

**Capitol Water Corporation
Case No. CAP-W-24-01
Revenue Requirement
2022 Test Year**

Line	Description	Company Proposal
1	Rate Base	\$ 1,143,371
2	Required Return on Rate Base	<u>11.52%</u>
3	Required Net Operating Income	\$ 131,686
4	Net Operating Income Realized	<u>2,781</u>
5	Net Operating Income Deficiency	\$ 128,905
6	Net to Gross Multiplier	<u>135.04%</u>
7	Gross Revenue Deficiency	\$ 174,068
8	Company Proposed Test Year Revenue	<u>\$ 707,328</u>
9	Revenue Increase Percentage Required	24.61%
10	Revenue Requirement	<u><u>\$ 881,396</u></u>

Gross-up Factor Calculation - Company

11	Net Deficiency	100.0000%
12	PUC Fees	0.1982%
13	Bad Debts	<u>0.0789%</u>
14		99.7229%
15	State Tax @ 6%	<u>5.9834%</u>
16	Federal Taxable	93.7395%
17	Federal Tax @ 21%	<u>19.6853%</u>
18	Net After Tax	74.0542%
19	Net to Gross Multiplier	135.0362%