



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

June 14, 2018

Ms. M. Lynn Jarvis, Chief Clerk
North Carolina Utilities Commission
Mail Service Center 4325
Raleigh, North Carolina 27699-4300

Re: Docket No. W-1075, Sub 12 – Corrected Stipulation Page 8

Dear Ms. Jarvis:

On June 7, 2018, the Public Staff and KRJ, Inc., d/b/a KRJ Utilities, (Stipulating Parties) filed a Stipulation in settlement of all of their issues in the above-referenced docket. The Stipulating Parties have discovered that on page 8 paragraph 9, the section relating to tap fees for Southern Trace was incorrectly labeled "Rockbridge". Therefore, in connection with the above-captioned docket, I transmit for filing on behalf of the Stipulating Parties a corrected page 8.

The Stipulating Parties request that page 8 of the Stipulation filed in this docket be substituted with the attached corrected page.

By copy of this letter, we are forwarding copies to all parties of record.

Sincerely,

/s/ Gina C. Holt
Staff Attorney
gina.holt@psncuc.nc.gov

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(919) 733-4326

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6. **Regulatory Fee Adjustment.** The Stipulating Parties agree that the revenue requirement set forth herein reflects the statutory regulatory fee rate of 0.14%, applied to total operating revenues at present rates, Company proposed rates and Public Staff recommended rates.

7. **Federal and State Income Tax.** The Stipulating Parties agree that it is reasonable and appropriate to calculate the federal income tax at 21% and the state income taxes based on the statutory corporate rate effective January 1, 2018, of 3%.

8. **Rate Case Expense.** The Stipulating Parties agree that, for purposes of this rate case, it is appropriate to use total rate case costs of \$66,759, related to the current proceeding, to be amortized and collected over a three-year period, for an annual level of rate case expense of \$5,027 for Southern Trace water, \$8,652 for Rockbridge Subdivision water, and \$8,573 for Rockbridge sewer.

9. **Tap Fees.** The Stipulating Parties agree there will not be a change in the Commission previously approved tap fees which shall remain:

Rockbridge:

Water per Residential Equivalent Unit (REU)	\$1,000.00
Sewer per REU	\$8,000.00

Southern Trace Rockbridge:

Water per REU	\$ 500.00
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10. **Availability Fees.** The Stipulating Parties agree there will not be a change to the Commission previously approved availability fees for Rockbridge which shall remain: