

**19-00028**

**Tennessee Water Service , Inc.**

# **EXHIBIT 6**

**TENNESSEE WATER SERVICE**  
**INDEX TO SCHEDULES**  
For the 12 Months Ending December 31, 2020

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**TENNESSEE WATER SERVICE**  
Results of Operations  
For the 12 Months Ending December 31, 2020

Line No.		TWS Initial Filing	TWS Revised Filing	TWS per Hearing	Consumer Advocate
1	Rate Base	\$ 1,196,687 <b>A/</b>	\$ 1,351,123 <b>C/</b>	\$ 1,420,118 <b>E/</b>	\$ 1,041,942 <b>I/</b>
2	Operating Income At Current Rates	-129,877 <b>A/</b>	-131,838 <b>C/</b>	-112,168 <b>F/</b>	26,296 <b>J/</b>
3	Earned Rate Of Return	-10.85%	-9.76%	-7.90%	2.52%
4	Fair Rate Of Return	7.77% <b>A/</b>	7.77% <b>C/</b>	7.77% <b>G/</b>	7.77% <b>K/</b>
5	Required Operating Income	92,983	104,982	110,343	80,960
6	Operating Income Deficiency	222,860	236,820	222,512	54,664
7	Gross Revenue Conversion Factor	<u>1.359599 <b>B/</b></u>	<u>1.359599 <b>D/</b></u>	<u>1.343096 <b>H/</b></u>	<u>1.337030 <b>L/</b></u>
8	<b>Revenue Deficiency</b>	<b>\$ <u>300,444</u></b>	<b>\$ <u>318,191</u></b>	<b>\$ <u>298,855</u></b>	<b>\$ <u>73,087</u></b>

- A/ Company Filing, Exhibit 2.
- B/ Company Filing, Exhibit 4.
- C/ Company Revised Filing, Exhibit 2.
- D/ Company Revised Filing, Exhibit 4.
- E/ TWS Exhibit, Schedule 2.
- F/ TWS Exhibit, Schedule 5.
- G/ TWS Exhibit, Schedule 11.
- H/ TWS Exhibit, Schedule 12.
- I/ CA Exhibit, Schedule 2.
- J/ CA Exhibit, Schedule 5.
- K/ CA Exhibit, Schedule 11.
- L/ CA Exhibit, Schedule 12.

**TENNESSEE WATER SERVICE**  
Average Rate Base  
For the 12 Months Ending December 31, 2020

Line No.		Test Period	Adjustments	Attrition Period
	<b>Additions:</b>			
1	Utility Plant in Service	\$ 1,845,378	\$ 779,449	\$ 2,624,827 <i>A/</i>
2	Working Capital	18,455	-2,657	15,798 <i>B/</i>
3	Deferred Operating Losses	208,941	-10,447	198,494 <i>A/</i>
4	Deferred Return on Incremental Plant Investment	20,475	61,687	82,162 <i>A/</i>
5	Deferred Rate Case Costs	48,757	31,973	80,730 <i>A/</i>
6	<b>Total Additions</b>	<b>\$ 2,142,006</b>	<b>\$ 860,005</b>	<b>\$ 3,002,011</b>
	<b>Deductions:</b>			
7	Accumulated Depreciation	\$ 459,597	\$ -22,671	\$ 436,926 <i>A/</i>
8	Contributions in Aid of Construction	659,969	-26,622	633,347 <i>A/</i>
9	Accumulated Deferred Income Taxes	54,013	3,674	57,687 <i>A/</i>
10	Regulatory Liability - Excess Deferred Taxes	99,031	-27,114	71,917 <i>A/</i>
11	Regulatory Liability - Uninsured Property	0	382,016	382,016 <i>C/</i>
12	<b>Total Deductions</b>	<b>\$ 1,272,610</b>	<b>\$ 309,283</b>	<b>\$ 1,581,893</b>
13	<b>Rate Base</b>	<b>\$ 869,396</b>	<b>\$ 550,722</b>	<b>\$ 1,420,118</b>

*A/* Per CA Exhibit, Schedule 2.

*B/* TWS Exhibit, Schedule 4.

*C/* Per Mendenhall Rebuttal Testimony

**TENNESSEE WATER SERVICE**  
Comparative Rate Base  
For the 12 Months Ending December 31, 2020

Line No.		<u>TWS Initial Filing</u> A/	<u>TWS Revised Filing</u> B/	<u>TWS per Hearing</u> C/	<u>Consumer Advocate</u> D/
<b>Additions:</b>					
1	Utility Plant in Service	\$ 2,468,663	\$ 2,598,494	\$ 2,624,827	\$ 2,624,827
2	Working Capital	32,408	34,994	15,798	12,612
3	Deferred Operating Losses	0	0	198,494	198,494
4	Deferred Return on Incremental Plant Investment	0	0	82,162	82,162
5	Deferred Rate Case Costs	<u>0</u>	<u>0</u>	<u>80,730</u>	<u>80,730</u>
6	<b>Total Additions</b>	<b>\$ <u>2,501,071</u></b>	<b>\$ <u>2,633,488</u></b>	<b>\$ <u>3,002,011</u></b>	<b>\$ <u>2,998,825</u></b>
<b>Deductions:</b>					
7	Accumulated Depreciation	\$ 513,922	\$ 513,922	\$ 436,926	\$ 436,926
8	Contributions in Aid of Construction	633,347	633,347	633,347	633,347
9	Accumulated Deferred Income Taxes	59,444	60,147	57,687	57,687
10	Regulatory Liability - Excess Deferred Taxes	97,671	74,949	71,917	71,917
11	Regulatory Liability - Uninsured Property	<u>0</u>	<u>0</u>	<u>382,016</u>	<u>757,006</u>
12	<b>Total Deductions</b>	<b>\$ <u>1,304,384</u></b>	<b>\$ <u>1,282,365</u></b>	<b>\$ <u>1,581,893</u></b>	<b>\$ <u>1,956,883</u></b>
13	<b>Rate Base</b>	<b>\$ <u>1,196,687</u></b>	<b>\$ <u>1,351,123</u></b>	<b>\$ <u>1,420,118</u></b>	<b>\$ <u>1,041,942</u></b>

A/ Company Filing, Exhibit 2.  
B/ Company Revised Filing, Exhibit 2.  
C/ TWS Exhibit, Schedule 2.  
D/ CA Exhibit, Schedule 2.

**TENNESSEE WATER SERVICE**  
Working Capital Allowance  
For the 12 Months Ending December 31, 2020

Line No.		Test Period	Adjustments	Attrition Amount
1	Maintenance Expenses	\$ 93,143 A/	\$ -26,223	\$ 66,920 A/
2	General Expenses	15,645 A/	3,592	19,237 A/
3	Other Operating & Maintenance Expenses	89,767 A/	48,527	138,294 A/
4	General Taxes	<u>17,362 A/</u>	<u>1,512</u>	<u>18,874 A/</u>
5	<b>Total Operating Expenses</b>	<b>\$ 215,917</b>	<b>\$ 27,407</b>	<b>\$ 243,324</b>
6	Less Purchased Water Expense	<u>68,275 B/</u>	<u>48,662</u>	<u>116,937 B/</u>
7	<b>Net Operating Expenses</b>	<b>\$ <u>147,642</u></b>	<b>\$ <u>-21,255</u></b>	<b>\$ <u>126,387</u></b>
8	<b>Working Capital (1/8th of Net Operating Expenses)</b>	<b>\$ <u>18,455</u></b>	<b>\$ <u>-2,657</u></b>	<b>\$ <u>15,798</u></b>

A/ TWS Exhibit, Schedule 5.

B/ TWS Exhibit, Schedule 7.

**TENNESSEE WATER SERVICE**  
Income Statement at Current Rates  
For the 12 Months Ending December 31, 2020

Line No.		Test Period	Adjustments	Attrition Amount
	<b>Operating Revenues:</b>			
1	Water Sales Revenues	\$ 86,299	\$ 84,113	\$ 170,412 A/
2	Other Revenues	95,318	-90,399	4,919 A/
3	<b>Total Operating Revenue</b>	<b>\$ 181,617</b>	<b>\$ -6,286</b>	<b>\$ 175,331</b>
	<b>Operating &amp; Maintenance Expenses:</b>			
4	Maintenance Expenses	\$ 93,143	\$ -26,223	\$ 66,920 F/
5	General Expenses	15,645	3,592	19,237 F/
6	Other Operating & Maintenance Expenses	89,767	48,527	138,294 F/
7	<b>Total Operating &amp; Maintenance Expenses</b>	<b>\$ 198,555</b>	<b>\$ 25,895</b>	<b>\$ 224,450</b>
8	<b>Other Expenses:</b>			
9	Depreciation Expense	\$ 27,999	\$ 14,736	\$ 42,735 C/
10	Amortization of Contributions in Aid of Construction	-15,119	-94	-15,213 C/
11	Amortization of Regulatory Liability - Excess Deferred Taxes	0	-2,245	-2,245 B/
12	Amortization of Investment Tax Credits	-48	0	-48 C/
13	Amortization of Deferred Operating Losses	0	41,788	41,788 G/
14	Amortization of Deferred Return on Incremental Plant	0	17,298	17,298 G/
15	Amortization of Deferred Rate Case Costs	0	17,940	17,940 C/
16	Amortization of Regulatory Liability - Uninsured Property	0	-5,730	-5,730 C/
17	General Taxes	17,362	1,512	18,874 D/
18	State Excise Taxes	0	-13,020	-13,020 E/
19	Federal Income Taxes	0	-39,330	-39,330 E/
20	<b>Total Other Expenses</b>	<b>\$ 30,194</b>	<b>\$ 32,855</b>	<b>\$ 63,049</b>
21	<b>Total Operating Expenses</b>	<b>\$ 228,749</b>	<b>\$ 58,750</b>	<b>\$ 287,499</b>
22	<b>Utility Operating Income</b>	<b>\$ -47,132</b>	<b>\$ -65,036</b>	<b>\$ -112,168</b>

A/ TWS Exhibit, Schedule 6.

B/ Per TWS Response to DR 1-39.

C/ CA Exhibit, Schedule 5.

D/ TWS Exhibit, Schedule 8.

E/ TWS Exhibit, Schedule 9.

F/ TWS Exhibit, Schedule 7.

G/ 5 year amortization of deferral, vs. 10 year amortization as provided in CA Exhibit, Schedule 5.

**TENNESSEE WATER SERVICE**  
Comparative Income Statement at Current Rates  
For the 12 Months Ending December 31, 2020

Line No.		TWS Initial Filing A/	TWS Revised Filing D/	TWS per Hearing G/	Consumer Advocate H/
	<b>Operating Revenues:</b>				
1	Water Sales Revenues	\$ 169,323	\$ 170,412	\$ 170,412 D/	\$ 244,156
2	Other Revenues	0	0	4,919 H/	4,919
3	<b>Total Operating Revenue</b>	<b>\$ 169,323</b>	<b>\$ 170,412</b>	<b>\$ 175,331</b>	<b>\$ 249,075</b>
	<b>Operating &amp; Maintenance Expenses:</b>				
4	Maintenance Expenses	\$ 67,433	\$ 66,920	\$ 66,920	\$ 35,745
5	General Expenses	19,114	19,711	19,237	17,473
6	Other Operating & Maintenance Expenses	138,286	138,294	138,294	88,534
7	<b>Total Operating &amp; Maintenance Expenses</b>	<b>\$ 224,833</b>	<b>\$ 224,925</b>	<b>\$ 224,450</b>	<b>\$ 141,752</b>
8	<b>Other Expenses:</b>				
9	Depreciation Expense	\$ 37,669	\$ 39,613	\$ 42,735	\$ 42,735
10	Amortization of Contributions in Aid of Construction	-15,119	-15,119	-15,213	-15,213
11	Amortization of Regulatory Liability - Excess Deferred Taxes	-2,719 B/	-2,719 E/	-2,245	-2,769
12	Amortization of Investment Tax Credits	-48	-48	-48	-48
13	Amortization of Deferred Operating Losses	49,061 C/	49,730 F/	41,788	20,894
14	Amortization of Deferred Return on Incremental Plant	16,239 C/	17,297 F/	17,298	8,649
15	Amortization of Deferred Rate Case Costs	21,691 C/	21,691 F/	17,940	17,940
16	Amortization of Regulatory Liability - Uninsured Property	0	0	-5,730	-11,619
17	General Taxes	18,874	18,874	18,874	20,444
18	State Excise Taxes	-12,754	-12,931	-13,020	3
19	Federal Income Taxes	-38,527	-39,063	-39,330	10
20	<b>Total Other Expenses</b>	<b>\$ 74,367</b>	<b>\$ 77,325</b>	<b>\$ 63,049</b>	<b>\$ 81,027</b>
21	<b>Total Operating Expenses</b>	<b>\$ 299,200</b>	<b>\$ 302,250</b>	<b>\$ 287,499</b>	<b>\$ 222,779</b>
22	<b>Utility Operating Income</b>	<b>\$ -129,877</b>	<b>\$ -131,838</b>	<b>\$ -112,168</b>	<b>\$ 26,296</b>

- A/ Company Filing, Exhibit 1.  
B/ Company Filing, Schedule G.  
C/ Company Filing, Schedule D.  
D/ Company Revised Filing, Exhibit 1.  
E/ Company Revised Filing, Schedule G.  
F/ Company Revised Filing, Schedule D.  
G/ TWS Exhibit, Schedule 5.  
H/ CA Exhibit, Schedule 5.



**TENNESSEE WATER SERVICE**  
Comparative O&M Expense Summary  
For the 12 Months Ending December 31, 2020

Line No.	Expense	TWS Initial Filing A/	TWS Revised Filing C/	TWS per Hearing	Consumer Advocate E/
	<b>Maintenance Expenses:</b>				
1	Purchased Power	\$ 8,667	\$ 8,723	\$ 8,723 C/	\$ 8,527
2	Maintenance & Repair	50,173	50,190	50,190 C/	23,240
3	Maintenance Testing	1,908	1,920	1,920 C/	1,876
4	Chemicals	241	243	243 C/	111
5	Transportation	2	2	2 C/	5
6	Outside Services	6,442	5,842	5,842 C/	1,986
7	<b>Total Maintenance Expenses</b>	<b>\$ 67,433</b>	<b>\$ 66,920</b>	<b>\$ 66,920</b>	<b>\$ 35,745</b>
	<b>General Expenses:</b>				
8	Office Supplies & Other Office Expenses	\$ 2,935	\$ 2,954	\$ 2,954 C/	\$ 2,882
9	Pension & Other Benefits	6,880	6,924	6,924 C/	6,769
10	Rent	2,034	2,047	2,047 C/	1,492
11	Insurance	3,379	3,401	3,401 C/	3,324
12	Office Utilities	2,370	2,386	2,386 C/	1,575
13	Miscellaneous	1,516 B/	1,999 B/	1,525 D/	1,431
14	<b>Total General Expenses</b>	<b>\$ 19,114</b>	<b>\$ 19,711</b>	<b>\$ 19,237</b>	<b>\$ 17,473</b>
	<b>Other Expenses:</b>				
15	Purchased Water	\$ 116,937	\$ 116,937	\$ 116,937 C/	\$ 60,295
16	Bad Debt	1,179	1,187	1,187 C/	600
17	Regulatory	0	0	0 C/	0
18	Salary & Wages	20,170	20,170	20,170 C/	27,639
19	<b>Total Other Expenses</b>	<b>\$ 138,286</b>	<b>\$ 138,294</b>	<b>\$ 138,294</b>	<b>\$ 88,534</b>
20	<b>Total O&amp;M Expense</b>	<b>\$ 224,833</b>	<b>\$ 224,925</b>	<b>\$ 224,450</b>	<b>\$ 141,752</b>

A/ Company Filing, Exhibit 1.

B/ Excludes amortization of operating losses, amortization of return on incremental investment and amortization of excess deferred taxes which are reported separately.

C/ Company Revised Filing, Exhibit 1.

D/ Excludes amortization of operating losses, amortization of return on incremental investment and amortization of excess deferred taxes which are reported separately. Excess Deferred Taxes per Company Revised Filing, Schedule G.

E/ CA Exhibit, Schedule 7.

**TENNESSEE WATER SERVICE**  
Taxes Other than Income Taxes  
For the 12 Months Ending December 31, 2020

Line No.		TWS Initial Filing A/	TWS Revised Filing B/	TWS per Hearing B/	Consumer Advocate C/
1	Payroll Tax Expense	\$ 1,940	\$ 1,940	\$ 1,940	\$ 723
2	Franchise Tax Expense	1,792	1,792	1,792	1,122
3	Gross Receipts Tax Expense	3	3	3	144
4	Property Tax Expense	15,139	15,139	15,139	18,188
5	Utility Commission Tax Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>267</u>
6	<b>Total</b>	<b>\$ <u>18,874</u></b>	<b>\$ <u>18,874</u></b>	<b>\$ <u>18,874</u></b>	<b>\$ <u>20,444</u></b>

A/ Company Filing, Exhibit 1.

B/ Company Revised Filing, Exhibit 1.

C/ CA Exhibit, Schedule 8.

**TENNESSEE WATER SERVICE**  
Excise and Income Taxes  
For the 12 Months Ending December 31, 2020

Line No.		<u>Amount</u>
1	<b>Operating Revenues</b>	\$ <u><u>175,331</u></u> A/
	<b>Operating Expenses:</b>	
2	O&M Expenses	\$ 224,450 A/
3	Depreciation Expense	42,735 A/
4	Net Amortization Expense	53,790 A/
5	General Taxes	18,874 A/
6	<b>Total Operating Expenses</b>	\$ <u><u>339,849</u></u>
7	<b>NOI Before Excise and Income Taxes</b>	\$ <u><u>-164,518</u></u>
8	Interest Expense	35,787 B/
9	<b>Net Income Before Income Taxes</b>	\$ <u><u>-200,305</u></u>
	<b>Tennessee Excise Tax Calculation:</b>	
10	Net Income Before Income Taxes	\$ -200,305
11	Excise Tax Rate	6.50%
12	<b>Excise Tax Expense</b>	\$ <u><u>-13,020</u></u>
	<b>Federal Income Tax Calculation:</b>	
13	Net Income Before Income Taxes	\$ -200,305
14	State Excise Tax Expense	-13,020
15	<b>Net Income Before Federal Income Tax</b>	\$ <u><u>-187,285</u></u>
16	FIT Rate	21.00%
17	<b>Federal Income Tax Expense</b>	\$ <u><u>-39,330</u></u>

A/ TWS Exhibit, Schedule 5.

B/ TWS Exhibit, Schedule 11.

**TENNESSEE WATER SERVICE**  
Income Statement at Proposed Rates  
For the 12 Months Ending December 31, 2020

Line No.		Current Rates A/	Rate Increase B/	Proposed Rates
	<b>Operating Revenues:</b>			
1	Water Sales Revenues	\$ 170,412	\$ 298,855	\$ 469,267
2	Other Revenues	4,919	4,499	9,418
3	<b>Total Operating Revenue</b>	<b>\$ 175,331</b>	<b>\$ 303,353</b>	<b>\$ 478,684</b>
	<b>Operating &amp; Maintenance Expenses:</b>			
4	Maintenance Expenses	\$ 66,920	\$ 0	\$ 66,920
5	General Expenses	19,237	0	19,237
6	Other Operating & Maintenance Expenses	138,294	2,112	140,406
7	<b>Total Operating &amp; Maintenance Expenses</b>	<b>\$ 224,450</b>	<b>\$ 2,112</b>	<b>\$ 226,562</b>
	<b>Other Expenses:</b>			
8	Depreciation Expense	\$ 42,735	\$ 0	\$ 42,735
9	Amortization of Contributions in Aid of Construction	-15,213	0	-15,213
10	Amortization of Regulatory Liability - Excess Deferred Taxes	-2,245	0	-2,245
11	Amortization of Investment Tax Credits	-48	0	-48
12	Amortization of Deferred Operating Losses	41,788	0	41,788
13	Amortization of Deferred Return on Incremental Plant	17,298	0	17,298
14	Amortization of Deferred Rate Case Costs	17,940	0	17,940
15	Amortization of Regulatory Liability - Uninsured Property	-5,730	0	-5,730
16	General Taxes	18,874	0	18,874
17	State Excise Taxes	-13,020	19,581	6,561
18	Federal Income Taxes	-39,330	59,149	19,819
19	<b>Total Other Expenses</b>	<b>\$ 63,049</b>	<b>\$ 78,729</b>	<b>\$ 141,779</b>
20				
21	<b>Total Operating Expenses</b>	<b>\$ 287,499</b>	<b>\$ 80,842</b>	<b>\$ 368,341</b>
22	<b>Utility Operating Income</b>	<b>\$ -112,168</b>	<b>\$ 222,512</b>	<b>\$ 110,343</b>

A/ TWS Exhibit, Schedule 5.

B/ TWS Exhibit, Schedule 1.

**TENNESSEE WATER SERVICE**  
Rate of Return Summary  
For the 12 Months Ending December 31, 2020

Line No.	Class of Capital	Tennessee Water Service			A/
		Percent of Total	Cost Rate	Weighted Cost Rate	
1	Debt	50.00%	5.04%	2.52%	
2	Equity	50.00%	10.50%	5.25%	
3	<b>Total</b>	<b>100.00%</b>		<b>7.77%</b>	
<b>Interest Expense:</b>					
4	Rate Base			\$ 1,420,118	B/
5	Weighted Debt Cost			2.52%	
6	<b>Interest Expense</b>			<b>\$ 35,787</b>	

A/ Company Rate Filing Exhibit - Exhibit 5.

B/ TWS Exhibit, Schedule 2.

**TENNESSEE WATER SERVICE**  
Revenue Conversion Factor  
For the 12 Months Ending December 31, 2020

<u>Line No.</u>		<u>Amount</u>	<u>Balance</u>
1	Operating Revenues		1.000000
2	Add: Forfeited Discounts	0.015053 <b>A/</b>	<u>0.015053</u>
3	Balance		1.015053
4	Uncollectible Ratio	0.006963 <b>B/</b>	<u>0.007068</u>
5	Balance		1.007985
6	State Excise Tax	0.065000 <b>C/</b>	<u>0.065519</u>
7	Balance		0.942466
8	Federal Income Tax	0.210000 <b>C/</b>	<u>0.197918</u>
9	Balance		<u><u>0.744548</u></u>
10	<b>Revenue Conversion Factor (Line 1 / Line 9)</b>		<u><u><b>1.343096</b></u></u>

A/ CA Exhibit, Schedule 12.

B/ Company Filing, Schedule B-2.

C/ Statutory Rates.