

Bald Head Island Transportation, Inc.
Docket No. A-41, Sub 7
For the Test Year Ended December 31, 2009
Settlement Cost of Service

Line No.	Item	Company Amount (a)	Settlement Adjustments									Settlement Amounts (k)
			Rate of Return (b)	Update Plant and Related Items (c)	Include Parking Revenues (d)	Include BHI Terminal in Rate Base (e)	Amortize Gain on Transfer of Indigo PI (f)	Adjust Interco Tram Charges (g)	Adjust DP Terminal Lease (h)	Other Adjustments (i)	Amortize Fuel Tracker Acct (j)	
1	Plant	56,020,592		20,193 ^{14V}		616,186 ^{14V}						8,666,972
2	Accumulated Depreciation	(2,085,249)		(144,275) ^{14V}		(173,122) ^{14V}						(2,402,645)
3	Net Plant	3,935,344	0	(124,082)	0	443,064	0	0	0	0	0	4,254,326
4	Cash Working Capital	664,667		0		(45,666) ^{14V}			26,667 ^{14V}	(19,040) ^{14V}		626,805
5	Average Tax Accruals	(37,429)		0					0	(6,615) ^{14V}		(44,044)
6	Deferred Income Taxes	(860,584)		704 ^{14V}		(33,872) ^{14V}						(863,752)
7	Rate Base	\$3,702,196 ^V	\$0	(\$123,378)	\$0	\$363,503	\$0	\$0	\$26,667	(\$25,655)	\$0	\$3,843,335
8	Pre-Tax ROR %	12.28% ^{2Z}	11.33%	11.31% ^{13V}	11.31%	11.38% ^{13V}	11.38%	11.38%	11.39% ^{13V}	11.38% ^{13V}	11.38%	11.38%
9	Overall Rate of Return %	9.25% ^{3V}	8.33% ^{13V}	8.33% ^{13V}	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%
10	Pre-Tax ROR on Rate Base	453,796 ^{4V}	(34,245) ^{13V}	(14,865) ^{13V}		44,090 ^{13V}			3,235 ^{13V}	(3,112) ^{13V}	0	448,801
11	Revenue Credits	(100,684) ^{5V}			(523,097) ^{14V}		(73,663) ^{14V}	(32,446) ^{14V}		(143,960) ^{20V}	1,526 ^{14V}	(872,344)
12	O&M Expenses	5,318,936 ^{6V}				(365,512) ^{14V}			213,338 ^{14V}	(152,324) ^{14V}		5,014,442
13	Depreciation	282,977 ^{7V}		4,531 ^{13V}		27,806 ^{17V}						315,314
14	Property Taxes	25,702 ^{8V}				15,512 ^{19V}						41,214
15	Payroll Taxes	147,468 ^{9V}								(8,846)		140,622
16	Regulatory Fee	7,365 ^{10V}	(41)	(13)	(628)	(334)	(89)	(39)	280	(368)	2	6,115
17	Total Cost of Service ^{11V}	\$8,135,565	(\$34,286)	(\$10,446)	(\$523,725)	(\$276,438)	(\$73,772)	(\$32,485)	\$216,833	(\$306,610)	\$1,528	\$5,094,164

Footnotes:

- ^{1V} Mayfield Exhibit 1, Schedule 2.
- ^{2V} Line 10/Line 7.
- ^{3V} Mayfield Exhibit 1, Schedule 1, Column(d), Line 8.
- ^{4V} Mayfield Exhibit 1, Schedule 3, Column (e), Sum of Lines 76, 77 and 79.
- ^{5V} Mayfield Exhibit 1, Schedule 3, Column (e), Sum of Lines 2 through 5.
- ^{6V} Mayfield Exhibit 1, Schedule 3, Column (e), Lines 71.
- ^{7V} Mayfield Exhibit 1, Schedule 3, Column (e), Lines 72.
- ^{8V} Mayfield Exhibit 1, Schedule 3, Column (e), Lines 73.
- ^{9V} Mayfield Exhibit 1, Schedule 3, Column (e), Lines 74.
- ^{10V} Mayfield Exhibit 1, Schedule 3, Column (e), Lines 75.
- ^{11V} Sum of lines 10 through 16.
- ^{12V} Determined based on the following capital cost components:
Equity % of total capital 50.00%
Debt cost rate 6.65%
Return on equity 10.00%
- ^{13V} Hoard Exhibit 1, Schedule 1C.
- ^{14V} Hoard Exhibit 1, Schedule 2.
- ^{15V} Hoard Exhibit 1, Schedule 2-1.
- ^{16V} Hoard Exhibit 1, Schedule 3.
- ^{17V} Hoard Exhibit 1, Schedule 2-2.
- ^{18V} Hoard Exhibit 1, Schedule 4.
- ^{19V} Hoard Exhibit 1, Schedule 5.
- ^{20V} Revised Hoard Exhibit 1, Schedule 3.