

SANFORD LAW OFFICE, PLLC
Jo Anne Sanford, Attorney at Law

May 11, 2022

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

Via Electronic Filing

Re: Second Revision to Application for Transfer of Public Utilities Franchise and for Approval of Rates, Filed by Water Resource Management, Inc. (W-1073, Sub 7) and Carolina Water Service, Inc. of North Carolina (W-354, Sub 396)

Dear Ms. Dunston:

Attached please find a second revision to the Application for Transfer of Public Utility Franchise and for Approval of Rates, filed on April 22, 2022, by Water Resource Management, Inc., (“Water Resource”), the Seller, and Carolina Water Service, Inc., of North Carolina (“CWSNC”), the Purchaser. These pleadings are filed in Docket Nos. W-1073, Sub 7 and W-354, Sub 396.

The Public Staff in its filing of May 9, 2022, identified three items for which supplemental data or information is required:

The Company incorporated by reference the financial statements filed for CWSNC and for its parent in the last rate case (W-354 Sub 386); the Public Staff seeks the most recent fiscal year financial statements, audited if available. (citing the terms of the Application, page 8, Exhibits, Lines 7 and 8).

Attached as Exhibit 7 is the most recent fiscal year financial statement for CWSNC which is unaudited. Similarly, Exhibit 8 is the most recent fiscal year audited financial statement for CWSNC’s parent, Corix Regulated Utilities (US) Inc. (Exhibit 8 is being filed confidentially). Further, the revised application includes reference to the dockets for the proposed and present rates and the signed and verified signature of James E. Harrill for Water Resource Management, Inc.

As always, thank you and your staff for your assistance; please feel free to contact me if there are any questions or suggestions.

Sincerely,

Electronically Submitted

/s/Jo Anne Sanford
Attorney for Carolina Water Service,
Inc. of North Carolina

cc: Parties of Record

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

REVISED APPLICATION FOR TRANSFER OF PUBLIC UTILITY FRANCHISE AND FOR APPROVAL OF RATES

INSTRUCTIONS

Notes or explanations placed in the margins of the application are acceptable. If additional space is needed, supplementary sheets may be attached. If any section does not apply, write "not applicable" or cross out the section.

SELLER

1. Trade name used for utility business Water Resource Management, Inc.
2. Mailing address 151 Mr Bish Boulevard, Boone, NC, 28607
3. Business telephone number 828-963-7600

PURCHASER

4. Trade name used for utility business Carolina Water Service, Inc. of North Carolina
5. Name of owner (if different from trade name) Corix Regulated Utilities, Inc.
6. Business mailing address P.O. Box 240908
 City and state Charlotte, NC Zip code 28224
7. Business street address (if different from mailing address) 4944 Parkway Plaza Blvd., Suite 375, Charlotte, NC 28217
8. Business telephone number 704-525-7990
9. If corporation, list the following:
 President Donald Denton Vice President Allen Wilt
 Secretary Allen Wilt Treasurer Jim Andrejko
 Three (3) largest stockholders and percent of voting shares held by each
Corix Regulated Utilities, Inc. 100%
10. If partnership, list the owners and percent of ownership held by each
N/A
11. Is the purchaser acquiring the utility assets or stock? Assets
 (No filing fee required if stock transfer only.)

PROPOSED AND PRESENT RATES

	<u>Proposed Rates</u>	<u>Present Rates</u>
12. Metered Residential Service:		
Water:	<u>CWSNC Uniform Rate Group - W-354, Sub 384</u>	<u>N/A</u>
Sewer:	<u>CWSNC Uniform Rate Group - W-354, Sub 384</u>	<u>N/A</u>
13. Flat Rate Residential Service:		
Water:	<u>CWSNC Uniform Rate Group - W-354, Sub 384</u>	<u>\$20 monthly flat rate - W-1073, Sub 4</u>
Sewer:	<u>CWSNC Uniform Rate Group - W-354, Sub 384</u>	<u>\$28.20 monthly flat rate - W-1073, Sub 5</u>
14. Nonresidential Service (explain):		
Water:	<u>CWSNC Uniform Rate Group - W-354, Sub 384</u>	<u>N/A</u>
Sewer:	<u>CWSNC Uniform Rate Group - W-354, Sub 384</u>	<u>N/A</u>
15. Tap-on fees:		
Water:	<u>See APA.</u>	<u>\$300 - W-1073, Sub 4</u>
Sewer:	<u>See APA.</u>	<u>\$200 - W-1073, Sub 5</u>

OTHER PROPOSED RATES

16. Finance charge for late payment: 1% per month for bills past due 25 days after billing cycle
 (NCUC Rule R12-9) specifies not more than one percent (1.0%) per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.)
17. Reconnection charge if water service cut off by utility as specified in NCUC Rule R7-20: \$27.00
18. Reconnection charge if water service discontinued at customer's request: \$27.00
19. Reconnection charge if sewer service cut off by utility as specified in NCUC Rule R10-16: Actual Cost
20. Other charges: Other charges as approved for CWSNC Uniform Rate Group
21. What date are the proposed rates to become effective: Effective date on approval by the Commission.
22. How long have the present rates been in effect? 12/16/2015 Effective Date

PURCHASER'S PROPOSED BILLING

1. Frequency of billing shall be (monthly, quarterly, etc.) Monthly
2. Billing shall be for service (in advance or arrears) Arrears
3. Bills past due 45 days after billing dates: (NCUC Rule R12-9 specifies that bills shall not be past due less than fifteen (15) days after billing date).
4. Will regular billing be by written statement? (yes or no) Yes
5. Will the billing statement contain the following? (Indicate yes or no for each item)
 - (a) Meter reading at beginning and end of billing period Yes
 - (b) Date of meter readings Yes
 - (c) Gallons used, based on meter readings Yes
 - (d) Amount due for current billing period listed as a separate amount Yes
 - (e) Amount due from previous billing period listed as a separate amount Yes
 - (f) Amount due for each special charge (i.e., deposits, tap fees, etc.) listed as a separate amount . Yes
6. Show how the following will appear on the billing statement:
 - (a) Mailing address of Company: PO Box 70723 Philadelphia PA 19176-0723
 - (b) Address where bill can be paid in person: Not Applicable
 - (c) Name and phone number of alternative persons to contact for emergency service after business hours:
Donald Denton, Tony Konsul – 704-525-5049
7. Is service already metered? (yes or no) No
8. Does the Purchaser understand the provisions for establishing credit and collecting customer deposits set forth in NCUC Rules and Regulations, Chapter 12? (yes or no) Yes
(Customer deposits must be refunded to customers having not more than two (2) bills overdue during a 12-month period and who are not then delinquent on the payment of their bills, per NCUC Rule R12-5.)
9. List the amount of customer deposits still held by Seller:
Water: \$19,647 Sewer: \$10,578

PURCHASER'S SERVICE ORGANIZATION

	<u>NAME</u>	<u>ADDRESS</u>	<u>TELEPHONE</u>
10. General Manager	Donald Denton	4944 Parkway Plaza, Suite 375 Charlotte NC 28217	800-525-7990
11. Complaints or Billing	Karen Sasic	200 Weathersfield Ave Altamonte Springs, FL	321-972-0368
12. Engineering Operations	Donald Denton	4944 Parkway Plaza, Suite 375 Charlotte NC 28217	800-525-7990
13. Emergency Service	Customer Service	4944 Parkway Plaza, Suite 375 Charlotte NC 28217	800-525-7990
14. Accounting	Phil Drennan	500 W Monroe St Ste 3600, Chicago, IL 60661	704-319-0502

15. Are the names and phone numbers shown above listed in the phone book by each of the proposed service areas? (yes or no) No
16. Will customers be able to make telephone calls for service without being charged for a long distance phone call? (yes or no) Yes
17. Will persons designated to receive phone calls for emergency service, after regular business hours, have authority to provide the needed repairs without first contacting owner? (yes or no) Yes
18. List the qualifications of the person in charge of the utility system:
Harold Ken Whitaker – NC A Treatment Well
Ronnie Neil Reece – NC A Distribution
19. List the date(s) and describe any DENR violation(s) since the last application for franchise, transfer, or rate increase: Please see attached Exhibit A

SERVICE AREA

Fill in one column for each Subdivision or Service Area.

	(1)	(2)
1. Name of Subdivision(s) or Service Area(s)	Echota	Seven Devils
2. County (or Counties)	Watauga	Watauga
3. Type of service (water, sewer, etc.)	Water	Sewer
4. If water is purchased, list from whom	N/A	N/A
5. Source of water supply (wells, etc.)	Wells	N/A
6. Number of wells in service	9	N/A
7. Pumping capacity of each pump in service	345 gpm	N/A
8. Elevated storage tank capacity (gals.)	220,000	N/A
9. Pressure tank capacity (gals.)	N/A	N/A
10. Types of water treatment (chlorine, etc.)	Chlorine	N/A
11. Number of fire hydrants installed	25	N/A
12. Is sewage disposal by septic tank or by sewer system?	Sewer System	Sewer System
13. If disposal is by sewer system, is sewage treated by utility company or by others?	Others	Utility
14. Capacity of Company's sewage treatment plant (gallons per day)	N/A	
15. Is service metered? (yes or no)	No	No
16. Number of water meters in use	N/A	
17. Number of service taps in use (list number of each size)	Water 613 – 3/4" Sewer N/A	N/A 149 - 4"
18. Number of customers at the end of test year	Water 613 Sewer N/A	N/A 149
19. Number of customers that can be served by mains already installed (including present customers, vacant lots, etc.)	Water 750 Sewer N/A	N/A 200
20. Number of customers that can be served by pumping capacity	Water 750	200
21. Number of customers that can be served by storage tank capacity	Water 750	N/A
22. Number of customers that can be served by treatment plant capacity	Sewer N/A	200
23. Name nearest water/sewer utility system	Hound Ears	Hound Ears
24. Distance to nearest water/sewer utility system	<1 mile	<1 mile
25. Does any other person or utility seek to furnish the service(s) proposed herein? (yes or no)	No	No
26. Has the system been offered for sale to the customers, county, or municipality? (yes or no)	No	No
If not, why not?	No municipal in area	No municipal in area
27. a. DENR System I.D. No.	Water NC30-95-002	N/A
b. NPDES or Nondischarge Permit No.	Sewer N/A	NC0035149

FINANCIAL STATEMENT

1. Will a separate set of books be maintained for the utility business?
Yes

2. Will a separate bank account be maintained for the utility business?
No

3. Are the revenues and expenses listed below based on past operations or are they estimated for future operations?
(actual or estimated) Actuals for past operations (WRM 2021 Annual Report). Estimates for future operations are provided in the attached addendum at proposed rates.

REVENUES AND EXPENSES

For 12 Months Ended December 31, 2021 (Date)

<u>Revenues</u>	<u>Water</u>	<u>Sewer</u>
4. Residential service (flat rate)	\$ 145,286	\$ 50,422
5. Residential service (metered rate)	\$ _____	\$ _____
6. Nonresidential service (flat rate)	\$ _____	\$ _____
7. Nonresidential service (metered rate)	\$ _____	\$ _____
8. Other revenues (describe in remarks below)	\$ 4,200	\$ 0
9. Total Revenues (Lines 4 thru 8)	<u>\$ 149,486</u>	<u>\$ 50,422</u>
10. Total salaries (except owner)	\$ 54,730	\$ 25,733
11. Salaries paid to owner	\$ _____	\$ _____
12. Administrative and office expense (except salaries)	\$ 25,264	\$ 5,506
13. Maintenance and repair expense (except salaries)	\$ 236,692	\$ 3,342
14. Transportation expenses	\$ 0	\$ _____
15. Electric power expense	\$ 37,248	\$ 3,880
16. Chemicals expense	\$ 3,266	\$ 834
17. Testing fees	\$ 7,335	\$ 265
18. Permit fees	\$ _____	\$ _____
19. Purchased water/sewer treatment	\$ 230,852	\$ 420
20. Annual depreciation	\$ 1,344	\$ 695
21. Taxes: State income taxes	\$ _____	\$ _____
22. Federal income taxes	\$ _____	\$ _____
23. Gross receipts (or franchise tax)	\$ 150	\$ 53
24. Property taxes	\$ _____	\$ 137
25. Payroll taxes	\$ _____	\$ _____
26. Other taxes	\$ 192	\$ 68
27. Interest on debt during year	\$ 1	\$ _____
28. Other expenses (describe in remarks below)	\$ 1,797	\$ _____
29. Total Expenses (Lines 10 thru 28)	<u>\$ 598,870</u>	<u>\$ 40,933</u>
30. Net Income (Line 9 minus Line 29)	<u>\$ (449,384)</u>	<u>\$ 9,489</u>

Remarks

31. Line 8 – Tap Fees

32. Line 28 – Lift Station & Pump Telemetry

33. _____

34. _____

35. _____

NUMBER OF CUSTOMERS SERVED

	<u>Water</u>		<u>Sewer</u>	
	<u>Flat Rate</u>	<u>Metered</u>	<u>Flat Rate</u>	<u>Metered</u>
36. Customers at beginning of year	<u>599</u>	_____	<u>149</u>	_____
37. Customers at end of year	<u>613</u>	_____	<u>149</u>	_____
38. Average gallons used per customer	<u>Unmetered</u>	_____	_____	_____

PURCHASER'S COST OF UTILITY SYSTEM

1. List Purchaser's cost of utility systems:

Water: 59,416

Sewer: 36,393

ORIGINAL COST OF UTILITY SYSTEM

As of Year Ended December 31, 2021 (Date)

Note: List the total original cost to construct and establish the system, whether or not paid for by the Seller.

Table with columns: Utility Property in Service, Balance at End of Year (Water, Sewer). Rows 2-18 detailing costs like Land and rights-of-way, Structures, Wells, etc.

Table with columns: Utility Property Not in Service, Balance at End of Year (Water, Sewer). Rows 19-21 detailing construction work in progress, property held for future use, etc.

Remarks

22. Seller provided original costs that match annual reports
23.
24.
25.

ANNUAL DEPRECIATION

26. If annual depreciation is claimed using a composite rate for the entire system, show rate of depreciation used:
Water:
Sewer:

27. If annual depreciation is claimed using individual rates for each type of equipment, show rates of depreciation used:
Current approved for CWSNC - W-354, Sub 364

OTHER FINANCIAL INFORMATION

1. Please provide the following capital structure information for the Purchaser prior to the purchase of the new water and/or sewer system(s):

a. Capital structure as of December 31, 2021

b. Capital structure balances:

	<u>Amount</u>	<u>Percent Of Total Capital</u>
Long-term debt/loans	\$ <u>324,498,571</u>	<u>48.37</u>
Preferred stock (if any)	\$ _____	_____
Common equity:		
Common stock	\$ <u>110</u>	_____
Retained earnings	\$ <u>346,306,810</u>	<u>51.63</u>
Total common equity	\$ <u>346,306,920</u>	<u>51.63</u>
 Total capital	 \$ <u><u>670,805,491</u></u>	 <u>100%</u>

2. The purchase price of the system will be financed as follows:

- a. Long-term debt \$ _____
- b. Short-term debt \$ _____
- c. Common stock \$ _____
- d. Retained earnings \$ _____
- e. Other (please describe below on Line g) \$ _____
- f. Total purchase price \$ _____

g. Description of other: Cash Purchase

3. Please provide the following for improvements/additions to be made in the first year:

a. Brief description: AMI Meter installation

b. Financing:

- (1) Long-term debt \$ _____
- (2) Short-term debt \$ _____
- (3) Common stock \$ _____
- (4) Retained earnings \$ _____
- (5) Other (please describe below on Line (7)) \$ _____
- (6) Total improvements/additions \$ _____

(7) Description of other: Additions will be financed with cash from debt and equity financing.

1. Are there any major improvements/additions required in the next five years and the next ten years? Indicate the estimated cost of each improvement/addition, the year it will be made, and how it will be financed (long-term debt, short-term debt, common stock, retained earnings, and other (please explain)).

0 - 5 years - no replacement expected

5 - 10 years - routine replacement of pumps/meters

10 - 20 years - routine replacement of pumps/meters

20 - 40 years - routine replacement of pumps/meters

2. Are there any major replacements required in the next five years and the next ten years? Indicate the estimated cost of each replacement, the year it will be made, and how it will be financed (long-term debt, short-term debt, common stock, retained earnings, and other (please explain)).

0 - 5 years - no replacement expected

5 - 10 years - routine replacement of pumps/meters

10 - 20 years - routine replacement of pumps/meters

20 - 40 years - routine replacement of pumps/meters

3. Please fill out the attached addendum showing the projected cash flows and income statement for the first five years of operation of this system. This addendum should be for the utility system for which the subject application is being submitted, exclusively. Instructions are included on page 3 of the addendum. The following information may be provided instead of filing the addendum:

- (1) Audited financial statements for the Purchaser and/or parent company.
- (2) Budgets, capital and operating, for the Purchaser's North Carolina utility operations for the next five years.
- (3) The most recent fiscal year budgets, capital and operating, and the actual amounts for that year for the Purchaser's and/or parent company's North Carolina utility operations.

EXHIBITS

THE FOLLOWING EXHIBITS SHALL BE ATTACHED TO THE APPLICATION:

1. If the Purchaser is a corporation, enclose a copy of the Articles of Incorporation on file with the North Carolina Secretary of State. (Not required if previously filed with the Commission.) **On File.**
2. If the Purchasers are doing business as a partnership, enclose a copy of the partnership agreement. (Not required if previously filed with the Commission.) **N/A**
3. If the Purchaser is conducting business under a trade name or d/b/a, enclose a copy of the certificate filed with the register of deeds in each county where the Applicant will be conducting business as required by G.S. 66-68. **On File.**
4. Enclose a copy of (1) exhibits showing that the Seller has ownership of all property necessary to operate the utility and (2) a purchase agreement reduced to writing. Any changes in the purchase agreement should be filed immediately with the Commission. **See Exhibit 4**
5. If the application is for a stock transfer, enclose a copy of the most recent financial statements, including a balance sheet, for the Seller. **N/A**
6. Enclose a copy of contracts or agreements, including all attachments, exhibits, and appendices, between the utility and any other party (land developers, customers, etc.) regarding the proposed utility services, including contracts regarding tap fees, construction costs, easements, and rights-of-way, etc. (If none, write "none"). **See Exhibit 6**
7. Enclose a copy of the most recent fiscal year financial statements, audited if available, for the Purchaser. **See Exhibit 7**
8. Enclose a copy of the most recent fiscal year financial statements, audited if available, for the parent company of the Purchaser. **See Exhibit 8 - Confidential**
9. If the information requested in Exhibits 7 and 8 is not available, enclose a copy of the most recent fiscal year financial statements or statement of net worth for the principals of the Purchaser and/or parent company. **N/A**

FILING INSTRUCTIONS

10. Eight (8) copies of the application and exhibits shall be filed with the **North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4325. Twenty-five (25) copies of an application to acquire a Class A or B utility company should be filed.** One of these copies must have original signatures. (Applicants must also provide any copies to be returned to them.)
11. Enclose a filing fee as required by G. S. §62-300. A Class A company (annual revenues of \$1,000,000 or more) requires a \$250 filing fee. A Class B company (annual revenues between \$200,000 and \$1,000,000) requires a \$100 filing fee. A Class C company (annual revenues less than \$200,000) requires a \$25 filing fee. **MAKE CHECK PAYABLE TO THE N.C. DEPARTMENT OF COMMERCE/UTILITIES COMMISSION.** (No filing fee required if stock transfer only.)

SIGNATURES

12. Application shall be signed and verified by the Applicants.

Signature _____
Purchaser

Date _____

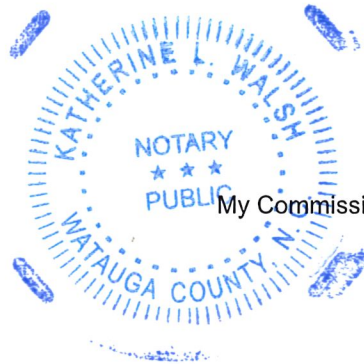
Signature James E. Harrill
Seller

Date 5/9/22

13. (Typed or Printed Name) James E. Harrill

personally appearing before me and, being first duly sworn, says that the information contained in this application and in the exhibits attached hereto are true to the best of his/her knowledge and belief.

This the 9th day of May, 2022



Notary Public Katherine L. Walsh
151 Mr. Bish Blvd.
Address Boone, NC 28607

My Commission Expires: Aug 19, 2022
Date

SIGNATURES

12. Application shall be signed and verified by the Applicants.

Signature [Handwritten Signature]
Purchaser

Date 4/14/22

Signature _____
Seller

Date _____

13. (Typed or Printed Name) DONALD DENTON

personally appearing before me and, being first duly sworn, says that the information contained in this application and in the exhibits attached hereto are true to the best of his/her knowledge and belief.

This the 22nd day of APRIL, 2022.

Notary Public [Handwritten Signature]

Address 8508 PARK RD (CHARLOTTE NC 28210)

My Commission Expires: NOVEMBER 7th 2026
Date

Seth Bradbury
Notary Public
Mecklenburg County
My Commission Expires 11/7/26

OFFICIAL COPY
May 11 2022

Carolina Water Service, Inc. of North Carolina
W-354, Sub 396

Year Ended: December 31, 2021
Balance Sheet

<u>ASSETS</u>	\$	<u>LIABILITIES AND OTHER CREDITS</u>	\$
<u>Plant In Service</u>			
Water	131,877,380	<u>Capital Stock and Retained Earnings</u>	
Sewer	<u>127,830,712</u>	Common Stock and Paid In Capital	11,099,677
		Retained Earnings	44,852,317
Total	<u>259,708,092</u>	Total	<u>55,951,995</u>
<u>Accumulated Depreciation</u>			
Water	(37,328,068)	<u>Current and Accrued Liabilities</u>	
Sewer	(31,381,696)	Accounts Payable-Trade	62,104,374
		Taxes Accrued	3,465,511
Total	<u>(68,709,763)</u>	Customer Deposits	294,854
		Customer Deposits - Interest	40,051
Net Utility Plant	<u>190,998,329</u>	A/P - Assoc. Companies	4,507,008
		Deferred Revenue	20,139
		Total	<u>70,431,938</u>
<u>Plant Acquisition Adjustment</u>			
Water	(1,879,714)	<u>Advances In Aid of Construction</u>	
Sewer	<u>1,260,201</u>	Water	21,103
		Sewer	11,837
Total	<u>(619,512)</u>	Total	<u>32,940</u>
<u>Construction Work In Process</u>			
Water	3,483,470	<u>Contributions In Aid of Construction</u>	
Sewer	<u>5,520,590</u>	Water	17,979,260
		Sewer	20,617,204
Total	<u>9,004,060</u>	Total	<u>38,596,464</u>
<u>Current Assets</u>			
Cash	40,179	<u>Accumulated Deferred Income Tax</u>	
Accounts Receivable - Net	(33,883,447)	Unamortized ITC	10,215
Other Current Assets	<u>795,120</u>	Deferred Tax - Federal	5,536,311
Total	<u>(33,048,148)</u>	Deferred Tax - State	1,077,036
Deferred Charges	<u>5,302,169</u>	Total	<u>6,623,562</u>
Total Assets	<u><u>171,636,898</u></u>	Total Liabilities And Other Credits	<u><u>171,636,898</u></u>

Carolina Water Service, Inc. of North Carolina
W-354, Sub 396

Year Ended: December 31, 2021
Income Statement

CWSNC Combined Operations	Total FY 2021 Transactions
<u>Operating Revenues</u>	
Service Revenues - Water	21,434,607
Service Revenues - Sewer	18,442,503
Miscellaneous Revenues	234,514
Uncollectible Accounts	(377,568)
<u>Total Operating Revenues</u>	<u>39,734,056</u>
<u>Maintenance Expenses</u>	
Salaries and Wages	5,980,246
Purchased Power	2,145,837
Purchased Water	2,764,188
Maintenance and Repair	3,644,490
Maintenance Testing	527,083
Meter Reading	253,143
Chemicals	790,878
Transportation	493,545
Operating Exp. Charged to Plant	(827,300)
Outside Services - Other	5,070,404
<u>Total</u>	<u>20,842,515</u>
<u>General Expenses</u>	
Office Supplies & Other Office Exp.	421,297
Regulatory Commission Exp.	291,419
Pension & Other Benefits	1,513,604
Rent	212,810
Insurance	990,619
Office Utilities	176,732
Miscellaneous	184,225
<u>Total</u>	<u>3,790,706</u>
Depreciation	7,010,781
Amortization of PAA	(96,799)
Taxes Other Than Income	751,081
Income Taxes - Federal	(334,249)
Income Taxes - State	-
Amortization of ITC	(519)
Amortization of CIAC	(1,512,804)
<u>Total</u>	<u>5,817,491</u>
<u>Total Operating Expenses</u>	<u>30,450,712</u>
<u>Net Operating Income</u>	<u>9,283,345</u>
Other Income	90
Interest During Construction	(190,918)
Interest on Debt	2,856,569
<u>Net Income</u>	<u>6,617,604</u>

Notes:

**CORIX FISCAL YEAR FINANCIAL
STATEMENT
CONFIDENTIAL**

**NOTE: This document is filed
separately using the filing mechanism
available for Confidential materials**

CERTIFICATE OF SERVICE

On behalf of Carolina Water Services, Inc. of North Carolina, I hereby certify that I have today served a copy of the Second Revision to Application for Transfer of Public Utility and Approval of Rates, in Docket Nos. W-354, Sub 396 and W-1073, Sub 7, on all parties of record in this proceeding, in accordance with North Carolina Utilities Commission Rule R1-39, either by United States mail, first class postage pre-paid; by hand delivery; or by means of electronic delivery upon agreement of the receiving party.

This the 11th day of May, 2022.

Electronically Submitted
/s/Jo Anne Sanford
State Bar No. 6831

SANFORD LAW OFFICE, PLLC
sanford@sanfordlawoffice.com
Tel: 919.210.4900
**Attorney for Carolina Water Services,
Inc. of North Carolina**