)	-	(2,121.14)	(28.61)	-	(28.61)
142226	Acc Dep - Power Generation Equipment	(6,775.70)	-	(6,775.70)	-	-	-
142227	Acc Dep - Electric Pump Equip Sec Pump	(157,972.82)	-	(157,972.82)	(2,239.76)	-	(2,239.76)
142228	Acc Dep - Electric Pump Equip WTP	(91,174.86)	-	(91,174.86)	(8,099.50)	-	(8,099.50)
142229	Acc Dep - Electric Pump Equip Trans Dist	(22,816.89)	-	(22,816.89)	(2,578.87)	-	(2,578.87)
142230	Acc Dep - Water Treatment Equipment	(42,700.45)	-	(42,700.45)	(1,783.41)	-	(1,783.41)
142231	Acc Dep - Dist Resv and Standpipes	(46,177.14)	(145.78)	(46,322.92)	(7,098.39)	(32.48)	(7,130.87)
142232	Acc Dep - Trans and Distr Mains	(143,624.56)	(521.44)	(144,146.00)	(7,602.60)	(120.71)	(7,723.31)
142233	Acc Dep - Service Lines	(116,990.87)	(7.80)	(116,998.67)	(7,050.18)	-	(7,050.18)
142234	Acc Dep - Meters	(76,036.99)	-	(76,036.99)	(1,970.46)	-	(1,970.46)
142235	Acc Dep - Meter Installations	(28,319.75)	-	(28,319.75)	(2,202.29)	-	(2,202.29)
142236	Acc Dep - Hydrants	(13,129.99)	-	(13,129.99)	(1,721.81)	-	(1,721.81)
142237	Acc Dep - Backflow Prevention Devices	(1,400.06)	-	(1,400.06)	(1.35)	-	(1.35)
142238	Acc Dep - Power Gen Equip Coll Plt	-	(4,484.30)	(4,484.30)	-	-	-
142239	Acc Dep - Power Gen Equip Pump Plt	-	(2,208.70)	(2,208.70)	-	(1,742.75)	(1,742.75)
142240	Acc Dep - Power Gen Equip Treat Plt	-	(7,837.37)	(7,837.37)	-	(7,000.00)	(7,000.00)
142241	Acc Dep - Sewer Force Main	-	(19,403.51)	(19,403.51)	-	(1,470.00)	(1,470.00)
142242	Acc Dep - Sewer Gravity Main	-	(77,117.51)	(77,117.51)	-	(23,332.50)	(23,332.50)
142243	Acc Dep - Manholes	-	(7,613.64)	(7,613.64)	-	(307.75)	(307.75)
142244	Acc Dep - Special Collection Structures	-	(58.60)	(58.60)	-	(3.25)	(3.25)
142245	Acc Dep - Service to Customers	-	(10,562.23)	(10,562.23)	-	(1,189.29)	(1,189.29)
142246	Acc Dep - Flow Measure Devices	-	(2,284.66)	(2,284.66)	-	(231.10)	(231.10)
142247	Acc Dep - Flow Measure Install	-	(18.45)	(18.45)	-	-	-
142248	Acc Dep - Receiving Wells	(1,178.28)	(824.03)	(2,002.31)	-	-	-
142249	Acc Dep - Pumping Equip Pump Plt	-	(195,735.90)	(195,735.90)	-	(42,088.84)	(42,088.84)
142250	Acc Dep - Pumping Equip Reclaim WTP	-	(1,734.00)	(1,734.00)	-	(1,717.14)	(1,717.14)
142251	Acc Dep - Pumping Equip Rcl Wtr Dist	-	(2,830.52)	(2,830.52)	-	-	-
142252	Acc Dep - Treat/Disp Equip Lagoon	-	(6,185.18)	(6,185.18)	-	(0.60)	(0.60)

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

Utility Plant, A/D, CIAC Additions - Post Test Year - thru August 2021

CWSNC Uniform
Post Test Year Net Additions

BF/HT/TC
Post Test Year Net Additions

Natural Account		Natural Account Description			Water	Sewer	Total	Water	Sewer	Total
142253	Acc Dep - Treat/Disp Equip Trt Plt	-	(192,359.94)	(192,359.94)	-	(28,711.61)	(28,711.61)	-	-	-
142254	Acc Dep - Treat/Disp Equip Reclm Wtr	-	(140.20)	(140.20)	-	-	-	-	-	-
142255	Acc Dep - Plant Sewers Treatment Plt	(247.40)	(150,764.77)	(151,012.17)	-	(2,639.50)	(2,639.50)	-	-	-
142256	Acc Dep - Plant Sewers Reclaim Wtr	-	(53.70)	(53.70)	-	-	-	-	-	-
142257	Acc Dep - Outfall Lines	-	(2,215.85)	(2,215.85)	-	(64.10)	(64.10)	-	-	-
142263	Acc Dep - Reuse Dist Reservoirs	-	(29.30)	(29.30)	-	(23.05)	(23.05)	-	-	-
142264	Acc Dep - Reuse Transmission and Dist	-	(670.44)	(670.44)	-	(20.75)	(20.75)	-	-	-
142268	Acc Dep - Other and Misc Equip Source Supply	(2.70)	-	(2.70)	-	-	-	-	-	-
142269	Acc Dep - Other and Misc Equip WTP	(121.16)	-	(121.16)	-	-	-	-	-	-
142271	Acc Dep - Other Tangible Plant	(400.00)	(90.30)	(490.30)	-	-	-	-	-	-
142272	Acc Dep - Other Plant Collection	-	(220.83)	(220.83)	-	1.85	1.85	-	-	-
142273	Acc Dep - Other Plant Pump	-	(528.55)	(528.55)	-	(24.50)	(24.50)	-	-	-
142274	Acc Dep - Other Plant Treatment	-	(2,684.67)	(2,684.67)	-	-	-	-	-	-
142275	Acc Dep - Other Plant Reclaim Water Trt	-	(6.75)	(6.75)	-	(73.94)	(73.94)	-	-	-
142276	Acc Dep - Other Plant Reclaim Water Dist	-	(4.80)	(4.80)	-	-	-	-	-	-
142278	Acc Dep - Plant Alloc	(5,772.50)	(14,637.65)	(20,410.15)	-	-	-	-	-	-
142303	Acc Dep - Office Furniture	(14,899.46)	(8,604.58)	(23,504.03)	(571.08)	(464.99)	(1,036.07)	-	-	-
142305	Acc Dep - Stores Equipment	(229.59)	(81.91)	(311.50)	(5.23)	(17.89)	(23.12)	-	-	-
142306	Acc Dep - Lab Equipment	(5,385.40)	(7,411.70)	(12,797.10)	(441.10)	(172.50)	(613.60)	-	-	-
142308	Acc Dep - Tool Shop Equipment	(22,166.14)	(11,122.70)	(33,288.84)	(2,016.97)	(327.87)	(2,344.83)	-	-	-
142309	Acc Dep - Power Operated Equipment	(12,002.19)	(10,116.59)	(22,118.78)	(381.34)	(2,009.55)	(2,390.89)	-	-	-
142310	Acc Dep - Communications Equipment	(12,292.50)	(5,598.59)	(17,891.09)	(2,415.61)	(519.62)	(2,935.24)	-	-	-
142311	Acc Dep - Misc Equipment	(2,688.46)	(466.47)	(3,154.93)	(16.20)	(297.66)	(313.86)	-	-	-
142401	Acc Dep - Vehicles	(92,921.84)	(54,485.19)	(147,407.03)	(6,120.59)	(6,259.64)	(12,379.73)	-	-	-
142501	Acc Dep - Computer Hardware	(95.80)	(53.58)	(149.38)	(12.90)	(13.16)	(26.06)	-	-	-
142502	Acc Dep - Desktop/Laptop Computers	(93.26)	(52.41)	(145.67)	(12.50)	(12.74)	(25.24)	-	-	-
142503	Acc Dep - Mainframe Computers	965.37	429.95	1,395.32	207.80	209.38	417.18	-	-	-
142504	Acc Dep - Mini Comp Wtr	(57,273.67)	(32,657.28)	(89,930.95)	(7,346.51)	(7,266.11)	(14,612.62)	-	-	-
142601	Acc Dep - Computer Software	(7,677.36)	(4,300.24)	(11,977.60)	(1,034.74)	(1,054.47)	(2,089.21)	-	-	-
142602	Acc Dep - Comp Systems	(33,034.72)	(20,722.49)	(53,757.21)	(2,895.65)	(2,998.82)	(5,894.47)	-	-	-
142603	Acc Dep - Micro Systems	443.95	194.18	638.13	98.08	98.75	196.83	-	-	-
TOTAL	ACCUMULATED DEPRECIATION	(1,160,128.29)	(1,043,743.31)	(2,203,871.60)	(40,530.97)	(132,785.21)	(173,316.19)			
141899	CIAC-Clearing	13,851.07	(15,251.07)	(1,400.00)	-	-	-	-	-	-
271036	CIAC - Tap Fee	(243,573.28)	(167,284.32)	(410,857.59)	(37,470.64)	(2,542.29)	(40,012.93)	-	-	-
271037	CIAC - Management Fee	(694.11)	(55.89)	(750.00)	-	-	-	-	-	-
271040	CIAC - Plant Mod Fee	(26,172.29)	(4,533.71)	(30,706.00)	(1,405.00)	-	(1,405.00)	-	-	-
271041	CIAC - Plant Meter Fee	(29,436.64)	-	(29,436.64)	(1,013.20)	-	(1,013.20)	-	-	-
271043	CIAC - Sewer Gravity Main	-	(16,530.00)	(16,530.00)	-	-	-	-	-	-
271044	CIAC - Manholes	-	(30,255.62)	(30,255.62)	-	-	-	-	-	-
272003	Acc Amort CIAC - Structure/Improvement Src Supply	529.75	-	529.75	-	-	-	-	-	-
272004	Acc Amort CIAC - Structure/Improvement WTP	442.40	-	442.40	-	-	-	-	-	-
272007	Acc Amort CIAC - Structure/Improvement Pump Plant Ls	-	6,686.35	6,686.35	-	-	-	-	-	-
272008	Acc Amort CIAC - Structure/Improvement Treat Plant	-	3,957.85	3,957.85	-	-	-	-	-	-
272011	Acc Amort CIAC - Structure/Improvement Generator Plant	-	133,472.45	133,472.45	-	46,056.50	46,056.50	-	-	-
272017	Acc Amort CIAC - Wells and Springs	8,983.85	-	8,983.85	-	-	-	-	-	-
272019	Acc Amort CIAC - Electric Pump Equipment Src Pump	279.40	-	279.40	-	-	-	-	-	-
272020	Acc Amort CIAC - Electric Pump Equipment Water Treatment Plant	894.90	-	894.90	-	-	-	-	-	-
272021	Acc Amort CIAC - Electric Pump Equipment Trans Dist	2,067.15	-	2,067.15	-	-	-	-	-	-
272022	Acc Amort CIAC - Water Treatment Equipment	490.55	-	490.55	-	-	-	-	-	-
272023	Acc Amort CIAC - Dist Resv and S	1,949.80	-	1,949.80	-	-	-	-	-	-
272024	Acc Amort CIAC - Trans and Distr Mains	25,811.15	-	25,811.15	216.00	-	216.00	-	-	-
272025	Acc Amort CIAC - Service Lines	2,678.25	-	2,678.25	202.05	-	202.05	-	-	-
272026	Acc Amort CIAC - Meters	318.90	-	318.90	-	-	-	-	-	-
272028	Acc Amort CIAC - Hydrants	3,176.21	-	3,176.21	585.44	-	585.44	-	-	-
272029	Acc Amort CIAC - Backflow Prevent D	166.65	-	166.65	-	-	-	-	-	-
272034	Acc Amort CIAC - Misc Equipment	1,694.95	-	1,694.95	-	-	-	-	-	-
272035	Acc Amort CIAC - Other Tangible Plant	187,243.95	(3.90)	187,240.05	11,838.15	-	11,838.15	-	-	-
272036	Acc Amort CIAC - Tap Fee	42,692.82	35,836.33	78,529.15	2,836.65	4,135.79	6,972.44	-	-	-
272037	Acc Amort CIAC - Management Fee	227.65	147.05	374.70	-	-	-	-	-	-
272039	Acc Amort CIAC - Res Cap Fee	403.80	-	403.80	-	7,320.90	7,320.90	-	-	-
272040	Acc Amort CIAC - Plant Mod Fee	8,999.01	60,358.40	69,357.41	889.76	2,431.65	3,321.41	-	-	-
272041	Acc Amort CIAC - Plant Meter Fee	2,659.99	2.75	2,662.74	127.01	-	127.01	-	-	-
272042	Acc Amort CIAC - Sewer Force Main	-	1,145.15	1,145.15	-	-	-	-	-	-
272043	Acc Amort CIAC - Sewer Gravity Main	-	16,099.65	16,099.65	-	498.45	498.45	-	-	-
272044	Acc Amort CIAC - Manholes	-	1,659.99	1,659.99	-	-	-	-	-	-
272046	Acc Amort CIAC - Service to Customers	-	1,935.70	1,935.70	-	-	-	-	-	-
272054	Acc Amort CIAC - Treatment/Disp Equipment Treatment Plant	-	(370.60)	(370.60)	-	-	-	-	-	-
TOTAL	NET CONTRIBUTION IN AID OF CONSTRUCTION	5,685.88	27,016.56	32,702.44	(23,193.77)	57,901.00	34,707.23			

Carolina Water Service, Inc. of North Carolina
W-354, Sub 384
Test Year: March 31, 2021

W1-10
Updated 10/08/21
Schedule 10

Supplement to Schedule A-15a and b
Utility Plant, A/D, CIAC Additions - Post Test Year - thru August 2021

Page 4 of 4

Pro-Forma Plant Additions

Purpose:

To include plant additions not yet in-service at the end of the Test Year, 3/31/2021, as additions to rate base. Estimated retirements and Accumulated Depreciation are calculated and included as offsets to the gross additions. All listed projects are anticipated to be in-service by 9/30/2021. Net rate base additions are included in Schedules A-15a and b, and annualized depreciation is captured in Schedules B-21a and b.

Method:

Per review of planned and in-progress projects with CWSNC Project Manager, list of projects, descriptions, system, project ID, and Rate Division were obtained. Project costs are based on most recent actual level at time of filing plus anticipated remaining costs to close each project. Retirement estimates are based on either actual postings to the general ledger or estimates by the Project Manager, based on company records or the relevant Handy-Whitman index. Depreciation rates used are consistent with those utilized in W-354, Sub 364. No CIAC is involved in the listed projects.

Update: Updated capital projects closed as of 10/08/21. Add general ledger additions to rate base through 8/31/21.

Carolina Water Service, Inc. of North Carolina
W-354, Sub 384
Test Year: March 31, 2021

W1-10

Schedule 15
Updated 10/08/2021
Page 1 of 1

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

Salary & Wages, Payroll Taxes

Line No .	Item	Amount to Be Allocated	Allocation to NC Regulated COs	CWSNC Uniform Allocation - Water	CWSNC Uniform Allocation - Sewer	BF/FH/TC Allocation - Water	BF/FH/TC Allocation - Sewer
		[A]	[B]	[C]	[D]	[E]	[F]
Regional Leadership							
1	Pro-Forma Salaries & Wages	512,355.10	311,400.06	169,290.88	100,540.57	20,552.93	21,015.67
2	FICA	21,068.10	12,804.81	6,961.26	4,134.24	845.14	864.17
3	Federal Unemployment Tax	84.00	51.05	27.76	16.48	3.37	3.45
4	State Unemployment Tax	287.44	174.70	94.98	56.40	11.53	11.79
	Total	533,794.64	324,430.62	176,374.87	104,747.70	21,412.97	21,895.07
NC Leadership							
5	Pro-Forma Salaries & Wages	419,870.79	267,341.80	145,338.86	86,315.65	17,645.01	18,042.28
6	FICA	31,381.08	19,981.09	10,862.60	6,451.22	1,318.79	1,348.48
7	Federal Unemployment Tax	168.00	106.97	58.15	34.54	7.06	7.22
8	State Unemployment Tax	1,383.66	881.01	478.96	284.45	58.15	59.46
	Total	452,803.53	288,310.87	156,738.57	93,085.85	19,029.01	19,457.44
NC Operations							
9	Pro-Forma Salaries & Wages	6,055,307.79	6,055,307.79	3,291,933.78	1,955,054.62	399,660.64	408,658.75
10	FICA	463,231.05	463,231.05	251,832.93	149,561.68	30,574.04	31,262.39
11	Federal Unemployment Tax	3,612.00	3,612.00	1,963.64	1,166.19	238.40	243.77
12	State Unemployment Tax	10,791.46	10,791.46	5,866.72	3,484.20	712.25	728.29
	Total	6,532,942.29	6,532,942.29	3,551,597.08	2,109,266.69	431,185.33	440,893.20

Notes:

Column [A] - Amount to be Allocated to North Carolina Regulated Companies

Column [B] - Amount of Column [A] allocated to North Carolina

Column [C] - Column [B] * 54.24%

Column [D] - Column [B] * 32.21%

Column [E] - Column [B] * 6.70%

Column [F] - Column [B] * 6.85%

Purpose:

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

Method:

This adjustment annualizes current pay rates as of May 15 2021 pay period. Adjustment also includes vacancies expected to be filled during the rate case at estimated pay levels. Please see the Direct Testimony of Phil Drennan for a detailed explanation of the method used to calculate these adjustments.

Update: Updated for most recent pay period including new hire and vacancies.

Carolina Water Service, Inc. of North Carolina
W-354, Sub 384
Test Year: March 31, 2021

W1-10
Updated 10/08/21
Schedule 17

Supplement to Schedule B-7a

Purchased Water and Purchase Sewer Treatment Expense

Vendor	Subdivision(s)	Date of Rate Change	Old Volume Rate/TG	New Volume Rate/TG	Test Year Expenses Prior to Rate Change			Pro-Forma Adjustment	
					CWSNC Uniform - Water	CWSNC Uniform - Sewer	Percent Increase	CWSNC Uniform - Water	CWSNC Uniform - Sewer
Purchased Water Expense:									
CITY OF ASHEVILLE	Bent Creek	7/1/2019	3.56	3.56	-	-	0.00%	0.00	
CITY OF CHARLOTTE	Riverpointe	7/1/2021	6.74	7.07	99,007.29	-	4.96%	4,911.08	
CITY OF CONCORD	Zemosa Acres	7/1/2021	5.41	5.52	93,685.23	-	2.03%	1,904.88	
CITY OF GASTONIA	Kings Grant - Charlotte	7/1/2021	6.35	6.67	25,293.25	-	5.04%	1,274.62	
CITY OF SANFORD NC	Carolina Trace	9/1/2020	2.21	2.21	56,993.97	-	0.00%	0.00	
HENDERSONVILLE WATER & SEWER DEPARTMENT	High Vista	7/1/2021	3.40	4.72	72,287.39	-	38.82%	28,064.52	
JOHNSTON CNTY DEPT PUBLIC UTILITIES	White Oak Plantation, Winston Plantation, Winston Point, Willowbrook	9/1/2021	2.85	3.02	153,658.51	-	5.96%	9,165.60	
LANCASTER CTY WTR & SWR DISTRICT	Danby	7/1/2021	4.18	4.24	117,370.54	-	1.44%	1,684.74	
MONTGOMERY COUNTY WATER SYSTEM	Carolina Forest, Woodrun	7/1/2016	3.19	3.19	-	-	0.00%	0.00	
PUBLIC WORKS COMMISSION	Tanglewood South, Eastgate, Fayetteville	7/1/2020	5.43	5.64	14,810.94	-	3.87%	572.80	
TOWN OF FRANKLIN	Riverbend Estates	6/22/2021	7.80	8.10	61,646.66	-	3.85%	2,371.03	
TOWN OF MOORESVILLE	The Point	6/1/2021	3.72	3.99	181,102.71	-	7.26%	13,144.55	
TOWN OF SOUTHERN PINES	Whispering Pines	7/1/2021	3.28	3.52	279,867.38	-	7.32%	20,478.10	
WINSTON-SALEM/FORSYTH CTY	Yorktown	7/1/2019	5.79	5.79	-	-	0.00%	0.00	
					<u>1,155,723.87</u>			<u>83,571.90</u>	
Purchased Sewer Treatment Expense:									
CITY OF GASTONIA	Kings Grant - Charlotte	7/1/2020	4.18	4.39	-	5,433.30	5.02%	-	272.96
CLAY COUNTY WATER AND SEWER DISTRICT	Ridges at Mountain Harbour	3/15/2021	1,864.43	1,864.43	-	11,354.38	0.00%	-	0.00
JOHNSTON CNTY DEPT PUBLIC UTILITIES	White Oak Plantation / Winston Pt.	9/1/2021	6.15	6.45	-	121,894.36	4.88%	-	5,946.07
METROPOLITAN SEWAGE DISTRICT	Mt. Carmel	7/1/2021	6.32	6.51	-	132,849.70	3.01%	-	3,993.90
TOWN OF DALLAS	College Park	7/1/2021	7.33	7.77	-	40,927.18	6.00%	-	2,456.75
TOWN OF LAKE LURE	Fairfield Mountain / Apple Valley	7/1/2020	33,423.50	43,431.00	-	480,632.00	8.43%	-	40,540.00
						<u>793,090.92</u>			<u>53,209.68</u>

Purpose:

To adjust Test Year actual purchased services expenses for rate changes from vendors occurring after the start of the Test Year (4/1/2020). This allows for pro-forma adjustments to reflect the annualized costs for Purchased Water/Sewer Treatment Expense for CWSNC in this rate case.

Method:

The Company reviewed bills from and corresponded with its vendors to identify where rates changed since 4/1/2020, or who had issued notice that their rates will change in the near future. CWSNC identified invoices paid during the Test Year before the effective date of the rate change and increased those bill amounts by the effective rate increase for the vendor. The Company compared invoices to the vendor website rate schedule or a copy of prior rates effective to identify the percent of rate change. Johnston County issued a notice that their rates would change as of 09/01/2021. All other rate increases noted are identified from vendor invoices or the provider's rate schedules per its website.

UPDATE: Updated rates to newly approved purchased water and sewer rates. Updated town of Lake Lure Expense for 12 mo at current rate.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 384
Lobbying - Adjustments
Supplement to Schedules B-13a and b, B-20 a and b, and B-15 a and b
Test Year: March 31, 2021

W-10
Updated 10/08/21
Schedule 18

Line No.	Account #	Description	Schedule Reference	Total Per Books [A]	Per Books Adjustment [B]	CWSNC Uniform Allocation - Water [C]	CWSNC Uniform Allocation - Sewer [D]	BF/FH/TC - Water [E]	BF/FH/TC - Sewer [F]
1	549000	Other Outside Services	B-13a/b	62,885.33	(62,885.33)	(34,311.92)	(20,377.59)	(3,913.24)	(4,282.58)
2	623100	Donations for Registered Charities	B-20a/b	29,860.06	(29,860.06)	(16,279.01)	(9,111.75)	(2,213.90)	(2,255.40)
3	549000	Lobbying Activities	B-13a/b	-	(4,814.08)	(2,617.15)	(1,554.30)	(317.74)	(324.89)
4	612100	Regulatory Fees	B-15a/b		(3,881.25)	(2,110.02)	(1,253.12)	(256.17)	(261.94)
5	540400	Legal Fees	B-13a/b		(5,385.00)	(2,927.52)	(1,738.63)	(355.42)	(363.42)
6	Total			92,745.39	(106,825.72)	(58,245.62)	(34,035.40)	(7,056.47)	(7,488.23)

Notes:

Column [A] - Per Company's Financials at March 31, 2021.
Column [B] Lobbying - Remove book balances and time associated with lobbying activities.
Column [C] - Actuals or remainder at CWSNC Allocation
Column [D] - Actuals or remainder at CWSNC Allocation
Column [E] - Actuals or remainder at CWSNC Allocation
Column [F] - Actuals or remainder at CWSNC Allocation

Purpose:

To remove lobbying and contribution costs from the Test Year.

Method:

All costs related to lobbying efforts are removed from the Test Year data. These costs are already partially allocated to non-reg departments, the remainder is removed from this filing. This includes costs related to Public Sector Group and Sanford Law Office (Account 549000). Additional costs related to contributions were removed (Account 623100).

Update: Removed employee time spent on lobbying activities at fully loaded captime rate. Removed additional legal expenses incurred due to lobbying activities in the test year.

Carolina Water Service, Inc. of North Carolina
W-354, Sub 384
Test Year: March 31, 2021

W1-10

Schedule 20
Updated 10/08/2021
Page 1 of 1

Supplement to Schedule B-11a and b

Chemicals Expense - Pro-Forma Adjustment

Item #	Item Description	WaterGuard - Actual Test Year Activity - 4/1/20-03/31/21				Pro-Forma Adjustment				
		CWSNC Uniform - Water	CWSNC Uniform - Sewer	BF/FH/TC - Water	BF/FH/TC - Sewer	Percent Increase 7/1/2021	CWSNC Uniform - Water	CWSNC Uniform - Sewer	BF/FH/TC - Water	BF/FH/TC - Sewer
Water Guard Price Change 7/1/2021										
Price changes:										
10001	HYPOCHLORITE SOL - BULK- GALS	14,839.47	65,293.35	29,899.95	1,876.20	5.03%	746.64	3,285.20	1,504.40	94.40
10050	HYPOCHLORITE SOL- 5 GAL DRUM	0.00	6,885.00	170.00	0.00	11.76%	0.00	810.00	20.00	0.00
10150	HYPOCHLORITE SOL 15 GAL DRUM	0.00	19,561.50	0.00	0.00	8.02%	0.00	1,569.75	0.00	0.00
10561	HYPO 5.25% BULK GALS	0.00	2,622.55	0.00	0.00	4.72%	0.00	123.90	0.00	0.00
11025	CALCIUM HYPO GRANULAR, 25#	0.00	418.00	0.00	0.00	5.14%	0.00	21.49	0.00	0.00
22000	FERROQUEST- BULK, GALLONS	0.00	0.00	39,025.00	0.00	3.56%	0.00	0.00	1,388.34	0.00
36110	CAUSTIC SODA BEADS - 50# BAG	95,926.50	0.00	0.00	0.00	102.19%	98,027.08	0.00	0.00	0.00
47020	MICROC 2000, GAL	0.00	71,342.25	0.00	0.00	11.03%	0.00	7,867.65	0.00	0.00
109003	ALUMINUM SULFATE, BULK, GALS	0.00	14,223.60	0.00	0.00	3.09%	0.00	439.00	0.00	0.00
		<u>110,765.97</u>	<u>180,346.25</u>	<u>69,094.95</u>	<u>1,876.20</u>		<u>98,773.72</u>	<u>14,116.99</u>	<u>2,912.74</u>	<u>94.40</u>

Purpose:

To adjust Test Year actual chemicals expenses for rate changes from primary vendor, WaterGuard, that was effective 7/1/2021. This allows for pro-forma adjustments to reflect the annualized costs for Chemicals Expense for CWSNC in this rate case.

Method:

The Company received correspondence from WaterGuard that identified certain chemical price changes to be effective 7/1/2021. The Company identified WaterGuard invoices in the Test Year. CWSNC identified invoices paid during the Test Year before the effective date of the rate change and increased those bill amounts by the effective rate increase for the vendor for the particular chemical identified on the invoice. The Company then increased the pre-increase invoice amounts for the percent increase noted by WaterGuard. The Company used the book activity by subdivision to apply the increase for each chemical to the location it was utilized.

Update: Updated Waterguard costs for most recent price schedule from Waterguard.

Carolina Water Service, Inc. of North Carolina
W - 354, Sub 384
Cost Allocations - ERC Count
Test Year: March 31, 2021

W-10

Schedule 24
Updated 10/08/21

Supplement to Schedule B-18a and b

Page 1 of 1

Pro-Forma Insurance Expense

2021 -2022 Premiums & Allocations										
DESCRIPTION	Policy Number	Underwriter	Period Covered	Type	Current Premium Amount (Annual)	Allocation Methodology/Basis	Total Allocation Basis	North Carolina Portion of Allocation Basis		Amount Allocated for Current Coverage Period
								Allocation %	Coverage Period	
					[A]	[B]	[C]	[D]	[E]	[F]
Commercial Auto	0944700	Marsh USA, Inc.	10/01/21-10/01/22	Auto	648,172	Vehicle Count	521	100	19.19%	124,409
Workers Comp	WC 0944702	Zurich North America	10/01/21-09/30/22	Workers' Comp	601,681	Salaries & Wages	\$ 49,687,037	\$ 5,709,828	11.49%	69,143
USA: Property Insurance, Boiler & Machinery	753 5084; US00095370PR20A	Marsh Canada Limited	10/01/21-10/01/22	Property	2,167,174	Property Values	\$ 942,711,949	\$ 216,513,230	22.97%	497,736
USA: Commercial & Umbrella General Liability	02-LX-086477605-11	Marsh Canada Limited	10/01/21-10/01/22	Commercial & Umbrella	1,471,767	Revenues	\$ 205,696,690	\$ 39,725,623	19.31%	284,238
D&O Rider	PCD9302066-02	Alliant	10/01/17-10/01/23	D&O	3,185	Revenues	\$ 205,696,690	\$ 39,725,623	19.31%	615
D&O Commercial Package	PCD9203066-06	Alliant	11/01/20-11/01/21	D&O	80,790	Revenues	\$ 205,696,690	\$ 39,725,623	19.31%	15,603
Excess D&O 5M XS 15M	DO6DAB4IDG001	Alliant	11/01/20-11/01/21	D&O	16,300	Revenues	\$ 205,696,690	\$ 39,725,623	19.31%	3,148
Excess D&O 5M XS 10M	02-152-27-66	Alliant	11/01/20-11/01/21	D&O	16,300	Revenues	\$ 205,696,690	\$ 39,725,623	19.31%	3,148
Package (Fiduciary, D&O)	68046834	Marsh Canada Limited	11/01/20-11/01/21	Fiduciary	19,421	Revenues	\$ 205,696,690	\$ 39,725,623	19.31%	3,751
Pollution Liability Ins 19-22 - 2nd installment	EPC 0194443-01	Alliant	04/30/19-04/30/22	Other	200,427	Property Values	\$ 942,711,949	\$ 216,513,230	22.97%	46,032
Commercial Cyber Liability	PH2001180	Alliant	11/01/20-11/01/21	Other	36,269	Revenues	\$ 205,696,690	\$ 39,725,623	19.31%	7,005
Brokerage Fee		Marsh Canada Limited	10/01/20-10/01/21	Other	295,684	Revenues	\$ 205,696,690	\$ 39,725,623	19.31%	57,105
Deductibles					572,724	ERCs		302,669	56,997	107,853
					<u>6,129,894</u>					<u>1,219,784.99</u>

Allocation to North Carolina Rate Groups										
DESCRIPTION	Policy Number	Underwriter	Period Covered	Type	CWSNC Uniform			BF-FH-TC		Total
					Water	Sewer	Total	Water	Sewer	
					[G]	[H]	[I]	[J]	[K]	[L]
Commercial Auto	0944700	Marsh USA, Inc.	10/01/21-10/01/22	Auto	67,634.34	40,167.52	107,801.87	8,211.22	8,396.09	16,607.31
Workers Comp	WC 0944702	Zurich North America	10/01/21-09/30/22	Workers' Comp	37,589.03	22,323.84	59,912.87	4,563.54	4,666.28	9,229.82
USA: Property Insurance, Boiler & Machinery	753 5084; US00095370PR20A	Marsh Canada Limited	10/01/21-10/01/22	Property	270,591.42	160,702.20	431,293.62	32,851.43	33,591.06	66,442.49
USA: Commercial & Umbrella General Liability	02-LX-086477605-11	Marsh Canada Limited	10/01/21-10/01/22	Commercial & Umbrella	154,524.49	91,770.93	246,295.41	18,760.21	19,182.58	37,942.79
D&O Rider	PCD9302066-02	Alliant	10/01/17-10/01/23	D&O	334.40	198.60	533.00	40.60	41.51	82.11
D&O Commercial Package	PCD9203066-06	Alliant	11/01/20-11/01/21	D&O	8,482.34	5,037.60	13,519.94	1,029.81	1,052.99	2,082.80
Excess D&O 5M XS 15M	DO6DAB4IDG001	Alliant	11/01/20-11/01/21	D&O	1,711.38	1,016.37	2,727.75	207.77	212.45	420.22
Excess D&O 5M XS 10M	02-152-27-66	Alliant	11/01/20-11/01/21	D&O	1,711.38	1,016.37	2,727.75	207.77	212.45	420.22
Package (Fiduciary, D&O)	68046834	Marsh Canada Limited	11/01/20-11/01/21	Fiduciary	2,039.06	1,210.98	3,250.05	247.55	253.13	500.68
Pollution Liability Ins 19-22 - 2nd installment	EPC 0194443-01	Alliant	04/30/19-04/30/22	Other	25,025.14	14,862.24	39,887.38	3,038.20	3,106.61	6,144.81
Commercial Cyber Liability	PH2001180	Alliant	11/01/20-11/01/21	Other	3,807.97	2,261.53	6,069.50	462.31	472.72	935.03
Brokerage Fee		Marsh Canada Limited	10/01/20-10/01/21	Other	31,044.59	18,437.15	49,481.74	3,769.00	3,853.86	7,622.86
Deductibles					58,633.66	34,822.09	93,455.74	7,118.48	7,278.75	14,397.23
					<u>663,129.20</u>	<u>393,827.43</u>	<u>1,056,956.63</u>	<u>80,507.89</u>	<u>82,320.47</u>	<u>162,828.36</u>

Notes:
Column [A] - Annual premiums per policies
Column [B] - Allocation methodology used to allocate annual premiums
Column [C] - Total amount of allocation basis used for 2021 budget cycle
Column [D] - NC portion of allocation basis used for 2021 budget cycle
Column [E] - Column [D] divided by Column [C]
Column [F] - Column [A] * Column [E]
Column [G] - Column [C] * 54.36%
Column [H] - Column [C] * 32.29%
Column [I] - Sum of Column [G] & Sum of Column [H]
Column [J] - Column [C] * 6.60%
Column [K] - Column [C] * 6.75%
Column [L] - Sum of Column [J] & Sum of Column [K]

Purpose:
To annualize most current insurance premiums

Method:
The Company reviewed its insurance policies for the most recent renewal period and annualized those cost.
The premiums were then allocated to the North Carolina regulated companies using the various allocation methodologies outlined.

Update: Coverages have been updated for most recent policies as of 10/08/21.

Carolina Water Service, Inc. of North Carolina
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Supplement to Schedule A-15a and b

Fusion - Oracle ERP Pro-Forma

		Fusion - Oracle ERP Allocation					
Line No.	Description	Fusion - Oracle	CII / Other	Allocation % to	CRU (US) Additional Rate	Allocation % to NC Reg.	Amount Allocated to
		ERP	Companies	CRU Companies	Base	Companies	NC Reg. Companies
		[A]	[B]	[C]	[D]	[E]	[F]
1	Fusion - Oracle ERP Asset - June 2020 Go Live	8,975,816.00	2,793,089.92	68.9%	6,182,726.08	17.8%	1,100,633.47
2	Fusion - Oracle ERP Asset - November 2020 Go Live	4,420,924.00	1,375,700.91	68.9%	3,045,223.09	17.8%	542,103.01
3	Fusion - Oracle ERP Regulatory Asset - 03/31/22 Proposed Start Date	1,453,799.33	452,392.55	68.9%	1,001,406.79	17.8%	178,267.94
4	Fusion - Oracle ERP Asset - June 2020 Go Live - A/A through 3/31/22	(1,862,905.21)	(579,697.91)	68.9%	(1,283,207.30)	17.8%	(228,433.36)
5	Fusion - Oracle ERP Asset - November 2020 Go Live - A/A through 3/31/22	(744,115.92)	(231,553.62)	68.9%	(512,562.30)	17.8%	(91,245.06)
6	Total Cost to be Allocated	12,243,518.20	3,809,931.85		8,433,586.36		1,501,325.99

		Allocation to NC Reg. Companies Rate Groups			
Line No.	Description	CWSNC Uniform - Water	CWSNC Uniform - Sewer	BF/FH/TC - Water	BF/FH/TC - Sewer
		[G]	[H]	[I]	[J]
7	Fusion - Oracle ERP Asset - June 2020 Go Live	598,353.15	355,357.42	72,643.69	74,279.21
8	Fusion - Oracle ERP Asset - November 2020 Go Live	294,711.23	175,026.78	35,779.72	36,585.28
9	Fusion - Oracle ERP Regulatory Asset - 03/31/22 Proposed Start Date	96,914.35	57,556.70	11,765.99	12,030.89
10	Fusion - Oracle ERP Asset - June 2020 Go Live - A/A through 3/31/22	(124,186.50)	(73,753.43)	(15,076.99)	(15,416.44)
11	Fusion - Oracle ERP Asset - November 2020 Go Live - A/A through 3/31/22	(49,604.86)	(29,459.95)	(6,022.33)	(6,157.92)
12	Total Allocation	816,187.37	484,727.52	99,090.08	101,321.03

Notes:

- Column [A] - Total Fusion Oracle ERP costs. June & November go live plus regulatory asset = \$14,850,539 before amortization
- Column [B] - Amount allocated to CII and other companies
- Column [C] - Allocation percent to Corix Regulated Utility companies. See note 1 describing the regulatory asset percentage difference
- Column [D] - Fusion - Oracle ERP Asset Original Costs and Accumulated Amortization after Tier 1 allocation
- Column [E] - Allocation percent to North Carolina regulated companies
- Column [F] - Amount allocated to North Carolina regulated companies
- Column [G] - Column [F] Lines 1 through 4 * 54.36% respectively.
- Column [H] - Column [F] Lines 1 through 4 * 32.29% respectively.
- Column [I] - Column [F] Lines 1 through 4 * 6.60% respectively.
- Column [J] - Column [F] Lines 1 through 4 * 6.75% respectively.

Carolina Water Service, Inc. of North Carolina
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Supplement to Schedule B-13a and b, and B-15a and b.

Corporate Cost Allocation (CAM) Pro-Forma

Q1 & Q2 - 2021 Shared Services Cost Annualization						
Line No.	Description	Q1 & Q2 - 2021	Allocation % to	Q1 & Q2	Annualization	Q1 & Q2 Allocation to NC Reg.
		Shared Services	NC Reg.	Amount		Companies (Annualized)
		Cost Allocated to	Companies	Allocated to NC	Factor	
		L48 States		Reg. Companies		
		[A]	[B]	[C]	[D]	[E]
1	Corporate Cost	11,837,513.63	17.8%	2,107,284.63	2	4,214,569.26
2	Regional Cost	1,157,367.50	17.8%	206,031.67	2	412,063.35
3	Total Cost to be Allocated	12,994,881.13		2,313,316.30		4,626,632.61
4	Oracle ERP Regulatory Asset Amortization					25,167.24

Allocation to NC Reg. Companies Rate Groups						
Line No.	Description	CWSNC				
		CWSNC Uniform -	Uniform -	BF/FH/TC -	BF/FH/TC -	
		Water	Sewer	Water	Sewer	
		[F]	[G]	[H]	[I]	
5	Corporate Cost	2,291,226.71	1,360,742.24	278,168.76	284,431.55	691000 - Corporate Allocation
6	Regional Cost	224,015.90	133,041.35	27,196.88	27,809.20	692000 - Regional Allocation
7	Oracle ERP Regulatory Asset	13,682.03	8,125.65	1,661.08	1,698.48	612900 - Other Regulatory Expense
8	Total Allocation	2,515,242.61	1,493,783.60	305,365.64	312,240.76	

Notes:

- Column [A] - Corix Infrastructure, Inc. shared services cost allocated to the Lower 48 States for the first half of 2021
- Column [B] - Allocation percent to North Carolina regulated companies
- Column [C] - Amount allocated to North Carolina regulated companies
- Column [D] - Factor used to annualize first half allocated amount to North Carolina regulated companies
- Column [E] - Column [C] * Column [D]
- Column [F] - Column [E] Lines 1 and 2 * 54.36% respectively.
- Column [G] - Column [E] Lines 1 and 2 * 32.29% respectively.
- Column [H] - Column [E] Lines 1 and 2 * 6.60% respectively.
- Column [I] - Column [E] Lines 1 and 2 * 6.75% respectively.

Purpose:

To include annualized pro-forma costs allocated to CWSNC from the Corix Infrastructure, Inc. Shared Services Group

Method:

Pro-forma adjustments were then made to each North Carolina regulated rate group to reflect the 2021 first quarter annualized cost.

Update: CAM Actuals for Q2 2021 were added and annualization changed. Include rate base costs associated with the Fusion - Oracle Accounting ERP system. Include amortization of the Oracle ERP Regulatory Asset starting 03/31/22.