

DOCKET NO. W-354, SUB 400

Carolina Water Service, Inc. of North Carolina

In the Matter of

Application by Carolina Water Service, Inc. of	)	<b>APPLICATION FOR A GENERAL</b>
North Carolina for Authority to Adjust and	)	<b>INCREASE IN RATES AND</b>
Increase Rates and Charges for Water and	)	<b>APPROVAL OF A THREE-YEAR</b>
Sewer Utility Service in All Service Areas of	)	<b>WATER AND SEWER INVESTMENT</b>
North Carolina and Approval of a Three-Year	)	<b>PLAN</b>
Water and Sewer Investment Plan		

**W1-10 Update Filing – 09/19/2022**

**W1-10 Summary of Book and Pro-Forma Adjustments – Base Case**

**W-10 Narrative of Book and Pro-Forma Adjustments – Base Case**

**Summary of WSIP Period Adjustments**

**Schedule A – Comparison – Base Case Original Filing and Update**

**Schedule B – Comparison – Base Case Original Filing and Update**

**Supplemental Schedules 2, 12, 13, 17, 18, 21, 25, 27, 29**

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

WI-10  
Updated 09/19/22

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

Adjustment #	Description	Adjustment Type	Filing Exhibit Schedule	Support Schedule	Adjustment Amount				
					Uniform Water	Uniform Sewer	BE/FH/TC Water	BE/FH/TC Sewer	Total Adjustment
1	<b><u>Allocation Adjustment - re-allocate Plant In-Service, A/D, ADIT based on 25% ratio for Availability ERC's:</u></b>								
	Plant In-Service	Book	A-1a, A-1b	Schedule 1	(218,683.26)	(130,467.71)	(26,274.20)	(26,894.29)	(402,319.47)
	Accumulated Depreciation	Book	A-2a, A-2b	Schedule 1	175,230.43	104,543.50	21,053.46	21,550.34	322,377.72
	Accumulated Deferred Income Taxes	Book	A-6a, A-6b	Schedule 1	(1,269.44)	(757.36)	(152.52)	(156.12)	(2,335.44)
2	<b><u>Plant Additions and Retirements / Accumulated Depreciation Retirements and Depreciation</u></b>								
	<b><u>PIS - Pro-Forma Additions net of Retirements and Insurance Proceeds through 09/30/22</u></b>	Pro-Forma	A-1a, A-1b	Schedule 2	4,630,608.55	3,871,896.76	229,955.92	(149,232.67)	8,583,228.56
	PIS - Pro-Forma Retirements through 09/30/22	Pro-Forma	A-1a, A-1b	Schedule 2					
	A/D - Pro-Forma Retirements through 09/30/22	Pro-Forma	A-2a, A-2b	Schedule 2					
	<b><u>A/D - Pro-Forma Accumulated Depreciation net of Retirements through 09/30/22</u></b>	Pro-Forma	A-2a, A-2b	Schedule 2	(1,367,568.13)	(1,289,150.78)	(58,446.81)	(175,558.43)	(2,890,724.15)
	Annualize Depreciation Expense through 09/30/22	Pro-Forma	B-21a, B-21b	B-21a, B-21b	522,022.37	355,818.52	39,638.03	62,675.82	980,154.73
3	<b><u>Adjust cash working capital for changes in maintenance and general expenses:</u></b>								
	Book Adjustment	Book	A-3a, A-3b	A-3a, A-3b	1,455,210.38	1,065,935.55	172,414.58	177,483.49	2,871,044.00
	Pro-Forma Adjustment	Pro-Forma	A-3a, A-3b	A-3a, A-3b	141,167.33	72,586.87	19,144.46	25,984.16	258,882.82
4	<b><u>Contributions in Aid of Construction - Additions and Amortization</u></b>								
	Pro-Forma Additions and Amortization through 09/30/22	Pro-Forma	A-4a, A-4b	A-4a, A-4b	329,745.21	339,379.53	(18,474.76)	72,995.57	723,645.54
	Annualize Amortization Expense through 09/30/22	Pro-Forma	B-23a, B-23b	B-23a, B-23b	(28,994.42)	2,811.03	(17,246.28)	(5,638.83)	(49,068.51)
5	<b><u>Adjust Accumulated Deferred Income Taxes - Prior Commission Orders and Unamortized Balances:</u></b>								
	State	Book & Pro-Forma	A-6a, A-6b	Schedule 5	(276,061.71)	(178,240.84)	(36,571.52)	(46,070.94)	(536,945.01)
	Federal	Book & Pro-Forma	A-6a, A-6b	Schedule 5	227,901.12	(498,443.08)	203,014.78	121,502.66	53,975.48
6	<b><u>Include Gain on Sale as approved in W-354, Sub 364</u></b>	Book	A-9a	Schedule 6	(196,947.00)	(92,681.00)	-	-	(289,628.00)
7	<b><u>Purchase Acquisition Adjustment - Amortization</u></b>								
	Pro-Forma Amortization through 09/30/22	Pro-Forma	A-10a, A-10b	A-10a, A-10b	58,678.98	8,716.27	(7,926.99)	(21,925.00)	37,543.26
	Annualize Amortization Expense through 09/30/22	Pro-Forma	B-22a, B-22b	B-22a, B-22b	(14,528.95)	18,437.97	4,174.68	13,629.22	21,712.92
8	<b><u>Include Cost Free Capital as approved in W-354, Sub 266</u></b>	Book	A-12a	Schedule 8	(121,791.00)	(139,708.00)	-	-	(261,499.00)
9	<b><u>Avg. Tax Accruals</u></b>								
	Adjust Property Taxes for 1/2 of property tax expense	Pro-Forma	A-13a, A-13b	A-13a, A-13b	67,984.51	52,814.62	3,873.02	4,876.76	129,548.91
	Adjust Regulatory fee for current Service Revenues * 0.13% at 1/5 accrual.	Pro-Forma	A-13a, A-13b	A-13a, A-13b	5,935.79	4,561.74	489.09	684.75	11,671.37
10	<b><u>Include unamortized balance of Federal Protected EDIT:</u></b>								
	Unamortized Federal Protected EDIT reserve	Pro-Forma	A-14a, A-14b	Schedule 10	(1,949,905.00)	(1,163,325.00)	(276,179.00)	(282,697.00)	(3,672,106.00)
	Amortization of Federal Protected EDIT	Pro-Forma	B-20a, B-20b	Schedule 10	(36,704.00)	(21,898.00)	(5,199.00)	(5,321.00)	(69,122.00)
	Unamortized NC State Tax reserve	Pro-Forma	A-14a, A-14b	Schedule 10	(717,341.00)	(427,970.00)	(86,187.00)	(88,221.00)	(1,319,719.00)
	Amortization of NC State Tax EDIT (3% to 2.5%) - 3 Year Amortization	Pro-Forma	B-20a, B-20b	Schedule 10	(28,178.00)	(16,811.00)	(3,386.00)	(3,465.00)	(51,840.00)
	<b><u>Adjust Deferred Charges and Amortization of Rate Case Expenses:</u></b>								
11	Remove all Test Year cost in Deferred Charges & Rate Case Expense balances	Book	A-15a, A-15b	A-15a, A-15b	(1,335,683.77)	(2,212,377.83)	(143,157.15)	(101,824.55)	(3,793,043.30)
12	To adjust annual rate case amortization expense	Pro-Forma	B-15a, B-15b	Schedule 12	198,781.36	118,594.39	21,925.20	22,442.56	361,743.51
13a	To adjust non-rate case expense deferred charges to reflect unamortized balances as of 4/1/2023	Pro-Forma	A-15a, A-15b	Schedule 13a	358,704.88	523,044.11	40,469.16	-	922,218.15
13b	To adjust non-rate case expense deferred charges to reflect annual amortization expense	Pro-Forma	B-6a, B-6b	Schedule 13b	(49,182.44)	(164,849.75)	(1,702.75)	17,065.88	(198,669.06)
13c	To adjustment maintenance testing expense for most recent sampling schedules	Pro-Forma	B-7a, B-7b	Schedule 13c	27,558.24	9,214.71	(19,272.49)	22,174.98	39,675.44
14	<b><u>Adjust Service Revenues to pro-forma present rate levels</u></b>	Book	B-1a, B-1b	Schedule E	2,853,462.72	1,270,571.97	448,710.54	353,560.35	4,926,305.58
	<b><u>Adjust Miscellaneous Revenues for pro-forma present rate levels:</u></b>								
15	Adjust Uncollectible Accounts	Book	B-1a, B-1b	B-2a, B-2b	114,971.90	(155,260.30)	19,605.01	(32,203.39)	(52,886.79)
16	Adjust Late Payment Charges	Book	B-1a, B-1b	B-3a, B-3b	242.95	197.68	30.18	47.87	518.68

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					Uniform Water	Uniform Sewer	BE/FH/TC Water	BE/FH/TC Sewer	
17	<u>Adjust Power Expense for vendor price changes since start of Test Year</u>	Pro-Forma	B-4a, B-4b	Schedule 17	-	-	-	-	-
18	<u>Adjust Purchased Water/Purchased Sewer Expense for vendor price changes since start of Test Year</u>	Pro-Forma	B-5a	Schedule 18	33,405.96	16,025.97	-	-	49,431.93
19	<u>Adjust Chemicals Expense for vendor price changes since start of Test Year</u>	Pro-Forma	B-9a, B-9b	Schedule 19	64,925.85	174,029.56	23,274.50	14,213.95	276,443.86
20	<u>Remove Unrecoverable Expenses:</u>								
	Outside Services & Internal Time	Pro-Forma	B-20a, B-20b	Schedule 20	(45,933.98)	(27,404.48)	(5,518.84)	(5,649.09)	(84,506.39)
	Advertising	Pro-Forma	B-20a, B-20b	Schedule 20	(486.58)	(290.30)	(6.64)	(6.80)	(790.32)
	Charitable Donations	Pro-Forma	B-20a, B-20b	Schedule 20	(5,337.53)	(3,184.40)	(737.85)	(755.26)	(10,015.04)
	Penalties/Fines	Pro-Forma	B-20a, B-20b	Schedule 20	(472.84)	(5,629.85)	-	-	(6,102.69)
	Memberships and Dues (NAWC)	Pro-Forma	B-20a, B-20b	Schedule 20	(1,450.30)	(865.26)	(174.25)	(178.36)	(2,668.17)
21a	<u>Update Salaries &amp; Wages to reflect new going level rates and head count:</u>								
	Adjustment to reflect going level pay rates and headcount	Pro-Forma	B-13a, B-13b	Schedule 21a	417,945.55	249,348.75	163,118.95	166,968.66	997,381.91
	Adjustment to reflect updated payroll taxes based on going level salary and wages update	Pro-Forma	B-25a, B-25b	Schedule 21a	43,588.18	26,004.97	13,979.97	14,309.91	97,883.03
21b	<u>Update Benefits Expenses to reflect current expense:</u>								
	Adjustment to annualize current Benefits expense	Pro-Forma	B-16a, B-16b	Schedule 21b	121,716.83	72,616.98	9,272.20	9,491.03	213,097.04
22	<u>Adjust Captime for Salaries Adjustment</u>	Pro-Forma	B-11a, B-11b	Schedule 22	89,856.77	53,608.59	10,796.51	11,051.05	165,312.92
23	<u>To Include Payment Processing Fees and Water Efficiency Program Noticing Cost</u>	Pro-Forma	B-14a, B-14b	Schedule 23	150,503.05	89,791.00	18,082.53	18,509.29	276,885.87
24	<u>Adjust rent expense for going level rates</u>	Pro-Forma	B-17a, B-17b	Schedule 24	100,148.09	59,749.40	13,166.23	13,477.42	186,541.14
25	<u>Adjust Insurance Expense to annualize current policy premiums</u>								
	General Liability Insurance	Pro-Forma	B-18a, B-18b	Schedule 25	54,651.94	32,605.67	4,295.73	4,397.11	95,950.46
	Property Insurance	Pro-Forma	B-18a, B-18b	Schedule 25	50,071.57	29,872.99	1,930.24	1,975.79	83,850.59
	Vehicle Insurance	Pro-Forma	B-18a, B-18b	Schedule 25	4,704.11	2,806.50	(602.69)	(616.91)	6,291.01
	Uninsured Losses	Pro-Forma	B-18a, B-18b	Schedule 25	(35,346.84)	(21,088.13)	287.62	294.41	(55,852.94)
	Other Insurance	Pro-Forma	B-18a, B-18b	Schedule 25	39,712.26	23,692.56	3,428.21	3,509.12	70,342.14
	Workers Compensation	Pro-Forma	B-16a, B-16b	Schedule 25	(2,539.71)	(1,515.21)	-	-	(4,054.92)
26	<u>Adjust for expenses associated with the Echota and Seven Devils acquisition</u>	Pro-Forma	B-20a	Schedule 26	243,811.00	65,171.00	-	-	308,982.00
	<u>To reflect pro-forma Corix Shared Service Cost to North Carolina</u>								
27a	Fusion ERP Rate Base	Pro-Forma	A-15a, A-15b	Schedule 27	700,940.67	418,185.29	84,216.13	86,203.68	1,289,545.77
27b	Corporate Cost	Pro-Forma	B-20a, B-20b	Schedule 27	(250,438.61)	(149,413.14)	(75,789.21)	(77,577.89)	(553,218.85)
27b	Regional Cost	Pro-Forma	B-20a, B-20b	Schedule 27	7,025.78	4,191.63	(4,694.48)	(4,805.26)	1,717.67
27b	Regulatory Expense Amortization	Pro-Forma	B-15a, B-15b	Schedule 27	13,997.10	8,350.75	1,681.71	1,721.40	25,750.96
28	<u>Adjust Regulatory Fee (Utility/Commission Tax) for proposed revenues</u>								
	Remove test year amount	Pro-Forma	B-25a, B-25b	B-25a, B-25b	(28,483.23)	(23,174.84)	-	-	(51,658.07)
	Include annualized amount to reflect going level based on proposed revenues	Pro-Forma	B-25a, B-25b	B-25a, B-25b	32,391.54	25,609.04	2,710.42	3,850.70	64,561.69

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Updated 09/19/22

**Narrative of Book and Pro-Forma Adjustments - Base Case**

Adjustment #	
1	<p><b>Purpose:</b> 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><b>Method:</b> CWSNC 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. This is a one time manual adjustment that flows through all WSIP periods and does not need additional adjustments.</p>
2	<p><b>Purpose:</b> To include estimated capital investment spend, retirements, accumulated depreciation, and annualized depreciation expense through the base case cutoff period and Water Sewer Investment Plan period.</p> <p><b>Method:</b> Add plant in service and retirements on a monthly basis through the base case cutoff and Water Sewer Investment Plan period. Annualize expected depreciation expense and calculate accumulated depreciation through the periods based on a thirteen month average rate base.</p> <p><b>Update:</b> Updated capital investment plan with most up to date information including expected in-service dates, estimates at completion, and retirement amounts. Incorporated actual plant in service, accumulated depreciation, and CIAC through the close of 08/31/22. Attributed \$717,020.85 in Hurricane Florence insurance proceeds to applicable assets in a manner similar to that approved in Sub 364.</p>
3	<p><b>Purpose:</b> To recalculate book and pro-forma Cash Working Capital based on accumulated adjustments to O&amp;M expenses.</p> <p><b>Method:</b> Total Per Books Adjustment, Column A, captures the matching Column A on the Income Statement Schedule B for the applicable Rate Division. Total Pro-Forma Adjustment, Column B, captures the matching Column B 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>
4	<p><b>Purpose:</b> Adjust for accumulated amortization of CIAC through 09/30/22, the expected roll-forward and cutoff date.</p> <p><b>Method:</b> Adjust for accumulated amortization of CIAC through 09/30/22, the expected roll-forward and cutoff date. Annualize CIAC amortization expense based on end of period totals.</p>

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<u>Adjustment #</u>	
5	<p><b>Purpose:</b> 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><b>Method:</b> Utilized 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.</p> <p>Column F identifies the allocation method for the Rate Divisions. Pro-forma values for these allocation factors were used to allocate between Water and Sewer, and rate groups. Please see Excel Workpaper for identification of allocation factor inputs and prior case values.</p>
6	<p><b>Purpose:</b> To incorporate gain on sale and flow back of taxes per order issued in W-354, Sub 384.</p> <p><b>Method:</b> Identified Gain on Sale and Flowback of Taxes balance as utilized by Public Staff in Sub 384 , consistent with workpapers included in Sub 384 filing and resulting Final Order.</p>
7	<p><b>Purpose:</b> Adjust for accumulated amortization of PAA through 09/30/22, the expected roll-forward and cutoff date.</p> <p><b>Method:</b> Adjust for accumulated amortization of PAA through 09/30/22, the expected roll-forward and cutoff date. Annualize PAA amortization expense based on end of period totals.</p>
8	<p><b>Purpose:</b> 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><b>Method:</b> 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>

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Adjustment #	
9	<p><b>Purpose:</b> To adjust Regulatory Fee book amounts in Average Tax Accruals for pro-forma present rate service revenues.</p> <p><b>Method:</b> 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 service revenues in Column F, Schedules B-1a and b. 1/5th of the resulting value is used as a rate base deduction.</p>
10	<p><b>Purpose:</b> To provide updated balances and resulting amortization levels for the federal protected excess deferred income tax regulatory liability. To provide for adjustments related to the eventual decline of the NC state corporate income tax to 0%. Once the corporate tax rate is set to 0% in 2030, the remaining protected balance will be amortized over the life of the transactions that generated the deferred taxes.</p> <p><b>Method:</b> This adjustment summarizes the federal protected EDIT balances as set in Sub 384 and updated through 03/31/23 for rate base and amortization updates. Further Include the reallocation of NC state income taxes from ADIT to a regulatory liability due to the eventual reduction of NC State Corporate tax rate to 0% by 2030. Additionally, unamortized EDIT associated with the NC state corporate income tax rate change from 3% to 2.5% was identified, those amounts are proposed to amortize back to customers over the three year WSIP Period.</p>
11	<p><b>Purpose:</b> To remove maintenance testing deferrals from Deferred Charges, and therefore rate base, as these deferrals are historically not recoverable in rate base.</p> <p><b>Method:</b> Identified direct ledger balances and reversed Test Year activity to present pro-forma amounts as \$0.</p>
12	<p><b>Purpose:</b> To amortize previously approved and estimated rate case expenses over the three year WSIP period.</p> <p><b>Method:</b> Identified authorized deferred rate case expense from Sub 384. The 5 year</p> <p><b>Update:</b> Added actual expenses incurred through 09/15/22.</p>

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13a and b	<p><b>Purpose:</b> To determine the rate base component associated with deferred maintenance activity for the base case and through the WSIP</p> <p>To adjust Deferred Maintenance Expense for pro-forma adjustments to deferred maintenance rate base and calculate annual expense through the WSIP periods.</p> <p><b>Method:</b> 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 384 calculating unamortized balances for open deferrals through 3/31/2023. This anticipates rates effective from the current proceeding of 4/1/2023. Further calculated out deferred maintenance through the WSIP period based on operational expectations, using beginning + ending balance for average rate base in the WSIP periods. Using approved amortization schedules from Sub 384, carried amortization activity through 3/31/2023, anticipating new rates effective 4/1/2023. Pro-forma deferred maintenance additions were included per estimated costs from operations. Deferred maintenance items from Sub 384 were annualized based on their respective March 2023 amortization expense. Estimate deferred maintenance activity and annual amortization through the WSIP periods.</p> <p><b>Update:</b> Relabeled to Schedule 13a and 13b to clearly delineate between the deferred maintenance adjustments.</p>
13c	<p><b>Purpose:</b> To adjust Test Year Testing Expense to coincide with sampling schedules, as provided by CWSNC Water Quality Department.</p> <p><b>Method:</b> 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.</p> <p><b>Update:</b> This is a new adjustment to better account for current sampling schedules.</p>
14	<p><b>Purpose:</b> 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><b>Method:</b> Identified End of Period Pro-Forma Present Rate Revenues for each applicable Rate Division from Schedule E, and used that value in Column C for Service Revenues, Schedules B-1a and b. The resulting difference between direct ledger Service Revenues and this value is reflected in Column B of Schedules B-1a and b.</p> <p><b>Update:</b> Update to reflect current revenues using the most recent purchased water and sewer treatment rates.</p>

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15	<p><b>Purpose:</b> Adjust uncollectibles expense for the test year and WSIP periods.</p> <p><b>Method:</b> Calculate a uncollectibles/bad debt expense during the test year and apply that rate to all pro-forma periods. Allocate uncollectibles in total between water and sewer rate groups.</p>
16	<p><b>Purpose:</b> Adjust late fees revenue for the test year and WSIP periods.</p> <p><b>Method:</b> Calculate late fees revenue during the test year and apply that rate to all pro-forma periods.</p>
17	<p><b>Purpose:</b> To adjust Test Year actual power expenses for rate changes from vendors occurring after the start of the Test Year (4/1/2021). This allows for pro-forma adjustments to reflect the annualized costs for Power Expense for CWSNC in this rate case.</p> <p><b>Method:</b> The Company has not identified any increases but is using this spot as a placeholder for expense updates through the update period.</p>
18	<p><b>Purpose:</b> To adjust Test Year actual purchased services expenses for rate changes from vendors occurring after the start of the Test Year (4/1/2021). 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><b>Method:</b> The Company reviewed bills from and corresponded with its vendors to identify where rates changed since 4/1/2021, 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.</p> <p><b>Update:</b> Updated purchased water and purchased sewer treatment rates based on the most recent rate changes from applicable vendors.</p>
19	<p><b>Purpose:</b> To adjust Test Year actual chemicals expenses for rate changes from primary vendor, WaterGuard, Based on the prices effective 7/1/2022. This allows for pro-forma adjustments to reflect the <b>annualized costs for Chemicals Expense for CWSNC in this rate case.</b></p> <p><b>Method:</b> The Company received correspondence from WaterGuard that identified certain chemical price changes to be effective 7/1/2022. The Company identified WaterGuard invoices in the Test Year. CWSNC analyzed the detailed Test Year chemical purchasing report provided by the vendor, and used the actual quantities purchased, multiplied by the current effective prices to restate test year purchases to reflect the various price increases. The Company used the purchase locations provided in the detailed report to assign purchases to the Company's rate groups. The Company then calculated the difference between test year actuals, and test year quantities at current prices, to calculate the pro forma adjustments.</p>



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**Narrative of Book and Pro-Forma Adjustments - Base Case**

Adjustment #	
20	<p><b>Purpose:</b> To remove activity during the test year for which the Company is not seeking recovery, including advertising, lobbying, penalties and fines, and contribution costs from the Test Year.</p> <p><b>Method:</b> All costs related to lobbying and legislative 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. An estimate for internal time spent on these activities is also removed for rate making purposes. This includes costs related to Public Sector Group and Sanford Law Office (Account 549000), costs related to contributions (Account 623100), advertising (621100), penalties and fines (625100), and dues apportioned for lobbying activities (629100).</p>
21a	<p><b>Purpose:</b> To calculate pro-forma salaries and wages, as well as related payroll taxes, and deferred compensation.</p> <p><b>Method:</b> This adjustment annualizes current pay rates as of May 15 2022 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.</p> <p><b>Update:</b> Annualizes current pay rates as of the most recent pay period. Includes vacancies expected to be filled at estimated pay levels. Annualize on call earnings based on most recent 6 months at new on call pay policy.</p>
21b	<p><b>Purpose:</b> To calculate pro-forma benefits costs to align with current salaries and benefits enrollments.</p> <p><b>Method:</b> This adjustment annualizes current benefits as of the most recent discovery request in Sub 400.</p> <p><b>Update:</b> This is a new adjustment necessary to reflect current benefits expenses.</p>
22	<p><b>Purpose:</b> Adjust capitalized time in order to align with requested salaries expense. Contracted project managers are not included in salaries expense during the test year and the captime reduction associated with them needs to be removed. Due to the nature of the requested WSIP, captime associated with developing a rate case will not be recurring at the same frequency as prior and should be aligned with the expected project and rate case expense recovery period.</p> <p><b>Method:</b> Identified booked capitalized time in the Sub 400 rate case - test year ending 03/31/22. Remove capitalized time associated with contract project managers. Reduce FP&amp;A captime to better align with expected rate case amortization and work. Increment capitalized time to align with salary increases in WSIP periods.</p>

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Narrative of Book and Pro-Forma Adjustments - Base Case

Adjustment #	
23	<p><b>Purpose:</b> 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.</p> <p>Further this adjustment reflects the approximate cost of annual supplemental noticing for the water efficiency program.</p> <p>The transition for residential payments was approved in the Sub 384 order. Due to the timing of the order and implementation of the transactions the test year does not include the costs the company will incur for payment processing fees.</p> <p><b>Method:</b> The Company generated a report for the number of customers using fee-based electronic payment methods in the first quarter of 2022. 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 2022 as representative of normal operations, CWSNC only included costs incurred for residential customers.</p>
24	<p><b>Purpose:</b> To annualize most current rent expense levels for lease locations in North Carolina</p> <p><b>Method:</b> 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 and Charlotte Warehouse). For the Charlotte Office, the annualized lease cost at 4/1/2023 for the new office location was utilized for pro-forma purposes. For the Charlotte Warehouse, the annualized lease cost at 4/1/2023 was utilized for pro-forma purposes. All other CWSNC rent is computed as the annualization of the most recent invoice paid, as supported by the current lease agreement.</p>
25	<p><b>Purpose:</b> To annualize most current insurance premiums</p> <p><b>Method:</b> The Company reviewed its insurance policies for the most recent renewal period and annualized those costs. These are the same costs used in the Sub 384 rate case, new premiums have not been issued yet.</p> <p>The premiums were then allocated to the North Carolina regulated companies using the various allocation methodologies outlined.</p> <p><b>Update:</b> The Company reviewed all current policy documents and updated to the most recent applicable policies and premiums including updated allocations as necessary. The Company included an adjustment to the Workers Compensation Insurance account # 532009 which is in Schedule B-16a and b.</p>
26	<p><b>Purpose:</b> The purpose of this adjustment is to account for additional operating expenses associated with the acquisition of Echota and Seven Devils. These expenses are offset by the revenue assumptions made in this case as part of the acquisition.</p> <p><b>Method:</b> Expense assumptions are made based on the expense per ERC incurred in the Sub 384 docket utilizing the final commission ordered expenses. The addendum was provided as part of the Sub 396 acquisition docket.</p>

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Narrative of Book and Pro-Forma Adjustments - Base Case

Adjustment #	
27	<p><b>Purpose:</b> To include annualized pro-forma costs allocated to CWSNC from the Corix Infrastructure, Inc. Shared Services Group</p> <p><b>Method:</b> Pro-forma adjustments were then made to each North Carolina regulated rate group to reflect the 2021 first quarter annualized cost. 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> <p><b>Update:</b> CAM Actuals for Q2 2022 were added and the annualization was changed.</p>
28	<p><b>Purpose:</b> To recalculate Regulatory Fee Expense based on Pro-Forma Proposed Revenues, inclusive of Service Revenues, Miscellaneous Revenues, and Uncollectible Accounts.</p> <p><b>Method:</b> Multiplies the 0.13% Regulatory Fee rate by the Total Operating Revenues as shown on the Income Statement Schedule B, Column I.</p>
29	<p><b>Purpose:</b> To identify and include in the revenue requirement expense increases through the WSIP period.</p> <p><b>Method:</b> Identify which inflator is the most reasonable and apply that expense increase to each of the periods through the WSIP period. Accounts that are marked as no general inflation have a manual build addressing the level of expenses through the WSIP period.</p> <p><b>Update:</b> Used most recent CPI data through August 2022 and developed a new CPI assumption for expense categories that are already receiving a pro-forma adjustment in order to not adjust certain expenses twice for the same period.</p>

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Summary of WSIP Period Adjustments

Description	Adjustment Type	Filing Exhibit Schedule	Support Schedule	Adjustment Amount				
				Uniform Water	Uniform Sewer	BF/FH/TC Water	BF/FH/TC Sewer	Total Adjustment
Plant Additions and Retirements								
PIS - Additions/Retirements (13 Mo Average - 04/01/23-03/31/24)	WSIP Rate Year 1	A-1a, A-1b	Schedule 2	9,448,848.34	8,361,794.15	1,949,946.77	1,278,854.91	21,039,444.16
PIS - Additions/Retirements (13 Mo Average - 04/01/24-03/31/25)	WSIP Rate Year 2	A-1a, A-1b	Schedule 2	9,233,911.50	13,425,092.07	1,392,351.89	4,275,094.98	28,326,450.45
PIS - Additions/Retirements (13 Mo Average - 04/01/25-03/31/26)	WSIP Rate Year 3	A-1a, A-1b	Schedule 2	8,619,797.97	12,898,289.31	919,290.99	3,066,141.50	25,503,519.77

**Description:** This is the resulting adjustment through each of the rate years in the WSIP period. The totals are derived through inclusion of additions and retirements from Schedule 2 through each month of the rate year. Monthly balances are provided in the excel filing exhibits. This portion of the revenue requirement is set by using a 13 month average of the accumulated depreciation balances. Monthly ending balances are provided in columns AY through CU in the rate filing template excel on the Plant in Service tab.

<b>Accumulated Depreciation</b>								
A/D - Retirements/Depreciation (13 Mo Average - 04/01/23-03/31/24)	WSIP Rate Year 1	A-2a, A-2b	Schedule 2	(2,353,781.79)	(1,599,755.29)	(53,332.99)	(324,573.56)	(4,331,443.62)
A/D - Retirements/Depreciation (13 Mo Average - 04/01/24-03/31/25)	WSIP Rate Year 2	A-2a, A-2b	Schedule 2	(1,667,416.56)	(644,293.03)	130,612.04	333,386.41	(1,847,711.14)
A/D - Retirements/Depreciation (13 Mo Average - 04/01/25-03/31/26)	WSIP Rate Year 3	A-2a, A-2b	Schedule 2	(2,766,260.84)	(1,347,117.48)	86,293.48	(78,450.49)	(4,105,535.33)

**Description:** This is the resulting adjustment through each of the rate years in the WSIP period. The totals are derived through inclusion of retirements from Schedule 2 through each month of the rate year, and adding on monthly amortization. Monthly balances are provided in the excel filing exhibits. This portion of the revenue requirement is set by using a 13 month average of the accumulated depreciation balances. Monthly ending balances are provided in columns AX through CT in the rate filing template excel on the Accum Depr tab.

<b>Cash Working Capital</b>								
CWC (Annual Expenses - 04/01/23-03/31/24)	WSIP Rate Year 1	A-3a, A-3b	A-3a, A-3b	162,125.10	75,958.73	5,269.27	13,848.82	257,201.93
CWC (Annual Expenses - 04/01/24-03/31/25)	WSIP Rate Year 2	A-3a, A-3b	A-3a, A-3b	48,298.35	33,382.87	6,337.67	8,907.45	96,926.34
CWC (Annual Expenses - 04/01/25-03/31/26)	WSIP Rate Year 3	A-3a, A-3b	A-3a, A-3b	49,268.15	8,902.57	6,334.04	8,790.73	73,295.49

**Description:** This is the resulting adjustment through each of the rate years in the WSIP period. The totals are derived by calculating all of the expenses for the revenue requirement in the WSIP period, removing Purchased Water and Sewer treatment expenses and multiplying the remaining expenses by 1/8th for working capital.

<b>Contributions in Aid of Construction</b>								
CIAC - Amortization (13 Mo Average - 04/01/23-03/31/24)	WSIP Rate Year 1	A-4a, A-4b	A-4a, A-4b	733,559.79	625,462.30	57,706.84	150,635.14	1,567,364.08
CIAC - Amortization (13 Mo Average - 04/01/24-03/31/25)	WSIP Rate Year 2	A-4a, A-4b	A-4a, A-4b	733,559.79	625,462.30	57,706.84	150,635.14	1,567,364.08
CIAC - Amortization (13 Mo Average - 04/01/25-03/31/26)	WSIP Rate Year 3	A-4a, A-4b	A-4a, A-4b	733,559.79	625,462.30	57,706.84	150,635.14	1,567,364.08

**Description:** This is the resulting adjustment through each of the rate years in the WSIP period. The totals are derived through calculating amortization each month of the rate year. Monthly balances are provided in the excel filing exhibits. This portion of the revenue requirement is set by using a 13 month average of the CIAC and Accumulated CIAC balances. Monthly ending balances are provided in columns AQ through CM in the rate filing template excel on the CIAC tab.

<b>Purchase Acquisition Adjustment</b>								
PAA - Amortization (13 Mo Average - 04/01/23-03/31/24)	WSIP Rate Year 1	A-10a, A-10b	A-10a, A-10b	117,357.96	17,432.54	(15,853.98)	(43,850.00)	75,086.52
PAA - Amortization (13 Mo Average - 04/01/24-03/31/25)	WSIP Rate Year 2	A-10a, A-10b	A-10a, A-10b	117,357.96	17,432.54	(15,853.98)	(43,850.00)	75,086.52
PAA - Amortization (13 Mo Average - 04/01/25-03/31/26)	WSIP Rate Year 3	A-10a, A-10b	A-10a, A-10b	117,357.96	17,432.54	(15,853.98)	(43,850.00)	75,086.52

**Description:** This is the resulting adjustment through each of the rate years in the WSIP period. The totals are derived through calculating amortization each month of the rate year. Monthly balances are provided in the excel filing exhibits. This portion of the revenue requirement is set by using a 13 month average of the PAA and Accumulated PAA balances. Monthly ending balances are provided in columns AK through CG in the rate filing template excel on the PAA tab.

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#### Summary of WSIP Period Adjustments

Description	Adjustment Type	Filing Exhibit Schedule	Support Schedule	Adjustment Amount				
				Uniform Water	Uniform Sewer	BF/FH/TC Water	BF/FH/TC Sewer	Total Adjustment
Average Tax Accruals								
Average Tax Accrual (Annual Expense - 04/01/23-03/31/24)	WSIP Rate Year 1	A-13a, A-13b	A-13a, A-13b	5,971.80	4,773.73	1,172.31	529.21	12,447.04
Average Tax Accrual (Annual Expense - 04/01/24-03/31/25)	WSIP Rate Year 2	A-13a, A-13b	A-13a, A-13b	5,206.16	6,569.10	794.61	1,427.49	13,997.36
Average Tax Accrual (Annual Expense - 04/01/25-03/31/26)	WSIP Rate Year 3	A-13a, A-13b	A-13a, A-13b	4,827.73	6,251.27	530.36	1,016.61	12,625.98

**Description:** This is the resulting adjustment through each of the rate years in the WSIP period. The totals are derived by calculating all of the expenses for the revenue requirement in the WSIP period. Property taxes are accrued to rate base at 1/2 of the expense, regulatory fees are accrued to rate base at 1/5 of the expense.

<b>Excess Deferred Income Taxes</b>								
EDIT (Manual Build - 04/01/23-03/31/24)	WSIP Rate Year 1	A-14a, A-14b	Schedule 10	23,828.00	14,216.00	3,375.00	3,454.00	44,873.00
EDIT (Manual Build - 04/01/24-03/31/25)	WSIP Rate Year 2	A-14a, A-14b	Schedule 10	47,655.00	28,432.00	6,749.00	6,909.00	89,745.00
EDIT (Manual Build - 04/01/25-03/31/26)	WSIP Rate Year 3	A-14a, A-14b	Schedule 10	47,656.00	28,431.00	6,750.00	6,909.00	89,746.00

**Description:** A full build for excess deferred income taxes through each of the WSIP rate years is provided in Schedule 10.

<b>Deferred Charges</b>								
Deferred Charges (Manual Build - 04/01/23-03/31/24)	WSIP Rate Year 1	A-15a, A-15b	Schedule 13	93,998.09	(38,122.81)	8,370.51	40,958.40	105,204.19
Deferred Charges (Manual Build - 04/01/24-03/31/25)	WSIP Rate Year 2	A-15a, A-15b	Schedule 13	127,113.53	(73,111.27)	(529.21)	30,718.80	84,191.85
Deferred Charges (Manual Build - 04/01/25-03/31/26)	WSIP Rate Year 3	A-15a, A-15b	Schedule 13	11,709.91	(61,229.03)	(16,317.50)	(20,479.20)	(86,315.82)

**Description:** A full build for deferred charges through each of the WSIP rate years is provided in Schedule 13a.

<b>Expense Adjustments</b>								
Expense Adjustments (04/01/23-03/31/24)	WSIP Rate Year 1	B	Schedule 29	1,700,374.44	1,486,494.91	258,907.45	255,518.99	3,701,295.79
Expense Adjustments (04/01/23-03/31/24)	WSIP Rate Year 2	B	Schedule 29	843,449.04	835,037.33	114,409.38	265,448.93	2,058,344.69
Expense Adjustments (04/01/23-03/31/24)	WSIP Rate Year 3	B	Schedule 29	760,489.20	627,885.91	97,164.20	188,147.71	1,673,687.02

**Description:** See attached schedule 29 for specific expense inflators used through each of the WSIP periods. Areas that do not get a generic inflationary adjustment either get no inflationary adjustment or have a manual build of expenses. Examples of accounts with specific expense builds in the WSIP periods include deferred charges, and rent.

**Update:** Updated expenses, rate base, and revenue requirements through each of the WSIP periods to account for updates to the Capital Investment Plan based on most recent actuals and estimates, expense adjustments based on most recent pro-forma adjustments, inflationary expense adjustments based on most recent CPI indices, and associated fall out adjustments such as cash working capital and taxes.

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Combined Operations - CWSNC - Uniform  
Rate Base and Rate of Return

Line No.	Description	As Filed	Historical Test	Change	Adjustment Comments / Reference
		Historical Test Year as adjusted	Year as adjusted		
1	Net Operating Income	7,945,137	7,486,379	(458,758)	Schedule B
2	Gross Plant In Service	245,426,681	247,065,716	1,639,035	Schedule 2
3	Accumulated Depreciation	(66,116,230)	(66,398,807)	(282,576)	Schedule 2
4	Net Plant In Service	179,310,451	180,666,910	1,356,458	
5	Cash Working Capital	2,695,900	2,734,900	39,000	Per O&M Updates
6	Contributions In Aid of Construction	(32,914,023)	(32,924,394)	(10,371)	Schedule 2
7	Advances in Aid of Construction	(32,940)	(32,940)	-	
8	Accumulated Deferred Income Taxes	(5,732,526)	(5,732,526)	-	
9	Customer Deposits	(333,102)	(333,102)	-	
10	Inventory	146,742	146,742	-	
11	Gain on Sale and Flowback Taxes	(289,628)	(289,628)	-	
12	Net Plant Acquisition Adjustment	(1,388,105)	(1,388,105)	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	(261,499)	(261,499)	-	
15	Average Tax accruals	131,297	131,297	0	At 0.13% Rate
16	Excess Deferred Taxes	(4,258,541)	(4,258,541)	-	
17	Deferred Charges	1,999,596	2,000,875	1,279	Schedule 13a
18	Total Rate Base	139,073,622	140,459,988	1,386,366	
19	Return on Rate Base	5.71%	5.33%		

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Water Operations - CWSNC - Uniform  
Rate Base and Rate of Return

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Line No.	Description	As Filed	Historical Test	Change	Adjustment Comments / Reference
		Historical Test Year as adjusted	Year as adjusted		
1	Net Operating Income	4,165,800	3,912,725	(253,075)	Schedule B
2	Gross Plant In Service	129,459,588	130,462,447	1,002,859	Schedule 2
3	Accumulated Depreciation	(36,543,210)	(36,715,615)	(172,405)	Schedule 2
4	Net Plant In Service	92,916,378	93,746,832	830,454	
5	Cash Working Capital	1,581,977	1,596,378	14,400	Per O&M Updates
6	Contributions In Aid of Construction	(16,487,727)	(16,524,392)	(36,665)	Schedule 2
7	Advances in Aid of Construction	(20,631)	(20,631)	-	
8	Accumulated Deferred Income Taxes	(2,667,340)	(2,667,340)	-	
9	Customer Deposits	(208,631)	(208,631)	-	
10	Inventory	91,908	91,908	-	
11	Gain on Sale and Flowback Taxes	(196,947)	(196,947)	-	
12	Net Plant Acquisition Adjustment	(1,784,523)	(1,784,523)	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	(121,791)	(121,791)	-	
15	Average Tax accruals	73,920	73,917	(4)	At 0.13% Rate
16	Excess Deferred Taxes	(2,667,246)	(2,667,246)	-	
17	Deferred charges	1,058,845	1,059,646	801	Schedule 13a
18	Total Rate Base	71,568,193	72,377,180	808,987	
19	Return on Rate Base	5.82%	5.41%		

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Sewer Operations - CWSNC - Uniform  
Rate Base and Rate of Return

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Line No.	Description	As Filed	Historical Test	Change	Adjustment Comments / Reference
		Historical Test Year as adjusted	Year as adjusted		
1	Net Operating Income	3,779,337	3,573,653	(205,683)	Schedule B
2	Gross Plant In Service	115,967,093	116,603,269	636,176	Schedule 2
3	Accumulated Depreciation	(29,573,021)	(29,683,192)	(110,172)	Schedule 2
4	Net Plant In Service	86,394,073	86,920,077	526,004	
5	Cash Working Capital	1,113,923	1,138,522	24,600	Per O&M Updates
6	Contributions In Aid of Construction	(16,426,296)	(16,400,002)	26,294	Schedule 2
7	Advances in Aid of Construction	(12,309)	(12,309)	-	
8	Accumulated Deferred Income Taxes	(3,065,187)	(3,065,187)	-	
9	Customer Deposits	(124,471)	(124,471)	-	
10	Inventory	54,833	54,833	-	
11	Gain on Sale and Flowback Taxes	(92,681)	(92,681)	-	
12	Net Plant Acquisition Adjustment	396,418	396,418	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	(139,708)	(139,708)	-	
15	Average Tax accruals	57,376	57,380	4	At 0.13% Rate
16	Excess Deferred Taxes	(1,591,295)	(1,591,295)	-	
17	Deferred Charges	940,752	941,229	478	Schedule 13a
18	Total Rate Base	67,505,429	68,082,808	577,379	
19	Return on Rate Base	5.60%	5.25%		

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

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Line No.	Description	As Filed	Historical Test	Change	Adjustment Comments / Reference
		Historical Test	Year as		
		Year as	adjusted		
		adjusted	adjusted		
1	Net Operating Income	636,100	621,718	(14,382)	Schedule B
2	Gross Plant In Service	24,797,939	23,888,614	(909,325)	Schedule 2
3	Accumulated Depreciation	(5,945,802)	(5,964,540)	(18,738)	Schedule 2
4	Net Plant In Service	18,852,137	17,924,074	(928,063)	
5	Cash Working Capital	390,822	395,027	4,205	Per O&M Updates
6	Contributions In Aid of Construction	(4,674,804)	(4,723,993)	(49,188)	Schedule 2
7	Advances in Aid of Construction	-	-	-	
8	Accumulated Deferred Income Taxes	(413,435)	(413,435)	-	
9	Customer Deposits	(37,488)	(37,488)	-	
10	Inventory	6,790	6,790	-	
11	Gain on Sale and Flowback Taxes	-	-	-	
12	Net Plant Acquisition Adjustment	830,336	830,336	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	-	-	-	
15	Average Tax accruals	9,924	9,924	-	At 0.13% Rate
16	Excess Deferred Taxes	(733,284)	(733,284)	-	
17	Deferred Charges	210,694	210,889	195	Schedule 13a
18	Total Rate Base	14,441,691	13,468,840	(972,851)	
19	Return on Rate Base	4.40%	4.62%		

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Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule A  
Updated 09/19/2022

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

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Line No.	Description	As Filed	Historical Test	Change	Adjustment Comments / Reference
		Historical Test Year as adjusted	Year as adjusted		
1	Net Operating Income	109,444	119,177	9,733	Schedule B
2	Gross Plant In Service	7,383,828	7,360,146	(23,681)	Schedule 2
3	Accumulated Depreciation	(2,511,133)	(2,519,662)	(8,529)	Schedule 2
4	Net Plant In Service	4,872,695	4,840,485	(32,210)	
5	Cash Working Capital	191,476	191,559	83	Per O&M Updates
6	Contributions In Aid of Construction	(1,047,039)	(1,093,905)	(46,866)	Schedule 2
7	Advances in Aid of Construction	-	-	-	
8	Accumulated Deferred Income Taxes	(19,782)	(19,782)	-	
9	Customer Deposits	(18,525)	(18,525)	-	
10	Inventory	3,355	3,355	-	
11	Gain on Sale and Flowback Taxes	-	-	-	
12	Net Plant Acquisition Adjustment	(21,646)	(21,646)	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	-	-	-	
15	Average Tax accruals	4,362	4,362	-	At 0.13% Rate
16	Excess Deferred Taxes	(362,366)	(362,366)	-	
17	Deferred charges	124,589	124,685	96	Schedule 13a
18	Total Rate Base	3,727,119	3,648,222	(78,897)	
19	Return on Rate Base	2.94%	3.27%		

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Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule A  
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Sewer Operations - Bradfield Farms - Fairfield Harbour - Treasure C  
Rate Base and Rate of Return

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Line No.	Description	As Filed	Historical Test	Change	Adjustment Comments / Reference
		Historical Test Year as adjusted	Year as adjusted		
1	Net Operating Income	526,656	502,541	(24,115)	Schedule B
2	Gross Plant In Service	17,414,111	16,528,468	(885,643)	Schedule 2
3	Accumulated Depreciation	(3,434,669)	(3,444,878)	(10,209)	Schedule 2
4	Net Plant In Service	13,979,442	13,083,589	(895,852)	
5	Cash Working Capital	199,346	203,468	4,122	Per O&M Updates
6	Contributions In Aid of Construction	(3,627,765)	(3,630,087)	(2,322)	Schedule 2
7	Advances in Aid of Construction	-	-	-	
8	Accumulated Deferred Income Taxes	(393,654)	(393,654)	-	
9	Customer Deposits	(18,963)	(18,963)	-	
10	Inventory	3,434	3,434	-	
11	Gain on Sale and Flowback Taxes	-	-	-	
12	Net Plant Acquisition Adjustment	851,982	851,982	-	
13	Excess Book Value	-	-	-	
14	Cost Free Capital	-	-	-	
15	Average Tax accruals	5,562	5,562	-	At 0.13% Rate
16	Excess Deferred Taxes	(370,918)	(370,918)	-	
17	Deferred Charges	86,105	86,204	99	Schedule 13a
18	Total Rate Base	10,714,572	9,820,618	(893,954)	
19	Return on Rate Base	4.92%	5.12%		

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Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule B  
Updated 09/19/2022

Combined Operations - CWSNC - Uniform  
Income Statement

Page 1 of 6

Line No.	Description	Historical Test Year as adjusted	Historical Test Year as adjusted	Change	Adjustment Comments / Reference
1	Operating Revenues				
2	Service Revenues - Water	22,829,960	22,816,174	(13,786)	Schedule E
3	Service Revenues - Sewer	17,545,162	17,559,952	14,790	Schedule E
4	Miscellaneous Revenues	163,935	163,935	-	
5	Forfeited Discounts	-	-	-	
6	Uncollectible Accounts	(394,432)	(394,441)	(10)	Uncollectibles Calc.
7	<b>Total Operating Revenues</b>	<b>40,144,625</b>	<b>40,145,620</b>	<b>995</b>	
8	Maintenance Expenses				
9	Purchased Power	1,911,563	1,911,563	-	
10	Purchased Water / Sewer	2,694,987	2,713,997	19,011	Schedule 18
11	Maintenance and Repair	2,863,785	2,863,785	-	
12	Maintenance Testing	464,173	500,946	36,773	Schedule 13c
13	Meter Reading	232,361	232,361	-	
14	Chemicals	743,896	982,851	238,955	Schedule 19
15	Transportation	448,017	448,017	-	
16	Operating Exp. Charged to Plant	(719,843)	(719,843)	-	
17	Outside Services - Other	198,599	198,599	-	
18	<b>Total Maintenance Expenses</b>	<b>8,837,536</b>	<b>9,132,275</b>	<b>294,739</b>	
19	General Expenses				
20	Salaries and Wages	6,268,060	6,306,482	38,422	Schedule 21a
21	Office Supplies & Other Office Exp.	509,704	509,704	-	
22	Regulatory Commission Exp.	639,303	639,329	26	Schedule 27b
23	Pension & Other Benefits	1,368,251	1,558,530	190,279	Schedule 21b
24	Rent	338,152	338,152	-	
25	Insurance	1,058,584	1,140,619	82,035	Schedule 25
26	Office Utilities	287,530	287,530	-	
27	Miscellaneous	4,955,065	4,680,577	(274,488)	Schedule 27b
28	<b>Total General Expenses</b>	<b>15,424,650</b>	<b>15,460,923</b>	<b>36,273</b>	
29	Depreciation	7,230,215	7,491,333	261,117	Annualized Filing Exh.
30	Amortization of PAA	(134,790)	(134,790)	-	
31	Amortization of CIAC	(1,358,992)	(1,359,022)	(30)	Annualized Filing Exh.
32	Amortization of ITC	(519)	(519)	-	
33	Payroll Taxes	481,522	486,015	4,493	Schedule 21a
34	Franchise Tax	120,946	120,946	-	
35	Gross Receipts Tax	-	-	-	
36	Property Taxes	241,598	241,598	-	
37	Special Assessments	-	-	-	
38	Utility/Commission Tax	-	-	-	
39	Other General Taxes	(16,288)	(16,288)	-	
40	Income Taxes - Federal	1,224,141	1,102,193	(121,949)	
41	Income Taxes - State	149,468	134,578	(14,890)	
42	<b>Total</b>	<b>7,937,301</b>	<b>8,066,043</b>	<b>128,742</b>	
43	<b>Total Operating Expenses</b>	<b>32,199,488</b>	<b>32,659,242</b>	<b>459,754</b>	
44	<b>Net Operating Income</b>	<b>7,945,137</b>	<b>7,486,378</b>	<b>(458,759)</b>	
45	Other Income	-	-	-	
46	Interest During Construction	-	-	-	
47	Interest on Debt	3,340,034	3,340,034	-	
48	<b>Net Income</b>	<b>4,605,103</b>	<b>4,146,344</b>	<b>(458,759)</b>	
49	Add: Interest Expense	3,340,034	3,340,034	-	
50	<b>Net Income for Return</b>	<b>7,945,137</b>	<b>7,486,378</b>	<b>(458,759)</b>	

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Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule B  
Updated 09/19/2022

Water Operations - CWSNC - Uniform  
Income Statement

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Line No.	Description	Historical Test Year as adjusted	Historical Test Year as adjusted	Change	Adjustment Comments / Reference
1	Operating Revenues				
2	Service Revenues - Water	22,829,960	22,816,174	(13,786)	Schedule E
3	Service Revenues - Sewer	-	-	-	Schedule E
4	Miscellaneous Revenues	90,390	90,390	-	
5	Forfeited Discounts	-	-	-	
6	Uncollectible Accounts	(223,030)	(222,895)	135	Uncollectibles Calc.
7	<b>Total Operating Revenues</b>	<b>22,697,320</b>	<b>22,683,669</b>	<b>(13,651)</b>	
8	Maintenance Expenses				
9	Purchased Power	1,073,063	1,073,063	-	
10	Purchased Water / Sewer	1,657,368	1,665,457	8,089	Schedule 18
11	Maintenance and Repair	1,201,678	1,201,678	-	
12	Maintenance Testing	167,830	195,388	27,558	Schedule 13c
13	Meter Reading	229,336	229,336	-	
14	Chemicals	330,454	395,379	64,926	Schedule 19
15	Transportation	280,606	280,606	-	
16	Operating Exp. Charged to Plant	(450,858)	(450,858)	-	
17	Outside Services - Other	124,388	124,388	-	
18	<b>Total Maintenance Expenses</b>	<b>4,613,865</b>	<b>4,714,438</b>	<b>100,573</b>	
19	General Expenses				
20	Salaries and Wages	3,925,866	3,949,931	24,065	Schedule 21a
21	Office Supplies & Other Office Exp.	319,242	319,242	-	
22	Regulatory Commission Exp.	400,414	400,430	16	Schedule 27b
23	Pension & Other Benefits	856,975	976,152	119,177	Schedule 21b
24	Rent	211,794	211,794	-	
25	Insurance	663,022	714,402	51,381	Schedule 25
26	Office Utilities	180,673	180,673	-	
27	Miscellaneous	3,141,337	2,969,417	(171,920)	Schedule 27b
28	<b>Total General Expenses</b>	<b>9,699,322</b>	<b>9,722,041</b>	<b>22,719</b>	
29	Depreciation	3,844,215	4,035,064	190,849	Annualized Filing Exh.
30	Amortization of PAA	(117,358)	(117,358)	-	
31	Amortization of CIAC	(732,820)	(733,560)	(740)	Annualized Filing Exh.
32	Amortization of ITC	(265)	(265)	-	
33	Payroll Taxes	302,217	304,405	2,188	Schedule 21a
34	Franchise Tax	66,687	66,687	-	
35	Gross Receipts Tax	-	-	-	
36	Property Taxes	135,969	135,969	-	
37	Special Assessments	-	-	-	
38	Utility/Commission Tax	-	-	-	
39	Other General Taxes	(10,202)	(10,202)	-	
40	Income Taxes - Federal	650,468	582,590	(67,877)	
41	Income Taxes - State	79,422	71,134	(8,288)	
32	<b>Total</b>	<b>4,218,333</b>	<b>4,334,466</b>	<b>116,133</b>	
33	<b>Total Operating Expenses</b>	<b>18,531,520</b>	<b>18,770,944</b>	<b>239,424</b>	
34	<b>Net Operating Income</b>	<b>4,165,801</b>	<b>3,912,725</b>	<b>(253,076)</b>	
35	Other Income	-	-	-	
36	Interest During Construction	-	-	-	
37	Interest on Debt	1,718,803	1,721,075	2,272	
38	<b>Net Income</b>	<b>2,446,997</b>	<b>2,191,650</b>	<b>(255,347)</b>	
39	Add: Interest Expense	1,718,803	1,721,075	2,272	
40	<b>Net Income for Return</b>	<b>4,165,800</b>	<b>3,912,725</b>	<b>(253,075)</b>	

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Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule B  
Updated 09/19/2022

Sewer Operations - CWSNC - Uniform  
Income Statement

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Line No.	Description	Historical Test Year as adjusted	Historical Test Year as adjusted	Change	Adjustment Comments / Reference
1	Operating Revenues				
2	Service Revenues - Water	-	-	-	Schedule E
3	Service Revenues - Sewer	17,545,162	17,559,952	14,790	Schedule E
4	Miscellaneous Revenues	73,544	73,544	-	
5	Forfeited Discounts	-	-	-	
6	Uncollectible Accounts	(171,402)	(171,546)	(144)	Uncollectibles Calc.
7	<b>Total Operating Revenues</b>	<b>17,447,305</b>	<b>17,461,951</b>	<b>14,646</b>	
8	Maintenance Expenses				
9	Purchased Power	838,500	838,500	-	
10	Purchased Water / Sewer	1,037,619	1,048,540	10,922	Schedule 18
11	Maintenance and Repair	1,662,107	1,662,107	-	
12	Maintenance Testing	296,343	305,558	9,215	Schedule 13c
13	Meter Reading	3,024	3,024	-	
14	Chemicals	413,442	587,472	174,030	Schedule 19
15	Transportation	167,411	167,411	-	
16	Operating Exp. Charged to Plant	(268,985)	(268,985)	-	
17	Outside Services - Other	74,211	74,211	-	
18	<b>Total Maintenance Expenses</b>	<b>4,223,672</b>	<b>4,417,838</b>	<b>194,166</b>	
19	General Expenses				
20	Salaries and Wages	2,342,194	2,356,552	14,357	Schedule 21a
21	Office Supplies & Other Office Exp.	190,462	190,462	-	
22	Regulatory Commission Exp.	238,889	238,899	10	Schedule 27b
23	Pension & Other Benefits	511,276	582,378	71,102	Schedule 21b
24	Rent	126,358	126,358	-	
25	Insurance	395,563	426,217	30,654	Schedule 25
26	Office Utilities	106,857	106,857	-	
27	Miscellaneous	1,813,728	1,711,160	(102,568)	Schedule 27b
28	<b>Total General Expenses</b>	<b>5,725,328</b>	<b>5,738,882</b>	<b>13,554</b>	
29	Depreciation	3,386,001	3,456,269	70,268	Annualized Filing Exh.
30	Amortization of PAA	(17,433)	(17,433)	-	
31	Amortization of CIAC	(626,172)	(625,462)	710	Annualized Filing Exh.
32	Amortization of ITC	(254)	(254)	-	
33	Payroll Taxes	179,305	181,610	2,305	Schedule 21a
34	Franchise Tax	54,259	54,259	-	
35	Gross Receipts Tax	-	-	-	
36	Property Taxes	105,629	105,629	-	
37	Special Assessments	-	-	-	
38	Utility/Commission Tax	-	-	-	
39	Other General Taxes	(6,086)	(6,086)	-	
40	Income Taxes - Federal	573,674	519,602	(54,071)	
41	Income Taxes - State	70,046	63,444	(6,602)	
32	<b>Total</b>	<b>3,718,968</b>	<b>3,731,578</b>	<b>12,610</b>	
33	<b>Total Operating Expenses</b>	<b>13,667,968</b>	<b>13,888,297</b>	<b>220,329</b>	
34	<b>Net Operating Income</b>	<b>3,779,337</b>	<b>3,573,653</b>	<b>(205,684)</b>	
35	Other Income	-	-	-	
36	Interest During Construction	-	-	-	
37	Interest on Debt	1,621,231	1,618,958	(2,272)	
38	<b>Net Income</b>	<b>2,158,106</b>	<b>1,954,695</b>	<b>(203,411)</b>	
39	Add: Interest Expense	1,621,231	1,618,958	(2,272)	
40	<b>Net Income for Return</b>	<b>3,779,337</b>	<b>3,573,653</b>	<b>(205,683)</b>	

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Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule B  
Updated 09/19/2022

Combined Operations - Bradfield Farms - Fairfield Harbour - Treasure Cove  
Income Statement

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Line No.	Description	Historical Test Year as adjusted	Historical Test Year as adjusted	Change	Adjustment Comments / Reference
1	Operating Revenues				
2	Service Revenues - Water	1,881,112	1,881,112	-	Schedule E
3	Service Revenues - Sewer	2,633,654	2,633,654	-	Schedule E
4	Miscellaneous Revenues	20,332	20,332	-	
5	Forfeited Discounts	-	-	-	
6	Uncollectible Accounts	(70,897)	(70,897)	-	Uncollectibles Calc.
7	<b>Total Operating Revenues</b>	<b>4,464,200</b>	<b>4,464,200</b>	<b>-</b>	
8	Maintenance Expenses				
9	Purchased Power	220,036	220,036	-	
10	Purchased Water / Sewer	609	609	-	Schedule 18
11	Maintenance and Repair	431,304	431,304	-	
12	Maintenance Testing	31,472	34,375	2,902	Schedule 13c
13	Meter Reading	48,643	48,643	-	
14	Chemicals	116,280	153,768	37,488	Schedule 19
15	Transportation	78,055	78,055	-	
16	Operating Exp. Charged to Plant	(132,623)	(132,623)	-	
17	Outside Services - Other	50,053	50,053	-	
18	<b>Total Maintenance Expenses</b>	<b>843,828</b>	<b>884,219</b>	<b>40,391</b>	
19	General Expenses				
20	Salaries and Wages	954,496	960,347	5,851	Schedule 21a
21	Office Supplies & Other Office Exp.	73,014	73,014	-	
22	Regulatory Commission Exp.	100,099	100,103	4	Schedule 27b
23	Pension & Other Benefits	220,632	237,332	16,700	Schedule 21b
24	Rent	51,493	51,493	-	
25	Insurance	161,201	173,693	12,492	Schedule 25
26	Office Utilities	35,135	35,135	-	
27	Miscellaneous	687,285	645,486	(41,799)	Schedule 27b
28	<b>Total General Expenses</b>	<b>2,283,355</b>	<b>2,276,603</b>	<b>(6,752)</b>	
29	Depreciation	698,831	684,256	(14,576)	Annualized Filing Exh.
30	Amortization of PAA	59,704	59,704	-	
31	Amortization of CIAC	(207,418)	(208,342)	(924)	Annualized Filing Exh.
32	Amortization of ITC	-	-	-	
33	Payroll Taxes	73,478	74,010	532	Schedule 21a
34	Franchise Tax	-	-	-	
35	Gross Receipts Tax	-	-	-	
36	Property Taxes	17,500	17,500	-	
37	Special Assessments	-	-	-	
38	Utility/Commission Tax	-	-	-	
39	Other General Taxes	(2,673)	(2,673)	-	
40	Income Taxes - Federal	54,804	50,981	(3,823)	
41	Income Taxes - State	6,692	6,225	(467)	
42	<b>Total</b>	<b>700,917</b>	<b>681,660</b>	<b>(19,257)</b>	
43	<b>Total Operating Expenses</b>	<b>3,828,101</b>	<b>3,842,482</b>	<b>14,381</b>	
44	<b>Net Operating Income</b>	<b>636,099</b>	<b>621,718</b>	<b>(14,381)</b>	
45	Other Income	-	-	-	
46	Interest During Construction	-	-	-	
47	Interest on Debt	429,932	429,932	-	
48	<b>Net Income</b>	<b>206,167</b>	<b>191,786</b>	<b>(14,381)</b>	
49	Add: Interest Expense	429,932	429,932	-	
50	<b>Net Income for Return</b>	<b>636,099</b>	<b>621,718</b>	<b>(14,381)</b>	

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Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule B  
Updated 09/19/2022

Water Operations - Bradfield Farms - Fairfield Harbour - Treasure Cove  
Income Statement

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Line No.	Description	Historical Test Year as adjusted	Historical Test Year as adjusted	Change	Adjustment Comments / Reference
1	Operating Revenues				
2	Service Revenues - Water	1,881,112	1,881,112	-	Schedule E
3	Service Revenues - Sewer	-	-	-	Schedule E
4	Miscellaneous Revenues	7,861	7,861	-	
5	Forfeited Discounts	-	-	-	
6	Uncollectible Accounts	(29,540)	(29,540)	-	Uncollectibles Calc.
7	<b>Total Operating Revenues</b>	<b>1,859,432</b>	<b>1,859,432</b>	<b>-</b>	
8	Maintenance Expenses				
9	Purchased Power	70,432	70,432	-	
10	Purchased Water / Sewer	609	609	-	Schedule 18
11	Maintenance and Repair	195,200	195,200	-	
12	Maintenance Testing	29,468	10,196	(19,272)	Schedule 13c
13	Meter Reading	47,602	47,602	-	
14	Chemicals	62,957	86,232	23,275	Schedule 19
15	Transportation	38,572	38,572	-	
16	Operating Exp. Charged to Plant	(65,538)	(65,538)	-	
17	Outside Services - Other	24,735	24,735	-	
18	<b>Total Maintenance Expenses</b>	<b>404,038</b>	<b>408,040</b>	<b>4,002</b>	
19	General Expenses				
20	Salaries and Wages	471,682	474,573	2,891	Schedule 21a
21	Office Supplies & Other Office Exp.	36,081	36,081	-	
22	Regulatory Commission Exp.	49,466	49,468	2	Schedule 27b
23	Pension & Other Benefits	109,030	117,282	8,252	Schedule 21b
24	Rent	25,446	25,446	-	
25	Insurance	79,660	85,834	6,173	Schedule 25
26	Office Utilities	17,363	17,363	-	
27	Miscellaneous	339,650	318,995	(20,656)	Schedule 27b
28	<b>Total General Expenses</b>	<b>1,128,378</b>	<b>1,125,041</b>	<b>(3,337)</b>	
29	Depreciation	216,218	205,217	(11,001)	Annualized Filing Exh.
30	Amortization of PAA	15,854	15,854	-	
31	Amortization of CIAC	(56,783)	(57,707)	(924)	Annualized Filing Exh.
32	Amortization of ITC	-	-	-	
33	Payroll Taxes	36,311	36,573	263	Schedule 21a
34	Franchise Tax	-	-	-	
35	Gross Receipts Tax	-	-	-	
36	Property Taxes	7,746	7,746	-	
37	Special Assessments	-	-	-	
38	Utility/Commission Tax	-	-	-	
39	Other General Taxes	(1,321)	(1,321)	-	
40	Income Taxes - Federal	(402)	724	1,126	
41	Income Taxes - State	(49)	88	138	
32	<b>Total</b>	<b>217,573</b>	<b>207,175</b>	<b>(10,398)</b>	
33	<b>Total Operating Expenses</b>	<b>1,749,989</b>	<b>1,740,256</b>	<b>(9,733)</b>	
34	<b>Net Operating Income</b>	<b>109,444</b>	<b>119,176</b>	<b>9,733</b>	
35	Other Income	-	-	-	
36	Interest During Construction	-	-	-	
37	Interest on Debt	110,957	116,453	5,496	
38	<b>Net Income</b>	<b>(1,513)</b>	<b>2,724</b>	<b>4,237</b>	
39	Add: Interest Expense	110,957	116,453	5,496	
40	<b>Net Income for Return</b>	<b>109,444</b>	<b>119,177</b>	<b>9,733</b>	

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Sep 19 2022



Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule B  
Updated 09/19/2022

Sewer Operations - Bradfield Farms - Fairfield Harbour - Treasure Cove  
Income Statement

Page 6 of 6

Line No.	Description	Historical Test Year as adjusted	Historical Test Year as adjusted	Change	Adjustment Comments / Reference
1	Operating Revenues				
2	Service Revenues - Water	-	-	-	Schedule E
3	Service Revenues - Sewer	2,633,654	2,633,654	-	Schedule E
4	Miscellaneous Revenues	12,471	12,471	-	
5	Forfeited Discounts	-	-	-	
6	Uncollectible Accounts	(41,357)	(41,357)	-	Uncollectibles Calc.
7	<b>Total Operating Revenues</b>	<b>2,604,768</b>	<b>2,604,768</b>	<b>-</b>	
8	Maintenance Expenses				
9	Purchased Power	149,604	149,604	-	
10	Purchased Water / Sewer	-	-	-	Schedule 18
11	Maintenance and Repair	236,104	236,104	-	
12	Maintenance Testing	2,004	24,179	22,175	Schedule 13c
13	Meter Reading	1,041	1,041	-	
14	Chemicals	53,322	67,536	14,214	Schedule 19
15	Transportation	39,483	39,483	-	
16	Operating Exp. Charged to Plant	(67,085)	(67,085)	-	
17	Outside Services - Other	25,319	25,319	-	
18	<b>Total Maintenance Expenses</b>	<b>439,791</b>	<b>476,180</b>	<b>36,389</b>	
19	General Expenses				
20	Salaries and Wages	482,814	485,774	2,960	Schedule 21a
21	Office Supplies & Other Office Exp.	36,933	36,933	-	
22	Regulatory Commission Exp.	50,633	50,635	2	Schedule 27b
23	Pension & Other Benefits	111,603	120,050	8,447	Schedule 21b
24	Rent	26,047	26,047	-	
25	Insurance	81,540	87,859	6,319	Schedule 25
26	Office Utilities	17,772	17,772	-	
27	Miscellaneous	347,635	326,492	(21,143)	Schedule 27b
28	<b>Total General Expenses</b>	<b>1,154,977</b>	<b>1,151,562</b>	<b>(3,416)</b>	
29	Depreciation	482,614	479,039	(3,575)	Annualized Filing Exh.
30	Amortization of PAA	43,850	43,850	-	
31	Amortization of CIAC	(150,635)	(150,635)	-	Annualized Filing Exh.
32	Amortization of ITC	-	-	-	
33	Payroll Taxes	37,168	37,437	269	Schedule 21a
34	Franchise Tax	-	-	-	
35	Gross Receipts Tax	-	-	-	
36	Property Taxes	9,754	9,754	-	
37	Special Assessments	-	-	-	
38	Utility/Commission Tax	-	-	-	
39	Other General Taxes	(1,352)	(1,352)	-	
40	Income Taxes - Federal	55,206	50,257	(4,949)	
41	Income Taxes - State	6,741	6,136	(604)	
32	<b>Total</b>	<b>483,344</b>	<b>474,485</b>	<b>(8,859)</b>	
33	<b>Total Operating Expenses</b>	<b>2,078,112</b>	<b>2,102,226</b>	<b>24,114</b>	
34	<b>Net Operating Income</b>	<b>526,655</b>	<b>502,541</b>	<b>(24,114)</b>	
35	Other Income	-	-	-	
36	Interest During Construction	-	-	-	
37	Interest on Debt	318,975	313,479	(5,496)	
38	<b>Net Income</b>	<b>207,681</b>	<b>189,062</b>	<b>(18,619)</b>	
39	Add: Interest Expense	318,975	313,479	(5,496)	
40	<b>Net Income for Return</b>	<b>526,656</b>	<b>502,541</b>	<b>(24,115)</b>	

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Sep 19 2022

Carolina Water Service, Inc. of North Carolina  
W-354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

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

Capital Investment Plan

W1-10

Schedule 2

Updated 09/19/22

Project ID	System	Project	Rate Group	Utility Type	WSIP Period	NARUC Account	Obj. Act.	In-Service Date	Forecast EAC	Retirement Amount	Depreciation Rate	Annualized Depreciation
2021019	Surphane Valley	NC - 2021 - Surphane Valley - Sewer LS Replacement - #41 Dry Cans to Submersible w/generator	CWS - NC Uniform	Sewer	Base Case - WSIP Year 1	354.30	141208	5/31/2022	547,584	(86,207)	2.00%	10,228
2021012	Larville Ridge	NC - 2021 - Larville Ridge - Split Rock booster station replacement	CWS - NC Uniform	Water	Base Case - WSIP Year 1	304.40	141206	5/31/2022	408,565	(49,792)	2.00%	7,275
2022230	Carolina Trace	NC - 2022 - Carolina Trace - Bridge Gravity Sewer Line Replacement	CWS - NC Uniform	Sewer	Base Case - WSIP Year 1	361.20	141242	5/31/2022	214,661	(4,422)	1.00%	2,102
2021007	Crystal Mtn	NC - 2021 - Crystal Mtn - Booster building/ booster pack to get out of pit	CWS - NC Uniform	Water	Base Case - WSIP Year 1	304.40	141206	7/31/2022	105,000	-	2.00%	2,100
2020209	Stewarts Ridge	NC - 2022 - Stewarts Ridge - Well Improvement - Install rad filters - well #1	CWS - NC Uniform	Water	Base Case - WSIP Year 1	320.30	141230	7/31/2022	87,339	-	2.50%	2,183
2022067	Surphane Valley	NC - 2022 - Surphane Valley - Water Improvements - Phase 2	CWS - NC Uniform	Water	Base Case - WSIP Year 1	330.40	141231	7/31/2022	491,437	(54,819)	2.00%	8,732
2020205	Sherwood Forest	NC - 2022 - Sherwood Forest - Leak Detection/Water main/service line replacement	CWS - NC Uniform	Water	Base Case - WSIP Year 1	331.40	141232	7/31/2022	76,567	-	1.00%	786
2023004	Bradfield Farms	NC - 2023 - Bradfield Farms - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	BF-FH-TC	Sewer	WSIP Year 1	361.20	141242	10/31/2022	613,743	(12,645)	1.00%	6,011
2021005	Connectee Falls	NC - 2021 - Connectee Falls - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	Base Case - WSIP Year 1	361.20	141242	9/30/2022	363,978	(5,580)	1.00%	3,584
2022031	Whispering Pines	NC - 2022 - Whispering Pines - Water Treatment - H1 Chemical Feed (orthophosphate)	CWS - NC Uniform	Water	Base Case - WSIP Year 1	320.30	141230	9/30/2022	313,402	-	2.50%	7,833
2021013	Mt. Mitchell	NC - 2021 - Mt. Mitchell - 30k ground storage tank	CWS - NC Uniform	Water	Base Case - WSIP Year 1	330.40	141231	8/31/2022	624,476	(69,699)	2.00%	11,096
2021029	Abrington	NC - 2020 - Abrington - Abrington Sewer Collection Rehab - Phase 1 Creek Crossing	CWS - NC Uniform	Sewer	Base Case - WSIP Year 1	361.20	141242	8/31/2022	543,000	(11,227)	1.00%	5,338
2022085	Connectee Falls	NC - 2022 - Connectee Falls - Leak Detection/Water main/service line replacement	CWS - NC Uniform	Water	Base Case - WSIP Year 1	331.40	141252	8/31/2022	143,350	(4,352)	1.00%	1,390
2021008	Fairfield Harbour	NC - 2021 - Fairfield Harbour - Distribution Leak Detection / Repairs	BF-FH-TC	Water	Base Case - WSIP Year 1	331.40	141252	8/31/2022	91,962	(2,776)	1.00%	892
2022163	State Cost Center	NC - 2022 - State Cost Center - Uplift Costs	CWS - NC Uniform	Water	Base Case - WSIP Year 1	340.50	141220	9/30/2022	250,000	-	10.00%	25,000
2021020	Surphane Valley	NC - 2021 - Surphane Valley - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	Base Case - WSIP Year 1	361.20	141242	9/30/2022	161,647	(3,330)	1.00%	1,583
2021258	Mt. Carmel	NC - 2022 - Mt. Carmel - WWCS Improvement (Rehab, Clean, CCTV, Replacement, CIPP)	CWS - NC Uniform	Sewer	Base Case - WSIP Year 1	361.20	141242	9/30/2022	587,784	(12,108)	2.50%	5,757
2021026	White Oak Estates	NC - 2021 - White Oak Estates - WWTP Improvements- Filter, I&C Upgrades, Chemical Storage, Bypass to EQ	CWS - NC Uniform	Sewer	Base Case - WSIP Year 1	380.40	141253	6/30/2022	122,378	(36,570)	1.00%	2,145
2021006	Crestview	NC - 2021 - Crestview - Fracking Project	CWS - NC Uniform	Water	WSIP Year 1	307.20	141223	12/31/2022	29,298	-	2.00%	1,792
2021023	Silverton	NC - 2021 - Silverton - Wellhouse and Interconnect to Bradfield Farms	BF-FH-TC	Water	WSIP Year 1	330.40	141231	6/30/2023	1,977,702	-	2.00%	39,554
2022026	Sherwood Forest	NC - 2022 - Sherwood Forest - SCADA Systems Replacement	CWS - NC Uniform	Water	WSIP Year 1	346.50	141310	12/31/2022	170,402	(49,157)	10.00%	8,124
2022006	Connectee Falls	NC - 2022 - Connectee Falls - Well Improvement - Reduced monitoring and SCADA installation for monitoring (W)	CWS - NC Uniform	Water	WSIP Year 1	346.50	141310	12/31/2023	488,070	-	10.00%	48,807
2022030	Sugar Mountain	NC - 2022 - Sugar Mountain - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 1	361.20	141242	9/30/2022	560,568	(11,547)	1.00%	5,490
2022019	Hound Ears	NC - 2023 - Hound Ears - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 1	361.20	141242	2/28/2023	736,553	(15,172)	1.00%	7,214
2022171	Connectee Falls	NC - 2022 - CONNECTEE FALLS - WELL 7 FILTER UPGRADES	CWS - NC Uniform	Water	WSIP Year 1	320.30	141230	3/31/2023	16,621	-	2.50%	2,418
2022170	Connectee Falls	NC - 2022 - CONNECTEE FALLS - WELL 11 UPGRADE	CWS - NC Uniform	Water	WSIP Year 1	320.30	141230	3/31/2023	116,815	-	2.50%	2,920
2022010	Elk River	NC - 2022 - Elk River - WWTP Improvement - Replace CL2 contact Basin, recast U1 & 2 Basins	CWS - NC Uniform	Sewer	WSIP Year 2	354.40	141209	5/31/2024	389,891	(64,300)	2.50%	8,140
2022021	Larville Ridge	NC - 2022 - Larville Ridge - Replace PRV Valves - Install new Singer valves for all existing Ross valves	CWS - NC Uniform	Water	WSIP Year 1	331.40	141232	3/31/2023	252,992	(7,636)	1.00%	2,454
2024019	Nags head	NC - 2023 - Nags head - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 1	361.20	141242	3/31/2023	53,300	(1,087)	1.00%	503
2022011	Fairfield Harbour	NC - 2022 - Fairfield Harbour - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	BF-FH-TC	Sewer	Base Case - WSIP Year 1	361.20	141242	3/31/2023	249,139	(5,132)	1.00%	2,440
2021022	Sugar Mountain	NC - 2021 - Sugar Mountain - Piping and UV System - Phase 1	CWS - NC Uniform	Sewer	WSIP Year 1	380.40	141253	12/31/2023	1,645,986	(491,872)	2.50%	28,853
2022004	Chapel Hills	NC - 2022 - Chapel Hills - AMI Water Meter Replacement - 97	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	68,411	(24,477)	3.33%	1,483
2022008	Crestview	NC - 2022 - Crestview - AMI Water Meter Replacement - 38	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	27,433	(13,390)	3.33%	2,101
2022015	Hound Ears	NC - 2022 - Hound Ears - AMI Water Meter Replacement - 2022 - 450	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	294,572	(105,930)	3.33%	6,300
2022027	Ski Mountain	NC - 2022 - Ski Mountain - AMI Water Meter Replacement - 2021 - 255	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	164,218	(58,755)	3.33%	3,512
2022012	Wolf Laurel	NC - 2022 - Wolf Laurel - AMI Water Meter Replacement - 2023 - 703	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	375,403	(127,400)	3.33%	7,921
2022024	Sherwood Forest	NC - 2022 - Sherwood Forest - AMI Water Meter Replacement - 2021 - 259	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2022	263,704	(101,506)	3.33%	6,067
2023001	Bear Paw	NC - 2023 - Bear Paw - AMI Water Meter Replacement - 2023 - 360	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	189,428	(67,275)	3.33%	4,051
2022002	Bent Creek	NC - 2020 - Bent Creek - AMI Water Meter Replacement - 2022 - 306	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	197,482	(70,657)	3.33%	4,223
2023008	Carolina Trace	NC - 2023 - Carolina Trace - AMI Water Meter Replacement - 1800	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	1,983,343	(341,690)	3.33%	20,386
2023015	Forest Hills	NC - 2023 - Forest Hills - AMI Meters - 127	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	90,382	(32,398)	3.33%	1,533
2023018	High Vista	NC - 2023 - High Vista - AMI Water Meter Replacement - 2021 - 242	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	182,138	(58,011)	3.33%	3,467
2023020	Riverbend	NC - 2023 - Riverbend - AMI Meters - 140	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	81,485	(29,400)	3.33%	1,733
2023026	The Ridges	NC - 2023 - The Ridges - AMI Water meter replacement (65)	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	52,443	(18,765)	3.33%	1,122
2023028	Watergryn	NC - 2023 - Watergryn - AMI Meters - 42	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	40,511	(14,494)	3.33%	866
2023033	Woodhaven	NC - 2023 - Woodhaven - AMI Meters - 40	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	12,433	(22,330)	3.33%	333
2020163	The Point	NC - 2021 - The Point - Interconnect with Town of Mooreville	CWS - NC Uniform	Water	WSIP Year 1	331.40	141252	3/31/2023	3,539,871	-	2.00%	35,399
2021009	Heather Glen	NC - 2021 - Heather Glen - Replace Hydrotanks (2)	CWS - NC Uniform	Water	WSIP Year 1	330.40	141231	6/30/2023	16,803	(1,874)	2.00%	299
2021023	Sugar Mountain	NC - 2022 - Sugar Mountain - Auger, PS Screen	CWS - NC Uniform	Sewer	WSIP Year 1	380.40	141253	12/31/2023	839,237	(250,790)	2.50%	14,711
2021016	Rutledge Landing	NC - 2021 - Rutledge Landing - Fibers Well & Rads	CWS - NC Uniform	Water	WSIP Year 1	320.30	141230	6/30/2023	166,590	-	2.50%	4,165
2022002	Bent Creek	NC - 2022 - Bent Creek - Drill and Develop well at current office site with nearby pipe	CWS - NC Uniform	Water	WSIP Year 1	307.20	141223	9/30/2023	250,000	-	2.00%	5,000
2021002	Bear Paw	NC - 2021 - Bear Paw - Drill New Well	CWS - NC Uniform	Water	WSIP Year 1	307.20	141223	9/30/2023	497,554	-	2.00%	9,951
2022029	Saddlewood	NC - 2022 - SADDLEWOOD - WELL LAND 2 BUILDING REPLACEMENT	CWS - NC Uniform	Water	WSIP Year 2	304.20	141204	6/30/2024	660,924	(60,547)	2.00%	11,698
2018048	Brandywine Bay	NC - 2022 - Brandywine Bay - WWTP SBR	CWS - NC Uniform	Sewer	WSIP Year 1	354.40	141209	11/30/2023	13,866,453	(2,287,038)	2.50%	289,485
2022007	Connectee Falls	NC - 2022 - Connectee Falls - Wellhouse Replacement - #4	CWS - NC Uniform	Water	WSIP Year 1	304.20	141204	9/30/2023	200,000	(24,574)	2.00%	3,513
2023008	Brandywine Bay	NC - 2023 - Brandywine Bay - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 1	361.20	141242	10/31/2023	160,632	(3,309)	1.00%	1,573
2023009	Carolina Trace	NC - 2023 - Carolina Trace - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 1	361.20	141242	10/31/2023	376,820	(7,762)	1.00%	3,691
2023012	Connectee Falls	NC - 2023 - Connectee Falls - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 1	361.20	141242	10/31/2023	192,951	(3,974)	1.00%	1,890
2020014	Fairfield Harbour	NC - 2020 - Fairfield Harbour - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	BF-FH-TC	Sewer	WSIP Year 1	361.20	141242	10/31/2023	161,598	(3,528)	1.00%	1,582
2023023	Surphane Valley	NC - 2023 - Surphane Valley - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 1	361.20	141242	10/31/2023	215,448	(4,438)	1.00%	2,110
2024025	Sugar Mountain	NC - 2024 - Sugar Mountain - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 1	361.20	141242	10/31/2023	268,264	(5,526)	1.00%	2,627
2023013	Fairfield Harbour	NC - 2023 - Fairfield Harbour - Distribution Leak Detection / Repairs	BF-FH-TC	Water	WSIP Year 1	331.40	141252	12/31/2023	189,531	(5,721)	1.00%	1,838
2023022	Surphane Valley	NC - 2023 - Surphane Valley - Well 3 building replacement	CWS - NC Uniform	Water	WSIP Year 1	304.20	141204	12/31/2023	245,960	(29,968)	2.00%	4,319
2022012	Fairfield Harbour	NC - 2022 - Fairfield Harbour - WWTP Rehab - To meet nitrogen effluent limits	BF-FH-TC	Sewer	WSIP Year 2	354.40	141209	8/31/2024	6,900,000	(1,348,000)	2.50%	144,040
2023030	Wolf Laurel	NC - 2023 - Wolf Laurel - WWTP Replacement	CWS - NC Uniform	Sewer	WSIP Year 3	354.40	141209	6/30/2026	866,753	(142,956)	2.50%	18,095
2023025	The Point	NC - 2023 - The Point - Decontamination wells replaced by interconnect	CWS - NC Uniform	Water	WSIP Year 1	141.23	141223	12/31/2023	184,487	(2,574)	2.00%	2,574
2023011	Connectee Falls	NC - 2023 - Connectee Falls - Install equipment for reduced well monitoring	CWS - NC Uniform	Water	WSIP Year 1	311.30	141228	12/31/2023	166,877	-	3.33%	5,557
2023005	Bradfield Farms	NC - 2023 - Bradfield Farms - WWTP Improvement - Replace VFDs, Blowers, Motors, New Clarifiers	BF-FH-TC	Sewer	WSIP Year 1	380.40	141253	10/31/2023	188,553	(66,345)	2.50%	3,305
2022020	Kings Grant	NC - 2022 - Kings Grant - WWTP Improvements	CWS - NC Uniform	Sewer	WSIP Year 2	380.40	141253	3/31/2024	127,409	(64,969)	2.50%	3,861
2023018	Hound Ears	NC - 2023 - Hound Ears - WWTP Improvements	CWS - NC -									

Carolina Water Service, Inc. of North Carolina  
W-354, Sub 400  
Test Year: March 31, 2022  
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W1-10

Schedule 2

Updated 09/19/22

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

Capital Investment Plan

Project ID	System	Project	Rate Group	Utility Type	WSIP Period	NARUC Account	Obj. Act.	In-Service Date	Forecast EAC	Retirement Amount	Depreciation Rate	Annualized Depreciation
2024013	Hemby Acres WWTP	NC - 2024 - Hemby Acres WWTP - Replace valves and piping	CWS - NC Uniform	Sewer	WSIP Year 2	380.40	141253	9/30/2024	97,134	(29,027)	2.50%	1,793
2024014	Hemby Acres	NC - 2024 - Hemby Acres WWTP - Rehab digester tanks	CWS - NC Uniform	Sewer	WSIP Year 2	380.40	141253	9/30/2024	95,524	(28,546)	2.50%	1,674
2023029	Whispering Pines	NC - 2023 - Whispering Pines - Water Main Replacement 10.6000 I.P. (Pine Lake and Country Club)	CWS - NC Uniform	Water	WSIP Year 2	331.40	141252	12/31/2024	980,957	(29,608)	1.00%	9,513
2023025	Pinnacle Shores	NC - 2022 - Pinnacle Shores - Water Main Relocation - DOT road widening	CWS - NC Uniform	Water	WSIP Year 2	331.40	141252	3/31/2025	1,353,666	-	1.00%	13,537
2025003	Beechbrook	NC - 2025 - Beechbrook - Water Main Replacement on Beechbrook - (3500 LF) 2" - 4"	CWS - NC Uniform	Water	WSIP Year 3	331.40	141252	6/30/2025	292,452	(8,827)	1.00%	2,836
2025006	Brandywine Bay	NC - 2025 - Brandywine Bay - Morehead City Interconnect	CWS - NC Uniform	Water	WSIP Year 3	331.40	141252	6/30/2025	167,780	-	1.00%	1,678
2025011	Fairfield Harbour	NC - 2025 - Fairfield Harbour - Distribution Leak Detection / Repairs	BF-FH-TC	Water	WSIP Year 3	331.40	141252	6/30/2025	189,552	(5,721)	1.00%	1,838
2025013	Grandview	NC - 2025 - Grandview - Replace main and valves or eliminate sections of system as we don't have that many customers	CWS - NC Uniform	Water	WSIP Year 3	331.40	141252	6/30/2025	222,047	(6,702)	1.00%	2,153
2025018	Oakdale	NC - 2025 - Oakdale - Water Main Replacement on Denise Dr and Leigh Cir - (3500 LF) 2" - 4"	CWS - NC Uniform	Water	WSIP Year 3	331.40	141252	6/30/2025	292,452	(8,827)	1.00%	2,836
2025019	Riverbend	NC - 2025 - Riverbend - Leak detection/Main Replacement	CWS - NC Uniform	Water	WSIP Year 3	331.40	141252	6/30/2025	108,254	(3,340)	1.00%	1,050
2025004	Bent Creek	NC - 2025 - Bent Creek - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 3	361.20	141242	6/30/2025	133,993	(2,760)	1.00%	1,312
2025007	Carolina Trace	NC - 2025 - Carolina Trace - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 3	361.20	141242	6/30/2025	379,104	(7,809)	1.00%	3,713
2025009	Conesville Falls	NC - 2025 - Conesville Falls - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 3	361.20	141242	6/30/2025	303,283	(6,247)	1.00%	2,970
2025012	Fairfield Harbour	NC - 2025 - Fairfield Harbour - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	BF-FH-TC	Sewer	WSIP Year 3	361.20	141242	6/30/2025	379,104	(7,809)	1.00%	3,713
2025021	Sapphire Valley	NC - 2025 - Sapphire Valley - WWCS Improvements (Rehab - Clean, CCTV, CIPP, Replacement)	CWS - NC Uniform	Sewer	WSIP Year 3	361.20	141242	6/30/2025	215,326	(4,436)	1.00%	2,109
2025016	Hounds Ears	NC - 2025 - Hounds Ear - Bath House lift station replacement	CWS - NC Uniform	Sewer	WSIP Year 3	354.30	141208	6/30/2025	324,947	(21,466)	2.00%	6,069
2024006	Dunby	NC - 2024 - Dunby - WWTP Replacement - (630 M&D)	CWS - NC Uniform	Sewer	WSIP Year 3	354.40	141209	9/30/2025	18,960,000	(33,17,350)	2.50%	394,569
2025015	High Meadows	NC - 2025 - High Meadows - Purchase and install permanent generator at Camp Cheerio.	CWS - NC Uniform	Water	WSIP Year 3	310.20	141226	9/30/2025	245,000	-	10.00%	24,500
2025017	Nags Head	NC - 2025 - Nags Head - Lift Station Generators	CWS - NC Uniform	Sewer	WSIP Year 3	355.40	141240	9/30/2025	106,665	-	10.00%	10,667
2025005	Bradfield Farms	NC - 2025 - Bradfield Farms - interconnect to caharras county for emergency's to take plants down for maintenance on wetp's	BF-FH-TC	Sewer	WSIP Year 3	361.20	141242	9/30/2025	56,709	-	1.00%	567
2025014	Hemby Acres	NC - 2025 - Hemby Acres - Replace old or broken clay pipe and rehab manholes.	CWS - NC Uniform	Sewer	WSIP Year 3	361.20	141242	9/30/2025	86,498	(1,658)	1.00%	788
2025001	Abington	NC - 2025 - Abington - Rehab manholes because of lift issues and Lift Stations	CWS - NC Uniform	Sewer	WSIP Year 1	354.30	141208	11/30/2022	162,759	(10,762)	2.00%	3,040
2025010	Dunby	NC - 2025 - Dunby - Glen Finneran L&S replace old control cabinets	CWS - NC Uniform	Sewer	WSIP Year 3	354.30	141208	9/30/2025	58,849	(3,993)	2.00%	1,098
2025023	Various	NC - 2025 - Various - SCADA and Remote Monitoring, Caustic Feed System Upgrades	CWS - NC Uniform	Water	WSIP Year 3	346.50	141310	9/30/2025	109,313	-	10.00%	10,931
2025024	Waterglyn	NC - 2025 - Waterglyn - SCADA System Installation	CWS - NC Uniform	Water	WSIP Year 3	346.50	141310	9/30/2025	80,181	-	10.00%	8,018
2025026	Woodhaven	NC - 2025 - Woodhaven - SCADA System Installation	CWS - NC Uniform	Water	WSIP Year 3	346.50	141310	9/30/2025	80,181	-	10.00%	8,018
2025025	Whispering Pines	NC - 2025 - Whispering Pines - Water Main Replacement (Thagards Lake)	CWS - NC Uniform	Water	WSIP Year 3	331.40	141252	12/31/2023	1,092,229	(32,908)	1.00%	10,993
2020175	Carolina Trace	NC - 2021 - Carolina Trace - WWCS Improvements	CWS - NC Uniform	Sewer	Base Case - WSIP Year 1	361.20	141242	12/31/2021	637,323	(13,126)	1.00%	6,242
2022128	State Cost Center	NC - 2022 - Replace Well Monitoring - SCADA	NC Cost Center	Water	WSIP Year 1	346.50	141310	12/31/2022	402,880	-	10.00%	40,288
2022240	Misty Mountain	NC - 2022 - Misty Mountain - Water System SCADA	CWS - NC Uniform	Water	WSIP Year 1	346.50	141310	3/31/2023	130,278	-	10.00%	13,028
2022249	State Cost Center	NC - 2022 - NC State Cost Center - Western NC Leak Detection - 2022	NC Cost Center	Water	WSIP Year 1	331.40	141252	3/31/2023	61,500	(1,896)	1.00%	596
2022253	Bradfield Farms	NC - 2022 - Bradfield Farms - AMI Water Meter Replacement - 1138	BF-FH-TC	Water	WSIP Year 1	334.40	141254	12/31/2023	639,491	(228,802)	3.33%	13,676
2022254	Dunby	NC - 2022 - Dunby - AMI Water Meter Replacement - 1634	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	967,688	(317,582)	3.33%	18,973
2022255	Silverton	NC - 2022 - Silverton - AMI Water Meter Replacement - 61	BF-FH-TC	Water	WSIP Year 1	334.40	141254	12/31/2023	59,910	(18,219)	3.33%	1,089
2022257	The Point	NC - 2022 - The Point - AMI Water Meter Replacement - 1583	CWS - NC Uniform	Water	WSIP Year 1	334.40	141254	12/31/2023	997,736	(356,978)	3.33%	21,337
1801	Various	NC - 2025 - NEW AMI PROJECTS NEED PROJECT #S	CWS - NC Uniform	Water	WSIP Year 2	334.40	141254	12/31/2024	2,745,000	(862,128)	3.33%	58,704

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

Capital Investment Plan - Recurring Spend

Spend Category	Rate Group	Utility Type	NARUC Acct	Obj. Acct.	In-Service Date	Annualized Spend	Annualized Retirement	Depreciation Rate	Annualized Depreciation
Struct and Improv General Plant	BF-FH-TC	Sewer	354.70	141203	Rolling In Service	19,106	(2,328)	2.00%	382
Struct and Improv Collect Plant	BF-FH-TC	Sewer	354.20	141207	Rolling In Service	45	(7)	2.00%	1
Struct and Improv Pump Plant	BF-FH-TC	Sewer	354.30	141208	Rolling In Service	2,641	(175)	2.00%	53
Struct and Improv Treatment Plant	BF-FH-TC	Sewer	354.40	141209	Rolling In Service	12,580	(2,075)	2.50%	315
Power Gen Equip Pump Plt	BF-FH-TC	Sewer	355.30	141239	Rolling In Service	20,845	(10,906)	10.00%	2,084
Sewer Force Main	BF-FH-TC	Sewer	360.20	141241	Rolling In Service	11,311	(339)	1.33%	150
Sewer Gravity Main	BF-FH-TC	Sewer	361.20	141242	Rolling In Service	49,048	(1,010)	1.00%	490
Manholes	BF-FH-TC	Sewer	361.20	141243	Rolling In Service	7,274	(174)	1.00%	73
Service to Customers	BF-FH-TC	Sewer	363.20	141245	Rolling In Service	107,042	(3,207)	1.33%	1,424
Flow Measure Devices	BF-FH-TC	Sewer	364.20	141246	Rolling In Service	238	(89)	4.00%	10
Pumping Equip Pump Plt	BF-FH-TC	Sewer	371.30	141249	Rolling In Service	36,538	(24,322)	14.29%	5,221
Pumping Equip Reclaim WTP	BF-FH-TC	Sewer	371.50	141250	Rolling In Service	33,504	(22,303)	14.29%	4,788
Treat/Disp Equip Trt Plt	BF-FH-TC	Sewer	380.40	141253	Rolling In Service	34,572	(10,331)	2.50%	864
Plant Sewers Treatment Plt	BF-FH-TC	Sewer	381.40	141255	Rolling In Service	10,211	(3,051)	2.50%	255
Outfall Lines	BF-FH-TC	Sewer	382.40	141257	Rolling In Service	15,305	(485)	1.00%	153
Reuse Transmission and Dist	BF-FH-TC	Sewer	375.60	141264	Rolling In Service	350	(32)	2.00%	7
Other Plant Pump	BF-FH-TC	Sewer	389.30	141273	Rolling In Service	171	(28)	2.50%	4
Other Plant Reclaim Water Trt	BF-FH-TC	Sewer	389.50	141275	Rolling In Service	1,239	(265)	2.50%	31
Stores Equipment	BF-FH-TC	Sewer	392.70	141305	Rolling In Service	14	(5)	3.33%	0
Lab Equipment	BF-FH-TC	Sewer	394.70	141306	Rolling In Service	56	(37)	10.00%	6
Tool Shop Equipment	BF-FH-TC	Sewer	393.70	141308	Rolling In Service	2,030	(1,001)	5.00%	101
Power Operated Equipment	BF-FH-TC	Sewer	395.70	141309	Rolling In Service	2,045	(1,070)	10.00%	205
Communications Equipment	BF-FH-TC	Sewer	396.70	141310	Rolling In Service	18,330	(9,591)	10.00%	1,833
Misc Equipment	BF-FH-TC	Sewer	397.70	141311	Rolling In Service	10,823	(2,804)	3.33%	360
Vehicles	BF-FH-TC	Sewer	391.70	141401	Rolling In Service	26,720	(26,720)	20.00%	5,344
Struct and Improv General Plant	BF-FH-TC	Water	304.50	141203	Rolling In Service	377	(46)	2.00%	8
Struct and Improv Service Supplies	BF-FH-TC	Water	304.20	141204	Rolling In Service	11,921	(1,453)	2.00%	238
Struct and Improv Water Treat Plt	BF-FH-TC	Water	304.30	141205	Rolling In Service	1,373	(167)	2.00%	27
Wells and Springs	BF-FH-TC	Water	307.20	141223	Rolling In Service	8,840	(1,382)	2.00%	177
Supply Mains	BF-FH-TC	Water	309.20	141225	Rolling In Service	1,130	(64)	1.00%	11
Electric Pump Equip Sec Pump	BF-FH-TC	Water	311.20	141227	Rolling In Service	10,924	(7,272)	14.29%	1,561
Electric Pump Equip WTP	BF-FH-TC	Water	311.30	141228	Rolling In Service	15,734	(4,077)	3.33%	524
Electric Pump Equip Trans Dist	BF-FH-TC	Water	311.40	141229	Rolling In Service	10,579	(7,042)	14.29%	1,512
Water Treatment Equipment	BF-FH-TC	Water	320.30	141230	Rolling In Service	6,082	(1,601)	2.50%	152
Dist Resv and Standpipes	BF-FH-TC	Water	330.40	141231	Rolling In Service	50,794	(5,666)	2.00%	1,016
Trans and Distr Mains	BF-FH-TC	Water	331.40	141232	Rolling In Service	33,866	(1,022)	1.00%	339
Service Lines	BF-FH-TC	Water	333.40	141233	Rolling In Service	89,813	(12,782)	1.00%	1,796
Meters	BF-FH-TC	Water	334.40	141234	Rolling In Service	20,092	(7,189)	3.33%	669
Meter Installations	BF-FH-TC	Water	334.40	141235	Rolling In Service	11,753	(4,205)	3.33%	391
Hydrants	BF-FH-TC	Water	335.40	141236	Rolling In Service	7,824	(1,676)	2.50%	196
Backflow Prevention Devices	BF-FH-TC	Water	336.40	141237	Rolling In Service	135	(98)	10.00%	13
Stores Equipment	BF-FH-TC	Water	342.50	141305	Rolling In Service	34	(12)	3.33%	1
Lab Equipment	BF-FH-TC	Water	344.50	141306	Rolling In Service	915	(606)	10.00%	92
Tool Shop Equipment	BF-FH-TC	Water	343.50	141308	Rolling In Service	2,989	(1,474)	5.00%	149
Power Operated Equipment	BF-FH-TC	Water	345.50	141309	Rolling In Service	2,243	(1,173)	10.00%	224
Communications Equipment	BF-FH-TC	Water	346.50	141310	Rolling In Service	14,937	(7,815)	10.00%	1,494
Misc Equipment	BF-FH-TC	Water	347.50	141311	Rolling In Service	126	(33)	3.33%	4
Vehicles	BF-FH-TC	Water	341.50	141401	Rolling In Service	26,120	(26,120)	20.00%	5,224
Struct and Improv General Plant	CWS - NC Uniform	Sewer	354.70	141203	Rolling In Service	29,713	(3,621)	2.00%	594
Struct and Improv Collect Plant	CWS - NC Uniform	Sewer	354.20	141207	Rolling In Service	5,040	(788)	2.00%	101
Struct and Improv Pump Plant	CWS - NC Uniform	Sewer	354.30	141208	Rolling In Service	48,298	(3,194)	2.00%	966
Struct and Improv Treatment Plant	CWS - NC Uniform	Sewer	354.40	141209	Rolling In Service	59,857	(9,872)	2.50%	1,496
Struct and Improv Reclaim Wtr Dist	CWS - NC Uniform	Sewer	354.60	141211	Rolling In Service	280	(84)	2.50%	7
Power Gen Equip Pump Plt	CWS - NC Uniform	Sewer	355.30	141239	Rolling In Service	355	(185)	10.00%	35
Power Gen Equip Treat Plt	CWS - NC Uniform	Sewer	355.40	141240	Rolling In Service	29,883	(15,635)	10.00%	2,988
Sewer Force Main	CWS - NC Uniform	Sewer	360.20	141241	Rolling In Service	89,538	(2,683)	1.33%	1,191
Sewer Gravity Main	CWS - NC Uniform	Sewer	361.20	141242	Rolling In Service	160,449	(3,305)	1.00%	1,604
Manholes	CWS - NC Uniform	Sewer	361.20	141243	Rolling In Service	95,337	(2,282)	1.00%	953
Special Collection Structures	CWS - NC Uniform	Sewer	362.20	141244	Rolling In Service	300	(47)	2.00%	6
Service to Customers	CWS - NC Uniform	Sewer	363.20	141245	Rolling In Service	207,499	(6,217)	1.33%	2,760
Flow Measure Devices	CWS - NC Uniform	Sewer	364.20	141246	Rolling In Service	9,860	(3,678)	4.00%	394
Flow Measure Install	CWS - NC Uniform	Sewer	365.20	141247	Rolling In Service	29	(11)	4.00%	1
Receiving Wells	CWS - NC Uniform	Sewer	370.30	141248	Rolling In Service	44,156	(4,697)	2.00%	883
Pumping Equip Pump Plt	CWS - NC Uniform	Sewer	371.30	141249	Rolling In Service	560,414	(373,054)	14.29%	80,083
Pumping Equip Reclaim WTP	CWS - NC Uniform	Sewer	371.50	141250	Rolling In Service	3,131	(2,084)	14.29%	447
Pumping Equip Rel Wtr Dist	CWS - NC Uniform	Sewer	371.60	141251	Rolling In Service	11,566	(7,699)	14.29%	1,653
Treat/Disp Equip Lagoon	CWS - NC Uniform	Sewer	380.40	141252	Rolling In Service	8,155	(1,747)	2.50%	204
Treat/Disp Equip Trt Plt	CWS - NC Uniform	Sewer	380.40	141253	Rolling In Service	356,423	(106,510)	2.50%	8,911
Treat/Disp Equip Rchm Wtr	CWS - NC Uniform	Sewer	380.50	141254	Rolling In Service	12,013	(2,573)	2.50%	300
Plant Sewers Treatment Plt	CWS - NC Uniform	Sewer	381.40	141255	Rolling In Service	76,044	(22,724)	2.50%	1,901
Plant Sewers Reclaim Wtr	CWS - NC Uniform	Sewer	381.50	141256	Rolling In Service	240	(72)	2.50%	6
Outfall Lines	CWS - NC Uniform	Sewer	382.40	141257	Rolling In Service	44,245	(1,403)	1.00%	442
Reuse Dist Reservoirs	CWS - NC Uniform	Sewer	374.50	141263	Rolling In Service	27	(3)	2.00%	1
Reuse Transmission and Dist	CWS - NC Uniform	Sewer	375.60	141264	Rolling In Service	11,570	(1,025)	2.00%	227
Other Tangible Plant	CWS - NC Uniform	Sewer	389.10	141271	Rolling In Service	3,317	(991)	2.50%	83
Other Plant Collection	CWS - NC Uniform	Sewer	389.20	141272	Rolling In Service	154	(22)	2.00%	3

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 2  
Updated 09/19/22

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

Capital Investment Plan - Recurring Spend

Spend Category	Rate Group	Utility Type	NARUC Acct	Obj. Acct.	In-Service Date	Annualized Spend	Annualized Retirement	Depreciation Rate	Annualized Depreciation
Other Plant Pump	CWS - NC Uniform	Sewer	389.30	141273	Rolling In Service	1,688	(278)	2.50%	42
Other Plant Treatment	CWS - NC Uniform	Sewer	389.40	141274	Rolling In Service	18,549	(3,059)	2.50%	464
Stores Equipment	CWS - NC Uniform	Sewer	392.70	141305	Rolling In Service	1,283	(444)	3.33%	43
Lab Equipment	CWS - NC Uniform	Sewer	394.70	141306	Rolling In Service	11,572	(7,662)	10.00%	1,157
Tool Shop Equipment	CWS - NC Uniform	Sewer	393.70	141308	Rolling In Service	8,107	(3,999)	5.00%	405
Power Operated Equipment	CWS - NC Uniform	Sewer	395.70	141309	Rolling In Service	41,139	(21,525)	10.00%	4,114
Communications Equipment	CWS - NC Uniform	Sewer	396.70	141310	Rolling In Service	12,515	(6,548)	10.00%	1,252
Misc Equipment	CWS - NC Uniform	Sewer	397.70	141311	Rolling In Service	10,096	(2,616)	3.33%	336
Vehicles	CWS - NC Uniform	Sewer	391.70	141401	Rolling In Service	129,720	(129,720)	20.00%	25,944
Struct and Improv General Plant	CWS - NC Uniform	Water	304.50	141203	Rolling In Service	19,141	(2,333)	2.00%	383
Struct and Improv Service Supplies	CWS - NC Uniform	Water	304.20	141204	Rolling In Service	41,654	(5,076)	2.00%	833
Struct and Improv Water Treat Pft	CWS - NC Uniform	Water	304.30	141205	Rolling In Service	70,355	(8,574)	2.00%	1,407
Struct and Improv Trans Dist Pft	CWS - NC Uniform	Water	304.40	141206	Rolling In Service	10,964	(1,336)	2.00%	219
Wells and Springs	CWS - NC Uniform	Water	307.20	141223	Rolling In Service	88,816	(13,889)	2.00%	1,776
Supply Mains	CWS - NC Uniform	Water	309.20	141225	Rolling In Service	112,908	(3,408)	1.00%	1,129
Power Generation Equipment	CWS - NC Uniform	Water	310.20	141226	Rolling In Service	1,298	(679)	10.00%	130
Electric Pump Equip Sec Pump	CWS - NC Uniform	Water	311.20	141227	Rolling In Service	173,887	(115,753)	14.29%	24,848
Electric Pump Equip WTP	CWS - NC Uniform	Water	311.30	141228	Rolling In Service	388,855	(100,753)	3.33%	12,949
Electric Pump Equip Trans Dist	CWS - NC Uniform	Water	311.40	141229	Rolling In Service	307,126	(204,446)	14.29%	43,888
Water Treatment Equipment	CWS - NC Uniform	Water	320.30	141230	Rolling In Service	235,576	(61,974)	2.50%	5,884
Dist Resv and Standpipes	CWS - NC Uniform	Water	330.40	141231	Rolling In Service	155,753	(17,374)	2.00%	3,115
Trans and Distr Mains	CWS - NC Uniform	Water	331.40	141232	Rolling In Service	1,032,302	(31,159)	1.00%	10,323
Service Lines	CWS - NC Uniform	Water	333.40	141233	Rolling In Service	998,861	(142,160)	2.00%	19,977
Meters	CWS - NC Uniform	Water	334.40	141234	Rolling In Service	108,508	(38,823)	3.33%	3,613
Meter Installations	CWS - NC Uniform	Water	334.40	141235	Rolling In Service	81,231	(29,063)	3.33%	2,705
Hydrants	CWS - NC Uniform	Water	335.40	141236	Rolling In Service	71,888	(15,399)	2.50%	1,797
Backflow Prevention Devices	CWS - NC Uniform	Water	336.40	141237	Rolling In Service	7,846	(5,676)	10.00%	785
Stores Equipment	CWS - NC Uniform	Water	342.50	141305	Rolling In Service	3,871	(1,341)	3.33%	129
Lab Equipment	CWS - NC Uniform	Water	344.50	141306	Rolling In Service	4,686	(3,103)	10.00%	469
Tool Shop Equipment	CWS - NC Uniform	Water	343.50	141308	Rolling In Service	12,686	(6,257)	5.00%	634
Power Operated Equipment	CWS - NC Uniform	Water	345.50	141309	Rolling In Service	13,717	(7,177)	10.00%	1,372
Communications Equipment	CWS - NC Uniform	Water	346.50	141310	Rolling In Service	9,804	(5,129)	10.00%	980
Misc Equipment	CWS - NC Uniform	Water	347.50	141311	Rolling In Service	11,156	(2,891)	3.33%	372
Vehicles	CWS - NC Uniform	Water	341.50	141401	Rolling In Service	217,440	(217,440)	20.00%	43,488

Rate Base- Post TY Update

Natural Account	Natural Account Description	April-August	April-August	April-August	April-August
		CWSNC Uniform - Water	CWSNC Uniform - Sewer	BF-FH-TC - Water	BF-FH-TC - Sewer
141101	Land and Rights General	150,595.59	-	-	-
141201	Organization	521.29	-	-	-
141202	Franchises	-	-	-	-
141203	Struct and Improv General Plant	50,103.12	23,255.65	-	247.07
141204	Struct and Improv Service Supplies	24,010.89	-	12,751.46	-
141205	Struct and Improv Water Treat Plt	34,026.41	3,041,859.40	118.48	-
141206	Struct and Improv Trans Dist Plt	1,587.02	-	-	-
141207	Struct and Improv Collect Plant	-	4,001.49	-	-
141208	Struct and Improv Pump Plant	-	121,979.47	-	2,226.79
141209	Struct and Improv Treatment Plant	-	22,992.98	-	142.17
141211	Struct and Improv Reclaim Wtr Dist	-	-	-	-
141220	Struct and Improv Office	9,420.74	12,841.11	(153.47)	4,896.48
141221	Collecting Reservoirs	717,687.04	-	-	-
141223	Wells and Springs	24,871.42	-	3,080.03	-
141225	Supply Mains	65,241.36	-	2,990.35	-
141226	Power Generation Equipment	4,805.06	771.75	-	-
141227	Electric Pump Equip Src Pump	77,796.58	-	9,882.52	-
141228	Electric Pump Equip WTP	184,085.79	-	14,630.84	-
141229	Electric Pump Equip Trans Dist	890,004.19	-	-	-
141230	Water Treatment Equipment	62,592.87	-	5,925.89	(11,587.68)
141231	Dist Resv and Standpipes	46,784.70	(75.02)	19,510.08	(4.43)
141232	Trans and Distr Mains	334,893.88	(248.02)	7,922.70	(14.69)
141233	Service Lines	543,960.87	-	31,290.65	-
141234	Meters	36,746.37	-	8,874.49	-
141235	Meter Installations	39,194.53	-	6,643.19	-
141236	Hydrants	39,088.59	-	92,989.29	-
141237	Backflow Prevention Devices	16,034.45	-	-	-
141239	Power Gen Equip Pump Plt	-	-	-	44,210.70
141240	Power Gen Equip Treat Plt	-	5,100.14	-	-
141241	Sewer Force Main	-	601,749.48	-	-
141242	Sewer Gravity Main	-	949,078.69	-	983.12
141243	Manholes	-	44,389.03	-	3,268.64
141244	Special Collection Structures	-	-	-	-
141245	Service to Customers	-	69,240.61	-	66,387.43
141246	Flow Measure Devices	-	5,503.31	-	-
141248	Receiving Wells	-	22,160.33	-	-
141249	Pumping Equip Pump Plt	-	309,977.66	-	9,664.39
141250	Pumping Equip Reclaim WTP	-	1,781.87	-	17,502.10
141251	Pumping Equip Rcl Wtr Dist	-	3,104.37	-	-
141252	Treat/Disp Equip Lagoon	-	2,679.51	-	-
141253	Treat/Disp Equip Trt Plt	-	113,414.07	-	1,819.61
141254	Treat/Disp Equip Rclm Wtr	-	12,973.37	-	-
141255	Plant Sewers Treatment Plt	-	41,767.45	-	4,124.37
141256	Plant Sewers Reclaim Wtr	-	2,262.67	-	-
141257	Outfall Lines	-	11,576.17	-	36,793.52
141264	Reuse Transmission and Dist	-	35,336.44	-	-
141269	Other and Misc Equip WTP	3,185.02	-	-	-
141271	Other Tangible Plant	10,327.46	-	-	79,334.27
141272	Other Plant Collection	-	787.26	-	-
141273	Other Plant Pump	-	2,976.29	-	-
141274	Other Plant Treatment	-	110.68	-	-
141275	Other Plant Reclaim Water Trt	-	-	-	4,305.60
141299	Utility Plant Clearing	(0.00)	(0.00)	(0.00)	(0.00)
141303	Office Furniture	(102.88)	(797.59)	(55.24)	(75.69)
141305	Stores Equipment	89.48	1,153.25	(0.24)	(0.22)
141306	Lab Equipment	269.29	2,887.81	71.09	507.04
141308	Tool Shop Equipment	8,449.87	18,822.71	(2.49)	1,425.84
141309	Power Operated Equipment	11,109.19	19,239.73	1,999.47	688.23
141310	Communications Equipment	13,964.60	10,209.26	2,614.90	25,715.27
141311	Misc Equipment	14,504.00	29,617.20	138.52	35,208.53
141399	Building and Equipment Clearing	0.00	0.00	-	0.00
141401	Vehicles	276,320.94	164,854.68	(3,884.17)	(3,975.83)
141499	Vehicles Clearing	(0.00)	(0.00)	-	-
141501	Computer Hardware	(6.97)	(4.16)	(0.81)	(0.82)
141502	Desktop/Laptop Computers	40,731.37	24,300.57	5,614.10	5,746.59
141503	Mainframe Computers	(1,141.70)	(681.14)	(126.86)	(129.86)
141504	Mini Comp Wtr	6,267.09	3,738.99	955.26	977.80
141601	Computer Software	11,331.22	6,760.27	1,584.47	1,621.87
141602	Comp Systems	(31,673.35)	(18,896.51)	(3,637.95)	(3,723.80)

Rate Base- Post TY Update

Natural Account	Natural Account Description	April-August	April-August	April-August	April-August
		CWSNC Uniform - Water	CWSNC Uniform - Sewer	BF-FH-TC - Water	BF-FH-TC - Sewer
141603	Micro Systems	(580.81)	(346.52)	(65.00)	(66.54)
141699	Computer Clearing	0.00	0.00	0.00	0.00
141702	CWIP - Captive	131,585.31	148,619.38	9,651.68	44,066.82
141703	CWIP - Interest During Construction	16,618.57	(113,358.95)	(132.73)	9,577.79
141704	CWIP - Engineering	21,032.14	7,931.37	(65,163.12)	44,847.72
141705	CWIP - Labor/Installation	(107.50)	-	-	-
141706	CWIP - Equipment	1,516.67	-	-	-
141707	CWIP - Material	0.00	9,203.89	-	-
141710	CWIP - Site Work	-	-	-	-
141716	CWIP - Land/Lease	-	-	-	-
141718	CWIP - Permits	-	(21,368.20)	-	-
141720	CWIP - Pumps/Equipment	-	-	-	-
141727	CWIP - Tests/Drawdown	-	-	-	-
141732	CWIP - Transfer to Fixed Assets	(7,875.90)	(3,117.28)	(287.21)	(7,725.22)
141748	CWIP - Contractor/Labour	-	-	-	-
141761	CWIP - Construction	258,436.82	(1,043,201.96)	55,895.04	518,277.83
141762	CWIP - Other	(661.85)	81.76	-	-
141798	CWIP Clearing-Fixed Asset	6,394.07	37,756.19	2,166.45	200.00
141799	CWIP Clearing	0.00	0.00	0.00	(42,293.94)
141801	Fixed Assets - Accrued	-	-	-	-
141899	CIAC-Clearing	0.00	-	-	-
142201	Acc Dep - Organization	(5,045.44)	(9,203.10)	(1,050.68)	(152.95)
142202	Acc Dep - Franchises	(2,390.85)	(1,327.90)	(533.70)	(436.85)
142203	Acc Dep - Struct and Improv General Plant	(2,860.17)	(13,833.88)	(18.70)	(2,185.63)
142204	Acc Dep - Struct and Improv Service Supplies	(35,848.33)	-	(1,743.09)	-
142205	Acc Dep - Struct and Improv Water Treat Plt	6,171.51	(15,209.29)	(1,226.97)	-
142206	Acc Dep - Struct and Improv Trans Dist Plt	(2,097.78)	-	(3.85)	-
142207	Acc Dep - Struct and Improv Collect Plant	-	(883.79)	-	(2.10)
142208	Acc Dep - Struct and Improv Pump Plant	-	(92,323.19)	-	(16,979.73)
142209	Acc Dep - Struct and Improv Treatment Plant	-	(208,997.94)	-	(19,140.70)
142210	Acc Dep - Struct and Improv Reclaim WTP	-	(34.10)	-	-
142211	Acc Dep - Struct and Improv Reclaim Wtr Dist	-	(1,880.05)	-	(25.80)
142220	Acc Dep - Struct and Improv Office	(15,902.65)	(8,678.24)	(2,468.54)	(4,401.70)
142221	Acc Dep - Collecting Reservoirs	(4,918.91)	-	-	-
142223	Acc Dep - Wells and Springs	(119,213.37)	-	(1,520.63)	-
142224	Acc Dep - Infiltration Gallery	(470.70)	-	-	-
142225	Acc Dep - Supply Mains	7,118.79	-	(40.02)	-
142226	Acc Dep - Power Generation Equipment	(6,935.86)	(12,460.61)	-	-
142227	Acc Dep - Electric Pump Equip Src Pump	(91,871.57)	-	9,904.54	-
142228	Acc Dep - Electric Pump Equip WTP	(78,622.62)	-	(5,473.28)	-
142229	Acc Dep - Electric Pump Equip Trans Dist	(232,138.50)	-	(3,489.52)	-
142230	Acc Dep - Water Treatment Equipment	(34,701.65)	-	(1,550.95)	(9,691.21)
142231	Acc Dep - Dist Resv and Standpipes	(64,297.28)	(171.25)	(7,648.27)	(43.96)
142232	Acc Dep - Trans and Distr Mains	(86,088.73)	(575.90)	(5,106.50)	(145.93)
142233	Acc Dep - Service Lines	(18,666.55)	(7.80)	1,947.26	-
142234	Acc Dep - Meters	(85,643.75)	-	(2,666.25)	-
142235	Acc Dep - Meter Installations	(20,805.38)	-	(1,018.50)	-
142236	Acc Dep - Hydrants	(14,633.20)	-	(3,095.43)	-
142237	Acc Dep - Backflow Prevention Devices	298.92	-	(6.30)	-
142238	Acc Dep - Power Gen Equip Coll Plt	-	(4,484.30)	-	-
142239	Acc Dep - Power Gen Equip Pump Plt	-	(2,222.50)	-	(5,727.83)
142240	Acc Dep - Power Gen Equip Treat Plt	-	(12,967.68)	-	-
142241	Acc Dep - Sewer Force Main	-	14,656.89	-	(1,258.40)
142242	Acc Dep - Sewer Gravity Main	-	(71,145.48)	-	(22,214.62)
142243	Acc Dep - Manholes	-	(6,803.55)	-	(216.68)
142244	Acc Dep - Special Collection Structures	-	(58.60)	-	(6.45)
142245	Acc Dep - Service to Customers	-	(3,074.11)	-	8,785.24
142246	Acc Dep - Flow Measure Devices	-	(1,626.43)	-	(296.75)
142247	Acc Dep - Flow Measure Install	-	(18.45)	-	-
142248	Acc Dep - Receiving Wells	(1,472.85)	(1,942.89)	-	-
142249	Acc Dep - Pumping Equip Pump Plt	-	(185,287.84)	-	(19,912.15)
142250	Acc Dep - Pumping Equip Reclaim WTP	-	(2,073.22)	-	(2,067.24)
142251	Acc Dep - Pumping Equip Rcl Wtr Dist	-	(4,886.44)	-	-
142252	Acc Dep - Treat/Disp Equip Lagoon	-	(3,223.94)	-	(0.60)
142253	Acc Dep - Treat/Disp Equip Trt Plt	-	(149,007.85)	-	(25,901.49)
142254	Acc Dep - Treat/Disp Equip Rclm Wtr	-	16,271.72	-	-
142255	Acc Dep - Plant Sewers Treatment Plt	(247.40)	(176,726.76)	-	(3,930.93)
142256	Acc Dep - Plant Sewers Reclaim Wtr	-	331.50	-	-
142257	Acc Dep - Outfall Lines	-	(2,730.97)	-	3,808.33



Rate Base- Post TY Update

Natural Account	Natural Account Description	April-August	April-August	April-August	April-August
		CWSNC Uniform - Water	CWSNC Uniform - Sewer	BF-FH-TC - Water	BF-FH-TC - Sewer
142263	Acc Dep - Reuse Dist Reservoirs	-	(29.30)	-	(23.05)
142264	Acc Dep - Reuse Transmission and Dist	-	12,918.29	-	(20.75)
142268	Acc Dep - Other and Misc Equip Source Supply	(2.70)	-	-	-
142269	Acc Dep - Other and Misc Equip WTP	(251.09)	-	-	-
142271	Acc Dep - Other Tangible Plant	(477.72)	(153.75)	-	(1,487.51)
142272	Acc Dep - Other Plant Collection	-	(230.55)	-	2.35
142273	Acc Dep - Other Plant Pump	-	(4,936.71)	-	(35.85)
142274	Acc Dep - Other Plant Treatment	-	(3,542.33)	-	-
142275	Acc Dep - Other Plant Reclaim Water Trt	-	(6.75)	-	(117.51)
142276	Acc Dep - Other Plant Reclaim Water Dist	-	(4.80)	-	-
142278	Acc Dep - Plant Alloc	(5,772.50)	(14,637.65)	-	-
142303	Acc Dep - Office Furniture	(14,226.10)	(8,109.45)	(573.01)	(492.00)
142305	Acc Dep - Stores Equipment	(226.77)	(105.61)	(5.47)	(39.48)
142306	Acc Dep - Lab Equipment	(5,492.49)	(4,884.50)	(605.21)	(275.24)
142308	Acc Dep - Tool Shop Equipment	(22,556.58)	(11,229.69)	(2,143.84)	(433.36)
142309	Acc Dep - Power Operated Equipment	(14,272.66)	(2,466.04)	(518.61)	(2,247.17)
142310	Acc Dep - Communications Equipment	(7,606.72)	(5,430.59)	(3,330.25)	(2,036.55)
142311	Acc Dep - Misc Equipment	7,259.42	15,286.15	(7.09)	(661.26)
142401	Acc Dep - Vehicles	(62,993.43)	(36,102.67)	(2,551.16)	(2,774.48)
142501	Acc Dep - Computer Hardware	(57.51)	(32.14)	(7.77)	(7.95)
142502	Acc Dep - Desktop/Laptop Computers	(3,718.18)	(2,087.16)	(501.62)	(512.64)
142503	Acc Dep - Mainframe Computers	1,114.46	708.38	134.94	121.78
142504	Acc Dep - Mini Comp Wtr	(62,309.72)	(33,833.97)	(8,565.69)	(8,647.04)
142601	Acc Dep - Computer Software	(12,194.75)	(6,833.77)	(1,647.34)	(1,685.80)
142602	Acc Dep - Comp Systems	(12,666.09)	(20,526.17)	(2,028.33)	(2,410.60)
142603	Acc Dep - Micro Systems	567.81	359.52	68.96	62.58
142901	Acc Dep - Purchase Acquisition Adjustments	42,850.83	14,941.90	(4,864.13)	(12,595.50)
271008	CIAC - Structure/Improvement Treatment Plant	-	-	-	-
271036	CIAC - Tap Fee	(7,051.67)	25,522.00	(39,465.00)	-
271037	CIAC - Management Fee	(150.00)	-	-	-
271040	CIAC - Plant Mod Fee	(13,125.00)	-	-	-
271041	CIAC - Plant Meter Fee	(6,761.71)	-	(1,050.00)	-
271043	CIAC - Sewer Gravity Main	-	-	-	-
271044	CIAC - Manholes	-	-	-	-
272003	Acc Amort CIAC - Structure/Improvement Src Supply	529.75	-	-	-
272004	Acc Amort CIAC - Structure/Improvement WTP	442.40	-	-	-
272007	Acc Amort CIAC - Structure/Improvement Pump Plant L	-	6,686.35	-	-
272008	Acc Amort CIAC - Structure/Improvement Treat Plant	-	4,325.35	-	-
272011	Acc Amort CIAC - Structure/Improvement Generator Plai	-	133,472.45	-	46,056.50
272017	Acc Amort CIAC - Wells and Springs	8,983.85	-	-	-
272019	Acc Amort CIAC - Electric Pump Equipment Src Pump	279.40	-	-	-
272020	Acc Amort CIAC - Electric Pump Equipment Water Treatr	894.90	-	-	-
272021	Acc Amort CIAC - Electric Pump Equipment Trans Dist	2,067.15	-	-	-
272022	Acc Amort CIAC - Water Treatment Equipment	490.55	-	-	-
272023	Acc Amort CIAC - Dist Resv and S	1,949.80	-	-	-
272024	Acc Amort CIAC - Trans and Distr Mains	25,811.15	-	216.00	-
272025	Acc Amort CIAC - Service Lines	-	-	202.05	-
272026	Acc Amort CIAC - Meters	318.90	-	-	-
272028	Acc Amort CIAC - Hydrants	3,176.79	-	584.86	-
272029	Acc Amort CIAC - Backflow Prevent D	166.65	-	-	-
272034	Acc Amort CIAC - Misc Equipment	1,694.95	-	-	-
272035	Acc Amort CIAC - Other Tangible Plant	187,243.95	(3.90)	11,838.15	-
272036	Acc Amort CIAC - Tap Fee	46,002.89	36,415.04	3,355.95	4,135.14
272037	Acc Amort CIAC - Management Fee	234.58	147.05	-	-
272039	Acc Amort CIAC - Res Cap Fee	403.80	-	-	7,320.90
272040	Acc Amort CIAC - Plant Mod Fee	9,305.01	60,376.57	894.80	2,431.65
272041	Acc Amort CIAC - Plant Meter Fee	3,028.90	2.75	139.52	-
272042	Acc Amort CIAC - Sewer Force Main	-	1,145.15	-	-
272043	Acc Amort CIAC - Sewer Gravity Main	-	16,044.60	-	498.45
272044	Acc Amort CIAC - Manholes	-	1,559.15	-	-
272046	Acc Amort CIAC - Service to Customers	-	1,935.70	-	-
272054	Acc Amort CIAC - Treatment/Disp Equipment Treatment	-	(370.60)	-	-



Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 2

Updated 09/19/22

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

### Capital Investment Plan

**Purpose:**

To include estimated capital investment spend, retirements, accumulated depreciation, and annualized depreciation expense through the base case cutoff period and Water Sewer Investment Plan period.

**Method:**

Add plant in service and retirements on a monthly basis through the base case cutoff and Water Sewer Investment Plan period. Annualize expected depreciation expense and calculate accumulated depreciation through the periods based on a thirteen month average rate base.

**Update:**

Updated capital investment plan with most up to date information including expected in-service dates, estimates at completion, and retirement amounts.

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 12

Updated 09/19/22

Supplement to Schedule B-15a and b

Page 1 of 2

Rate Case Expense

Line No.	Item	Actual to Date [A]	Estimate [B]	Amount Requested [C]	CWSNC Uniform - Water [D]	CWSNC Uniform - Sewer [E]	BF-FH-TC - Water [F]	BF-FH-TC - Sewer [G]
1	Authorized Balance - W-354 Sub 384 Final Order (04/08/22)	\$ 1,194,048	\$ -	\$ 1,194,048				
2	Amortization period in years			\$ 5				
3	Rate Case Expense Amortization from 04/08/22-03/31/23			\$ 238,810				
4	Unamortized Balance as of 03/31/23	\$ 955,238		\$ 955,238				
5	Estimated Rate Case Expenses - W-354, Sub 400	\$ 206,454	\$ 543,546	\$ 750,000				
6	Total Unamortized Rate Case Expense Balance as of 03/31/23			\$ 1,705,238				
7	Requested Amortization period in years			3				
8	Annual Rate Case Expense Amortization - Sub 400			\$ 568,413				
9	Base Case Amortization Expense			\$ 568,413	\$ 308,964	\$ 184,330	\$ 37,121	\$ 37,997
10	WSIP Period 1 Amortization Expense (04/01/23-03/31/24)			\$ 568,413	\$ 308,964	\$ 184,330	\$ 37,121	\$ 37,997
11	WSIP Period 2 Amortization Expense (04/01/24-03/31/25)			\$ 568,413	\$ 308,964	\$ 184,330	\$ 37,121	\$ 37,997
12	WSIP Period 3 Amortization Expense (04/01/25-03/31/26)			\$ 568,413	\$ 308,964	\$ 184,330	\$ 37,121	\$ 37,997
13	Unamortized Balance at end of WSIP Period			\$ -	\$ -	\$ -	\$ -	\$ -

Purpose:

To amortize previously approved and estimated rate case expenses over the three year WSIP period.

Method:

Identified authorized deferred rate case expense from Sub 384.

The 5 year amortization from Sub 384 was carried from 04/08/22 to 3/31/2023. This anticipates rates effective in the current case of 4/1/2023. When combined with the estimated rate case expenses in this case (see Column [B]), 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.

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10  
Schedule 12  
Updated 09/19/22

Rate Case Expense - Current Filing

Page 2 of 2

<u>Line</u>		<u>09/19/22</u>	<u>Estimates to</u>	
<u>No.</u>	<u>Description</u>	<u>Actuals</u>	<u>Completion</u>	
1	<b>Attorney Fees:</b>	<b>Total Amount</b>	<b>Total Amount</b>	<b>Total Amount</b>
2	Legal Fees - Sanford	56,067.44	143,932.56	200,000.00
3	Legal Fees - Ice Miller	71,191.65	128,808.35	200,000.00
4	Total Attorney Fees	127,259.09	272,740.91	400,000.00
5				
6	<b>Consulting Fees:</b>			
7	ROE Consultant	22,906.25	37,093.75	60,000.00
8	CIP Consultant		60,000.00	60,000.00
9	Total Consulting	22,906.25	97,093.75	120,000.00
10				
11	<b>Administrative:</b>	<b>Total Amount</b>	<b>Total Amount</b>	<b>Total Amount</b>
12	Customer Notices/ Miscellaneous Costs	65.65	59,934.35	60,000.00
13				
14	<b>Travel:</b>	<b>Total Amount</b>	<b>Total Amount</b>	<b>Total Amount</b>
15	Airfare		6,000.00	6,000.00
16	Hotel/Meals		2,000.00	2,000.00
17	Rental Car		2,000.00	2,000.00
18	Total Travel	-	10,000.00	10,000.00
19				
20	<b>Capitalize Time:</b>	<b>Total Amount</b>	<b>Total Amount</b>	<b>Total Amount</b>
21	All Employees	56,223.43	103,776.58	160,000.00
22				
23	<b>Total Estimated Rate Case Expense for Sub 400</b>	<b>206,454.42</b>	<b>543,545.59</b>	<b>750,000.00</b>

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 13a

Page 1 of 2

Supplement to Schedules A-15a and b  
Deferred Charges - Maintenance

Line No	Item	CWSNC Uniform -Water	CWSNC Uniform - Sewer	BF/FH/TC - Water	BF/FH/TC - Sewer
<b>Excluded in W-354 Sub 384:</b>					
1	Gross Balance (W-354, Sub 384)		3,424,839.08		
2	Accumulated Amortization @ 3/31/2023		(3,424,839.08)		
3	Unamortized Balance @ 3/31/2023 - (L1 + L2)		-		
<b>Balances as of 03/31/23 - Base Case / WSIP Period 1</b>					
4	Deferred elevated storage tank painting	781,596.67		67,175.28	
5	Deferred hydro storage tank painting	586,086.06		36,500.00	
6	Deferred hydro storage tank inspection	981,962.90		62,089.37	
7	WWTP		1,065,076.49		110,491.69
8	Accumulated Amortization @ 3/31/2023	(1,990,940.75)	(542,032.38)	(125,295.49)	(110,491.69)
9	Unamortized Balance @ 3/31/2023 - (L4 to L8)	358,704.88	523,044.11	40,469.16	-
10	Pro-Forma - Account 181002 - Base Case	2,349,645.63	1,065,076.49	165,764.65	110,491.69
11	Pro-Forma - Account 182002 - Base Case	(1,990,940.75)	(542,032.38)	(125,295.49)	(110,491.69)
12	Net Rate Base	358,704.88	523,044.11	40,469.16	-
<b>Balances as of 03/31/24 - Ending Balance WSIP Period 1</b>					
13	Deferred elevated storage tank painting	1,136,696.67		67,175.28	
14	Deferred hydro storage tank painting	605,166.06		75,190.00	
15	Deferred hydro storage tank inspection	981,962.90		62,089.37	
16	WWTP		1,111,295.03		212,887.69
17	Accumulated Amortization @ 3/31/2024	(2,177,124.57)	(664,496.54)	(147,244.46)	(130,970.89)
18	Unamortized Balance @ 3/31/2024 - (L13 to L17)	546,701.06	446,798.49	57,210.19	81,916.80
19	Pro-Forma - Account 181002 - WSIP 1 - Average	2,536,735.63	1,088,185.76	185,109.65	161,689.69
20	Pro-Forma - Account 182002 - WSIP 1 - Average	(2,084,032.66)	(603,264.46)	(136,269.98)	(120,731.29)
21	Net Rate Base	452,702.97	484,921.30	48,839.68	40,958.40
<b>Balances as of 03/31/25 - Ending Balance WSIP Period 2</b>					
22	Deferred elevated storage tank painting	1,236,696.67		67,175.28	
23	Deferred hydro storage tank painting	624,786.06		75,190.00	
24	Deferred hydro storage tank inspection	1,104,440.76		62,089.37	
25	WWTP		1,111,295.03		212,887.69
26	Accumulated Amortization @ 3/31/2025	(2,352,991.55)	(734,473.45)	(165,043.92)	(151,450.09)
27	Unamortized Balance @ 3/31/2025 - (L22 to L26)	612,931.94	376,821.58	39,410.73	61,437.60
28	Pro-Forma - Account 181002 - WSIP 2 - Average	2,844,874.56	1,111,295.03	204,454.65	212,887.69
29	Pro-Forma - Account 182002 - WSIP 2 - Average	(2,265,058.06)	(699,485.00)	(156,144.19)	(141,210.49)
30	Net Rate Base	579,816.50	411,810.04	48,310.46	71,677.20
<b>Balances as of 03/31/26 - Ending Balance WSIP Period 3</b>					
31	Deferred elevated storage tank painting	1,336,696.67		67,175.28	
32	Deferred hydro storage tank painting	644,946.06		75,190.00	
33	Deferred hydro storage tank inspection	1,104,440.76		62,089.37	
34	WWTP		1,111,295.03		212,887.69
35	Accumulated Amortization @ 3/31/2026	(2,515,962.61)	(786,954.60)	(179,879.45)	(171,929.29)
36	Unamortized Balance @ 3/31/2026 - (L31 to L35)	570,120.88	324,340.43	24,575.20	40,958.40
37	Pro-Forma - Account 181002 - WSIP 3 - Average	3,026,003.49	1,111,295.03	204,454.65	212,887.69
38	Pro-Forma - Account 182002 - WSIP 3 - Average	(2,434,477.08)	(760,714.03)	(172,461.69)	(161,689.69)
39	Net Rate Base	591,526.41	350,581.01	31,992.97	51,198.00

**Purpose:**

To determine the rate base component associated with deferred maintenance activity for the base case and through the WSIP periods.

**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 384 calculating unamortized balances for open deferrals through 3/31/2023.  
This anticipates rates effective from the current proceeding of 4/1/2023. Further calculated out deferred maintenance through the WSIP period based on operational expectations, using beginning + ending balance for average rate base in the WSIP periods.

**Update:** Relabeled to Schedule 13a to clearly delineate between the deferred maintenance adjustments.

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 13b

Supplement to Schedules B-8a and b

Page 2 of 2

Deferred Maintenance Expense

Line No	Item	Base Case Annual Amortization	WSIP Year 1 - Annual Amortization	WSIP Year 2 - Annual Amortization	WSIP Year 3 - Annual Amortization
	<b>Deferred maintenance - CWSNC Uniform Water</b>				
1	Elevated Storage	103,166.30	64,648.86	71,189.22	81,189.22
2	Tank Painting	29,263.80	33,079.80	26,479.23	28,406.31
3	Tank Inspection	88,455.14	88,455.14	78,198.54	53,375.57
4	Total pro-forma deferred maintenance - Uniform Water (Sum of L1 thru L4)	220,885.24	186,183.80	175,866.99	162,971.10
	<b>Deferred Maintenance Expense - CWSNC Uniform Sewer</b>				
5	<b>Nags Head WWTP Deferral:</b>				
6	Sub 364 Allowed Nags Head WWTP Deferral Amortization	115,727.00	115,727.00	115,727.00	9,643.92
7	<b>Connetsee Falls WWTP Deferral:</b>				
8	Sub 364 Allowed Connetsee Falls WWTP Deferral Amortization	104,029.00	104,029.00	104,029.00	8,669.08
9	Belvedere pump and haul	-			
10	WWTP	43,237.45	52,481.16	52,481.16	52,481.16
11	Total pro-forma deferred maintenance - Uniform Sewer	262,993.45	272,237.16	272,237.16	70,794.16
	<b>Deferred maintenance - BF/FH/TC Water</b>				
12	Elevated Storage	6,717.53	6,717.53	6,717.53	6,717.53
13	Tank Painting	-	7,738.00	7,738.00	7,738.00
14	Tank Inspection	7,493.44	7,493.44	3,343.93	380.00
15	Total pro-forma deferred maintenance - BFFHTC Water	14,210.97	21,948.97	17,799.46	14,835.53
	<b>Deferred maintenance - BF/FH/TC Sewer</b>				
16	WWTP	22,098.34	20,479.20	20,479.20	20,479.20
17	Total pro-forma deferred maintenance - BFFH Sewer	22,098.34	20,479.20	20,479.20	20,479.20
18	Total (L4 + L11 + L15 + L17)	520,188.00	500,849.13	486,382.81	269,079.99

**Purpose:**

To adjust Deferred Maintenance Expense for pro-forma adjustments to deferred maintenance rate base and calculate annual expense through the WSIP periods.

**Method:**

Using approved amortization schedules from Sub 384, carried amortization activity through 3/31/2023, anticipating new rates effective 4/1/2023. Pro-forma deferred maintenance additions were included per estimated costs from operations. Deferred maintenance items from Sub 384 were annualized based on their respective March 2023 amortization expense. Estimate deferred maintenance activity and annual amortization through the WSIP periods.

**Update:** Relabeled to Schedule 13b to clearly delineate between the deferred maintenance adjustments.

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 13c - NEW  
Updated 09/19/2022

Supplement to Schedule B-7a 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>515001/515002/515003 - Test Water / Sewer</u>				
2	Per Books Direct Amount	142,290.60	282,486.72	28,851.38	1,374.82
3	Pro-Forma Amount	169,848.84	291,701.43	9,578.89	23,549.80
4	Pro-Forma Adjustment	27,558.24	9,214.71	(19,272.49)	22,174.98

**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.

**Update:**

This is a new adjustment to better account for current sampling schedules.

Carolina Water Service, Inc. of North Carolina  
W-354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 18

Updated 9/19/22

## Supplement to Schedule B-6a

## 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	7/1/2022	3.78	4.04	37,671.33		6.88%	2,591.15	
CITY OF CHARLOTTE	Riverpointe	7/1/2021	7.07	4.12	25,949.05		-41.78%	(10,840.72)	
CITY OF CONCORD	Zemosa Acres	7/1/2021	5.52	5.52	21,793.01		0.00%	0.00	
CITY OF GASTONIA	Kings Grant - Charlotte	7/1/2022	6.67	7.00	33,292.93		4.95%	1,647.18	
CITY OF SANFORD NC	Carolina Trace	7/1/2019	2.21	2.21	-		0.00%	0.00	
HENDERSONVILLE WATER & SEWER DEPARTMENT	High Vista	7/1/2022	4.72	5.27	89,810.81		11.65%	10,465.24	
JOHNSTON CNTY DEPT PUBLIC UTILITIES	White Oak Plantation, Winston Plantation,	9/1/2022	3.02	3.20	100,577.85		5.96%	5,994.71	
LANCASTER CTY WTR & SWR DISTRICT	Winston Point, Willowbrook Danby	7/1/2022	4.24	4.33	148,761.15		2.12%	3,157.67	
MONTGOMERY COUNTY WATER SYSTEM	Carolina Forest, Woodrun	7/1/2018	3.19	3.19	-		0.00%	0.00	
PUBLIC WORKS COMMISSION	Tanglewood South, Eastgate	7/1/2022	5.55	5.46	70,957.86		-1.62%	(1,150.67)	
TOWN OF FRANKLIN	Riverbend Estates	7/1/2022	8.10	8.40	64,490.06		3.70%	2,388.52	
TOWN OF MOORESVILLE	The Point	7/1/2022	3.72	3.72	342,764.50		0.00%	0.00	
TOWN OF SOUTHERN PINES	Whispering Pines	7/1/2022	3.52	3.70	374,545.24		5.11%	19,152.88	
WINSTON-SALEM/FORSYTH CTY	Yorktown	7/1/2021	5.79	5.79	6,427.88		0.00%	0.00	
					1,317,041.67			33,405.96	
Purchased Sewer Treatment Expense:									
CITY OF GASTONIA	Kings Grant - Charlotte	7/1/2022	4.39	4.61		36,008.10	5.01%		1,804.51
CLAY COUNTY WATER AND SEWER DISTRICT	Ridges at Mountain Harbour	9/5/2019	1,864.43	1,864.43		-	0.00%		0.00
JOHNSTON CNTY DEPT PUBLIC UTILITIES	White Oak Plantation / Winston Pt.	9/1/2022	6.45	6.77		186,115.09	4.96%		9,233.62
METROPOLITAN SEWAGE DISTRICT	Mt. Carmel	7/1/2022	6.51	6.71		162,354.52	3.07%		4,987.85
TOWN OF DALLAS	College Park	7/1/2022	7.77	7.77		80,970.75	0.00%		0.00
TOWN OF LAKE LURE	Fairfield Mountain / Apple Valley	7/1/2021	43,431.00	43,431.00		86,837.00	0.00%		0.00
						552,285.46			16,025.97

**Purpose:**

To adjust Test Year actual purchased services expenses for rate changes from vendors occurring after the start of the Test Year (4/1/2021). 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 4/1/2021, 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 purchased water and purchased sewer treatment rates based on the most recent rate changes from applicable vendors.

Carolina Water Service, Inc. of North Carolina  
W-354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 21a  
updated 09/19/2022

Supplement to Schedule B-13a and b, & B-25a and b

Page 1 of 1

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
	<u>East Region (NC, SC, 2.9% FL)</u>	[A]	[B]	[C]	[D]	[E]	[F]
1	Pro-Forma Salaries & Wages	518,560.01	311,611.57	169,378.42	101,052.15	20,350.36	20,830.64
2	FICA	21,068.10	12,660.18	6,881.52	4,105.56	826.80	846.31
3	Federal Unemployment Tax	84.00	50.48	27.44	16.37	3.30	3.37
4	State Unemployment Tax	528.34	317.49	172.57	102.96	20.73	21.22
	Total	540,240.45	324,639.71	176,459.95	105,277.03	21,201.19	21,701.55
	<u>Atlantic Region (NC &amp; SC)</u>						
5	Pro-Forma Salaries & Wages	527,958.25	332,284.28	180,615.20	107,756.08	21,700.43	22,212.57
6	FICA	38,999.70	24,545.48	13,341.85	7,959.82	1,602.99	1,640.82
7	Federal Unemployment Tax	210.00	132.17	71.84	42.86	8.63	8.84
8	State Unemployment Tax	1,221.92	769.05	418.02	249.39	50.22	51.41
	Total	568,389.87	357,730.98	194,446.91	116,008.16	23,362.27	23,913.63
	<u>NC Operations (Direct)</u>						
9	Pro-Forma Salaries & Wages	6,622,933.51	6,622,933.51	3,599,936.94	2,147,743.38	432,522.69	442,730.50
10	FICA	506,654.41	506,654.41	275,395.18	164,302.37	33,087.99	33,868.88
11	Federal Unemployment Tax	3,738.00	3,738.00	2,031.81	1,212.19	244.12	249.88
12	State Unemployment Tax	11,158.06	11,158.06	6,065.03	3,618.43	728.70	745.90
	Total	7,144,483.99	7,144,483.99	3,883,428.96	2,316,876.38	466,583.49	477,595.15

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] \* 54.36%

Column [D] - Column [B] \* 32.43%

Column [E] - Column [B] \* 6.53%

Column [F] - Column [B] \* 6.68%

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 2022 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.



Carolina Water Service, Inc. of North Carolina  
W-354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

NEW - Schedule 21b  
updated 09/19/2022

Supplement to Schedule B-16a and b

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Benefits

Line No.	Account Number	Item	Amount to Be Allocated	Allocation to NC Regulated COs	CWSNC Uniform Allocation - Water	CWSNC Uniform Allocation - Sewer	BE/EH/TC Allocation - Water	BE/EH/TC Allocation - Sewer
		<u>East Region (NC, SC, 2.9% FL)</u>	[A]	[B]	[C]	[D]	[E]	[F]
1	531001	401K Profit Sharing	13,445.73	8,079.77	4,391.81	2,620.18	527.66	540.12
2	531002	401K Match	17,927.64	10,773.03	5,855.75	3,493.57	703.55	720.16
3	532001	Health Admin and Stop Loss	-	-	-	-	-	-
4	532002	Dental	-	-	-	-	-	-
5	532005	Employee Insurance Deductions	-	-	-	-	-	-
6	532006	Health Insurance Claims	-	-	-	-	-	-
7	532012	Term Life Insurance	2,736.24	1,644.25	893.74	533.21	107.38	109.92
8	532013	Term Life Insurance Opt	-	-	-	-	-	-
9	532900	Other Employee Benefits	-	-	-	-	-	-
		Total	34,109.61	20,497.05	11,141.30	6,646.96	1,338.60	1,370.19
		<u>Atlantic Region (NC &amp; SC)</u>						
10	531001	401K Profit Sharing	15,721.36	9,894.65	5,378.30	3,208.72	646.19	661.44
11	531002	401K Match	19,921.82	12,538.31	6,815.28	4,066.04	818.84	838.16
12	532001	Health Admin and Stop Loss	-	-	-	-	-	-
13	532002	Dental	2,953.20	1,858.67	1,010.29	602.75	121.38	124.25
14	532005	Employee Insurance Deductions	-	-	-	-	-	-
15	532006	Health Insurance Claims	72,964.32	45,922.00	24,961.19	14,891.99	2,999.02	3,069.80
16	532012	Term Life Insurance	2,735.88	1,721.90	935.95	558.39	112.45	115.11
17	532013	Term Life Insurance Opt	-	-	-	-	-	-
18	532900	Other Employee Benefits	751.92	473.24	257.23	153.47	30.91	31.64
		Total	115,048.50	72,408.77	39,358.24	23,481.36	4,728.79	4,840.39
		<u>NC Operations (Direct)</u>						
19	531001	401K Profit Sharing	167,367.48	167,367.48	90,973.64	54,275.41	10,930.24	11,188.20
20	531002	401K Match	157,803.55	157,803.55	85,775.11	51,173.93	10,305.65	10,548.87
21	532001	Health Admin and Stop Loss	-	-	-	-	-	-
22	532002	Dental	43,744.16	43,744.16	23,777.41	14,185.74	2,856.79	2,924.21
23	532005	Employee Insurance Deductions	-	-	-	-	-	-
24	532006	Health Insurance Claims	1,202,215.26	1,202,215.26	653,471.63	389,864.98	78,512.85	80,365.80
25	532012	Term Life Insurance	50,553.32	50,553.32	27,478.57	16,393.88	3,301.48	3,379.39
26	532013	Term Life Insurance Opt	-	-	-	-	-	-
27	532900	Other Employee Benefits	11,906.00	11,906.00	6,471.58	3,860.98	777.54	795.89
		Total	1,633,589.77	1,633,589.77	887,947.94	529,754.92	106,684.54	109,202.37

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] \* 54.36%

Column [D] - Column [B] \* 32.43%

Column [E] - Column [B] \* 6.53%

Column [F] - Column [B] \* 6.68%

Purpose:

To calculate pro-forma benefits costs to align with current salaries and benefits enrollments.

Method:

This adjustment annualizes current benefits as of the most recent discovery request in Sub 400.

Update:

This is a new adjustment necessary to reflect current benefits expenses.

Carolina Water Service, Inc. of North Carolina  
W-354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 21b  
updated 09/19/2022

Supplement to Schedule B-16a and b

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Benefits

Line No.	Account Number	Item	Amount to Be Allocated	Allocation to NC Regulated COs	CWSNC Uniform Allocation - Water	CWSNC Uniform Allocation - Sewer	BE/FH/TC Allocation - Water	BE/FH/TC Allocation - Sewer
			[A]	[B]	[C]	[D]	[E]	[F]
<b>East Region (NC, SC, 2.9% FL)</b>								
1	531001	401K Profit Sharing	13,445.73	8,079.77	4,391.81	2,620.18	527.66	540.12
2	531002	401K Match	17,927.64	10,773.03	5,855.75	3,493.57	703.55	720.16
3	532001	Health Admin and Stop Loss	-	-	-	-	-	-
4	532002	Dental	-	-	-	-	-	-
5	532005	Employee Insurance Deductions	-	-	-	-	-	-
6	532006	Health Insurance Claims	-	-	-	-	-	-
7	532012	Term Life Insurance	2,736.24	1,644.25	893.74	533.21	107.38	109.92
8	532013	Term Life Insurance Opt	-	-	-	-	-	-
9	532900	Other Employee Benefits	-	-	-	-	-	-
		Total	34,109.61	20,497.05	11,141.30	6,646.96	1,338.60	1,370.19
<b>Atlantic Region (NC &amp; SC)</b>								
10	531001	401K Profit Sharing	15,721.36	9,894.65	5,378.30	3,208.72	646.19	661.44
11	531002	401K Match	19,921.82	12,538.31	6,815.28	4,066.04	818.84	838.16
12	532001	Health Admin and Stop Loss	-	-	-	-	-	-
13	532002	Dental	2,953.20	1,858.67	1,010.29	602.75	121.38	124.25
14	532005	Employee Insurance Deductions	-	-	-	-	-	-
15	532006	Health Insurance Claims	72,964.32	45,922.00	24,961.19	14,891.99	2,999.02	3,069.80
16	532012	Term Life Insurance	2,735.88	1,721.90	935.95	558.39	112.45	115.11
17	532013	Term Life Insurance Opt	-	-	-	-	-	-
18	532900	Other Employee Benefits	751.92	473.24	257.23	153.47	30.91	31.64
		Total	115,048.50	72,408.77	39,358.24	23,481.36	4,728.79	4,840.39
<b>NC Operations (Direct)</b>								
19	531001	401K Profit Sharing	167,367.48	167,367.48	90,973.64	54,275.41	10,930.24	11,188.20
20	531002	401K Match	157,803.55	157,803.55	85,775.11	51,173.93	10,305.65	10,548.87
21	532001	Health Admin and Stop Loss	-	-	-	-	-	-
22	532002	Dental	43,744.16	43,744.16	23,777.41	14,185.74	2,856.79	2,924.21
23	532005	Employee Insurance Deductions	-	-	-	-	-	-
24	532006	Health Insurance Claims	1,202,215.26	1,202,215.26	653,471.63	389,864.98	78,512.85	80,365.80
25	532012	Term Life Insurance	50,553.32	50,553.32	27,478.57	16,393.88	3,301.48	3,379.39
26	532013	Term Life Insurance Opt	-	-	-	-	-	-
27	532900	Other Employee Benefits	11,906.00	11,906.00	6,471.58	3,860.98	777.54	795.89
		Total	1,633,589.77	1,633,589.77	887,947.94	529,754.92	106,684.54	109,202.37

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] \* 54.36%

Column [D] - Column [B] \* 32.43%

Column [E] - Column [B] \* 6.53%

Column [F] - Column [B] \* 6.68%

Purpose:

To calculate pro-forma benefits costs to align with current salaries and benefits enrollments.

Method:

This adjustment annualizes current benefits as of the most recent discovery request in Sub 400.

Carolina Water Service, Inc. of North Carolina  
W-354, Sub 400  
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Schedule 25  
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Supplement to Schedule B-18a and b, and B-16a and b (532009 - Workers Compensation Insurance (WBC))

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	Allocation %	Amount Allocated for Current Coverage Period
					[A]	[B]	[C]	[D]	[E]	[F]
Commercial Auto	BAP 0944700-02	Zurich North America	10/01/21-	Auto	675,395	Vehicle Count	521	100	19.19%	129,634
Workers Comp	WC 0943642-02	Zurich North America	10/01/21-	Workers' Comp	603,626	Salaries & Wages	\$ 49,687,037	\$ 5,709,828	11.49%	69,366
USA: Property Insurance, Boiler & Machinery	753 5272, 753 5272	AIG, AXA XL	10/01/21-	Property	2,556,325	Property Values	\$ 1,072,146,581	\$ 216,513,230	20.19%	516,234
USA: Commercial General Liability & Umbrella Liability	02-LX-086477605-12, 5582333, 0309-	Granite State, National Union,	10/01/21-		1,742,013	Revenues	\$ 206,195,273	\$ 39,725,623	19.27%	335,617
D&O Commercial Package - D&O, Excess D&O, EPL, Fiduciary and Crime - CONSOLIDATED	8694, MKLV1EFX100589, MP21-0064 8262-5070, 8262-5476, 8262-5476, 01-839-75-16	AWAC, Markel, SSRU Chubb, Zurich, Berkley, AIG	11/01/22 11/01/21-04/30/22-	Commercial & Umbrella D&O, Excess D&O, EPL, Fiduciary and Crime	287,125	Revenues	\$ 206,195,273	\$ 39,725,623	19.27%	55,318
Pollution Liability Ins 2022-2024 - 2 year policy @\$424979.09	PRL4279250	Argo - Colony Insurance Company	04/30/24	Other	212,490	Property Values	\$ 1,072,146,581	\$ 216,513,230	20.19%	42,911
Commercial Cyber Liability	FN2106132	Beazley	11/01/21-	Other	124,290	Revenues	\$ 206,195,273	\$ 39,725,623	19.27%	23,946
Brokerage Fee		Marsh Canada Limited	11/01/21-	Other	488,797	Revenues	\$ 206,195,273	\$ 39,725,623	19.27%	94,172
Deductibles					618,542	ERCs	302,669	56,997	18.83%	116,481
					<b>7,308,602</b>					<b>1,383,677.85</b>

Allocation to North Carolina Rate Groups										
DESCRIPTION	Policy Number	Underwriter	Period Covered	Type	CWSNC Water	Uniform Sewer	BF-FH-TC Water	Sewer		
					[G]	[H]	[I]	[J]		
Commercial Auto	BAP 0944700-02	Zurich North America	10/01/21-	Auto	70,463.54	42,038.96	8,466.00	8,665.81		
Workers Comp	WC 0943642-02	Zurich North America	10/01/21-	Workers' Comp	37,704.43	22,494.68	4,530.09	4,637.00		
USA: Property Insurance, Boiler & Machinery	753 5272, 753 5272	AIG, AXA XL	10/01/21-	Property	280,602.05	167,408.82	33,713.58	34,509.24		
USA: Commercial General Liability & Umbrella Liability	02-LX-086477605-12, 5582333, 0309-	Granite State, National Union,	10/01/21-		182,426.52	108,836.72	21,918.05	22,435.33		
D&O Commercial Package - D&O, Excess D&O, EPL, Fiduciary and Crime - CONSOLIDATED	8694, MKLV1EFX100589, MP21-0064 8262-5070, 8262-5476, 8262-5476, 01-839-75-16	AWAC, Markel, SSRU Chubb, Zurich, Berkley, AIG	11/01/21-04/30/22-	Commercial & Umbrella D&O, Excess D&O, EPL, Fiduciary and Crime	30,068.21	17,938.87	3,612.61	3,697.87		
Pollution Liability Ins 2022-2024 - 2 year policy @\$424979.09	PRL4279250	Argo - Colony Insurance Company	04/30/24	Other	23,324.50	13,915.53	2,802.38	2,868.51		
Commercial Cyber Liability	FN2106132	Beazley	11/01/21-	Other	13,015.85	7,765.33	1,563.82	1,600.73		
Brokerage Fee		Marsh Canada Limited	11/01/21-	Other	51,187.61	30,538.83	6,150.05	6,295.20		
Deductibles					63,314.04	37,773.53	7,607.01	7,786.54		
					<b>752,106.75</b>	<b>448,711.28</b>	<b>90,363.59</b>	<b>92,496.23</b>		

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 [F] \* 54.36%  
Column [H] - Column [F] \* 32.43%  
Column [I] - Column [F] \* 6.53%  
Column [J] - Column [F] \* 6.68%

Purpose:

To annualize current insurance premiums

Method:

The Company reviewed its insurance policies for the most recent renewal period and annualized those costs. These are the same costs used in the Sub 384 rate case, new premiums have not been issued yet. The premiums were then allocated to the North Carolina regulated companies using the various allocation methodologies outlined.

Update:

The Company reviewed all current policy documents and updated to the most recent applicable policies and premiums including updated allocations as necessary. The Company included an adjustment to the Workers Compensation Insurance account # 532009 which is in Schedule B-16a and b.

Carolina Water Service, Inc. of North Carolina  
W-354, Sub 400  
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Schedule 27a  
Updated 09/19/2022

Supplement to Schedule A-15a and b

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Fusion - Oracle ERP Pro-Forma

		Fusion - Oracle ERP Allocation					
Line No.	Description	Fusion - Oracle	CII / Other	Allocation % to CRU Companies	CRU (US) Additional Rate	Allocation % to NC Reg.	Amount Allocated to
		ERP	Companies		Base	Companies	NC Reg. Companies
		[A]	[B]		[D]	[E]	[F]
1	Fusion - Oracle ERP Asset - June 2020 Go Live	8,975,816.00	2,624,390.54	70.8%	6,351,425.46	17.7%	1,126,161.88
2	Fusion - Oracle ERP Asset - November 2020 Go Live	4,420,924.00	1,292,610.18	70.8%	3,128,313.82	17.7%	554,676.71
3	Fusion - Oracle ERP Regulatory Asset - 03/31/22 Proposed Start Date	1,453,799.33	425,068.56	70.8%	1,028,730.77	17.7%	182,402.74
4	Fusion - Oracle ERP Asset - June 2020 Go Live - A/A through 3/31/23	(2,879,035.32)	(841,785.65)	70.8%	(2,037,249.67)	17.7%	(361,221.74)
5	Fusion - Oracle ERP Asset - November 2020 Go Live - A/A through 3/31/23	(1,488,231.84)	(435,136.10)	70.8%	(1,053,095.74)	17.7%	(186,722.85)
6	Fusion - Oracle ERP Regulatory Asset - A/A through 3/31/23	(205,242.26)	(60,009.68)	70.8%	(145,232.58)	17.7%	(25,750.97)
7	Total Cost to be Allocated	10,278,029.91	3,005,137.86		7,272,892.05		1,289,545.77

  

		Allocation to NC Reg. Companies Rate Groups			
Line No.	Description	CWSNC Uniform - Water	CWSNC Uniform - Sewer	BE/FH/TC - Water	BE/FH/TC - Sewer
		[G]	[H]	[I]	[J]
8	Fusion - Oracle ERP Asset - June 2020 Go Live	612,132.34	365,201.72	73,546.05	75,281.78
9	Fusion - Oracle ERP Asset - November 2020 Go Live	301,498.00	179,875.46	36,224.17	37,079.08
10	Fusion - Oracle ERP Regulatory Asset - 03/31/22 Proposed Start Date	99,146.15	59,151.17	11,912.14	12,193.28
11	Fusion - Oracle ERP Asset - June 2020 Go Live - A/A through 3/31/23	(196,344.33)	(117,140.18)	(23,590.24)	(24,146.99)
12	Fusion - Oracle ERP Asset - November 2020 Go Live - A/A through 3/31/23	(101,494.38)	(60,552.14)	(12,194.27)	(12,482.07)
13	Fusion - Oracle ERP Regulatory Asset - A/A through 3/31/23	(13,997.10)	(8,350.75)	(1,681.71)	(1,721.40)
13	Total Allocation	700,940.67	418,185.29	84,216.13	86,203.68

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 \* 32.43% respectively.  
Column [I] - Column [F] Lines 1 through 4 \* 6.53% respectively.  
Column [J] - Column [F] Lines 1 through 4 \* 6.68% respectively.

Carolina Water Service, Inc. of North Carolina  
W-354, Sub 400  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

W1-10

Schedule 27b  
Updated 09/19/22

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

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Corporate Cost Allocation (CAM) Pro-Forma

Q1 - 2022 Shared Services Cost Annualization						
Line No.	Description	Q2 - 2022 Shared	Allocation % to	Q1 Amount	Annualization	Q1 22 Allocation to NC Reg.
		Services Cost	NC Reg.	Allocated to NC	Factor	Companies (Annualized)
		Allocated to L48	Companies	Reg. Companies		
		States				
		[A]	[B]	[C]	[D]	[E]
1	Corporate Cost	12,064,417.37	17.73%	2,139,124.06	2	4,278,248.12
2	Regional Cost	1,657,416.64	17.73%	293,874.10	2	587,748.20
3	Total Cost to be Allocated	13,721,834.01		2,432,998.16		4,865,996.32
4	Oracle ERP Regulatory Asset Amortization					25,750.97

Allocation to NC Reg. Companies Rate Groups						
Line No.	Description	CWSNC	CWSNC	BF/FH/TC -	BF/FH/TC -	
		Uniform -	Uniform -	Water	Sewer	
		Water	Sewer	Water	Sewer	
		[F]	[G]	[H]	[I]	
5	Corporate Cost	2,325,468.53	1,387,388.09	279,398.76	285,992.74	691000 - Corporate Allocation
6	Regional Cost	319,474.21	190,600.18	38,383.96	39,289.85	692000 - Regional Allocation
7	Oracle ERP Regulatory Asset	13,997.10	8,350.75	1,681.71	1,721.40	612900 - Other Regulatory Expense
8	Total Allocation	2,658,939.84	1,586,339.03	319,464.43	327,003.99	

Notes:

Column [A] - Corix Infrastructure, Inc. shared services cost allocated to the Lower 48 States for the first half of 2022

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 \* 32.43% respectively.

Column [H] - Column [E] Lines 1 and 2 \* 6.53% respectively.

Column [I] - Column [E] Lines 1 and 2 \* 6.68% 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. Include rate base costs associated with the Fusion - Oracle Accounting ERP system. Include amortization of the Oracle ERP Regulatory Asset starting 03/31/22.

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule 29 - CWSNC Uniform  
Updated 09/19/2022

Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
Water			CWS-NC Uniform										
1	517001	Utility-Electric Power	1,073,062.54	7.60%	81,552.75	1,154,615.29	3.34%	38,591.60	1,193,206.89	3.34%	39,881.47	1,233,088.36	Compounded Pro Forma Expense Inflation
2	511001	Purchased Services-Water	1,665,456.86	0.00%	-	1,665,456.86	0.00%	-	1,665,456.86	0.00%	-	1,665,456.86	No General Inflation
3	512001	Shop Supplies and Tools	20,213.17	9.80%	1,981.48	22,194.65	3.34%	741.83	22,936.48	3.34%	766.62	23,703.11	Compounded Expense Inflator
4	512002	Repairs and Maintenance	330,187.29	9.80%	32,368.06	362,555.35	3.34%	12,117.97	374,673.32	3.34%	12,523.00	387,196.31	Compounded Expense Inflator
5	512003	Main Breaks	7,357.67	9.80%	721.27	8,078.94	3.34%	270.03	8,348.97	3.34%	279.05	8,628.02	Compounded Expense Inflator
6	512004	Traps Repair	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
7	512005	Valve Repair	1,070.86	9.80%	104.98	1,175.84	3.34%	39.30	1,215.14	3.34%	40.61	1,255.75	Compounded Expense Inflator
8	512006	Manhole Maint	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
9	512007	Major Repairs	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
10	512008	Maintenance Electric Equip Repair	38,373.06	9.80%	3,761.69	42,134.74	3.34%	1,408.30	43,543.05	3.34%	1,455.37	44,998.42	Compounded Expense Inflator
11	512009	Permits	41,418.74	9.80%	4,060.25	45,479.00	3.34%	1,520.08	46,999.08	3.34%	1,570.89	48,569.96	Compounded Expense Inflator
12	512010	Sewer Rodding	10,599.57	9.80%	1,039.07	11,638.64	3.34%	389.01	12,027.64	3.34%	402.01	12,429.65	Compounded Expense Inflator
13	512011	Sewer Sludge Hauling	39,130.00	9.80%	3,835.89	42,965.89	3.34%	1,436.08	44,401.97	3.34%	1,484.08	45,886.05	Compounded Expense Inflator
14	512013	Excavation Restoration	5,279.77	9.80%	517.57	5,797.34	3.34%	193.77	5,991.11	3.34%	200.25	6,191.36	Compounded Expense Inflator
15	512014	Communication Expense	32,919.90	9.80%	3,227.12	36,147.02	3.34%	1,208.17	37,355.19	3.34%	1,248.55	38,603.74	Compounded Expense Inflator
16	512015	Equipment Rental	2,107.72	9.80%	206.62	2,314.34	3.34%	77.35	2,391.69	3.34%	79.94	2,471.63	Compounded Expense Inflator
17	512016	Uniforms	33,547.57	9.80%	3,288.65	36,836.22	3.34%	1,231.21	38,067.43	3.34%	1,272.36	39,339.78	Compounded Expense Inflator
18	512017	Weather/Hurricane/Fuel/Snow removal	18,074.29	9.80%	1,771.81	19,846.10	3.34%	663.33	20,509.43	3.34%	685.50	21,194.93	Compounded Expense Inflator
19	512018	Safety Supplies/Expense	17,991.19	9.80%	1,763.67	19,754.86	3.34%	660.28	20,415.14	3.34%	682.35	21,097.49	Compounded Expense Inflator
20	512019	Moving Expense	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
21	512020	Service Claims	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
22	512021	Landscaping	199,807.46	9.80%	19,587.00	219,394.46	3.34%	7,332.99	226,727.45	3.34%	7,578.09	234,305.54	Compounded Expense Inflator
23	512022	Other Contracted Workers	4,739.92	9.80%	464.65	5,204.57	3.34%	173.96	5,378.53	3.34%	179.77	5,558.30	Compounded Expense Inflator
24	512023	Pump Station R&M	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
25	512024	Project Labor Hours (COGS)	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
26	512025	Vehicle Labor Hours (COGS)	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
27	512900	Other Plant and System Maintenance	45,466.36	9.80%	4,457.04	49,923.40	3.34%	1,668.63	51,592.03	3.34%	1,724.40	53,316.43	Compounded Expense Inflator
28	513002	Meter Supplies	63.28	9.80%	6.20	69.48	3.34%	2.32	71.81	3.34%	2.40	74.21	Compounded Expense Inflator
29	513003	Pipe, Plate, Gasket	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
30	513004	Misc Bearing	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
31	513005	Lubricant, Gases	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
32	513006	Misc Gge Glass, Parts	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
33	513007	Rig Equip	2,102.48	9.80%	206.10	2,308.58	3.34%	77.16	2,385.75	3.34%	79.74	2,465.49	Compounded Expense Inflator
34	513008	Electrical Equip	2,929.42	9.80%	287.17	3,216.59	3.34%	107.51	3,324.10	3.34%	111.10	3,435.20	Compounded Expense Inflator
35	513009	Lighting Supplies	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
36	513010	Plant Air System	250.30	9.80%	24.54	274.84	3.34%	9.19	284.02	3.34%	9.49	293.52	Compounded Expense Inflator
37	513011	Valves and Traps	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
38	513012	Duty and Brokerage	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
39	513899	Materials and Supplies Write-off	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
40	513900	Other Materials and Supplies	127,162.96	9.80%	12,465.71	139,628.67	3.34%	4,666.92	144,295.58	3.34%	4,822.90	149,118.49	Compounded Expense Inflator
41	512012	Deferred Maintenance Expense	220885.24	0.00%	-34701.44	186183.8	0.00%	-10316.81	175866.99	0.00%	-12895.89	162971.1	No General Inflation
42	515001	Laboratory Testing	40,130.70	7.60%	3,049.93	43,180.63	3.34%	1,443.26	44,623.89	3.34%	1,491.50	46,115.39	Compounded Pro Forma Expense Inflation
43	515002	Test - Water/Sewer	136,120.85	7.60%	10,345.18	146,466.03	3.34%	4,895.45	151,361.48	3.34%	5,059.07	156,420.55	Compounded Pro Forma Expense Inflation
44	515003	Test - Equipment/Chemical	16,899.43	7.60%	1,284.36	18,183.78	3.34%	607.77	18,791.55	3.34%	628.08	19,419.64	Compounded Pro Forma Expense Inflation
45	515004	Test - Safe Drinking Water Act	2,237.06	7.60%	170.02	2,407.08	3.34%	80.45	2,487.53	3.34%	83.14	2,570.67	Compounded Pro Forma Expense Inflation
46	516001	Service - Meter Reading	229,336.46	9.80%	22,481.71	251,818.17	3.34%	8,416.71	260,234.89	3.34%	8,698.03	268,932.92	Compounded Expense Inflator
47	514001	Chlorine	36,037.11	7.60%	2,738.82	38,775.93	3.34%	1,296.04	40,071.97	3.34%	1,339.36	41,411.32	Compounded Pro Forma Expense Inflation
48	514002	Odor Control Chemicals	359.02	7.60%	27.29	386.31	3.34%	12.91	399.22	3.34%	13.34	412.56	Compounded Pro Forma Expense Inflation
49	514900	Other Chemicals	358,983.33	7.60%	27,282.73	386,266.06	3.34%	12,910.47	399,176.53	3.34%	13,341.99	412,518.52	Compounded Pro Forma Expense Inflation
50	601000	Vehicle Leasing	6,352.28	9.80%	622.71	6,974.99	3.34%	233.13	7,208.12	3.34%	240.92	7,449.04	Compounded Expense Inflator
51	602000	Vehicle Fuel	179,346.20	9.80%	17,581.20	196,927.40	3.34%	6,582.06	203,509.45	3.34%	6,802.05	210,311.51	Compounded Expense Inflator
52	603000	Vehicle Repairs and Maintenance	83,594.77	9.80%	8,194.74	91,789.52	3.34%	3,067.95	94,857.47	3.34%	3,170.49	98,027.96	Compounded Expense Inflator
53	604000	Vehicle Registration/Licensing Fees	309.09	9.80%	30.30	339.39	3.34%	11.34	350.74	3.34%	11.72	362.46	Compounded Expense Inflator
54	605000	Vehicle - Employee Mileage Claim	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
55	606000	Project Vehicle Hours	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
56	607000	Vehicle Charged to Projects	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule 29 - CWSNC Uniform  
Updated 09/19/2022

Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
57	609000	Vehicle - Other Costs	11,003.78	9.80%	1,078.69	12,082.47	3.34%	403.84	12,486.32	3.34%	417.34	12,903.66	Compounded Expense Inflator
58	522001	Capitalized Time	(450,858.00)	3.00%	(13,525.74)	(464,383.74)	3.00%	(13,931.51)	(478,315.25)	3.00%	(14,349.46)	(492,664.71)	Salaries Increase Assumptions
59	540100	Consulting	9,211.38	9.80%	902.99	10,114.37	3.34%	338.06	10,452.43	3.34%	349.36	10,801.79	Compounded Expense Inflator
60	540200	Accounting and Audit	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
61	540300	Recruitment	7,045.65	9.80%	690.68	7,736.33	3.34%	258.58	7,994.91	3.34%	267.22	8,262.13	Compounded Expense Inflator
62	540400	Legal	35,280.31	9.80%	3,458.51	38,738.82	3.34%	1,294.80	40,033.62	3.34%	1,338.07	41,371.69	Compounded Expense Inflator
63	540500	Payroll	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
64	540600	Tax	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
65	540700	Engineering	13,666.55	9.80%	1,339.72	15,006.28	3.34%	501.57	15,507.84	3.34%	518.33	16,026.18	Compounded Expense Inflator
66	540800	Temporary Labor	275.58	9.80%	27.02	302.60	3.34%	10.11	312.71	3.34%	10.45	323.17	Compounded Expense Inflator
67	540900	Police	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
68	541000	Environmental	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
69	541100	Management Fee	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
70	541200	Contractor Outside Services	338.22	9.80%	33.16	371.37	3.34%	12.41	383.79	3.34%	12.83	396.61	Compounded Expense Inflator
71	541300	Employee Finder Fees	416.39	9.80%	40.82	457.21	3.34%	15.28	472.49	3.34%	15.79	488.28	Compounded Expense Inflator
72	549000	Other Outside Services	58,153.87	9.80%	5,700.79	63,854.66	3.34%	2,134.26	65,988.92	3.34%	2,205.60	68,194.52	Compounded Expense Inflator
73	0	Salaries & Wages - General	3,949,930.56	3.00%	118,497.92	4,068,428.47	3.00%	122,052.85	4,190,481.33	3.00%	125,714.44	4,316,195.77	Salaries Increase Assumptions
74	628100	Billing Stock	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
75	628200	Billing Envelopes	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
76	628300	Billing Postage	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
77	628400	Customer Service Printing	269,263.32	7.60%	20,464.01	289,727.33	3.34%	9,683.78	299,411.11	3.34%	10,007.45	309,418.56	Compounded Pro Forma Expense Inflatio
78	628500	Customer Freight/Courier Charges	163.90	9.80%	16.07	179.96	3.34%	6.02	185.98	3.34%	6.22	192.20	Compounded Expense Inflator
79	550200	Computer Repair and Maintenance	5.39	9.80%	0.53	5.91	3.34%	0.20	6.11	3.34%	0.20	6.32	Compounded Expense Inflator
80	550300	Computer Supplies	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
81	550400	Internet Services	415.64	9.80%	40.75	456.39	3.34%	15.25	471.64	3.34%	15.76	487.41	Compounded Expense Inflator
82	550500	Website Development	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
83	550600	Computer Licensing	267.44	9.80%	26.22	293.66	3.34%	9.82	303.47	3.34%	10.14	313.62	Compounded Expense Inflator
84	550700	Software	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
85	550800	Computer Amort	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
86	559900	Other Computer/IT Expenses	(53.78)	9.80%	(5.27)	(59.06)	3.34%	(1.97)	(61.03)	3.34%	(2.04)	(63.07)	Compounded Expense Inflator
87	581100	Office Supplies	9,725.47	9.80%	953.38	10,678.86	3.34%	356.93	11,035.78	3.34%	368.86	11,404.64	Compounded Expense Inflator
88	581200	Kitchen Supplies	1,667.58	9.80%	163.47	1,831.05	3.34%	61.20	1,892.25	3.34%	63.25	1,955.50	Compounded Expense Inflator
89	581300	Cleaning Supplies	981.96	9.80%	96.26	1,078.22	3.34%	36.04	1,114.26	3.34%	37.24	1,151.50	Compounded Expense Inflator
90	582100	Office Equipment	2,397.00	9.80%	234.98	2,631.97	3.34%	87.97	2,719.94	3.34%	90.91	2,810.85	Compounded Expense Inflator
91	582200	Office Equipment - Rent/Leased	942.96	9.80%	92.44	1,035.40	3.34%	34.61	1,070.01	3.34%	35.76	1,105.77	Compounded Expense Inflator
92	583100	Office Printing/Blueprints	8,605.17	9.80%	843.56	9,448.73	3.34%	315.81	9,764.55	3.34%	326.37	10,090.91	Compounded Expense Inflator
93	583200	Office Publications/Subscriptions	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
94	583300	Artwork, Display and Banner	90.58	9.80%	8.88	99.46	3.34%	3.32	102.78	3.34%	3.44	106.22	Compounded Expense Inflator
95	583400	Office Shipping Charges/Postage/Courier	23,360.35	9.80%	2,290.00	25,650.35	3.34%	857.33	26,507.68	3.34%	885.99	27,393.66	Compounded Expense Inflator
96	583500	Office Duties and Brokerage	1,409.45	9.80%	138.17	1,547.61	3.34%	51.73	1,599.34	3.34%	53.46	1,652.80	Compounded Expense Inflator
97	611100	Rate Case Amortization	308,964.00	0.00%	-	308,964.00	0.00%	-	308,964.00	0.00%	-	308,964.00	No General Inflation
98	611200	Cost of Service Study	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
99	611300	Depreciation Study	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
100	611400	Regulatory Penalties and Fines	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
101	612100	Regulatory Fees	2,518.25	9.80%	246.86	2,765.11	3.34%	92.42	2,857.53	3.34%	95.51	2,953.04	Compounded Expense Inflator
102	612200	Water Resource Conservation	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
103	612300	Misc Rate Case Expense	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
104	612900	Other Regulatory Expenses	88,947.35	9.80%	8,719.45	97,666.81	3.34%	3,264.39	100,931.20	3.34%	3,373.50	104,304.70	Compounded Expense Inflator
105	531001	401K Profit Sharing	100,743.75	7.60%	7,656.52	108,400.27	3.34%	3,623.15	112,023.42	3.34%	3,744.25	115,767.66	Compounded Pro Forma Expense Inflatio
106	531002	401K Match	98,446.13	7.60%	7,481.91	105,928.04	3.34%	3,540.51	109,468.55	3.34%	3,658.85	113,127.41	Compounded Pro Forma Expense Inflatio
107	531100	RRSP Match	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
108	531200	Canada Pension Plan	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
109	532001	Health Admin and Stop Loss	0.00	7.60%	0.00	0.00	3.34%	0.00	0.00	3.34%	0.00	0.00	Compounded Pro Forma Expense Inflatio
110	532002	Dental	24,787.71	7.60%	1,883.87	26,671.58	3.34%	891.46	27,563.04	3.34%	921.26	28,484.30	Compounded Pro Forma Expense Inflatio
111	532003	Medical	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
112	532004	Medical Service Plan (MSP)	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
113	532005	Employee Insurance Deductions	0.00	7.60%	0.00	0.00	3.34%	0.00	0.00	3.34%	0.00	0.00	Compounded Pro Forma Expense Inflatio

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

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Updated 09/19/2022

Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
114	532006	Health Insurance Claims	678,432.81	7.60%	51,560.89	729,993.70	3.34%	24,399.14	754,392.85	3.34%	25,214.65	779,607.50	Compounded Pro Forma Expense Inflatio
115	532007	Group Insurance	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
116	532008	Health Insurance	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
117	532009	Workers Compensation Insurance (WCB)	37,704.43	7.60%	2,865.54	40,569.97	3.34%	1,356.00	41,925.97	3.34%	1,401.32	43,327.29	Compounded Pro Forma Expense Inflatio
118	532010	Unemployment Insurance (EI)	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
119	532011	Union Dues	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
120	532012	Term Life Insurance	29,308.27	7.60%	2,227.43	31,535.70	3.34%	1,054.04	32,589.74	3.34%	1,089.27	33,679.01	Compounded Pro Forma Expense Inflatio
121	532013	Term Life Insurance Opt	(0.00)	7.60%	(0.00)	(0.00)	3.34%	(0.00)	(0.01)	3.34%	(0.00)	(0.01)	Compounded Pro Forma Expense Inflatio
122	532014	Depend Life Insurance Opt	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
123	532015	Vacation	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
124	532016	Education / Tuition	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
125	532017	Safety	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
126	532018	Longevity	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
127	532019	Incidental	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
128	532020	Holiday	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
129	532021	Jury Duty	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
130	532900	Other Employee Benefits	6,728.81	7.60%	511.39	7,240.20	3.34%	241.99	7,482.19	3.34%	250.08	7,732.27	Compounded Pro Forma Expense Inflatio
131	532999	Payroll Suspende	-	7.60%	-	-	3.34%	-	-	3.34%	-	-	Compounded Pro Forma Expense Inflatio
132	560100	General Liability Insurance	182,426.51	7.60%	13,864.42	196,290.93	3.34%	6,560.78	202,851.71	3.34%	6,780.07	209,631.78	Compounded Pro Forma Expense Inflatio
133	560200	Property Insurance	280,602.06	7.24%	20,322.83	300,924.89	6.60%	19,860.54	320,785.43	5.78%	18,539.69	339,325.11	Property Insurance Expense Inflation
134	560300	Vehicle Insurance	70,463.54	7.24%	5,103.38	75,566.92	6.60%	4,987.29	80,554.21	5.78%	4,655.60	85,209.81	Property Insurance Expense Inflation
135	560400	Uninsured Losses	63,314.04	7.60%	4,811.87	68,125.91	3.34%	2,277.02	70,402.93	3.34%	2,353.13	72,756.07	Compounded Pro Forma Expense Inflatio
136	560500	Other Insurance	117,596.17	7.60%	8,937.31	126,533.48	3.34%	4,229.23	130,762.71	3.34%	4,370.58	135,133.29	Compounded Pro Forma Expense Inflatio
137	571100	Building Rent	211,794.00	-	16,096.34	227,890.34	-	5,469.37	233,359.71	-	5,600.63	238,960.35	Manual Calculation
138	584100	Office Electric	1,875.71	9.80%	183.87	2,059.59	3.34%	68.84	2,128.42	3.34%	71.14	2,199.56	Compounded Expense Inflator
139	584200	Office Gas/Heat	674.27	9.80%	66.10	740.37	3.34%	24.75	765.11	3.34%	25.57	790.68	Compounded Expense Inflator
140	584300	Office Water	22,442.52	9.80%	2,200.03	24,642.55	3.34%	823.65	25,466.19	3.34%	851.18	26,317.37	Compounded Expense Inflator
141	584900	Office Other Utilities	160.69	9.80%	15.75	176.44	3.34%	5.90	182.34	3.34%	6.09	188.44	Compounded Expense Inflator
142	585100	Office Garbage Disposal/Removal	59,634.83	9.80%	5,845.97	65,480.80	3.34%	2,188.62	67,669.41	3.34%	2,261.77	69,931.18	Compounded Expense Inflator
143	585200	Office Landscape/Mowing	17,696.55	9.80%	1,734.78	19,431.34	3.34%	649.47	20,080.80	3.34%	671.18	20,751.98	Compounded Expense Inflator
144	585300	Office Snow Removal	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
145	585400	Office Security/Alarm System	1,841.43	9.80%	180.51	2,021.94	3.34%	67.58	2,089.52	3.34%	69.84	2,159.36	Compounded Expense Inflator
146	585500	Office Cleaning Services	2,035.99	9.80%	199.59	2,235.57	3.34%	74.72	2,310.30	3.34%	77.22	2,387.51	Compounded Expense Inflator
147	585900	Other Office Maintenance	3,711.19	9.80%	363.81	4,075.00	3.34%	136.20	4,211.20	3.34%	140.75	4,351.95	Compounded Expense Inflator
148	586100	Landline/Telephone/Fax	32,296.70	9.80%	3,166.03	35,462.73	3.34%	1,185.30	36,648.02	3.34%	1,224.92	37,872.94	Compounded Expense Inflator
149	586200	Cellular/Mobile Phones	24,560.65	9.80%	2,407.67	26,968.32	3.34%	901.38	27,869.70	3.34%	931.51	28,801.21	Compounded Expense Inflator
150	587100	Holiday Events/Picnics	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
151	587200	Meals and Entertainment	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
152	587300	Meals and Entertainment - 50% Tax Deductible	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
153	587400	Meals and Entertainment - Non Deductible	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
154	587500	Answering Service	6,278.10	9.80%	615.44	6,893.54	3.34%	230.41	7,123.95	3.34%	238.11	7,362.05	Compounded Expense Inflator
155	587900	Other Office Expenses	3,540.82	9.80%	347.10	3,887.93	3.34%	129.95	4,017.88	3.34%	134.29	4,152.17	Compounded Expense Inflator
156	511003	Purchased Services-Gas	3,923.83	9.80%	384.65	4,308.48	3.34%	144.01	4,452.49	3.34%	148.82	4,601.31	Compounded Expense Inflator
157	621100	Advertising	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
158	621300	Trade Shows	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
159	621400	Promotions/Corporate Sponsor	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
160	621500	Promotions - 50%	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
161	622100	Bank Service Charges	839.41	9.80%	82.29	921.69	3.34%	30.81	952.50	3.34%	31.84	984.33	Compounded Expense Inflator
162	622200	Bank Charges - Merchant	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
163	622300	Letter of Credit Fees	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
164	623100	Donations for Registered Charities	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
165	623200	Donations for Non-Registered Charities	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
166	624100	License Fees	2,109.86	9.80%	206.83	2,316.68	3.34%	77.43	2,394.12	3.34%	80.02	2,474.14	Compounded Expense Inflator
167	624200	Franchise Fee	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
168	624300	5% FF on Usage	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
169	625100	Penalties and Fines	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
170	625200	Penalties and Fines to Government (Non-Deductible)	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator



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171	625300	Late Fees	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
172	626100	Education and Training	9,646.29	9.80%	945.62	10,591.91	3.34%	354.02	10,945.93	3.34%	365.85	11,311.78	Compounded Expense Inflator
173	629100	Memberships and Dues	25,298.88	9.80%	2,480.03	27,778.92	3.34%	928.48	28,707.39	3.34%	959.51	29,666.90	Compounded Expense Inflator
174	629200	Payroll Admin Fee	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
175	629300	Director and Board Fees	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
176	629400	Corporate Governance	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
177	629500	Credit Card Expense Clearing	(7,331.72)	9.80%	(718.72)	(8,050.45)	3.34%	(269.08)	(8,319.52)	3.34%	(278.07)	(8,597.59)	Compounded Expense Inflator
178	629600	Credit Card/Cash Expense - Unallocated	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
179	629700	Cost Recovery	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
180	629800	Discount/Rebate Taken	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
181	629850	Community Service	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
182	629900	Other Misc Expense	257,276.60	9.80%	25,220.67	282,497.27	3.34%	9,442.12	291,939.39	3.34%	9,757.72	301,697.11	Compounded Expense Inflator
183	591000	Accommodation/Hotel/Lodging	6,391.53	9.80%	626.56	7,018.08	3.34%	234.57	7,252.66	3.34%	242.41	7,495.07	Compounded Expense Inflator
184	592000	Airfare	187.44	9.80%	18.37	205.81	3.34%	6.88	212.69	3.34%	7.11	219.80	Compounded Expense Inflator
185	593000	Transportation excl. Airfare	1,405.42	9.80%	137.77	1,543.19	3.34%	51.58	1,594.77	3.34%	53.30	1,648.07	Compounded Expense Inflator
186	594000	Travel - Meals and Entertainment	(67.23)	9.80%	(6.59)	(73.82)	3.34%	(2.47)	(76.29)	3.34%	(2.55)	(78.84)	Compounded Expense Inflator
187	595000	Travel - Meals and Entertainment - 50% Tax Deductible	3,392.73	9.80%	332.59	3,725.32	3.34%	124.51	3,849.83	3.34%	128.68	3,978.51	Compounded Expense Inflator
188	596000	Travel - Meals and Entertainment - Non Deductible	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
189	599900	Other Travel	17,941.42	9.80%	1,758.79	19,700.21	3.34%	658.46	20,358.66	3.34%	680.46	21,039.13	Compounded Expense Inflator
190	0	Federal Protected EDIT Amortization	(36,704.00)	0.00%	-	(36,704.00)	0.00%	-	(36,704.00)	0.00%	-	(36,704.00)	No General Inflation
191	630002	Commission Ordered Adjustments	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
192	691000	Corporate Allocation	2,325,468.53	7.60%	176,735.61	2,502,204.14	3.34%	83,633.10	2,585,837.24	3.34%	86,428.43	2,672,265.67	Compounded Pro Forma Expense Inflation
193	692000	Regional Allocation	319,474.21	7.60%	24,280.04	343,754.25	3.34%	11,489.56	355,243.81	3.34%	11,873.59	367,117.40	Compounded Pro Forma Expense Inflation
194	693000	Contract Shared Services Allocation	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
195	694000	Allocation Markup	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
196	811003	Standby/Letter of Credit Fees	37,452.41	9.30%	3,483.07	40,935.49	2.40%	982.45	41,917.94	2.40%	1,006.03	42,923.97	Expense Inflation
197	816004	Interest - Other	34,813.06	0.46%	160.19	34,973.25	0.92%	321.86	35,295.10	0.92%	324.82	35,619.92	Growth Inflation
198	641100	FICA	295,618.54	3.00%	8,868.56	304,487.10	3.00%	9,134.61	313,621.71	3.00%	9,408.65	323,030.36	Salaries Increase Assumptions
199	641200	Payroll Tax	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
200	641300	Employer Health Tax	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
201	642100	Federal Unemployment Tax	2,131.09	3.00%	63.93	2,195.03	3.00%	65.85	2,260.88	3.00%	67.83	2,328.70	Salaries Increase Assumptions
202	642200	State Unemployment Tax	6,655.62	3.00%	199.67	6,855.29	3.00%	205.66	7,060.95	3.00%	211.83	7,272.78	Salaries Increase Assumptions
203	642300	Other Payroll Taxes	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
204	643100	Franchise Taxes	66,687.20	9.80%	6,537.31	73,224.51	3.34%	2,447.44	75,671.95	3.34%	2,529.24	78,201.19	Compounded Expense Inflator
205	643200	Gross Receipts Taxes	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
206	643300	Personal Property Taxes	77,727.93	7.24%	5,629.51	83,357.44	6.60%	5,501.45	88,858.89	5.78%	5,135.57	93,994.46	Real Estate Taxes
207	643400	Real Estate Taxes	58,241.08	7.24%	4,218.16	62,459.24	6.60%	4,122.21	66,581.44	5.78%	3,848.05	70,429.50	Real Estate Taxes
208	643500	Sales And Use Taxes	-	9.80%	-	-	3.34%	-	-	3.34%	-	-	Compounded Expense Inflator
209	643600	Utility/Commission Taxes	-	-	34,900.84	34,900.84	-	1,971.65	36,872.49	-	1,679.62	38,552.11	Manual Calculation
210	643700	Other General Taxes	(10,201.66)	9.80%	(1,000.06)	(11,201.72)	3.34%	(374.40)	(11,576.13)	3.34%	(386.92)	(11,963.04)	Compounded Expense Inflator

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule 29 - CWSNC Uniform  
Updated 09/19/2022

Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
Sewer			CWS-NC Uniform										
211	517001	Utility-Electric Power	838,500.30	7.60%	63,726.02	902,226.33	2.59%	23,358.69	925,585.02	2.59%	23,963.45	949,548.46	Compounded Pro Forma Expense Inflation
212	511002	Purchased Services-Sewer	1,048,540.29	0.00%	-	1,048,540.29	0.00%	-	1,048,540.29	0.00%	-	1,048,540.29	No General Inflation
213	512001	Shop Supplies and Tools	14,003.78	9.40%	1,316.48	15,320.26	2.59%	396.64	15,716.90	2.59%	406.91	16,123.81	Compounded Expense Inflator
214	512002	Repairs and Maintenance	189,562.37	9.40%	17,820.51	207,382.88	2.59%	5,369.15	212,752.04	2.59%	5,508.16	218,260.20	Compounded Expense Inflator
215	512003	Main Breaks	982.28	9.40%	92.34	1,074.62	2.59%	27.82	1,102.44	2.59%	28.54	1,130.99	Compounded Expense Inflator
216	512004	Traps Repair	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
217	512005	Valve Repair	68.80	9.40%	6.47	75.27	2.59%	1.95	77.22	2.59%	2.00	79.22	Compounded Expense Inflator
218	512006	Manhole Maint	13,794.02	9.40%	1,296.76	15,090.78	2.59%	390.70	15,481.48	2.59%	400.82	15,882.30	Compounded Expense Inflator
219	512007	Major Repairs	127.53	9.40%	11.99	139.52	2.59%	3.61	143.13	2.59%	3.71	146.84	Compounded Expense Inflator
220	512008	Maintenance Electric Equip Repair	60,716.67	9.40%	5,707.90	66,424.57	2.59%	1,719.74	68,144.30	2.59%	1,764.26	69,908.56	Compounded Expense Inflator
221	512009	Permits	44,837.15	9.40%	4,215.08	49,052.23	2.59%	1,269.96	50,322.19	2.59%	1,302.84	51,625.04	Compounded Expense Inflator
222	512010	Sewer Rodding	205,212.63	9.40%	19,291.77	224,504.41	2.59%	5,812.43	230,316.84	2.59%	5,962.92	236,279.75	Compounded Expense Inflator
223	512011	Sewer Sludge Hauling	464,136.23	9.40%	43,632.85	507,769.08	2.59%	13,146.17	520,915.25	2.59%	13,486.52	534,401.77	Compounded Expense Inflator
224	512013	Excavation Restoration	16.17	9.40%	1.52	17.69	2.59%	0.46	18.15	2.59%	0.47	18.62	Compounded Expense Inflator
225	512014	Communication Expense	52,340.26	9.40%	4,920.44	57,260.70	2.59%	1,482.48	58,743.18	2.59%	1,520.86	60,264.05	Compounded Expense Inflator
226	512015	Equipment Rental	1,331.00	9.40%	125.13	1,456.13	2.59%	37.70	1,493.82	2.59%	38.68	1,532.50	Compounded Expense Inflator
227	512016	Uniforms	13,741.64	9.40%	1,291.83	15,033.47	2.59%	389.22	15,422.69	2.59%	399.29	15,821.98	Compounded Expense Inflator
228	512017	Weather/Hurricane/Fuel/Snow removal	12,035.36	9.40%	1,131.43	13,166.79	2.59%	340.89	13,507.68	2.59%	349.71	13,857.39	Compounded Expense Inflator
229	512018	Safety Supplies/Expense	9,569.09	9.40%	899.58	10,468.67	2.59%	271.03	10,739.71	2.59%	278.05	11,017.76	Compounded Expense Inflator
230	512019	Moving Expense	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
231	512020	Service Claims	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
232	512021	Landscaping	105,387.90	9.40%	9,907.38	115,295.28	2.59%	2,985.00	118,280.28	2.59%	3,062.28	121,342.57	Compounded Expense Inflator
233	512022	Other Contracted Workers	4,175.94	9.40%	392.57	4,568.51	2.59%	118.28	4,686.79	2.59%	121.34	4,808.14	Compounded Expense Inflator
234	512023	Pump Station R&M	2,210.00	9.40%	207.76	2,417.76	2.59%	62.60	2,480.36	2.59%	64.22	2,544.57	Compounded Expense Inflator
235	512024	Project Labor Hours (COGS)	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
236	512025	Vehicle Labor Hours (COGS)	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
237	512900	Other Plant and System Maintenance	89,888.07	9.40%	8,450.26	98,338.33	2.59%	2,545.98	100,884.31	2.59%	2,611.90	103,496.21	Compounded Expense Inflator
238	513002	Meter Supplies	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
239	513003	Pipe, Plate, Gasket	4,680.59	9.40%	440.02	5,120.61	2.59%	132.57	5,253.18	2.59%	136.01	5,389.18	Compounded Expense Inflator
240	513004	Misc Bearing	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
241	513005	Lubricant, Gases	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
242	513006	Misc Gge Glass, Parts	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
243	513007	Rig Equip	110.72	9.40%	10.41	121.13	2.59%	3.14	124.26	2.59%	3.22	127.48	Compounded Expense Inflator
244	513008	Electrical Equip	8,062.36	9.40%	757.93	8,820.29	2.59%	228.36	9,048.65	2.59%	234.27	9,282.92	Compounded Expense Inflator
245	513009	Lighting Supplies	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
246	513010	Plant Air System	1,959.12	9.40%	184.17	2,143.29	2.59%	55.49	2,198.78	2.59%	56.93	2,255.71	Compounded Expense Inflator
247	513011	Valves and Traps	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
248	513012	Duty and Brokerage	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
249	513899	Materials and Supplies Write-off	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
250	513900	Other Materials and Supplies	100,163.73	9.40%	9,416.26	109,579.99	2.59%	2,837.03	112,417.03	2.59%	2,910.48	115,327.51	Compounded Expense Inflator
251	512012	Deferred Maintenance Expense	262,993.45	0.00%	9,243.71	272,237.16	0.00%	-	272,237.16	0.00%	(201,443.00)	70,794.16	No General Inflation
252	515001	Laboratory Testing	161,353.50	7.60%	12,262.87	173,616.37	2.59%	4,494.94	178,111.31	2.59%	4,611.31	182,722.62	Compounded Pro Forma Expense Inflation
253	515002	Test - Water/Sewer	133,770.14	7.60%	10,166.53	143,936.67	2.59%	3,726.53	147,663.20	2.59%	3,823.01	151,486.21	Compounded Pro Forma Expense Inflation
254	515003	Test - Equipment/Chemical	10,321.27	7.60%	784.42	11,105.69	2.59%	287.53	11,393.22	2.59%	294.97	11,688.19	Compounded Pro Forma Expense Inflation
255	515004	Test - Safe Drinking Water Act	112.68	7.60%	8.56	121.24	2.59%	3.14	124.38	2.59%	3.22	127.60	Compounded Pro Forma Expense Inflation
256	516001	Service - Meter Reading	3,024.11	9.40%	284.29	3,308.40	2.59%	85.65	3,394.06	2.59%	87.87	3,481.93	Compounded Expense Inflator
257	514001	Chlorine	63,517.72	7.60%	4,827.35	68,345.07	2.59%	1,769.46	70,114.52	2.59%	1,815.27	71,929.79	Compounded Pro Forma Expense Inflation
258	514002	Odor Control Chemicals	9,943.08	7.60%	755.67	10,698.75	2.59%	276.99	10,975.75	2.59%	284.16	11,259.91	Compounded Pro Forma Expense Inflation
259	514900	Other Chemicals	514,010.92	7.60%	39,064.83	553,075.75	2.59%	14,319.16	567,394.91	2.59%	14,689.89	582,084.80	Compounded Pro Forma Expense Inflation
260	601000	Vehicle Leasing	3,789.80	9.40%	356.27	4,146.08	2.59%	107.34	4,253.42	2.59%	110.12	4,363.54	Compounded Expense Inflator
261	602000	Vehicle Fuel	106,998.99	9.40%	10,058.84	117,057.83	2.59%	3,030.63	120,088.46	2.59%	3,109.10	123,197.56	Compounded Expense Inflator
262	603000	Vehicle Repairs and Maintenance	49,873.13	9.40%	4,688.51	54,561.64	2.59%	1,412.60	55,974.24	2.59%	1,449.18	57,423.42	Compounded Expense Inflator
263	604000	Vehicle Registration/Licensing Fees	184.41	9.40%	17.34	201.74	2.59%	5.22	206.97	2.59%	5.36	212.32	Compounded Expense Inflator
264	605000	Vehicle - Employee Mileage Claim	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
265	606000	Project Vehicle Hours	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
266	607000	Vehicle Charged to Projects	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
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Schedule 29 - CWSNC Uniform  
Updated 09/19/2022

Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
267	609000	Vehicle - Other Costs	6,564.92	9.40%	617.16	7,182.08	2.59%	185.94	7,368.02	2.59%	190.76	7,558.78	Compounded Expense Inflator
268	522001	Capitalized Time	(268,985.00)	3.00%	(8,069.55)	(277,054.55)	3.00%	(8,311.64)	(285,366.19)	3.00%	(8,560.99)	(293,927.17)	Salaries Increase Assumptions
269	540100	Consulting	5,495.57	9.40%	516.63	6,012.20	2.59%	155.66	6,167.85	2.59%	159.69	6,327.54	Compounded Expense Inflator
270	540200	Accounting and Audit	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
271	540300	Recruitment	4,203.48	9.40%	395.16	4,598.64	2.59%	119.06	4,717.70	2.59%	122.14	4,839.84	Compounded Expense Inflator
272	540400	Legal	21,048.44	9.40%	1,978.74	23,027.18	2.59%	596.17	23,623.35	2.59%	611.61	24,234.96	Compounded Expense Inflator
273	540500	Payroll	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
274	540600	Tax	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
275	540700	Engineering	8,153.55	9.40%	766.50	8,920.05	2.59%	230.94	9,150.99	2.59%	236.92	9,387.91	Compounded Expense Inflator
276	540800	Temporary Labor	164.42	9.40%	15.46	179.87	2.59%	4.66	184.53	2.59%	4.78	189.31	Compounded Expense Inflator
277	540900	Police	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
278	541000	Environmental	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
279	541100	Management Fee	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
280	541200	Contractor Outside Services	201.78	9.40%	18.97	220.75	2.59%	5.72	226.47	2.59%	5.86	232.33	Compounded Expense Inflator
281	541300	Employee Finder Fees	248.42	9.40%	23.35	271.77	2.59%	7.04	278.81	2.59%	7.22	286.03	Compounded Expense Inflator
282	549000	Other Outside Services	34,694.94	9.40%	3,261.63	37,956.57	2.59%	982.70	38,939.26	2.59%	1,008.14	39,947.40	Compounded Expense Inflator
283	0	Salaries & Wages - General	2,356,551.61	3.00%	70,696.55	2,427,248.16	3.00%	72,817.44	2,500,065.61	3.00%	75,001.97	2,575,067.57	Salaries Increase Assumptions
284	628100	Billing Stock	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
285	628200	Billing Envelopes	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
286	628300	Billing Postage	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
287	628400	Customer Service Printing	160,644.07	7.60%	12,208.95	172,853.02	2.59%	4,475.17	177,328.19	2.59%	4,591.04	181,919.23	Compounded Pro Forma Expense Inflatio
288	628500	Customer Freight/Courier Charges	97.78	9.40%	9.19	106.97	2.59%	2.77	109.74	2.59%	2.84	112.59	Compounded Expense Inflator
289	550200	Computer Repair and Maintenance	3.21	9.40%	0.30	3.52	2.59%	0.09	3.61	2.59%	0.09	3.70	Compounded Expense Inflator
290	550300	Computer Supplies	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
291	550400	Internet Services	247.98	9.40%	23.31	271.29	2.59%	7.02	278.31	2.59%	7.21	285.52	Compounded Expense Inflator
292	550500	Website Development	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
293	550600	Computer Licensing	159.56	9.40%	15.00	174.56	2.59%	4.52	179.08	2.59%	4.64	183.71	Compounded Expense Inflator
294	550700	Software	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
295	550800	Computer Amort	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
296	559900	Other Computer/IT Expenses	(32.09)	9.40%	(3.02)	(35.10)	2.59%	(0.91)	(36.01)	2.59%	(0.93)	(36.94)	Compounded Expense Inflator
297	581100	Office Supplies	5,802.28	9.40%	545.46	6,347.74	2.59%	164.34	6,512.08	2.59%	168.60	6,680.68	Compounded Expense Inflator
298	581200	Kitchen Supplies	994.89	9.40%	93.53	1,088.42	2.59%	28.18	1,116.60	2.59%	28.91	1,145.50	Compounded Expense Inflator
299	581300	Cleaning Supplies	585.84	9.40%	55.07	640.92	2.59%	16.59	657.51	2.59%	17.02	674.53	Compounded Expense Inflator
300	582100	Office Equipment	1,430.06	9.40%	134.44	1,564.50	2.59%	40.51	1,605.01	2.59%	41.55	1,646.56	Compounded Expense Inflator
301	582200	Office Equipment - Rent/Leased	562.58	9.40%	52.89	615.46	2.59%	15.93	631.40	2.59%	16.35	647.75	Compounded Expense Inflator
302	583100	Office Printing/Blueprints	5,133.90	9.40%	482.63	5,616.53	2.59%	145.41	5,761.94	2.59%	149.18	5,911.12	Compounded Expense Inflator
303	583200	Office Publications/Subscriptions	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
304	583300	Artwork, Display and Banner	54.04	9.40%	5.08	59.12	2.59%	1.53	60.65	2.59%	1.57	62.22	Compounded Expense Inflator
305	583400	Office Shipping Charges/Postage/Courier	13,936.92	9.40%	1,310.19	15,247.11	2.59%	394.75	15,641.86	2.59%	404.97	16,046.83	Compounded Expense Inflator
306	583500	Office Duties and Brokerage	840.88	9.40%	79.05	919.93	2.59%	23.82	943.75	2.59%	24.43	968.19	Compounded Expense Inflator
307	611100	Rate Case Amortization	184,330.00	0.00%	-	184,330.00	0.00%	-	184,330.00	0.00%	-	184,330.00	No General Inflation
308	611200	Cost of Service Study	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
309	611300	Depreciation Study	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
310	611400	Regulatory Penalties and Fines	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
311	612100	Regulatory Fees	1,502.40	9.40%	141.24	1,643.64	2.59%	42.55	1,686.19	2.59%	43.66	1,729.85	Compounded Expense Inflator
312	612200	Water Resource Conservation	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
313	612300	Misc Rate Case Expense	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
314	612900	Other Regulatory Expenses	53,066.51	9.40%	4,988.71	58,055.22	2.59%	1,503.05	59,558.27	2.59%	1,541.97	61,100.24	Compounded Expense Inflator
315	531001	401K Profit Sharing	60,104.31	7.60%	4,567.93	64,672.24	2.59%	1,674.37	66,346.61	2.59%	1,717.72	68,064.32	Compounded Pro Forma Expense Inflatio
316	531002	401K Match	58,733.54	7.60%	4,463.75	63,197.29	2.59%	1,636.18	64,833.47	2.59%	1,678.54	66,512.01	Compounded Pro Forma Expense Inflatio
317	531100	RRSP Match	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
318	531200	Canada Pension Plan	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
319	532001	Health Admin and Stop Loss	(0.00)	7.60%	(0.00)	(0.00)	2.59%	(0.00)	(0.00)	2.59%	(0.00)	(0.00)	Compounded Pro Forma Expense Inflatio
320	532002	Dental	14,788.49	7.60%	1,123.93	15,912.41	2.59%	411.97	16,324.39	2.59%	422.64	16,747.02	Compounded Pro Forma Expense Inflatio
321	532003	Medical	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
322	532004	Medical Service Plan (MSP)	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
323	532005	Employee Insurance Deductions	(0.00)	7.60%	(0.00)	(0.00)	2.59%	(0.00)	(0.00)	2.59%	(0.00)	(0.00)	Compounded Pro Forma Expense Inflatio

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule 29 - CWSNC Uniform  
Updated 09/19/2022

Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
324	532006	Health Insurance Claims	404,756.98	7.60%	30,761.53	435,518.51	2.59%	11,275.60	446,794.11	2.59%	11,567.52	458,361.63	Compounded Pro Forma Expense Inflatio
325	532007	Group Insurance	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
326	532008	Health Insurance	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
327	532009	Workers Compensation Insurance (WCB)	22,494.68	7.60%	1,709.60	24,204.27	2.59%	626.65	24,830.92	2.59%	642.87	25,473.80	Compounded Pro Forma Expense Inflatio
328	532010	Unemployment Insurance (EI)	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
329	532011	Union Dues	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
330	532012	Term Life Insurance	17,485.48	7.60%	1,328.90	18,814.38	2.59%	487.11	19,301.48	2.59%	499.72	19,801.20	Compounded Pro Forma Expense Inflatio
331	532013	Term Life Insurance Opt	0.00	7.60%	0.00	0.00	2.59%	0.00	0.00	2.59%	0.00	0.01	Compounded Pro Forma Expense Inflatio
332	532014	Depend Life Insurance Opt	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
333	532015	Vacation	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
334	532016	Education / Tuition	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
335	532017	Safety	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
336	532018	Longevity	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
337	532019	Incidental	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
338	532020	Holiday	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
339	532021	Jury Duty	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
340	532900	Other Employee Benefits	4,014.45	7.60%	305.10	4,319.55	2.59%	111.83	4,431.38	2.59%	114.73	4,546.11	Compounded Pro Forma Expense Inflatio
341	532999	Payroll Suspende	-	7.60%	-	-	2.59%	-	-	2.59%	-	-	Compounded Pro Forma Expense Inflatio
342	560100	General Liability Insurance	108,836.73	7.60%	8,271.59	117,108.32	2.59%	3,031.94	120,140.26	2.59%	3,110.44	123,250.70	Compounded Pro Forma Expense Inflatio
343	560200	Property Insurance	167,408.82	7.17%	12,005.14	179,413.96	10.74%	19,274.58	198,688.54	9.32%	18,518.24	217,206.78	Property Insurance Expense Inflation
344	560300	Vehicle Insurance	42,038.96	7.17%	3,014.68	45,053.64	10.74%	4,840.15	49,893.78	9.32%	4,650.22	54,544.00	Property Insurance Expense Inflation
345	560400	Uninsured Losses	37,773.53	7.60%	2,870.79	40,644.32	2.59%	1,052.28	41,696.60	2.59%	1,079.53	42,776.13	Compounded Pro Forma Expense Inflatio
346	560500	Other Insurance	70,158.56	7.60%	5,332.05	75,490.61	2.59%	1,954.46	77,445.06	2.59%	2,005.06	79,450.12	Compounded Pro Forma Expense Inflatio
347	571100	Building Rent	211,794.00	-	16,096.34	227,890.34	-	5,469.37	233,359.71	-	5,600.63	238,960.35	Manual Calculation
348	584100	Office Electric	1,119.06	9.40%	105.20	1,224.26	2.59%	31.70	1,255.96	2.59%	32.52	1,288.47	Compounded Expense Inflator
349	584200	Office Gas/Heat	402.27	9.40%	37.82	440.09	2.59%	11.39	451.48	2.59%	11.69	463.17	Compounded Expense Inflator
350	584300	Office Water	13,389.34	9.40%	1,258.71	14,648.05	2.59%	379.24	15,027.29	2.59%	389.06	15,416.35	Compounded Expense Inflator
351	584900	Office Other Utilities	95.87	9.40%	9.01	104.88	2.59%	2.72	107.60	2.59%	2.79	110.38	Compounded Expense Inflator
352	585100	Office Garbage Disposal/Removal	35,578.49	9.40%	3,344.69	38,923.18	2.59%	1,007.72	39,930.90	2.59%	1,033.81	40,964.71	Compounded Expense Inflator
353	585200	Office Landscape/Mowing	10,557.87	9.40%	992.53	11,550.40	2.59%	299.04	11,849.44	2.59%	306.78	12,156.22	Compounded Expense Inflator
354	585300	Office Snow Removal	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
355	585400	Office Security/Alarm System	1,098.60	9.40%	103.28	1,201.88	2.59%	31.12	1,233.00	2.59%	31.92	1,264.92	Compounded Expense Inflator
356	585500	Office Cleaning Services	1,214.68	9.40%	114.19	1,328.87	2.59%	34.40	1,363.28	2.59%	35.30	1,398.57	Compounded Expense Inflator
357	585900	Other Office Maintenance	2,214.12	9.40%	208.15	2,422.26	2.59%	62.71	2,484.98	2.59%	64.34	2,549.31	Compounded Expense Inflator
358	586100	Landline/Telephone/Fax	19,268.40	9.40%	1,811.40	21,079.80	2.59%	545.76	21,625.55	2.59%	559.89	22,185.44	Compounded Expense Inflator
359	586200	Cellular/Mobile Phones	14,653.03	9.40%	1,377.51	16,030.54	2.59%	415.03	16,445.57	2.59%	425.78	16,871.35	Compounded Expense Inflator
360	587100	Holiday Events/Picnics	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
361	587200	Meals and Entertainment	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
362	587300	Meals and Entertainment - 50% Tax Deductible	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
363	587400	Meals and Entertainment - Non Deductible	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
364	587500	Answering Service	3,745.55	9.40%	352.11	4,097.67	2.59%	106.09	4,203.75	2.59%	108.84	4,312.59	Compounded Expense Inflator
365	587900	Other Office Expenses	2,112.48	9.40%	198.59	2,311.07	2.59%	59.83	2,370.90	2.59%	61.38	2,432.28	Compounded Expense Inflator
366	511003	Purchased Services-Gas	1,407.27	9.40%	132.30	1,539.57	2.59%	39.86	1,579.43	2.59%	40.89	1,620.32	Compounded Expense Inflator
367	621100	Advertising	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
368	621300	Trade Shows	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
369	621400	Promotions/Corporate Sponsor	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
370	621500	Promotions - 50%	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
371	622100	Bank Service Charges	500.79	9.40%	47.08	547.87	2.59%	14.18	562.06	2.59%	14.55	576.61	Compounded Expense Inflator
372	622200	Bank Charges - Merchant	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
373	622300	Letter of Credit Fees	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
374	623100	Donations for Registered Charities	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
375	623200	Donations for Non-Registered Charities	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
376	624100	License Fees	1,258.75	9.40%	118.33	1,377.09	2.59%	35.65	1,412.74	2.59%	36.58	1,449.32	Compounded Expense Inflator
377	624200	Franchise Fee	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
378	624300	5% FF on Usage	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
379	625100	Penalties and Fines	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
380	625200	Penalties and Fines to Government (Non-Deductible)	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule 29 - CWSNC Uniform  
Updated 09/19/2022

Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
381	625300	Late Fees	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
382	626100	Education and Training	5,755.03	9.40%	541.02	6,296.06	2.59%	163.01	6,459.06	2.59%	167.23	6,626.29	Compounded Expense Inflator
383	629100	Memberships and Dues	15,093.46	9.40%	1,418.92	16,512.37	2.59%	427.51	16,939.88	2.59%	438.57	17,378.46	Compounded Expense Inflator
384	629200	Payroll Admin Fee	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
385	629300	Director and Board Fees	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
386	629400	Corporate Governance	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
387	629500	Credit Card Expense Clearing	(4,374.15)	9.40%	(411.21)	(4,785.36)	2.59%	(123.89)	(4,909.25)	2.59%	(127.10)	(5,036.35)	Compounded Expense Inflator
388	629600	Credit Card/Cash Expense - Unallocated	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
389	629700	Cost Recovery	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
390	629800	Discount/Rebate Taken	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
391	629850	Community Service	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
392	629900	Other Misc Expense	93,081.31	9.40%	8,750.45	101,831.77	2.59%	2,636.43	104,468.20	2.59%	2,704.69	107,172.88	Compounded Expense Inflator
393	591000	Accommodation/Hotel/Lodging	3,813.22	9.40%	358.48	4,171.70	2.59%	108.01	4,279.70	2.59%	110.80	4,390.51	Compounded Expense Inflator
394	592000	Airfare	111.82	9.40%	10.51	122.34	2.59%	3.17	125.50	2.59%	3.25	128.75	Compounded Expense Inflator
395	593000	Transportation excl. Airfare	838.48	9.40%	78.82	917.31	2.59%	23.75	941.05	2.59%	24.36	965.42	Compounded Expense Inflator
396	594000	Travel - Meals and Entertainment	(40.11)	9.40%	(3.77)	(43.88)	2.59%	(1.14)	(45.02)	2.59%	(1.17)	(46.18)	Compounded Expense Inflator
397	595000	Travel - Meals and Entertainment - 50% Tax Deductible	2,024.12	9.40%	190.29	2,214.41	2.59%	57.33	2,271.74	2.59%	58.82	2,330.55	Compounded Expense Inflator
398	596000	Travel - Meals and Entertainment - Non Deductible	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
399	599900	Other Travel	10,703.96	9.40%	1,006.27	11,710.22	2.59%	303.18	12,013.40	2.59%	311.03	12,324.43	Compounded Expense Inflator
400	0	Federal Protected EDIT Amortization	(21,898.00)	0.00%	-	(21,898.00)	0.00%	-	(21,898.00)	0.00%	-	(21,898.00)	No General Inflation
401	630002	Commission Ordered Adjustments	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
402	691000	Corporate Allocation	1,387,388.09	7.60%	105,441.49	1,492,829.58	2.59%	38,649.44	1,531,479.03	2.59%	39,650.08	1,571,129.10	Compounded Pro Forma Expense Inflation
403	692000	Regional Allocation	190,600.18	7.60%	14,485.61	205,085.79	2.59%	5,309.68	210,395.48	2.59%	5,447.15	215,842.63	Compounded Pro Forma Expense Inflation
404	693000	Contract Shared Services Allocation	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
405	694000	Allocation Markup	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
406	811003	Standby/Letter of Credit Fees	22,344.33	9.30%	2,078.02	24,422.35	2.40%	586.14	25,008.49	2.40%	600.20	25,608.69	Expense Inflation
407	816004	Interest - Other	20,769.67	0.09%	19.17	20,788.84	0.18%	38.37	20,827.21	0.18%	38.44	20,865.65	Growth Inflation
408	641100	FICA	176,367.75	3.00%	5,291.03	181,658.78	3.00%	5,449.76	187,108.54	3.00%	5,613.26	192,721.80	Salaries Increase Assumptions
409	641200	Payroll Tax	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
410	641300	Employer Health Tax	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
411	642100	Federal Unemployment Tax	1,271.43	3.00%	38.14	1,309.57	3.00%	39.29	1,348.86	3.00%	40.47	1,389.32	Salaries Increase Assumptions
412	642200	State Unemployment Tax	3,970.79	3.00%	119.12	4,089.91	3.00%	122.70	4,212.61	3.00%	126.38	4,338.99	Salaries Increase Assumptions
413	642300	Other Payroll Taxes	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
414	643100	Franchise Taxes	54,258.80	9.40%	5,100.80	59,359.60	2.59%	1,536.82	60,896.42	2.59%	1,576.61	62,473.03	Compounded Expense Inflator
415	643200	Gross Receipts Taxes	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
416	643300	Personal Property Taxes	70,882.28	7.17%	5,083.07	75,965.35	10.74%	8,161.02	84,126.37	9.32%	7,840.78	91,967.14	Real Estate Taxes
417	643400	Real Estate Taxes	34,746.97	7.17%	2,491.76	37,238.73	10.74%	4,000.58	41,239.31	9.32%	3,843.60	45,082.91	Real Estate Taxes
418	643500	Sales And Use Taxes	-	9.40%	-	-	2.59%	-	-	2.59%	-	-	Compounded Expense Inflator
419	643600	Utility/Commission Taxes	-	-	27,759.51	27,759.51	-	2,441.49	30,201.00	-	2,045.39	32,246.39	Manual Calculation
420	643700	Other General Taxes	(6,086.37)	9.40%	(572.17)	(6,658.54)	2.59%	(172.39)	(6,830.93)	2.59%	(176.85)	(7,007.78)	Compounded Expense Inflator

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule 29  
Updated 09/19/2022

**Purpose:**

To identify and include in the revenue requirement expense increases through the WSIP period.

**Method:**

Identify which inflator is the most reasonable and apply that expense increase to each of the periods through the WSIP period. Accounts that are marked as no general inflation have a manual build addressing the level of expenses through the WSIP period.

**Update:** Used most recent CPI data through August 2022 and developed a new CPI assumption for expense categories that are already receiving a pro-forma adjustment in order to not adjust certain expenses twice for the same period.

Inflation Assumptions	Water WSIP Year 1	Water WSIP Year 2	Water WSIP Year 3	Sewer WSIP Year 1	Sewer WSIP Year 2	Sewer WSIP Year 3
Growth Inflation	0.46%	0.92%	0.92%	0.09%	0.18%	0.18%
Expense Inflation	9.30%	2.40%	2.40%	9.30%	2.40%	2.40%
Compounded Expense Inflator	9.80%	3.34%	3.34%	9.40%	2.59%	2.59%

**Note:** Expense inflation is based on projected CPI, further details can be found in Witness Drennan's testimony. Growth inflation is based on assumed ERC growth through the WSIP period as reflected in Schedule E. Expenses that are expected to be sensitive to both expense inflation as well as system usage will have a compound inflation applied.

Growth Inflation	0.00%	0.92%	0.92%	0.00%	0.18%	0.18%
Pro Forma Expense Inflation	7.60%	2.40%	2.40%	7.60%	2.40%	2.40%
Compounded Pro Forma Expense Inflation	7.60%	3.34%	3.34%	7.60%	2.59%	2.59%

**Note:** Expense inflation is based on projected CPI, further details can be found in Witness Drennan's testimony. Growth inflation is based on assumed ERC growth through the WSIP period as reflected in Schedule E. Expenses that are expected to be sensitive to both expense inflation as well as system usage will have a compound inflation applied. This expense inflator was developed for expenses that have pro-forma adjustments to account for CPI assumptions from July-22 through the WSIP periods.

Salaries Increase Assumptions	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
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**Note:** WSIP period salary increase assumptions are based on market demands and are set based on internal corporate direction.

Real Estate Taxes	7.24%	6.60%	5.78%	7.17%	10.74%	9.32%
Property Insurance Expense Inflation	7.24%	6.60%	5.78%	7.17%	10.74%	9.32%

**Note:** Real Estate Taxes and Property Insurance Expense inflators are based on the growth in gross plant in service between WSIP peric

No General Inflation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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**Note:** Certain accounts do not have a generic growth inflator and instead are either expected to remain flat, have a manual workpaper calculation associated with them, or in the case of purchased water and sewer treatment expenses will be accounted for through that regulatory mechanism.



Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule 29 - BF FH TC  
Updated 09/19/2022

Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
<b>Water</b>													
		<b>Bradfield Farms - Fairfield Harbour - Treasure Cove</b>											
1	517001	Utility-Electric Power	70,431.67	9.76%	6,874.81	77,306.48	3.26%	2,523.07	79,829.56	3.26%	2,605.42	82,434.98	Compounded Expense Inflator
2	511001	Purchased Services-Water	608.77	0.00%	-	608.77	0.00%	-	608.77	0.00%	-	608.77	No General Inflation
3	512001	Shop Supplies and Tools	2,446.61	9.76%	238.81	2,685.42	3.26%	87.64	2,773.07	3.26%	90.51	2,863.57	Compounded Expense Inflator
4	512002	Repairs and Maintenance	142,999.52	9.76%	13,958.13	156,957.65	3.26%	5,122.67	162,080.33	3.26%	5,289.86	167,370.19	Compounded Expense Inflator
5	512003	Main Breaks	415.47	9.76%	40.55	456.02	3.26%	14.88	470.91	3.26%	15.37	486.28	Compounded Expense Inflator
6	512004	Traps Repair	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
7	512005	Valve Repair	16.69	9.76%	1.63	18.32	3.26%	0.60	18.92	3.26%	0.62	19.53	Compounded Expense Inflator
8	512006	Manhole Maint	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
9	512007	Major Repairs	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
10	512008	Maintenance Electric Equip Repair	1,868.09	9.76%	182.34	2,050.43	3.26%	66.92	2,117.35	3.26%	69.10	2,186.46	Compounded Expense Inflator
11	512009	Permits	4,322.94	9.76%	421.96	4,744.90	3.26%	154.86	4,899.76	3.26%	159.91	5,059.68	Compounded Expense Inflator
12	512010	Sewer Rodding	(21,799.62)	9.76%	(2,127.85)	(23,927.47)	3.26%	(780.93)	(24,708.40)	3.26%	(806.42)	(25,514.82)	Compounded Expense Inflator
13	512011	Sewer Sludge Hauling	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
14	512013	Excavation Restoration	107.62	9.76%	10.50	118.12	3.26%	3.86	121.98	3.26%	3.98	125.96	Compounded Expense Inflator
15	512014	Communication Expense	3,453.98	9.76%	337.14	3,791.12	3.26%	123.73	3,914.85	3.26%	127.77	4,042.62	Compounded Expense Inflator
16	512015	Equipment Rental	257.62	9.76%	25.15	282.77	3.26%	9.23	291.99	3.26%	9.53	301.52	Compounded Expense Inflator
17	512016	Uniforms	2,034.77	9.76%	198.61	2,233.38	3.26%	72.89	2,306.27	3.26%	75.27	2,381.55	Compounded Expense Inflator
18	512017	Weather/Hurricane/Fuel/Snow removal	675.75	9.76%	65.96	741.71	3.26%	24.21	765.92	3.26%	25.00	790.91	Compounded Expense Inflator
19	512018	Safety Supplies/Expense	540.04	9.76%	52.71	592.75	3.26%	19.35	612.10	3.26%	19.98	632.07	Compounded Expense Inflator
20	512019	Moving Expense	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
21	512020	Service Claims	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
22	512021	Landscaping	18,677.48	9.76%	1,823.10	20,500.58	3.26%	669.08	21,169.67	3.26%	690.92	21,860.59	Compounded Expense Inflator
23	512022	Other Contracted Workers	81.75	9.76%	7.98	89.73	3.26%	2.93	92.66	3.26%	3.02	95.68	Compounded Expense Inflator
24	512023	Pump Station R&M	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
25	512024	Project Labor Hours (COGS)	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
26	512025	Vehicle Labor Hours (COGS)	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
27	512900	Other Plant and System Maintenance	12,193.77	9.76%	1,190.23	13,383.99	3.26%	436.82	13,820.81	3.26%	451.07	14,271.89	Compounded Expense Inflator
28	513002	Meter Supplies	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
29	513003	Pipe, Plate, Gasket	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
30	513004	Misc Bearing	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
31	513005	Lubricant, Gases	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
32	513006	Misc Gge Glass, Parts	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
33	513007	Rig Equip	26.81	9.76%	2.62	29.43	3.26%	0.96	30.39	3.26%	0.99	31.38	Compounded Expense Inflator
34	513008	Electrical Equip	185.93	9.76%	18.15	204.08	3.26%	6.66	210.74	3.26%	6.88	217.62	Compounded Expense Inflator
35	513009	Lighting Supplies	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
36	513010	Plant Air System	33.75	9.76%	3.29	37.04	3.26%	1.21	38.25	3.26%	1.25	39.50	Compounded Expense Inflator
37	513011	Valves and Traps	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
38	513012	Duty and Brokerage	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
39	513899	Materials and Supplies Write-off	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
40	513900	Other Materials and Supplies	12,450.54	9.76%	1,215.29	13,665.83	3.26%	446.02	14,111.84	3.26%	460.57	14,572.42	Compounded Expense Inflator
41	512012	Deferred Maintenance Expense	14,210.97	9.76%	7,738.00	21,948.97	3.26%	(4,149.51)	17,799.46	3.26%	(2,963.93)	14,835.53	Compounded Expense Inflator
42	515001	Laboratory Testing	20,527.83	7.60%	1,560.12	22,087.95	3.26%	720.89	22,808.84	3.26%	744.42	23,553.25	Compounded Pro Forma Expense Inflation
43	515002	Test - Water/Sewer	(10,788.11)	7.60%	(819.90)	(11,608.01)	3.26%	(378.85)	(11,986.86)	3.26%	(391.22)	(12,378.08)	Compounded Pro Forma Expense Inflation
44	515003	Test - Equipment/Chemical	428.97	7.60%	32.60	461.57	3.26%	15.06	476.64	3.26%	15.56	492.19	Compounded Pro Forma Expense Inflation
45	515004	Test - Safe Drinking Water Act	27.22	7.60%	2.07	29.29	3.26%	0.96	30.24	3.26%	0.99	31.23	Compounded Pro Forma Expense Inflation
46	516001	Service - Meter Reading	47,601.97	9.76%	4,646.41	52,248.38	3.26%	1,705.25	53,953.63	3.26%	1,760.90	55,714.53	Compounded Expense Inflator
47	514001	Chlorine	18,277.07	7.60%	1,389.06	19,666.13	3.26%	641.85	20,307.98	3.26%	662.80	20,970.77	Compounded Pro Forma Expense Inflation
48	514002	Odor Control Chemicals	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
49	514900	Other Chemicals	67,954.84	7.60%	5,164.57	73,119.41	3.26%	2,386.42	75,505.83	3.26%	2,464.31	77,970.13	Compounded Pro Forma Expense Inflation
50	601000	Vehicle Leasing	877.29	9.76%	85.63	962.92	3.26%	31.43	994.35	3.26%	32.45	1,026.81	Compounded Expense Inflator
51	602000	Vehicle Fuel	24,731.64	9.76%	2,414.05	27,145.69	3.26%	885.96	28,031.65	3.26%	914.88	28,946.52	Compounded Expense Inflator
52	603000	Vehicle Repairs and Maintenance	11,439.09	9.76%	1,116.57	12,555.65	3.26%	409.78	12,965.43	3.26%	423.16	13,388.59	Compounded Expense Inflator
53	604000	Vehicle Registration/Licensing Fees	40.26	9.76%	3.93	44.19	3.26%	1.44	45.63	3.26%	1.49	47.12	Compounded Expense Inflator
54	605000	Vehicle - Employee Mileage Claim	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator



Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
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WSIP Period: April 1, 2023 - March 31, 2026

Schedule 29 - BF FH TC  
Updated 09/19/2022

Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
55	606000	Project Vehicle Hours	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
56	607000	Vehicle Charged to Projects	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
57	609000	Vehicle - Other Costs	1,483.97	9.76%	144.85	1,628.82	3.26%	53.16	1,681.98	3.26%	54.90	1,736.87	Compounded Expense Inflator
58	522001	Capitalized Time	(65,538.00)	3.00%	(1,966.14)	(67,504.14)	3.00%	(2,025.12)	(69,529.26)	3.00%	(2,085.88)	(71,615.14)	Salaries Increase Assumptions
59	540100	Consulting	1,269.53	9.76%	123.92	1,393.45	3.26%	45.48	1,438.93	3.26%	46.96	1,485.89	Compounded Expense Inflator
60	540200	Accounting and Audit	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
61	540300	Recruitment	21.58	9.76%	2.11	23.68	3.26%	0.77	24.45	3.26%	0.80	25.25	Compounded Expense Inflator
62	540400	Legal	208.17	9.76%	20.32	228.49	3.26%	7.46	235.95	3.26%	7.70	243.65	Compounded Expense Inflator
63	540500	Payroll	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
64	540600	Tax	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
65	540700	Engineering	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
66	540800	Temporary Labor	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
67	540900	Police	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
68	541000	Environmental	23,473.01	9.76%	2,291.19	25,764.20	3.26%	840.87	26,605.08	3.26%	868.32	27,473.40	Compounded Expense Inflator
69	541100	Management Fee	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
70	541200	Contractor Outside Services	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
71	541300	Employee Finder Fees	57.64	9.76%	5.63	63.27	3.26%	2.06	65.33	3.26%	2.13	67.46	Compounded Expense Inflator
72	549000	Other Outside Services	(295.16)	9.76%	(28.81)	(323.97)	3.26%	(10.57)	(334.54)	3.26%	(10.92)	(345.46)	Compounded Expense Inflator
73	0	Salaries & Wages - General	474,573.47	3.00%	14,237.20	488,810.68	3.00%	14,664.32	503,475.00	3.00%	15,104.25	518,579.25	Salaries Increase Assumptions
74	628100	Billing Stock	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
75	628200	Billing Envelopes	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
76	628300	Billing Postage	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
77	628400	Customer Service Printing	33,408.96	7.60%	2,539.08	35,948.04	3.26%	1,173.25	37,121.29	3.26%	1,211.54	38,332.82	Compounded Pro Forma Expense Inflation
78	628500	Customer Freight/Courier Charges	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
79	550200	Computer Repair and Maintenance	0.75	9.76%	0.07	0.82	3.26%	0.03	0.85	3.26%	0.03	0.88	Compounded Expense Inflator
80	550300	Computer Supplies	(856.92)	9.76%	(83.64)	(940.57)	3.26%	(30.70)	(971.26)	3.26%	(31.70)	(1,002.96)	Compounded Expense Inflator
81	550400	Internet Services	57.25	9.76%	5.59	62.84	3.26%	2.05	64.89	3.26%	2.12	67.01	Compounded Expense Inflator
82	550500	Website Development	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
83	550600	Computer Licensing	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
84	550700	Software	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
85	550800	Computer Amort	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
86	559900	Other Computer/IT Expenses	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
87	581100	Office Supplies	740.13	9.76%	72.24	812.38	3.26%	26.51	838.89	3.26%	27.38	866.27	Compounded Expense Inflator
88	581200	Kitchen Supplies	214.19	9.76%	20.91	235.09	3.26%	7.67	242.77	3.26%	7.92	250.69	Compounded Expense Inflator
89	581300	Cleaning Supplies	109.62	9.76%	10.70	120.32	3.26%	3.93	124.24	3.26%	4.05	128.30	Compounded Expense Inflator
90	582100	Office Equipment	154.92	9.76%	15.12	170.04	3.26%	5.55	175.59	3.26%	5.73	181.32	Compounded Expense Inflator
91	582200	Office Equipment - Rent/Leased	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
92	583100	Office Printing/Blueprints	87.74	9.76%	8.56	96.31	3.26%	3.14	99.45	3.26%	3.25	102.70	Compounded Expense Inflator
93	583200	Office Publications/Subscriptions	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
94	583300	Artwork, Display and Banner	12.48	9.76%	1.22	13.70	3.26%	0.45	14.14	3.26%	0.46	14.60	Compounded Expense Inflator
95	583400	Office Shipping Charges/Postage/Courier	2,151.90	9.76%	210.05	2,361.95	3.26%	77.09	2,439.04	3.26%	79.60	2,518.64	Compounded Expense Inflator
96	583500	Office Duties and Brokerage	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
97	611100	Rate Case Amortization	37,121.00	0.00%	-	37,121.00	0.00%	-	37,121.00	0.00%	-	37,121.00	No General Inflation
98	611200	Cost of Service Study	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
99	611300	Depreciation Study	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
100	611400	Regulatory Penalties and Fines	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
101	612100	Regulatory Fees	348.69	9.76%	34.04	382.73	3.26%	12.49	395.22	3.26%	12.90	408.12	Compounded Expense Inflator
102	612200	Water Resource Conservation	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
103	612300	Misc Rate Case Expense	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
104	612900	Other Regulatory Expenses	11,998.23	9.76%	1,171.14	13,169.37	3.26%	429.81	13,599.18	3.26%	443.84	14,043.02	Compounded Expense Inflator
105	531001	401K Profit Sharing	12,104.09	7.60%	919.91	13,024.00	3.26%	425.07	13,449.06	3.26%	438.94	13,888.00	Compounded Pro Forma Expense Inflation
106	531002	401K Match	11,828.04	7.60%	898.93	12,726.97	3.26%	415.37	13,142.34	3.26%	428.93	13,571.27	Compounded Pro Forma Expense Inflation
107	531100	RRSP Match	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
108	531200	Canada Pension Plan	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
109	532001	Health Admin and Stop Loss	(0.00)	7.60%	(0.00)	(0.00)	3.26%	(0.00)	(0.00)	3.26%	(0.00)	(0.00)	Compounded Pro Forma Expense Inflation

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110	532002	Dental	2,978.18	7.60%	226.34	3,204.52	3.26%	104.59	3,309.11	3.26%	108.00	3,417.11	Compounded Pro Forma Expense Inflation
111	532003	Medical	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
112	532004	Medical Service Plan (MSP)	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
113	532005	Employee Insurance Deductions	(0.00)	7.60%	(0.00)	(0.00)	3.26%	(0.00)	(0.00)	3.26%	(0.00)	(0.00)	Compounded Pro Forma Expense Inflation
114	532006	Health Insurance Claims	81,511.87	7.60%	6,194.90	87,706.77	3.26%	2,862.51	90,569.29	3.26%	2,955.94	93,525.22	Compounded Pro Forma Expense Inflation
115	532007	Group Insurance	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
116	532008	Health Insurance	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
117	532009	Workers Compensation Insurance (WCB)	4,530.09	7.60%	344.29	4,874.38	3.26%	159.09	5,033.46	3.26%	164.28	5,197.74	Compounded Pro Forma Expense Inflation
118	532010	Unemployment Insurance (EI)	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
119	532011	Union Dues	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
120	532012	Term Life Insurance	3,521.31	7.60%	267.62	3,788.93	3.26%	123.66	3,912.59	3.26%	127.70	4,040.29	Compounded Pro Forma Expense Inflation
121	532013	Term Life Insurance Opt	0.00	7.60%	0.00	0.00	3.26%	0.00	0.00	3.26%	0.00	0.00	Compounded Pro Forma Expense Inflation
122	532014	Depend Life Insurance Opt	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
123	532015	Vacation	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
124	532016	Education / Tuition	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
125	532017	Safety	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
126	532018	Longevity	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
127	532019	Incidental	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
128	532020	Holiday	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
129	532021	Jury Duty	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
130	532900	Other Employee Benefits	808.45	7.60%	61.44	869.89	3.26%	28.39	898.28	3.26%	29.32	927.60	Compounded Pro Forma Expense Inflation
131	532999	Payroll Suspende	-	7.60%	-	-	3.26%	-	-	3.26%	-	-	Compounded Pro Forma Expense Inflation
132	560100	General Liability Insurance	21,918.05	7.60%	1,665.77	23,583.82	3.26%	769.71	24,353.54	3.26%	794.83	25,148.37	Compounded Pro Forma Expense Inflation
133	560200	Property Insurance	33,713.58	26.49%	8,931.84	42,645.42	14.96%	6,377.75	49,023.17	8.59%	4,210.87	53,234.04	Property Insurance Expense Inflation
134	560300	Vehicle Insurance	8,466.00	26.49%	2,242.93	10,708.93	14.96%	1,601.55	12,310.48	8.59%	1,057.41	13,367.89	Property Insurance Expense Inflation
135	560400	Uninsured Losses	7,607.01	7.60%	578.13	8,185.14	3.26%	267.14	8,452.29	3.26%	275.86	8,728.14	Compounded Pro Forma Expense Inflation
136	560500	Other Insurance	14,128.86	7.60%	1,073.79	15,202.66	3.26%	496.17	15,698.83	3.26%	512.37	16,211.20	Compounded Pro Forma Expense Inflation
137	571100	Building Rent	25,446.00	-	1,933.90	27,379.90	-	893.61	28,273.50	-	922.77	29,196.27	Manual Calculation
138	584100	Office Electric	1,129.36	9.76%	110.24	1,239.60	3.26%	40.46	1,280.06	3.26%	41.78	1,321.83	Compounded Expense Inflator
139	584200	Office Gas/Heat	19.91	9.76%	1.94	21.85	3.26%	0.71	22.57	3.26%	0.74	23.30	Compounded Expense Inflator
140	584300	Office Water	5.81	9.76%	0.57	6.37	3.26%	0.21	6.58	3.26%	0.21	6.80	Compounded Expense Inflator
141	584900	Office Other Utilities	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
142	585100	Office Garbage Disposal/Removal	10,816.76	9.76%	1,055.82	11,872.58	3.26%	387.49	12,260.07	3.26%	400.14	12,660.20	Compounded Expense Inflator
143	585200	Office Landscape/Mowing	42.47	9.76%	4.15	46.61	3.26%	1.52	48.14	3.26%	1.57	49.71	Compounded Expense Inflator
144	585300	Office Snow Removal	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
145	585400	Office Security/Alarm System	25.94	9.76%	2.53	28.47	3.26%	0.93	29.40	3.26%	0.96	30.36	Compounded Expense Inflator
146	585500	Office Cleaning Services	14.90	9.76%	1.45	16.36	3.26%	0.53	16.89	3.26%	0.55	17.44	Compounded Expense Inflator
147	585900	Other Office Maintenance	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
148	586100	Landline/Telephone/Fax	819.67	9.76%	80.01	899.68	3.26%	29.36	929.04	3.26%	30.32	959.36	Compounded Expense Inflator
149	586200	Cellular/Mobile Phones	3,380.90	9.76%	330.01	3,710.91	3.26%	121.11	3,832.02	3.26%	125.07	3,957.09	Compounded Expense Inflator
150	587100	Holiday Events/Picnics	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
151	587200	Meals and Entertainment	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
152	587300	Meals and Entertainment - 50% Tax Deductible	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
153	587400	Meals and Entertainment - Non Deductible	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
154	587500	Answering Service	865.43	9.76%	84.47	949.90	3.26%	31.00	980.90	3.26%	32.01	1,012.92	Compounded Expense Inflator
155	587900	Other Office Expenses	194.52	9.76%	18.99	213.51	3.26%	6.97	220.48	3.26%	7.20	227.68	Compounded Expense Inflator
156	511003	Purchased Services-Gas	47.18	9.76%	4.61	51.79	3.26%	1.69	53.48	3.26%	1.75	55.22	Compounded Expense Inflator
157	621100	Advertising	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
158	621300	Trade Shows	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
159	621400	Promotions/Corporate Sponsor	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
160	621500	Promotions - 50%	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
161	622100	Bank Service Charges	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
162	622200	Bank Charges - Merchant	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
163	622300	Letter of Credit Fees	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
164	623100	Donations for Registered Charities	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator

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165	623200	Donations for Non-Registered Charities	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
166	624100	License Fees	258.82	9.76%	25.26	284.08	3.26%	9.27	293.35	3.26%	9.57	302.92	Compounded Expense Inflator
167	624200	Franchise Fee	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
168	624300	5% FF on Usage	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
169	625100	Penalties and Fines	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
170	625200	Penalties and Fines to Government (Non-Deductible)	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
171	625300	Late Fees	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
172	626100	Education and Training	886.50	9.76%	86.53	973.03	3.26%	31.76	1,004.79	3.26%	32.79	1,037.59	Compounded Expense Inflator
173	629100	Memberships and Dues	3,052.61	9.76%	297.96	3,350.58	3.26%	109.35	3,459.93	3.26%	112.92	3,572.85	Compounded Expense Inflator
174	629200	Payroll Admin Fee	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
175	629300	Director and Board Fees	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
176	629400	Corporate Governance	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
177	629500	Credit Card Expense Clearing	(1,027.01)	9.76%	(100.25)	(1,127.26)	3.26%	(36.79)	(1,164.05)	3.26%	(37.99)	(1,202.04)	Compounded Expense Inflator
178	629600	Credit Card/Cash Expense - Unallocated	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
179	629700	Cost Recovery	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
180	629800	Discount/Rebate Taken	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
181	629850	Community Service	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
182	629900	Other Misc Expense	1,423.70	9.76%	138.97	1,562.66	3.26%	51.00	1,613.66	3.26%	52.67	1,666.33	Compounded Expense Inflator
183	591000	Accommodation/Hotel/Lodging	822.83	9.76%	80.32	903.14	3.26%	29.48	932.62	3.26%	30.44	963.06	Compounded Expense Inflator
184	592000	Airfare	25.74	9.76%	2.51	28.25	3.26%	0.92	29.17	3.26%	0.95	30.12	Compounded Expense Inflator
185	593000	Transportation excl. Airfare	193.76	9.76%	18.91	212.67	3.26%	6.94	219.61	3.26%	7.17	226.78	Compounded Expense Inflator
186	594000	Travel - Meals and Entertainment	(10.97)	9.76%	(1.07)	(12.04)	3.26%	(0.39)	(12.43)	3.26%	(0.41)	(12.84)	Compounded Expense Inflator
187	595000	Travel - Meals and Entertainment - 50% Tax Deductible	468.47	9.76%	45.73	514.20	3.26%	16.78	530.98	3.26%	17.33	548.31	Compounded Expense Inflator
188	596000	Travel - Meals and Entertainment - Non Deductible	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
189	599900	Other Travel	2,274.46	9.76%	222.01	2,496.47	3.26%	81.48	2,577.95	3.26%	84.14	2,662.09	Compounded Expense Inflator
190	0	Federal Protected EDIT Amortization	(5,199.00)	0.00%	-	(5,199.00)	0.00%	-	(5,199.00)	0.00%	-	(5,199.00)	No General Inflation
191	630002	Commission Ordered Adjustments	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
192	691000	Corporate Allocation	279,398.76	7.60%	21,234.31	300,633.07	3.26%	9,811.85	310,444.92	3.26%	10,132.08	320,577.00	Compounded Pro Forma Expense Inflation
193	692000	Regional Allocation	38,383.96	7.60%	2,917.18	41,301.14	3.26%	1,347.96	42,649.10	3.26%	1,391.95	44,041.05	Compounded Pro Forma Expense Inflation
194	693000	Contract Shared Services Allocation	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
195	694000	Allocation Markup	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
196	811003	Standby/Letter of Credit Fees	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
197	816004	Interest - Other	1,427.93	9.76%	139.38	1,567.31	3.26%	51.15	1,618.47	3.26%	52.82	1,671.29	Compounded Expense Inflator
198	641100	FICA	35,517.77	3.00%	1,065.53	36,583.30	3.00%	1,097.50	37,680.80	3.00%	1,130.42	38,811.22	Salaries Increase Assumptions
199	641200	Payroll Tax	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
200	641300	Employer Health Tax	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
201	642100	Federal Unemployment Tax	256.04	3.00%	7.68	263.72	3.00%	7.91	271.64	3.00%	8.15	279.79	Salaries Increase Assumptions
202	642200	State Unemployment Tax	799.66	3.00%	23.99	823.65	3.00%	24.71	848.36	3.00%	25.45	873.81	Salaries Increase Assumptions
203	642300	Other Payroll Taxes	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
204	643100	Franchise Taxes	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
205	643200	Gross Receipts Taxes	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
206	643300	Personal Property Taxes	1,220.27	26.49%	323.29	1,543.56	14.96%	230.84	1,774.40	8.59%	152.41	1,926.81	Real Estate Taxes
207	643400	Real Estate Taxes	6,525.76	26.49%	1,728.89	8,254.66	14.96%	1,234.51	9,489.16	8.59%	815.08	10,304.24	Real Estate Taxes
208	643500	Sales And Use Taxes	-	9.76%	-	-	3.26%	-	-	3.26%	-	-	Compounded Expense Inflator
209	643600	Utility/Commission Taxes	-	-	3,176.55	3,176.55	-	309.69	3,486.24	-	233.08	3,719.32	Manual Calculation
210	643700	Other General Taxes	(1,321.03)	9.76%	(128.94)	(1,449.97)	3.26%	(47.32)	(1,497.29)	3.26%	(48.87)	(1,546.16)	Compounded Expense Inflator

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<b>Sewer Bradfield Farms - Fairfield Harbour - Treasure Cove</b>													
211	517001	Utility-Electric Power	149,603.88	10.10%	15,105.71	164,709.59	3.89%	6,413.19	171,122.78	3.89%	6,662.90	177,785.68	Compounded Expense Inflator
212	511002	Purchased Services-Sewer	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	No General Inflation
213	512001	Shop Supplies and Tools	1,697.19	10.10%	171.37	1,868.56	3.89%	72.75	1,941.31	3.89%	75.59	2,016.90	Compounded Expense Inflator
214	512002	Repairs and Maintenance	34,476.70	10.10%	3,481.16	37,957.86	3.89%	1,477.94	39,435.80	3.89%	1,535.49	40,971.29	Compounded Expense Inflator
215	512003	Main Breaks	240.31	10.10%	24.26	264.57	3.89%	10.30	274.88	3.89%	10.70	285.58	Compounded Expense Inflator
216	512004	Traps Repair	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
217	512005	Valve Repair	16.99	10.10%	1.72	18.71	3.89%	0.73	19.43	3.89%	0.76	20.19	Compounded Expense Inflator
218	512006	Manhole Maint	35.82	10.10%	3.62	39.44	3.89%	1.54	40.97	3.89%	1.60	42.57	Compounded Expense Inflator
219	512007	Major Repairs	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
220	512008	Maintenance Electric Equip Repair	2,686.43	10.10%	271.25	2,957.68	3.89%	115.16	3,072.84	3.89%	119.65	3,192.49	Compounded Expense Inflator
221	512009	Permits	7,105.60	10.10%	717.46	7,823.06	3.89%	304.60	8,127.66	3.89%	316.46	8,444.13	Compounded Expense Inflator
222	512010	Sewer Rodding	30,298.44	10.10%	3,059.28	33,357.72	3.89%	1,298.83	34,656.54	3.89%	1,349.40	36,005.94	Compounded Expense Inflator
223	512011	Sewer Sludge Hauling	90,677.27	10.10%	9,155.81	99,833.08	3.89%	3,887.14	103,720.22	3.89%	4,038.49	107,758.70	Compounded Expense Inflator
224	512013	Excavation Restoration	3.99	10.10%	0.40	4.39	3.89%	0.17	4.56	3.89%	0.18	4.74	Compounded Expense Inflator
225	512014	Communication Expense	3,778.33	10.10%	381.50	4,159.83	3.89%	161.97	4,321.80	3.89%	168.28	4,490.08	Compounded Expense Inflator
226	512015	Equipment Rental	262.79	10.10%	26.53	289.32	3.89%	11.27	300.59	3.89%	11.70	312.29	Compounded Expense Inflator
227	512016	Uniforms	1,071.99	10.10%	108.24	1,180.23	3.89%	45.95	1,226.18	3.89%	47.74	1,273.93	Compounded Expense Inflator
228	512017	Weather/Hurricane/Fuel/Snow removal	5,366.67	10.10%	541.88	5,908.55	3.89%	230.06	6,138.61	3.89%	239.01	6,377.62	Compounded Expense Inflator
229	512018	Safety Supplies/Expense	529.02	10.10%	53.42	582.43	3.89%	22.68	605.11	3.89%	23.56	628.67	Compounded Expense Inflator
230	512019	Moving Expense	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
231	512020	Service Claims	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
232	512021	Landscaping	8,262.24	10.10%	834.25	9,096.49	3.89%	354.18	9,450.67	3.89%	367.97	9,818.65	Compounded Expense Inflator
233	512022	Other Contracted Workers	83.45	10.10%	8.43	91.88	3.89%	3.58	95.45	3.89%	3.72	99.17	Compounded Expense Inflator
234	512023	Pump Station R&M	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
235	512024	Project Labor Hours (COGS)	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
236	512025	Vehicle Labor Hours (COGS)	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
237	512900	Other Plant and System Maintenance	6,955.35	10.10%	702.29	7,657.65	3.89%	298.16	7,955.81	3.89%	309.77	8,265.58	Compounded Expense Inflator
238	513002	Meter Supplies	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
239	513003	Pipe, Plate, Gasket	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
240	513004	Misc Bearing	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
241	513005	Lubricant, Gases	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
242	513006	Misc Gge Glass, Parts	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
243	513007	Rig Equip	27.35	10.10%	2.76	30.11	3.89%	1.17	31.28	3.89%	1.22	32.50	Compounded Expense Inflator
244	513008	Electrical Equip	189.29	10.10%	19.11	208.40	3.89%	8.11	216.52	3.89%	8.43	224.95	Compounded Expense Inflator
245	513009	Lighting Supplies	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
246	513010	Plant Air System	34.49	10.10%	3.48	37.97	3.89%	1.48	39.45	3.89%	1.54	40.99	Compounded Expense Inflator
247	513011	Valves and Traps	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
248	513012	Duty and Brokerage	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
249	513899	Materials and Supplies Write-off	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
250	513900	Other Materials and Supplies	20,205.62	10.10%	2,040.19	22,245.81	3.89%	866.17	23,111.98	3.89%	899.90	24,011.88	Compounded Expense Inflator
251	512012	Deferred Maintenance Expense	22,098.34	-	(1,619.14)	20,479.20	-	-	20,479.20	-	-	20,479.20	Manual Calculation
252	515001	Laboratory Testing	(5,762.66)	7.60%	(437.96)	(6,200.62)	3.89%	(241.43)	(6,442.05)	3.89%	(250.83)	(6,692.88)	Compounded Pro Forma Expense Inflation
253	515002	Test - Water/Sewer	29,439.07	7.60%	2,237.37	31,676.44	3.89%	1,233.36	32,909.80	3.89%	1,281.39	34,191.19	Compounded Pro Forma Expense Inflation
254	515003	Test - Equipment/Chemical	474.49	7.60%	36.06	510.55	3.89%	19.88	530.43	3.89%	20.65	551.08	Compounded Pro Forma Expense Inflation
255	515004	Test - Safe Drinking Water Act	27.81	7.60%	2.11	29.92	3.89%	1.17	31.09	3.89%	1.21	32.30	Compounded Pro Forma Expense Inflation
256	516001	Service - Meter Reading	1,040.97	10.10%	105.11	1,146.08	3.89%	44.62	1,190.70	3.89%	46.36	1,237.06	Compounded Expense Inflator
257	514001	Chlorine	2,283.29	7.60%	173.53	2,456.82	3.89%	95.66	2,552.48	3.89%	99.38	2,651.86	Compounded Pro Forma Expense Inflation
258	514002	Odor Control Chemicals	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
259	514900	Other Chemicals	65,252.88	7.60%	4,959.22	70,212.10	3.89%	2,733.80	72,945.90	3.89%	2,840.25	75,786.15	Compounded Pro Forma Expense Inflation
260	601000	Vehicle Leasing	898.00	10.10%	90.67	988.67	3.89%	38.50	1,027.16	3.89%	39.99	1,067.16	Compounded Expense Inflator
261	602000	Vehicle Fuel	25,315.32	10.10%	2,556.12	27,871.44	3.89%	1,085.21	28,956.66	3.89%	1,127.47	30,084.12	Compounded Expense Inflator
262	603000	Vehicle Repairs and Maintenance	11,709.05	10.10%	1,182.28	12,891.33	3.89%	501.94	13,393.28	3.89%	521.49	13,914.76	Compounded Expense Inflator
263	604000	Vehicle Registration/Licensing Fees	41.21	10.10%	4.16	45.37	3.89%	1.77	47.14	3.89%	1.84	48.97	Compounded Expense Inflator
264	605000	Vehicle - Employee Mileage Claim	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator

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Line No.	Account	Description	Historical Test Year as adjusted	Inflator Rate	Rate Year 1 Adjustments	Rate Year 1 Revenue Requirement	Inflator Rate	Rate Year 2 Adjustments	Rate Year 2 Revenue Requirement	Inflator Rate	Rate Year 3 Adjustments	Rate Year 3 Revenue Requirement	Inflationary Assumption
265	606000	Project Vehicle Hours	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
266	607000	Vehicle Charged to Projects	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
267	609000	Vehicle - Other Costs	1,518.99	10.10%	153.37	1,672.37	3.89%	65.12	1,737.48	3.89%	67.65	1,805.13	Compounded Expense Inflator
268	522001	Capitalized Time	(67,085.00)	3.00%	(2,012.55)	(69,097.55)	3.00%	(2,072.93)	(71,170.48)	3.00%	(2,135.11)	(73,305.59)	Salaries Increase Assumptions
269	540100	Consulting	1,299.50	10.10%	131.21	1,430.71	3.89%	55.71	1,486.41	3.89%	57.88	1,544.29	Compounded Expense Inflator
270	540200	Accounting and Audit	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
271	540300	Recruitment	22.08	10.10%	2.23	24.31	3.89%	0.95	25.26	3.89%	0.98	26.24	Compounded Expense Inflator
272	540400	Legal	213.08	10.10%	21.52	234.60	3.89%	9.13	243.73	3.89%	9.49	253.22	Compounded Expense Inflator
273	540500	Payroll	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
274	540600	Tax	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
275	540700	Engineering	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
276	540800	Temporary Labor	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
277	540900	Police	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
278	541000	Environmental	24,026.99	10.10%	2,426.04	26,453.03	3.89%	1,029.98	27,483.01	3.89%	1,070.09	28,553.10	Compounded Expense Inflator
279	541100	Management Fee	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
280	541200	Contractor Outside Services	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
281	541300	Employee Finder Fees	59.00	10.10%	5.96	64.96	3.89%	2.53	67.49	3.89%	2.63	70.11	Compounded Expense Inflator
282	549000	Other Outside Services	(302.12)	10.10%	(30.51)	(332.63)	3.89%	(12.95)	(345.58)	3.89%	(13.46)	(359.04)	Compounded Expense Inflator
283	0	Salaries & Wages - General	485,773.71	3.00%	14,573.21	500,346.92	3.00%	15,010.41	515,357.32	3.00%	15,460.72	530,818.04	Salaries Increase Assumptions
284	628100	Billing Stock	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
285	628200	Billing Envelopes	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
286	628300	Billing Postage	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
287	628400	Customer Service Printing	34,197.43	7.60%	2,599.00	36,796.44	3.89%	1,432.72	38,229.15	3.89%	1,488.50	39,717.66	Compounded Pro Forma Expense Inflation
288	628500	Customer Freight/Courier Charges	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
289	550200	Computer Repair and Maintenance	0.77	10.10%	0.08	0.85	3.89%	0.03	0.88	3.89%	0.03	0.91	Compounded Expense Inflator
290	550300	Computer Supplies	(877.15)	10.10%	(88.57)	(965.71)	3.89%	(37.60)	(1,003.32)	3.89%	(39.07)	(1,042.38)	Compounded Expense Inflator
291	550400	Internet Services	58.60	10.10%	5.92	64.52	3.89%	2.51	67.03	3.89%	2.61	69.64	Compounded Expense Inflator
292	550500	Website Development	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
293	550600	Computer Licensing	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
294	550700	Software	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
295	550800	Computer Amort	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
296	559900	Other Computer/IT Expenses	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
297	581100	Office Supplies	757.60	10.10%	76.50	834.09	3.89%	32.48	866.57	3.89%	33.74	900.31	Compounded Expense Inflator
298	581200	Kitchen Supplies	219.24	10.10%	22.14	241.38	3.89%	9.40	250.78	3.89%	9.76	260.54	Compounded Expense Inflator
299	581300	Cleaning Supplies	112.20	10.10%	11.33	123.53	3.89%	4.81	128.34	3.89%	5.00	133.34	Compounded Expense Inflator
300	582100	Office Equipment	158.58	10.10%	16.01	174.59	3.89%	6.80	181.39	3.89%	7.06	188.45	Compounded Expense Inflator
301	582200	Office Equipment - Rent/Leased	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
302	583100	Office Printing/Blueprints	89.82	10.10%	9.07	98.88	3.89%	3.85	102.73	3.89%	4.00	106.73	Compounded Expense Inflator
303	583200	Office Publications/Subscriptions	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
304	583300	Artwork, Display and Banner	12.77	10.10%	1.29	14.06	3.89%	0.55	14.61	3.89%	0.57	15.18	Compounded Expense Inflator
305	583400	Office Shipping Charges/Postage/Courier	2,202.69	10.10%	222.41	2,425.10	3.89%	94.42	2,519.52	3.89%	98.10	2,617.63	Compounded Expense Inflator
306	583500	Office Duties and Brokerage	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
307	611100	Rate Case Amortization	37,997.00	0.00%	-	37,997.00	0.00%	-	37,997.00	0.00%	-	37,997.00	No General Inflation
308	611200	Cost of Service Study	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
309	611300	Depreciation Study	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
310	611400	Regulatory Penalties and Fines	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
311	612100	Regulatory Fees	356.92	10.10%	36.04	392.96	3.89%	15.30	408.26	3.89%	15.90	424.15	Compounded Expense Inflator
312	612200	Water Resource Conservation	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
313	612300	Misc Rate Case Expense	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
314	612900	Other Regulatory Expenses	12,281.39	10.10%	1,240.07	13,521.46	3.89%	526.48	14,047.94	3.89%	546.98	14,594.91	Compounded Expense Inflator
315	531001	401K Profit Sharing	12,389.75	7.60%	941.62	13,331.38	3.89%	519.08	13,850.45	3.89%	539.29	14,389.74	Compounded Pro Forma Expense Inflation
316	531002	401K Match	12,107.19	7.60%	920.15	13,027.34	3.89%	507.24	13,534.58	3.89%	526.99	14,061.56	Compounded Pro Forma Expense Inflation
317	531100	RRSP Match	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
318	531200	Canada Pension Plan	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
319	532001	Health Admin and Stop Loss	0.00	7.60%	0.00	0.00	3.89%	0.00	0.00	3.89%	0.00	0.00	Compounded Pro Forma Expense Inflation

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320	532002	Dental	3,048.46	7.60%	231.68	3,280.14	3.89%	127.72	3,407.86	3.89%	132.69	3,540.55	Compounded Pro Forma Expense Inflation
321	532003	Medical	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
322	532004	Medical Service Plan (MSP)	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
323	532005	Employee Insurance Deductions	0.00	7.60%	0.00	0.00	3.89%	0.00	0.00	3.89%	0.00	0.00	Compounded Pro Forma Expense Inflation
324	532006	Health Insurance Claims	83,435.60	7.60%	6,341.11	89,776.70	3.89%	3,495.58	93,272.28	3.89%	3,631.68	96,903.96	Compounded Pro Forma Expense Inflation
325	532007	Group Insurance	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
326	532008	Health Insurance	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
327	532009	Workers Compensation Insurance (WCB)	4,637.00	7.60%	352.41	4,989.41	3.89%	194.27	5,183.68	3.89%	201.83	5,385.51	Compounded Pro Forma Expense Inflation
328	532010	Unemployment Insurance (EI)	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
329	532011	Union Dues	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
330	532012	Term Life Insurance	3,604.41	7.60%	273.94	3,878.34	3.89%	151.01	4,029.35	3.89%	156.89	4,186.24	Compounded Pro Forma Expense Inflation
331	532013	Term Life Insurance Opt	(0.00)	7.60%	(0.00)	(0.00)	3.89%	(0.00)	(0.00)	3.89%	(0.00)	(0.00)	Compounded Pro Forma Expense Inflation
332	532014	Depend Life Insurance Opt	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
333	532015	Vacation	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
334	532016	Education / Tuition	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
335	532017	Safety	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
336	532018	Longevity	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
337	532019	Incidental	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
338	532020	Holiday	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
339	532021	Jury Duty	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
340	532900	Other Employee Benefits	827.53	7.60%	62.89	890.43	3.89%	34.67	925.10	3.89%	36.02	961.12	Compounded Pro Forma Expense Inflation
341	532999	Payroll Suspende	-	7.60%	-	-	3.89%	-	-	3.89%	-	-	Compounded Pro Forma Expense Inflation
342	560100	General Liability Insurance	22,435.33	7.60%	1,705.09	24,140.42	3.89%	939.94	25,080.36	3.89%	976.54	26,056.90	Compounded Pro Forma Expense Inflation
343	560200	Property Insurance	34,509.24	7.74%	2,670.08	37,179.32	24.01%	8,925.83	46,105.15	13.88%	6,401.70	52,506.84	Property Insurance Expense Inflation
344	560300	Vehicle Insurance	8,665.81	7.74%	670.50	9,336.30	24.01%	2,241.41	11,577.72	13.88%	1,607.57	13,185.28	Property Insurance Expense Inflation
345	560400	Uninsured Losses	7,786.54	7.60%	591.78	8,378.32	3.89%	326.22	8,704.54	3.89%	338.92	9,043.46	Compounded Pro Forma Expense Inflation
346	560500	Other Insurance	14,462.31	7.60%	1,099.14	15,561.45	3.89%	605.91	16,167.35	3.89%	629.50	16,796.85	Compounded Pro Forma Expense Inflation
347	571100	Building Rent	25,446.00	-	1,933.90	27,379.90	-	893.61	28,273.50	-	922.77	29,196.27	Manual Calculation
348	584100	Office Electric	1,156.02	10.10%	116.72	1,272.74	3.89%	49.56	1,322.30	3.89%	51.49	1,373.78	Compounded Expense Inflator
349	584200	Office Gas/Heat	20.38	10.10%	2.06	22.44	3.89%	0.87	23.31	3.89%	0.91	24.22	Compounded Expense Inflator
350	584300	Office Water	5.94	10.10%	0.60	6.54	3.89%	0.25	6.80	3.89%	0.26	7.06	Compounded Expense Inflator
351	584900	Office Other Utilities	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
352	585100	Office Garbage Disposal/Removal	11,072.04	10.10%	1,117.96	12,190.00	3.89%	474.63	12,664.63	3.89%	493.11	13,157.75	Compounded Expense Inflator
353	585200	Office Landscape/Mowing	43.47	10.10%	4.39	47.86	3.89%	1.86	49.72	3.89%	1.94	51.66	Compounded Expense Inflator
354	585300	Office Snow Removal	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
355	585400	Office Security/Alarm System	26.55	10.10%	2.68	29.23	3.89%	1.14	30.37	3.89%	1.18	31.55	Compounded Expense Inflator
356	585500	Office Cleaning Services	15.26	10.10%	1.54	16.80	3.89%	0.65	17.45	3.89%	0.68	18.13	Compounded Expense Inflator
357	585900	Other Office Maintenance	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
358	586100	Landline/Telephone/Fax	839.01	10.10%	84.72	923.73	3.89%	35.97	959.70	3.89%	37.37	997.06	Compounded Expense Inflator
359	586200	Cellular/Mobile Phones	3,460.69	10.10%	349.43	3,810.12	3.89%	148.35	3,958.47	3.89%	154.13	4,112.60	Compounded Expense Inflator
360	587100	Holiday Events/Picnics	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
361	587200	Meals and Entertainment	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
362	587300	Meals and Entertainment - 50% Tax Deductible	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
363	587400	Meals and Entertainment - Non Deductible	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
364	587500	Answering Service	885.85	10.10%	89.45	975.30	3.89%	37.97	1,013.27	3.89%	39.45	1,052.73	Compounded Expense Inflator
365	587900	Other Office Expenses	199.12	10.10%	20.10	219.22	3.89%	8.54	227.76	3.89%	8.87	236.62	Compounded Expense Inflator
366	511003	Purchased Services-Gas	47.97	10.10%	4.84	52.81	3.89%	2.06	54.87	3.89%	2.14	57.01	Compounded Expense Inflator
367	621100	Advertising	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
368	621300	Trade Shows	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
369	621400	Promotions/Corporate Sponsor	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
370	621500	Promotions - 50%	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
371	622100	Bank Service Charges	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
372	622200	Bank Charges - Merchant	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
373	622300	Letter of Credit Fees	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
374	623100	Donations for Registered Charities	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator



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375	623200	Donations for Non-Registered Charities	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
376	624100	License Fees	264.92	10.10%	26.75	291.67	3.89%	11.36	303.03	3.89%	11.80	314.83	Compounded Expense Inflator
377	624200	Franchise Fee	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
378	624300	5% FF on Usage	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
379	625100	Penalties and Fines	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
380	625200	Penalties and Fines to Government (Non-Deductible)	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
381	625300	Late Fees	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
382	626100	Education and Training	907.43	10.10%	91.62	999.05	3.89%	38.90	1,037.95	3.89%	40.41	1,078.36	Compounded Expense Inflator
383	629100	Memberships and Dues	3,124.66	10.10%	315.50	3,440.16	3.89%	133.95	3,574.11	3.89%	139.16	3,713.27	Compounded Expense Inflator
384	629200	Payroll Admin Fee	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
385	629300	Director and Board Fees	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
386	629400	Corporate Governance	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
387	629500	Credit Card Expense Clearing	(1,051.25)	10.10%	(106.15)	(1,157.40)	3.89%	(45.06)	(1,202.46)	3.89%	(46.82)	(1,249.28)	Compounded Expense Inflator
388	629600	Credit Card/Cash Expense - Unallocated	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
389	629700	Cost Recovery	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
390	629800	Discount/Rebate Taken	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
391	629850	Community Service	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
392	629900	Other Misc Expense	1,424.31	10.10%	143.81	1,568.13	3.89%	61.06	1,629.18	3.89%	63.43	1,692.62	Compounded Expense Inflator
393	591000	Accommodation/Hotel/Lodging	842.24	10.10%	85.04	927.29	3.89%	36.11	963.39	3.89%	37.51	1,000.90	Compounded Expense Inflator
394	592000	Airfare	26.34	10.10%	2.66	29.00	3.89%	1.13	30.13	3.89%	1.17	31.31	Compounded Expense Inflator
395	593000	Transportation excl. Airfare	198.33	10.10%	20.03	218.36	3.89%	8.50	226.86	3.89%	8.83	235.69	Compounded Expense Inflator
396	594000	Travel - Meals and Entertainment	(11.23)	10.10%	(1.13)	(12.36)	3.89%	(0.48)	(12.84)	3.89%	(0.50)	(13.34)	Compounded Expense Inflator
397	595000	Travel - Meals and Entertainment - 50% Tax Deductible	479.53	10.10%	48.42	527.95	3.89%	20.56	548.50	3.89%	21.36	569.86	Compounded Expense Inflator
398	596000	Travel - Meals and Entertainment - Non Deductible	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
399	599900	Other Travel	2,328.14	10.10%	235.08	2,563.21	3.89%	99.80	2,663.02	3.89%	103.69	2,766.71	Compounded Expense Inflator
400	0	Federal Protected EDIT Amortization	(5,321.00)	0.00%	-	(5,321.00)	0.00%	-	(5,321.00)	0.00%	-	(5,321.00)	No General Inflation
401	630002	Commission Ordered Adjustments	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
402	691000	Corporate Allocation	285,992.74	7.60%	21,735.45	307,728.19	3.89%	11,981.81	319,710.00	3.89%	12,448.34	332,158.34	Compounded Pro Forma Expense Inflation
403	692000	Regional Allocation	39,289.85	7.60%	2,986.03	42,275.88	3.89%	1,646.07	43,921.95	3.89%	1,710.16	45,632.11	Compounded Pro Forma Expense Inflation
404	693000	Contract Shared Services Allocation	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
405	694000	Allocation Markup	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
406	811003	Standby/Letter of Credit Fees	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
407	816004	Interest - Other	1,461.63	10.10%	147.58	1,609.22	3.89%	62.66	1,671.88	3.89%	65.10	1,736.97	Compounded Expense Inflator
408	641100	FICA	36,356.01	3.00%	1,090.68	37,446.69	3.00%	1,123.40	38,570.09	3.00%	1,157.10	39,727.20	Salaries Increase Assumptions
409	641200	Payroll Tax	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
410	641300	Employer Health Tax	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
411	642100	Federal Unemployment Tax	262.09	3.00%	7.86	269.95	3.00%	8.10	278.05	3.00%	8.34	286.39	Salaries Increase Assumptions
412	642200	State Unemployment Tax	818.53	3.00%	24.56	843.09	3.00%	25.29	868.38	3.00%	26.05	894.43	Salaries Increase Assumptions
413	642300	Other Payroll Taxes	-	3.00%	-	-	3.00%	-	-	3.00%	-	-	Salaries Increase Assumptions
414	643100	Franchise Taxes	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
415	643200	Gross Receipts Taxes	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
416	643300	Personal Property Taxes	3,073.75	7.74%	237.83	3,311.58	24.01%	795.03	4,106.61	13.88%	570.20	4,676.81	Real Estate Taxes
417	643400	Real Estate Taxes	6,679.78	7.74%	516.83	7,196.61	24.01%	1,727.73	8,924.34	13.88%	1,239.14	10,163.48	Real Estate Taxes
418	643500	Sales And Use Taxes	-	10.10%	-	-	3.89%	-	-	3.89%	-	-	Compounded Expense Inflator
419	643600	Utility/Commission Taxes	-	-	4,183.13	4,183.13	-	830.57	5,013.71	-	559.71	5,573.41	Manual Calculation
420	643700	Other General Taxes	(1,352.20)	10.10%	(136.53)	(1,488.74)	3.89%	(57.97)	(1,546.70)	3.89%	(60.22)	(1,606.93)	Compounded Expense Inflator

Carolina Water Service, Inc. of North Carolina  
W - 354, Sub 400  
Summary of Rate Case Adjustments  
Test Year: March 31, 2022  
WSIP Period: April 1, 2023 - March 31, 2026

Schedule 29  
Updated 09/19/2022

**Purpose:**

To identify and include in the revenue requirement expense increases through the WSIP period.

**Method:**

Identify which inflator is the most reasonable and apply that expense increase to each of the periods through the WSIP period. Accounts that are marked as no general inflation have a manual build addressing the level of expenses through the WSIP period.

**Update:** Used most recent CPI data through August 2022 and developed a new CPI assumption for expense categories that are already receiving a pro-forma adjustment in order to not adjust certain expenses twice for the same period.

Inflation Assumptions	Water WSIP Year 1	Water WSIP Year 2	Water WSIP Year 3	Sewer WSIP Year 1	Sewer WSIP Year 2	Sewer WSIP Year 3
Growth Inflation	0.42%	0.84%	0.84%	0.73%	1.46%	1.46%
Expense Inflation	9.30%	2.40%	2.40%	9.30%	2.40%	2.40%
Compounded Expense Inflator	9.76%	3.26%	3.26%	10.10%	3.89%	3.89%

**Note:** Expense inflation is based on projected CPI, further details can be found in Witness Drennan's testimony. Growth inflation is based on assumed ERC growth through the WSIP period as reflected in Schedule E. Expenses that are expected to be sensitive to both expense inflation as well as system usage will have a compound inflation applied.

Growth Inflation	0.00%	0.84%	0.84%	0.00%	1.46%	1.46%
Pro Forma Expense Inflation	7.60%	2.40%	2.40%	7.60%	2.40%	2.40%
Compounded Pro Forma Expense Inflation	7.60%	3.26%	3.26%	7.60%	3.89%	3.89%

**Note:** Expense inflation is based on projected CPI, further details can be found in Witness Drennan's testimony. Growth inflation is based on assumed ERC growth through the WSIP period as reflected in Schedule E. Expenses that are expected to be sensitive to both expense inflation as well as system usage will have a compound inflation applied. This expense inflator was developed for expenses that have pro-forma adjustments to account for CPI assumptions from July-22 through the WSIP periods.



Carolina Water Service, Inc. of North Carolina

W - 354, Sub 400

Summary of Rate Case Adjustments

Test Year: March 31, 2022

WSIP Period: April 1, 2023 - March 31, 2026

Salaries Increase Assumptions	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
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Schedule 29  
Updated 09/19/2022

**Note:** WSIP period salary increase assumptions are based on market demands and are set based on internal corporate direction.

Real Estate Taxes	26.49%	14.96%	8.59%	7.74%	24.01%	13.88%
Property Insurance Expense Inflation	26.49%	14.96%	8.59%	7.74%	24.01%	13.88%

**Note:** Real Estate Taxes and Property Insurance Expense inflators are based on the growth in gross plant in service between WSIP period

No General Inflation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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**Note:** Certain accounts do not have a generic growth inflator and instead are either expected to remain flat, have a manual workpaper calculation associated with them, or in the case of purchased water and sewer treatment expenses will be accounted for through that regulatory mechanism.