

STATE OF TENNESSEE

Office of the Attorney General



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February 12, 2025

Chairman David F. Jones  
c/o Ectory Lawless, Docket Room Manager  
Tennessee Public Utility Commission  
502 Deadrick Street, 4th Floor  
Nashville, TN 37243  
[Tpuc.docketroom@tn.gov](mailto:Tpuc.docketroom@tn.gov)

Electronically Filed in TPUC Docket Room  
on February 12, 2025 at 2:20 p.m.

Re: *Petition of Limestone Water Utility Operating Company, LLC to Increase Charges, Fees and Rates, and for Approval of a General Rate Increase and Consolidated Rates* (TPUC Docket No. 24-00044)

Dear Chairman Jones:

The Consumer Advocate submits this letter to supplement the workpapers filed with the Direct Testimony of David Dittmore Adopting the Direct Testimony of Alex Bradley with Corrections and referenced in the Consumer Advocate's Responses to Staff Discovery Requests. Other than a presentation change within files 1.1 and 1.2, Schedule 6, the schedules provided below are identical to ones submitted previously. The presentation change includes additional references for clarity and ease of navigation. The supplemental workpapers are attached as follows:

1. <2 10 Revised 1.2 Limestone Water.xls>; and
2. <2 10 Revised 1.2 Limestone Wastewater.xls>.

Thank you for your time and consideration of this matter. If you have any questions, please contact me at (615) 741-2357.

Respectfully,

A handwritten signature in black ink, appearing to read "Victoria Glover".

Victoria Glover  
Assistant Attorney General

cc: All Parties of Record

**Limestone Water Operating Company, LLC - Wastewater**  
**INDEX TO SCHEDULES**  
For the 12 Months Ending April 30, 2024

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**Limestone Water Operating Company, LLC**  
Results of Operations  
For the 12 Months Ending April 30, 2024

Line No.		Consumer Advocate	Company	Difference
1	Wastewater Rate Base	\$ 1,186,162 A/	\$ 2,383,921 F/	\$ -1,197,759
2	Water Rate Base	754,949 B/	888,407 G/	-133,458
3	Total Rate Base	1,941,111	3,272,328	-1,331,217
4	Operating Income At Current Rates	-344,928 C/	-1,263,169	918,241
5	Earned Rate Of Return	-29.08%	-52.99%	23.91%
6	Fair Rate Of Return	7.37% D/	9.64% H/	-2.27%
7	Required Operating Income	142,972	315,394	-172,421
8	Operating Income Deficiency	487,901	1,578,563	-1,090,662
9	Gross Revenue Conversion Factor	1.298829 E/	1.367496	-0.068667
10	Gross Income Conversion Factor		1.010101	
11	<b>Revenue Deficiency</b>	<b>\$ 633,699</b>	<b>\$ 1,673,836</b>	<b>\$ -1,040,137</b>

A/ Wastewater Schedule 3  
B/ Water Schedule 2  
C/ Wastewater Schedule 5 + Water Schedule 5  
D/ Wastewater Schedule 8  
E/ Wastewater Schedule 9  
F/ Limestone Schedule BT.1.1  
G/ Limestone Schedule BT 1.2  
H/ Limestone Schedule BT-5

**Limestone Water Operating Company, LLC - Wastewater**  
Results of Operations  
For the 12 Months Ending April 30, 2024

Line No.		Consumer Advocate	Company	Difference
1	Rate Base	\$ 1,186,162 A/	\$ 2,383,921 E/	\$ -1,197,759
2	Operating Income At Current Rates	-140,908 B/	-924,062 F/	783,154
3	Earned Rate Of Return	-11.88%	-38.76%	26.88%
4	Fair Rate Of Return	7.37% C/	9.64% /F	-2.27%
5	Required Operating Income	87,367	229,767	-142,401
6	Operating Income Deficiency	228,274	1,153,829	-925,554
7	Gross Revenue Conversion Factor	1.298829 D/	1.367496	-0.068667
8	Gross Income Conversion Factor	_____	1.010101	_____ -1.010101
9	<b>Revenue Deficiency</b>	<b>\$ <u>296,489</u></b>	<b>\$ <u>1,223,275</u></b>	<b>\$ <u>-926,786</u></b>

A/ Wastewater Schedule 3

B/ Wastewater Schedule 5

C/ Wastewater Schedule 8

D/ Wastewater Schedule 9

E/ Limestone Schedule BT.1.1

F/ Limestone Schedule BT 1.1

Limestone Water Operating Company, LLC - Wastewater

Average Rate Base

For the 12 Months Ending April 30, 2024

Line No.		Test Period	Adjustments	Adjusted Test Period
	<b>Additions:</b>			
1	Utility Plant in Service	\$ 9,973,659	\$ 988,169	\$ 10,961,828
2	Land and Land Rights	0	-543,901	-543,901
3	Utility Plant Acquisition Adjustment	0	0	0
4	Prepayments	5,545	0	5,545
5	Working Capital	129,461	0	129,461
6	<b>Total Additions</b>	<b>\$ 10,108,664</b>	<b>\$ 444,268</b>	<b>\$ 10,552,933</b>
	<b>Deductions:</b>			
7	Accumulated Depreciation	\$ 3,199,129	\$ 0	\$ 3,199,129
8	CIAC For Finance and Escrow Riders	653,857	0	653,857
9	Contributions in Aid of Construction	5,124,592	389,192	5,513,784
10	<b>Total Deductions</b>	<b>\$ 8,977,578</b>	<b>\$ 389,192</b>	<b>\$ 9,366,770</b>
11	<b>Rate Base</b>	<b>\$ 1,131,087</b>	<b>\$ 55,076</b>	<b>\$ 1,186,162</b>

**Limestone Water Operating Company, LLC - Wastewater**  
Comparative Rate Base  
For the 12 Months Ending April 30, 2024

Line No.		<u>Consumer Advocate</u> A/	<u>Company</u> B/	<u>Difference</u>
<b>Additions:</b>				
1	Utility Plant in Service	\$ 10,961,828	\$ 10,961,828	\$ 0
2	Land and Land Rights	-543,901	0	-543,901
3	Utility Plant Acquisition Adjustment	<u>0</u>	<u>0</u>	<u>0</u>
4	Prepayments	5,545	5,545	0
5	Working Capital	<u>129,461</u>	<u>129,461</u>	<u>0</u>
6	<b>Total Additions</b>	<u><u>\$ 10,552,933</u></u>	<u><u>\$ 11,096,834</u></u>	<u><u>\$ -543,901</u></u>
<b>Deductions:</b>				
7	Accumulated Depreciation	\$ 3,199,129	\$ 3,199,129	\$ 0
8	<b>CIAC Finance Security/Escrow</b>	653,857	0	653,857
9	Contributions in Aid of Construction	5,513,784	5,513,784	0
10	<b>Total Deductions</b>	<u><u>\$ 9,366,770</u></u>	<u><u>\$ 8,712,913</u></u>	<u><u>\$ 653,857</u></u>
11	<b>Rate Base</b>	<u><u>\$ 1,186,162</u></u>	<u><u>\$ 2,383,921</u></u>	<u><u>\$ -1,197,759</u></u>

A/ CDK Workpaper 9

B/ Limestone Schedule BT 9.1

**Limestone Water Operating Company, LLC - Wastewater**

### Comparative Working Capital

For the 12 Months Ending April 30, 2024

Line No.		Consumer Advocate <sup>A/</sup>	Company <sup>A/</sup>	Difference
1	Cash Working Capital Proposed	\$ 129,461	\$ 129,461	\$ 0
2	<b>Cash Working Capital Requirement</b>	<b>\$ 129,461</b>	<b>\$ 129,461</b>	<b>\$ 0</b>

A/ Schedule BT 9.1

**Limestone Water Operating Company, LLC - Wastewater**  
Income Statement at Current Rates  
For the 12 Months Ending April 30, 2024

Line No.		Test Period	Adjustments	Adjusted Test Period Amount
	<b>Operating Revenues:</b>			
1	Sewer Revenues	\$ 843,404	\$ 142,642	\$ 986,046
2	Other Revenues	201,451	354,492	555,943
3	<b>Total Sewer Revenue</b>	<b>\$ 1,044,855</b>	<b>\$ 497,134</b>	<b>\$ 1,541,989</b> D/
	<b>Operating &amp; Maintenance Expenses:</b>			
4	Gain/Loss of Utility Property	\$ 76,473	\$ -76,473	\$ 0
5	Customer Record Collect (Billing)	73,193	-18,030	55,163
6	Customer Collection Expenses	237	0	236
7	Customer Record Collect (Bank Fees)	15,415	-8	15,407
8	Uncollectibles	4,969	-3	4,966
9	Meals & Travel	31	-31	0
10	Communication	3,553	0	3,553
11	Support Services (Admin Expenses Transferred)	302,529	-12,495	290,034
12	Bank Fees	19,541	-10	19,531
13	Legal	4,738	-3,426	1,312
14	Audit And Accounting	5,562	-2,621	2,941
15	MGMT Consult	4,854	-3	4,851
16	IT	669	-252	417
17	Property Insurance-Commercial	43,429	1,632	45,061
18	Regulatory Expense	27,519	639	28,158
19	Purchased Treatment	352	0	352
20	Sludge Removal	(80)	0	(80)
21	Purchased Power	173,269	2,151	175,420
22	Fuel for Power Production	38	0	38
23	Chemicals	18,508	0	18,508
24	Materials and Supplies	7,590	316	7,906
25	Mowing and Lawn Maintenance	141,876	0	141,876
26	Contract Services	413,507	84,642	498,149
27	Contract Services-Collections	31,578	0	31,578
28	Maintenance Expense	87,595	-300	87,295
29	Contract Operations - Pumping Ops	480	0	480
30	Pumping Maintenance	100	0	100
31	Treatment & Disposal	37,967	-4,634	33,333
32	Contract Services-Testing	42,596	318	42,914
33	Bad Debt	6,749	0	6,749
34	Misc, Expense	20,011	-9	20,003
35	<b>Total Operating &amp; Maintenance Expenses</b>	<b>\$ 1,564,846</b> A/	<b>\$ -28,597</b>	<b>\$ 1,536,249</b>
36	Depreciation Expense	465,940 B/	0	465,940
37	Amortization Expense	-189,623 C/	-103,551	-293,174
38	Amortization of Regulatory Asset Expense	0	0	0
39	General Taxes	2,073 A/	0	2,073
40	Property Taxes	25,379 A/	0	25,379
41	State Income Taxes	0	-13,323	-13,323
42	Federal Income Taxes	0	-40,247	-40,247
43	<b>Total Operating Expenses</b>	<b>\$ 1,868,615</b>	<b>\$ -185,718</b>	<b>\$ 1,682,897</b>
44	<b>Utility Operating Income</b>	<b>\$ -823,759</b>	<b>\$ 682,852</b>	<b>\$ -140,908</b>

A/ Sum ties to Limestone Schedule BT 2.1 Test Year Values; G&A + Total O&M  
B/ Limestone Schedule BT 2.1; Pro-Forma Value  
C/ Schedule BT 2.1  
D/ Wastewater Portion Attachment WHN-2

**Limestone Water Operating Company, LLC - Wastewater**  
Comparative Water Revenue Summary  
For the 12 Months Ending April 30, 2024

<u>Line No.</u>	<u>Customer Class</u>	<u>Consumer Advocate</u> A/	<u>Company</u> B/	<u>Difference</u>
1	Cartwright Creek - Grassland	\$ 296,218	\$	\$
2	Cartwright Creek - Arrington/Hardeman/Hideaway	278,736		
3	Cartwright Creek	97,446		
4	Aqua Utilities	118,127		
5	Chapel Woods	49,822		
6	Lakeside Estates (DSH)	54,005		
7	Shiloh Falls	<u>91,692</u>		
9	<b>Total Sewer Sales Revenue</b>	\$ <b>986,046</b>	\$ <b>1,172,345</b>	\$ <b>-186,299</b>
10	Forfeited Discounts	62,753		56,508
11	Non-Sufficient Fund Fees	65		65
12	Inspection Fees	11,550		11,550
13	Connection Fees / Tap Fees	<u>481,575</u>		<u>481,575</u>
14	<b>Total Other Operating Revenue</b>	\$ <b>555,943</b>	\$ <u><b>15,333</b></u>	\$ <u><b>540,610</b></u>
14	<b>Total Revenues</b>	\$ <u><u><b>1,541,989</b></u></u>	\$ <u><u><b>1,187,678</b></u></u>	\$ <u><u><b>354,311</b></u></u>

A/ Attachment WHN-2

B/ Limestone Schedule BT-3.1

**Limestone Water Operating Company, LLC - Wastewater**  
Excise and Income Taxes  
For the 12 Months Ending April 30, 2024

Line No.		<b>Consumer Advocate</b>
1	<b>Operating Revenues</b>	\$ <u><u>1,541,989</u></u> A/
	<b>Operating Expenses:</b>	
2	Gain/Loss of Utility Property	\$ 0
3	Customer Record Collect (Billing)	55,163
4	Customer Collection Expenses	236
5	Customer Record Collect (Bank Fees)	15,407
6	Uncollectibles	4,966
7	Meals & Travel	0
8	Communication	3,553
9	Support Services (Admin Expenses Transferred)	290,034
10	Bank Fees	19,531
11	Legal	1,312
12	Audit And Accounting	2,941
13	MGMT Consult	4,851
14	IT	417
15	Property Insurance-Commercial	45,061
16	Regulatory Expense	28,158
17	Purchased Treatment	352
18	Sludge Removal	-80
19	Purchased Power	175,420
20	Fuel for Power Production	38
21	Chemicals	18,508
22	Materials and Supplies	7,906
23	Mowing and Lawn Maintenance	141,876
24	Contract Services	498,149
25	Contract Services-Collections	31,578
26	Maintenance Expense	87,295
27	Contract Operations - Pumping Ops	480
28	Pumping Maintenance	100
29	Treatment & Disposal	33,333
30	Contract Services-Testing	42,914
31	Bad Debt	6,749
32	Misc, Exepense	20,003 B/
33	Depreciation Expense	465,940 C/
34	Amortization Expense	-293,174 C/
35	<b>Total Operating Expenses</b>	\$ <u><u>1,709,016</u></u>
36	<b>NOI Before Excise and Income Taxes</b>	\$ <b>-167,027</b>
37	AFUDC	
38	Interest Expense	37,947
39	<b>Pre-tax Book Income</b>	\$ <b>-204,974</b>
40	Schedule M Adjustments	
41	<b>Excise Taxable Income</b>	\$ <b>-204,974</b>
42	Excise Tax Rate	6.50%
43	<b>Excise Tax Payable</b>	\$ <b>-13,323</b>
44	Excise Tax - Deferred	0
45	<b>State Excise Tax Expense</b>	\$ <u><u>-13,323</u></u>
	<b>Pre-tax Book Income</b>	\$ -204,974
46	State Excise Tax Expense	-13,323
47	Schedule M Adjustments	0
48	<b>FIT Taxable Income</b>	\$ <b>-191,651</b>
49	FIT Rate	21.00%
50	<b>Federal Income Tax Expense</b>	\$ <b>-40,247</b>

A/ Wastewater Exhibit 5

B/ Sum of cells above tie to Wastewater Exhibit 5

C/ Wastewater Exhibit 5

**Limestone Water Operating Company, LLC - Wastewater**  
Rate of Return Summary  
For the 12 Months Ending April 30, 2024

Line No.	Class of Capital	Consumer Advocate		
		Percent of Total	Cost Rate	Weighted Cost Rate
1	Short-Term Debt	0.00%	0.00%	0.0000%
2	Long-Term Debt	48.18%	6.64%	3.1992%
4	Parent Long Term Debt	0.00%	0.00%	0.0000%
5	Preferred Equity	0.00%	0.00%	0.0000%
6	Common Equity	51.82%	8.04%	4.1663%
7	Total	100.00%		7.3655% A/

s

<b>Interest Expense Short-Term Debt</b>		
8	Rate Base	\$ 1,186,162 A/
9	Short-Term Weighted Debt Cost	0.0000%
10	<b>Short-Term Debt Interest Expense</b>	<b>\$ 0</b>
<b>Interest Expense Long-Term Debt</b>		
11	Rate Base	\$ 1,186,162 B/
12	Long-Term Weighted Debt Cost	3.1992%
13	<b>Long-Term Debt Interest Expense</b>	<b>\$ 37,947</b>
14	<b>Total Interest Expense</b>	<b>\$ 37,947</b>

A/ Rothschild Table 1, testimony page 10  
B/ Wastewater Exhibit 3

**Limestone Water Operating Company, LLC - Wastewater**  
Revenue Conversion Factor  
For the 12 Months Ending April 30, 2024

Line No.		<u>Amount</u>	<u>Balance</u>
1	Operating Revenues		1.000000
2	Add: Forfeited Discounts	0.052868	<u>0.052868</u>
3	Balance		1.052868
4	Uncollectible Ratio	0.010000	<u>0.010529</u>
5	Balance		1.042339
6	State Excise Tax	0.065000	<u>0.067752</u>
7	Balance		0.974587
8	Federal Income Tax	0.210000	<u>0.204663</u>
9	Balance		<u>0.769924</u>
10	Revenue Conversion Factor (Line 1 / Line 9)		<u><u>1.298829</u></u>

**Limestone Water Operating Company, LLC**  
CA Proposed Revenue Change  
For the 12 Months Ending April 30, 2024

Line No.	Location	Current Rates	A/	Proposed Rates	Revenue Change	Percent Change
1	Cartwright Creek	\$ 672,400		\$ 1,023,455	\$ 351,055	52.21%
2	Aqua Utilites	269,142		409,659	140,517	52.21%
3	Chapel Woods	49,822		75,834	26,012	52.21%
4	Lakeside Estates	54,005		82,200	28,195	52.21%
5	Shiloh Falls	91,692		139,564	47,872	52.21%
6	Candlewood Lakes	<u>49,920</u>		<u>75,983</u>	<u>26,063</u>	<u>52.21%</u>
7	Total Water Sales Revenues	\$ <b>1,186,981</b>		\$ <b>1,806,694</b>	\$ <b>619,713</b>	<b>52.21%</b>
8	Other Revenues	<u>555,943</u>		<u>590,535</u>	<u>34,592</u>	<u>6.22%</u>
9	<b>Total Revenues</b>	\$ <b><u>1,742,924</u></b>		\$ <b><u>2,376,623</u></b>	<b><u>633,699</u></b> B/	<b><u>36.36%</u></b>

A/ Wastewater Schedule 5 + Water Schedule 5

B/ Wastewater Schedule 1

**Limestone Water Operating Company, LLC - Water**  
**INDEX TO SCHEDULES**  
For the 12 Months Ending April 30, 2024

	<b><u>Schedule</u></b>
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Limestone Water Operating Company, LLC - Water

Results of Operations

For the 12 Months Ending April 30, 2024

Line No.		Consumer Advocate	Company	Difference
1	Rate Base	\$ 754,949 A/	\$ 888,407 E/	\$ -133,458
2	Operating Income At Current Rates	-204,021 B/	-339,108 E/	135,087
3	Earned Rate Of Return	-27.02%	-38.17%	11.15%
4	Fair Rate Of Return	7.37% C/	9.64% E/	-2.27%
5	Required Operating Income	55,606	85,626	-30,021
6	Operating Income Deficiency	259,626	424,734	-165,108
7	Gross Revenue Conversion Factor	1.298829 D/	1.367496	-0.068667
8	Gross Income Conversion Factor		1.010101	
9	Revenue Deficiency	\$ 337,210	\$ 450,562	\$ -113,351

- A/ Water Schedule 3
- B/ Water Schedule 5
- C/ Water Schedule 8
- D/ Water Schedule 9
- E/ Limestone Schedule BT.1.2

**Limestone Water Operating Company, LLC - Water**  
Comparative Rate Base  
For the 12 Months Ending April 30, 2024

Line No.		<u>Consumer Advocate</u> A/	<u>Company</u> B/	<u>Difference</u>
<b>Additions:</b>				
1	Utility Plant in Service	\$ 1,688,819	\$ 1,688,819	\$ 0
2	Land and Land Rights	-133,458	0	-133,458
3	Utility Plant Acquisition Adjustment	<u>0</u>	<u>0</u>	<u>0</u>
4	Prepayments	902	902	1
5	Working Capital	<u>39,210</u>	<u>39,210</u>	<u>0</u>
6	<b>Total Additions</b>	<b>\$ <u>1,595,473</u></b>	<b>\$ <u>1,728,931</u></b>	<b>\$ <u>-133,458</u></b>
<b>Deductions:</b>				
7	Accumulated Depreciation	\$ 673,587	\$ 673,587	\$ 0
8	Accumulated Amortization	0	0	0
9	Contributions in Aid of Construction	166,937	166,937	0
10	<b>Total Deductions</b>	<b>\$ <u>840,524</u></b>	<b>\$ <u>840,524</u></b>	<b>\$ <u>0</u></b>
11	<b>Rate Base</b>	<b>\$ <u>754,949</u></b>	<b>\$ <u>888,407</u></b>	<b>\$ <u>-133,458</u></b>

A/ CDK Workpaper 9

B/ Limestone Schedule BT 9.2

**Limestone Water Operating Company, LLC - Wastewater**  
Comparative Working Capital  
For the 12 Months Ending April 30, 2024

Line No.		Consumer Advocate A/	Company A/	Difference
1	Operaing Expenses for Test Period	\$ 39,210	\$ 39,210	\$ 0
2	<b>Working Capital Requirement</b>	<b>\$ 39,210</b>	<b>\$ 39,210</b>	<b>\$ 0</b>

**Limestone Water Operating Company, LLC - Water**  
Income Statement at Current Rates  
For the 12 Months Ending April 30, 2024

Line No.		Test Period	Adjustments	Adjusted Test Period Amount
	<b>Operating Revenues:</b>			
1	Water Sales Revenues	\$ 186,972	\$ 13,962	\$ 200,935 A/
2	Other Revenues	0	0	0
3	<b>Total Water Revenue</b>	<b>\$ 186,972</b>	<b>\$ 13,962</b>	<b>\$ 200,935</b>
	<b>Operating &amp; Maintenance Expenses:</b>			
4	Gain/Loss of Utility Property	\$ 229	\$ -229	\$ 0
5	Customer Record Collect (Billing)	22,813	-6,746	16,069
6	Customer Collection Expenses	71	0	71
7	Customer Record Collect (Bank Fees)	4,604	8	4,612
8	Uncollectibles	1,484	3	1,487
9	Meals & Travel	0	0	0
10	Communication	0	0	0
11	Support Services (Admin Expenses Transferred)	90,366	-3,529	86,837
12	Bank Fees	5,837	10	5,847
13	Legal	809	-55	754
14	Audit And Accounting	1,661	-781	880
15	MGMT Consult	1,450	3	1,452
16	IT	0	0	0
17	Property Insurance-Commercial	12,614	-274	12,340
18	Regulatory Expense	921	-27	895
19	Miscellaneous	5,185	8	5,193
20	Purchased Water	164,876	-5,688	159,188
21	Purchased Power	5,323	-184	5,140
22	Chemicals	1,975	-68	1,907
23	Materials and Supplies	1,866	-64	1,801
24	Mowing and Lawn Maintenance	1,699	0	1,699
25	Contract Services	101,900	11,991	113,891
26	Maintenance Expense	29,287	-3,758	25,529
27	Testing	850	0	850
28	Bad Debt	1,477	0	1,477
29	<b>Total Operating &amp; Maintenance Expenses</b>	<b>\$ 457,298</b>	<b>\$ -9,381</b>	<b>\$ 447,918</b>
30	Depreciation Expense	52,666	0	52,666
31	Amortization Expense	-7,441	-7,455	-14,896
32	Amortization of Regulatory Asset Expense	0	0	0
33	General Taxes	0	0	0
34	State Excise Taxes	0	-20,079	-20,079 B/
35	Federal Income Taxes	0	-60,654	-60,654 B/
36	<b>Total Operating Expenses</b>	<b>\$ 502,523</b>	<b>\$ -97,569</b>	<b>\$ 404,955</b>
37	<b>Utility Operating Income</b>	<b>\$ -315,551</b>	<b>\$ 111,531</b>	<b>\$ -204,021</b>

A/ Water Portion Attachment WHN-2

B/ Water Schedule 7

Limestone Water Operating Company, LLC - Water

Comparative Water Revenue Summary

For the 12 Months Ending April 30, 2024

Line No.	Customer Class	Consumer Advocate A/	Company B/	Difference
1	Aqua Utilities	\$ 151,015	\$	\$
2	Candlewood Lakes	49,920		
3	Total Water Sales Revenue	\$ 200,935	\$ 197,053	\$ 3,881
4	Forfeited Discounts			0
5	Non-Sufficient Fund Fees			0
6	Inspection Fees			
7	Connection Fees / Tap Fees			
8	Total Other Operating Revenue	\$ 0	\$ 1,840	\$ -1,840
9	Total Revenues	\$ 200,935	\$ 198,894	\$ 2,041

A/ Attachment WHN-2

B/ Limestone Schedule BT 3.2

**Limestone Water Operating Company, LLC - Water**  
Excise and Income Taxes  
For the 12 Months Ending April 30, 2024

Line No.		Consumer Advocate
1	<b>Operating Revenues</b>	\$ <u><u>200,935</u></u> A/
	<b>Operating Expenses:</b>	
2	Gain/Loss of Utility Property	\$ 0
3	Customer Record Collect (Billing)	16,069
4	Customer Collection Expenses	71
5	Customer Record Collect (Bank Fees)	4,612
6	Uncollectibles	1,487
7	Meals & Travel	0
8	Communication	0
9	Support Services (Admin Expenses Transferred)	86,837
10	Bank Fees	5,847
11	Legal	754
12	Audit And Accounting	880
13	MGMT Consult	1,452
14	IT	0
15	Property Insurance-Commercial	12,340
16	Regulatory Expense	895
17	Miscellaneous	5,193
18	Purchased Water	159,188
19	Purchased Power	5,140
20	Chemicals	1,907
21	Materials and Supplies	1,801
22	Mowing and Lawn Maintenance	1,699
23	Contract Services	113,891
24	Maintenance Expense	25,529
25	Testing	850
26	Bad Debt	1,477
27	Depreciation Expense	52,666
28	Amortization Expense	-14,896
29	<b>Total Operating Expenses</b>	\$ <u><u>485,688</u></u> B/
30	<b>NOI Before Excise and Income Taxes</b>	\$ -284,753
31	AFUDC	
32	Interest Expense	24,152 C/
33	<b>Pre-tax Book Income</b>	\$ <u><u>-308,905</u></u>
34	Schedule M Adjustments	
35	<b>Excise Taxable Income</b>	\$ <u><u>-308,905</u></u>
36	Excise Tax Rate	6.50%
37	<b>Excise Tax Payable</b>	\$ <u><u>-20,079</u></u>
38	Excise Tax - Deferred	0
39	<b>State Excise Tax Expense</b>	\$ <u><u>-20,079</u></u>
	<b>Pre-tax Book Income</b>	\$ -308,905
40	State Excise Tax Expense	-20,079
41	Schedule M Adjustments	0
42	<b>FIT Taxable Income</b>	\$ <u><u>-288,826</u></u>
43	FIT Rate	21.00%
44	<b>Federal Income Tax Expense</b>	\$ <u><u>-60,654</u></u>

A/ Water Schedule 5

B/ Water Schedule 5; O&M + Depreciation + Amortization

C/ Water Schedule 8

Limestone Water Operating Company, LLC - Water

Rate of Return Summary

For the 12 Months Ending April 30, 2024

Line No.	Class of Capital	Consumer Advocate		
		Percent of Total	Cost Rate A/	Weighted Cost Rate
1	Short-Term Debt	0.00%	0.00%	0.0000%
2	Long-Term Debt	48.18%	6.64%	3.1992%
4	Parent Long Term Debt	0.00%	0.00%	0.0000%
5	Preferred Equity	0.00%	0.00%	0.0000%
6	Common Equity	51.82%	8.04%	4.1663%
7	Total	100.00%		7.3655% A/
S				
Interest Expense Short-Term Debt				
8	Rate Base			\$ 754,949 B/
9	Short-Term Weighted Debt Cost			0.0000%
10	Short-Term Debt Interest Expense			\$ 0
Interest Expense Long-Term Debt				
11	Rate Base			\$ 754,949 B/
12	Long-Term Weighted Debt Cost			3.1992%
13	Long-Term Debt Interest Expense			\$ 24,152
14	Total Interest Expense			\$ 24,152
A/ Rothschild Table 1, testimony page 10				
B/ Water Exhibit 3				

**Limestone Water Operating Company, LLC - Water**  
Revenue Conversion Factor  
For the 12 Months Ending April 30, 2024

<u>Line No.</u>		<u>Amount</u>	<u>Balance</u>
1	Operating Revenues		1.000000
2	Add: Forfeited Discounts	0.052868	<u>0.052868</u>
3	Balance		1.052868
4	Uncollectible Ratio	0.010000	<u>0.010529</u>
5	Balance		1.042339
6	State Excise Tax	0.065000	<u>0.067752</u>
7	Balance		0.974587
8	Federal Income Tax	0.210000	<u>0.204663</u>
9	Balance		<u>0.769924</u>
10	Revenue Conversion Factor (Line 1 / Line 9)		<u><u>1.298829</u></u>