

Revenue Deficiency Determination			
Description	2012 Bridge Actual	2013 Test Existing Rates	2013 Test - Required Revenue
Revenue			
Revenue Deficiency			494,494
Distribution Revenue	14,388,221	15,332,069	15,332,069
Other Operating Revenue (Net)	637,382	1,220,000	1,220,000
Total Revenue	15,025,604	16,552,070	17,046,563
Costs and Expenses			
Administrative & General, Billing & Collecting	5,156,119	5,573,763	5,573,763
Operation & Maintenance	2,750,381	3,280,263	3,280,263
Depreciation & Amortization	3,595,408	2,900,650	2,900,650
Property Taxes	4,526	12,000	12,000
Deemed Interest	2,279,300	1,969,455	1,969,455
Total Costs and Expenses	13,785,733	13,736,130	13,736,130
Utility Income Before Income Taxes	1,239,870	2,815,939	3,310,433
Income Taxes:			
Corporate Income Taxes	378,728	468,407	589,927
Total Income Taxes	378,728	468,407	589,927
Utility Net Income	861,142	2,347,533	2,720,506
Income Tax Expense Calculation:			
Accounting Income	1,239,870	2,815,939	3,310,433
Tax Adjustments to Accounting Income	321,375	(909,885)	(909,885)
Taxable Income	1,561,245	1,906,054	2,400,547
Income Tax Expense	378,728	468,407	589,927
Tax Rate Reflecting Tax Credits	24.26%	24.57%	24.57%
Actual Return on Rate Base:			
Rate Base	75,301,644	75,737,921	75,737,921
Interest Expense	2,279,300	1,969,455	1,969,455
Net Income	861,142	2,347,533	2,720,506
Total Actual Return on Rate Base	3,140,442	4,316,988	4,689,961
Actual Return on Rate Base	4.17%	5.70%	6.19%
Required Return on Rate Base:			
Rate Base	75,301,644	75,737,921	75,737,921
Return Rates:			
Return on Debt (Weighted)	5.04%	4.33%	4.33%
Return on Equity	8.57%	8.98%	8.98%
Deemed Interest Expense	2,279,300	1,969,455	1,969,455
Return On Equity	2,581,340	2,720,506	2,720,506
Total Return	4,860,640	4,689,961	4,689,961
Expected Return on Rate Base	6.45%	6.19%	6.19%
Revenue Deficiency After Tax	1,720,198	372,973	0
Revenue Deficiency Before Tax	2,271,131	494,494	0
Tax Exhibit			2013
Deemed Utility Income			2,720,506
Tax Adjustments to Accounting Income			(909,885)
Taxable Income prior to adjusting revenue to PILs			1,810,621
Tax Rate			24.57%
Total PILs before gross up			444,954
Grossed up PILs			589,927