

CAROLINA WATER SERVICE, INC., OF NC
Docket No. W-354, Sub 344
REVENUE IMPACT OF STIPULATED ADJUSTMENTS
For The Test Year Ended December 31, 2014

Line No.	Item	CWSNC Water (a)	Combined Sewer (b)	Combined Water/Sewer (c)
1.	Increase/(decrease) in total revenue per Company	\$2,090,130	\$1,533,031	\$3,623,161
2.	Difference in calculation of revenue requirement based on Company amounts	(440)	(664)	(1,104)
3.	Regulatory fee adjustment not made by the CWSNC	1,053	349	1,402
4.	GRT included in error by the Company	(182,573)	(143,755)	(326,328)
5.	Adjust regulatory fee rate to .148%	3,098	2,450	5,548
6.	Adjust state income tax rate to 4%	(27,612)	(24,359)	(51,971)
7.	Adjust capital structure to 49% debt and 51% equity	(922)	(815)	(1,737)
8.	Adjust return on equity to 9.75%	(163,851)	(144,553)	(308,404)
9.	Adjustment to uncollectibles	(2,308)	(1,090)	(3,398)
10.	Adjustment to forfeited discounts	1,311	653	1,964
11.	Adjustment to other water/sewer revenues	(30,167)	30,167	0
12.	Update revenues to 7/31/2015	(291,414)	(230,657)	(522,071)
13.	Adjustment to correct rate base errors	0	9,150	9,150
14.	Adjustment to remove pro forma estimates	(411,643)	(668,151)	(1,079,794)
15.	Adjustment to cost center rate base	(48,486)	18,657	(29,829)
16.	Adjustment for UR ledger rate base	13,814	85,609	99,423
17.	Adjustment to update rate base	0	438	438
18.	Adjustment to include actual GL additions	262,348	563,309	825,657
19.	Adjustment to cash working capital	(25,412)	(7,545)	(32,957)
20.	Adjustment to ADIT	122,714	262,569	385,283
21.	Adjustment to customer deposits	325	(446)	(121)
22.	Adjustment to gain on sale	(55,521)	(28,284)	(83,805)
23.	Adjustment to excess book value	14,198	11,883	26,081
24.	Adjustment to cost free capital	5,893	(5,893)	0
25.	Adjustment to average tax accruals	600	498	1,098
26.	Adjustment for excess deferred taxes	(4,954)	(4,745)	(9,699)
27.	Adjustment to deferred charges	(8,099)	(284,653)	(292,752)
28.	Adjustment to maintenance salaries	(16,529)	(10,261)	(26,790)
29.	Adjustment to purchased power	(18,970)	(6,841)	(25,811)
30.	Adjustment to purchased water/sewer	84,028	10,254	94,282
31.	Adjustment to maintenance and repair	(143,942)	201,148	57,206
32.	Adjustment to maintenance testing	11,846	6,011	17,857
33.	Adjustment to chemicals	(38,371)	34,669	(3,702)
34.	Adjustment to transportation	11,359	6,455	17,814
35.	Adjustment to capitalized time	(85,726)	(53,365)	(139,091)
36.	Adjustment to outside services - other	(55,706)	(35,776)	(91,482)
37.	Adjustment to general salaries and wages	(20,564)	(13,539)	(34,103)
38.	Adjustment to office supplies and other office exp.	(868)	(571)	(1,439)
39.	Adjustment to regulatory commission expense	11,903	6,671	18,574
40.	Adjustment to pension and benefits	(9,315)	(5,667)	(14,982)
41.	Adjustment to rent	7,315	5,310	12,625
42.	Adjustment to insurance	(17,877)	(12,120)	(29,997)
43.	Adjustment to miscellaneous	(38,814)	(31,956)	(70,770)
44.	Adjustment to depreciation expense	344,143	243,371	587,514
45.	Adjustment to amortization expense - CIAC	(40,194)	(11,172)	(51,366)
46.	Adjustment to amortization expense - PAA	(9,149)	1,648	(7,501)
47.	Adjustment to franchise tax	36,734	32,775	69,509
48.	Adjustment to property tax	0	2,612	2,612
49.	Adjustment to payroll tax	(20,687)	(12,491)	(33,178)
50.	Reclassify gain on sale	102,501	52,217	154,718
51.	Rounding difference	(5)	(1)	(6)
52.	Total revenue impact of stipulated adjustments (Sum of L2 thru L51)	(734,936)	(150,497)	(885,433)
53.	Stipulated Increase/(decrease) in revenue requirement (L1 + L52)	\$1,355,194	\$1,382,534	\$2,737,728