# Hampstead Area Water Company

# Atkinson Tank Financing and Step Increase

#### **Major Assumptions**

HAWC partipates in The Southern NH Regional Water Interconnection Project with NHDES, Derry, MWW, Plaistow, Salem and Pennichuck East.

NHDES provides HAWC with grant of \$1,077,717. HAWC treats grant as CIAC.

- Under new tax law, CIAC treated as income for federal tax purposes. As such, owner incurs 30% federal tax on NHDES grant.
- NHDES lends \$323,315 (30% of \$1,077,717) to HAWC in order for HAWC to pay 30% federal tax. The debt financing assumes 2.424% interest rate over 30 years.
- NHDES lends HAWC \$646,630 for the balance of the costs. The debt financing assumes 2.424% interest rate over 30 years.
- HAWC constructs 1,000,000 gallon tank with estimated costs of \$2,047,662.
- Upon completion of construction and connect to the water system, HAWC submits actual costs and recovers such costs as part of step increase.

HAWC Estimated that step increase will amount to an increase in annual revenues of \$83,308.

HAWC proposed to maintain customer charges per meter size and increase consumption charges. HAWC estimates that the consumption charge will increase from \$5.95 to \$6.29 per ccf.

### F-1 BALANCE SHEET Assets and Other Debits

Line No. (a)	Account Title (Number) (b)		Current Year End Balance (c)	A	djustments (d)		Adjusted Year End Balance (e)
	UTILITY PLANT						
1	Utility Plant (101-106)	\$	17,298,401	\$	2,047,662	\$	19,346,063
2	Less: Accumulated Depr. and Amort. (108-110)	-	6,547,479	\$	22,752		6,570,231
3	Net Plant	\$	10,750,922	\$	2,024,910	\$	12,775,832
4	Utility Plant Acquisition Adj. (Net) (114-115)						
5	Total Net Utility Plant	\$	10,750,922	\$	2,024,910	\$	12,775,832
~	OTHER PROPERTY AND INVESTMENTS						
6	Nonutility Property (121)						
7	Less: Accumulated Depr. and Amort. (122)						
8	Net Nonutility Property					<u> </u>	
9	Investment in Associated Companies (123)						
11	Utility Investments (124)						
12	Other Investments						
13 14	Special Funds(126-128)						
14	Total Other Property & Investments CURRENT AND ACCRUED ASSETS					<u> </u>	
16	Cash (131)	\$	709,320	\$	(12 227)	\$	606 002
17	Special Deposits (132)	Φ	709,320	Φ	(13,227)	Þ	696,093
18	Other Special Deposits (133)						
19	Working Funds (134)						
20	Temporary Cash Investments (135)						
21	Accounts and Notes Receivable-Net (141-144)		237,690				237,690
22	Accounts Receivable from Assoc. Co. (145)		237,030				237,090
23	Notes Receivable from Assoc. Co. (146)						
24	Materials and Supplies (151-153)		33,240				33,240
25	Stores Expense (161)		55,240				55,240
26	Prepayments-Other (162)		21,518				21,518
27	Prepaid Taxes (163)		47,877				47,877
28	Interest and Dividends Receivable (171)		47,077				-1,011
29	Rents Receivable (172)						
	Accrued Utility Revenues (173)		117,847				117,847
31	Misc. Current and Accrued Assets (174)		,				117,047
32	Total Current and Accrued Assets	\$	1,167,492	\$	(13,227)	\$	1,154,265
	DEFERRED DEBITS	Ť	1,107,102	÷	(10,227)	Ψ	1,101,200
32	Unamortized Debt Discount & Expense (181)	\$	36,353	\$	11,875	\$	48,228
33	Extraordinary Property Losses (182)	Ť	00,000	Ŷ	11,010	L 🗶	10,220
34	Prelim. Survey & Investigation Charges (183)						
35	Clearing Accounts (184)						
36	Temporary Facilities (185)						
37	Miscellaneous Deferred Debits (186)		153,320				153,320
38	Research & Development Expenditures (187)		,				.00,020
39	Accumulated Deferred Income Taxes (190)		13,297				13,297
40	Total Deferred Debits	\$	202,970	\$	11,875	\$	214,845
	TOTAL ASSETS AND OTHER DEBITS	\$	12,121,384	\$	2,023,558	\$	14,144,942

Atkinson Tank Financing and Step Increase

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### F-1 BALANCE SHEET Equity Capital and Liabilities

(a)         (b)         (c)         (c) <th>_ine No.</th> <th>Account Title (Number)</th> <th></th> <th>Current Year</th> <th>Adjustments</th> <th></th> <th>Adjusted Year End Balance</th>	_ine No.	Account Title (Number)		Current Year	Adjustments		Adjusted Year End Balance
EQUITY CAPITAL         12         12         12           1         Common Stock issued (201)         \$         16,767         \$         1           2         Preferred Stock Issued (204)         \$         16,767         \$         1           3         Capital Stock Subscribed (202,205)         Stock Liability for Conversion (203, 206)         \$         1	(a)	(b)		(c)			
2       Preferred Stock issued (204)       \$       10,107         3       Capital Stock Subscribed (202,205)       3       10,107         4       Stock Liability for conversion (203, 206)       3       10,107         5       Premium on Capital Stock (207)       3,154,354       3,154         6       Other Paid-In Capital Stock (212)       3,154,354       3,154         7       Other Paid-In Capital Stock (212)       3,154,354       3,154         8       Discount on Capital Stock (216)       (759,974)       10,137       (74         10       Retained Earnings (214-215)       (759,974)       10,137       \$       2,42         11       Reacquired Bonds (221)       (759,974)       10,137       \$       2,42         11       Reacquired Bonds (221)       \$       3,893,007       \$       947,679       \$       4,844         11       Total Long-Term Debt (224)       \$       3,893,007       \$       947,679       \$       4,844         12       Notes Payable (231)       \$       17,494       \$       17         13       Notes Payable (235)       \$       3,005       27       \$       10,4643       \$       10,4643       \$       10,4643       \$		EQUITY CAPITAL		(-)	(4)	+	(0)
2       Prefered Stock Issued (204)         2       Capital Stock Subscribed (202,205)         3       Stock Liability for Conversion (203, 206)         5       Premium on Capital Stock (207)         1       Installments Received On Capital Stock (208)         7       Other Paid-In Capital (209,211)         8       Discount on Capital Stock (212)         9       Capital Stock Evense(213)         10       Retained Earnings (214-215)         11       Reacquired Bonds (221)         12       Total Equity Capital         13       Bonds (221)         14       Reacquired Bonds (222)         15       Advances from Associated Companies (223)         16       Other Long-Term Debt         17       Total Long-Term Debt (231)         18       Accounts Payable (231)         19       Notes Payable (231)         10       Notes Payable (232)         20       Accounts Payable (232)         21       Notes Payable (235)         22       Accound Interest (237)         23       Accound Interest (237)         24       Accound Interest (240)         25       Accured Interest (240)         26       S         2723	1	Common Stock Issued (201)	\$	16,767		s	16,767
4       Stock Liability for Conversion (203, 206)         5       Premium on Capital Stock (207)         6       Installments Received On Capital Stock (208)         7       Other Paid-In Capital Stock (212)         9       Capital Stock Expense(213)         10       Retained Earnings (214-215)         11       Reacquired Capital Stock (216)         12       Total Equity Capital         13       Bonds (221)         14       Reacquired Bonds (222)         15       Advances from Associated Companies (223)         16       Other Long-Term Debt (224)         17       Total Long-Term Debt (224)         18       Accounts Payable (231)         19       Notes Payable (232)         20       Accounts Payable (232)         21       Notes Payable (232)         22       S         23       Bonds (221)         10       Notes Payable (232)         24       Accounts Payable (231)         25       17.494         26       S         27       S         28       Matured Long-Term Debt (239)         29       Total Current and Accrued Liabilities (241)         29       Total Current and Accrued Liabilit	2	Preferred Stock Issued (204)	1	10,101		*	10,707
4       Stock Liability for Conversion (203, 206)         5       Premium on Capital Stock (207)         6       Installments Received On Capital Stock (208)         7       Other Paid-In Capital Stock (212)         9       Capital Stock Expense(213)         10       Retained Earnings (214-215)         11       Reacquired Capital Stock (216)         12       Total Equity Capital         13       Bonds (221)         14       Reacquired Bonds (222)         15       Advances from Associated Companies (223)         16       Other Long-Term Debt (224)         17       Total Long-Term Debt (224)         18       Accounts Payable (231)         19       Notes Payable (232)         20       Accounts Payable (232)         21       Notes Payable (232)         22       S         23       Bonds (221)         10       Notes Payable (232)         24       Accounts Payable (231)         25       17.494         26       S         27       S         28       Matured Long-Term Debt (239)         29       Total Current and Accrued Liabilities (241)         29       Total Current and Accrued Liabilit	3	Capital Stock Subscribed (202,205)					
5       Premium on Capital Stock (207)         6       Installments Received On Capital Stock (208)         7       Other Paid-In Capital (209,211)         8       Discount on Capital Stock (212)         9       Capital Stock (213)         10       Retained Earnings (214-215)         11       Reacquired Capital Stock (216)         12       Total Equity Capital         13       Bonds (221)         14       Reacquired Bonds (222)         15       Advances from Associated Companies (223)         16       Other Long-Term Debt (224)         17       Total Long-Term Debt (221)         18       Accounts Payable (232)         20       Accounts Payable (232)         21       Notes Payable (232)         22       Customer Deposits (235)         23       Accrued Taxes (236)         24       Accrued Liabilities (241)         25       Total Current and Accrued Liabilities (241)         26       Total Current and Accrued Liabilities (241)         27       Total Current and Accrued Liabilities (241)         26       DeFERRED CREDITS         30       Unamortized Premium on Debt (251)         34       Accrumallated Deferred Investment         <	4	Stock Liability for Conversion (203, 206)					
6       Installments Received On Capital Stock (208)       3,154,354       3,15         7       Other Paid-In Capital Stock (212)       3,154,354       3,15         9       Capital Stock Expense(213)       10,137       (74         10       Retained Earnings (214-215)       (759,974)       10,137       (74         11       Reacquired Capital Stock (216)       (759,974)       10,137       \$ 2,42         12       Total Equity Capital       \$ 2,411,147       \$ 10,137       \$ 2,42         13       Bonds (221)       \$ 3,893,007       \$ 947,679       \$ 4,844         14       Reacquired Capital Stock (231)       \$ 3,893,007       \$ 947,679       \$ 4,844         15       3,893,007       \$ 947,679       \$ 4,844         16       CURRENT AND ACCRUED LIABILITIES       \$ 3,893,007       \$ 947,679       \$ 4,844         18       Accounts Payable to Associated Co. (233)       48,471       444       \$ 11       444         10       Notes Payable to Associated Co. (234)       \$ 3,005       \$ 12       \$ 27,236       \$ 12         10       Notes Payable to Associated Co. (234)       \$ 104,643       \$ 104       \$ 12         11       Notes Payable to Associated Co. (234)       \$ 104,643       \$ 104	5	Premium on Capital Stock (207)					
7       Other Paid-In Capital Stock (212)       3,154,354       3,15         8       Discount on Capital Stock (212)       3,154,354       3,15         9       Capital Stock Expense(213)       (759,974)       10,137       (74         10       Retained Earnings (214-215)       (759,974)       10,137       (74         11       Reacquired Capital Stock (216)       (759,974)       10,137       \$ 2,42         11       Reacquired Capital Stock (216)       (759,974)       10,137       \$ 2,42         12       Total Equity Capital       \$ 2,411,147       \$ 10,137       \$ 2,42         13       Bonds (221)       \$ 3,893,007       \$ 947,679       \$ 4,844         14       Reacquired Bonds (222)       \$ 3,893,007       \$ 947,679       \$ 4,844         17       Total Long-Term Debt       \$ 3,893,007       \$ 947,679       \$ 4,844         17       Total Long-Term Debt (224)       \$ 3,893,007       \$ 947,679       \$ 4,844         18       Accounts Payable to Associated Co. (233)       48,471       44       44         19       Notes Payable to Associated Co. (234)       \$ 3,005       \$ 10       48,471       44         20       Coursent and Accrued Liabilitites (241)       \$ 104,643       \$ 10	6	Installments Received On Capital Stock (208)					
8Discourt on Capital Stock (212) Capital Stock Expense(213) Retained Earnings (214-215) LONG TERM DEBT Bonds (221) $(759,974)$ $10,137$ $(74)$ 12Total Equity Capital LONG TERM DEBT Bonds (221) $$2,411,147$ $$10,137$ $$2,42$ 13Bonds (221) 	7	Other Paid-In Capital (209,211)		3 154 354			3,154,354
9       Capital Stock Expense(213)         10       Retainings (214-215)         11       Reacquired Capital Stock (216)         12       Total Equity Capital         13       Bonds (221)         14       Reacquired Bonds (222)         15       Advances from Associated Companies (223)         16       Other Long-Term Debt (224)         17       Total Long-Term Debt (224)         18       Accounts Payable (231)         19       Notes Payable (232)         19       Notes Payable to Associated Co. (233)         19       Notes Payable to Associated Co. (234)         20       Customer Deposits (235)         3       Accrued Taxes (236)         3       Accrued Interest (237)         4       Accrued Interest (237)         24       Accrued Interest (237)         25       Accrued Interest (237)         26       Accrued Interest (237)         27       Matured Long-Term Debt (251)         3       Matured Long-Term Debt (251)         4       Accrued Dividends (252)         27       Total Current and Accrued Liabilities (241)         28       Current and Accrued Liabilities (241)         29       Total Current and Accrued Liabi	8	Discount on Capital Stock (212)		0,101,001			5,154,554
11       Reacquired Capital Stock (216) <ul> <li>Total Equity Capital</li> <li>LONG TERM DEBT</li> </ul> \$\$             2,411,147             \$\$             10,137             \$\$             2,42             \$\$             2,411,147             \$\$             10,137             \$\$             2,42             \$\$             2,411,147             \$\$             10,137              \$\$             2,42             \$\$             2,411,147             \$\$             10,137             \$\$             2,42             \$\$             2,411,147             \$\$             10,137             \$\$             2,42             \$\$             3,893,007             \$\$             947,679             \$\$             4,844             \$\$             3,893,007             \$\$             947,679             \$\$             4,844             \$\$             3,893,007             \$\$             947,679             \$\$             4,844             \$\$             1,7,494             \$\$             1,7,494             \$\$             1,7,494             \$\$             1,7,494             \$\$             1,7,494             \$\$             1,44             448,471             448,471             448,471             448,471             448,471             448,471             448,471             448,471             448,471             44             444	9						
11       Reacquired Capital Stock (216) <ul> <li>Total Equity Capital</li> <li>LONG TERM DEBT</li> </ul> \$\$             2,411,147             \$\$             10,137             \$\$             2,42             \$\$             2,411,147             \$\$             10,137             \$\$             2,42             \$\$             2,411,147             \$\$             10,137              \$\$             2,42             \$\$             2,411,147             \$\$             10,137             \$\$             2,42             \$\$             2,411,147             \$\$             10,137             \$\$             2,42             \$\$             3,893,007             \$\$             947,679             \$\$             4,844             \$\$             3,893,007             \$\$             947,679             \$\$             4,844             \$\$             3,893,007             \$\$             947,679             \$\$             4,844             \$\$             1,7,494             \$\$             1,7,494             \$\$             1,7,494             \$\$             1,7,494             \$\$             1,7,494             \$\$             1,44             448,471             448,471             448,471             448,471             448,471             448,471             448,471             448,471             448,471             44             444	10	Retained Earnings (214-215)		(759.974)	10 137		(749,837)
12       Total Equity Capital LONG TERM DEBT       \$ 2,411,147       \$ 10,137       \$ 2,42         13       Bonds (221)       Reacquired Bonds (222)       \$ 3,893,007       \$ 947,679       \$ 4,844         16       Other Long-Term Debt (224)       \$ 3,893,007       \$ 947,679       \$ 4,844         17       Total Long-Term Debt (224)       \$ 3,893,007       \$ 947,679       \$ 4,844         17       Total Long-Term Debt (224)       \$ 3,893,007       \$ 947,679       \$ 4,844         19       Notes Payable (231)       \$ 17,494       \$ 11       \$ 12         10       Notes Payable to Associated Co. (233)       48,471       44       44         20       Accounts Payable to Associated Co. (233)       8,437       5       12         21       Notes Payable to Associated Co. (234)       \$ 3,005       5       5         22       Customer Deposits (235)       8,437       5       10         23       Accrued Interset (240)       \$ 3,005       5       10         24       Accrued Interset (240)       27,236       27       5       10         24       Accrued Interset (240)       27,236       \$ 10       5       10         25       Iotal Current and Accrued Liabilities (241)	11	Reacquired Capital Stock (216)		(100,014)	10,137		(149,037)
LONG TERM DEBT13Bonds (221)14Reacquired Bonds (222)15Advances from Associated Companies (223)16Other Long-Term Debt (224)17Total Long-Term Debt (224)17Total Curren Tabelt18Accounts Payable (231)19Notes Payable (232)20Accounts Payable (232)21Notes Payable (232)22Curren Tapayable (232)23Accrued Taxes (236)24Accrued Interest (237)25Accrued Interest (237)26Accrued Interest (237)27Matured Long-Term Debt (239)28Mixered Long-Term Debt (239)29Total Current and Accrued Liabilities (241)20Other Underse for Chells (255)20Other Deferred Income Taxes:31Acceumulated Deferred Income Taxes:32Acceumulated Deferred Income Taxes:33Acceured Income Taxes:34Acceured Credits (255)35Accelerated Amortization (281)36Total Deferred Credits37Other (283)38Total Deferred Credits36Total Deferred Credits36Total Deferred Credits37Accurent Credits38Total Deferred Credits34Accure Size (255)35Accure Size (255)36Accure Credits37Accure Credits38Total Deferred Credits39Total Deferred Credits30 <td>12</td> <td></td> <td>\$</td> <td>2 411 147</td> <td>\$ 10.137</td> <td>\$</td> <td>2,421,284</td>	12		\$	2 411 147	\$ 10.137	\$	2,421,284
14       Reacquired Bonds (222)         15       Advances from Associated Companies (223)         16       Other Long-Term Debt (224)         17       Total Long-Term Debt (224)         18       Accounts Payable (231)         19       Notes Payable (232)         20       Accounts Payable (232)         21       Notes Payable (232)         22       Cusmer Deposits (235)         23       Accrued Taxes (236)         24       Accrued Taxes (236)         25       Accrued Interest (237)         26       Matured Long-Term Debt (238)         27       Matured Long-Term Debt (239)         28       Matured Interest (240)         29       Total Current and Accrued Liabilities (241)         20       DeFERRED CREDITS         21       Advances for Construction (252)         20       Other Deferred Income Taxes:         36       Accumulated Deferred Income Taxes:         37       Cheralization (281)         38       Total Deferred Credits		LONG TERM DEBT	+	2,111,117	φ 10,107	Ψ.	2,421,204
14       Reacquired Bonds (222)         15       Advances from Associated Companies (223)         16       Other Long-Term Debt (224)         17       Total Long-Term Debt (224)         18       Accounts Payable (231)         19       Notes Payable (232)         20       Accounts Payable (232)         21       Notes Payable (232)         22       Cusmer Deposits (235)         23       Accrued Taxes (236)         24       Accrued Taxes (236)         25       Accrued Interest (237)         26       Matured Long-Term Debt (238)         27       Matured Long-Term Debt (239)         28       Matured Interest (240)         29       Total Current and Accrued Liabilities (241)         20       DeFERRED CREDITS         21       Advances for Construction (252)         20       Other Deferred Income Taxes:         36       Accumulated Deferred Income Taxes:         37       Cheralization (281)         38       Total Deferred Credits	13	Bonds (221)					
15       Advances from Associated Companies (223)       \$ <ul> <li>Other Long-Term Debt (224)</li> <li>Total Long-Term Debt (224)</li> <li>CURRENT AND ACCRUED LIABILITIES</li> <li>Accounts Payable (231)</li> <li>Notes Payable to Associated Co. (233)</li> <li>Accounts Payable to Associated Co. (234)</li> <li>Notes Payable to Associated Co. (234)</li> <li>Notes Payable to Associated Co. (234)</li> <li>Customer Deposits (235)</li> <li>Accrued Taxes (236)</li> <li>Accrued Interest (237)</li> <li>Accrued Interest (237)</li> <li>Accrued Interest (237)</li> <li>Accrued Interest (240)</li> <li>Matured Long-Term Debt (239)</li> <li>Matured Long-Term Debt (239)</li> <li>Matured Interest (240)</li> <li>Matured Deferred Invostment Tax Credits (255)</li> <li>Accumulated Deferred Invostment Tax Credits (255)</li> <li>Accumulated Deferred Income Taxes:</li> <li>Accumulated Deferred Income Taxes:</li> <li>Accelerated Amortization (281)</li> <li>Liberalized Depreciation (282)</li> <li>Total Deferred Credits</li> <li>S 48,621</li> <li>S 48,621</li> <li>S 48,621</li> </ul>							
16       Other Long-Term Debt (224)       \$ 3,893,007 \$ 947,679 \$ 4,844         17       Total Long-Term Debt       \$ 3,893,007 \$ 947,679 \$ 4,844         18       Accounts Payable (231)       \$ 17,494       \$ 17         19       Notes Payable (232)       \$ 17,494       \$ 17         20       Accounts Payable (232)       \$ 17,494       \$ 17         21       Notes Payable (232)       \$ 48,471       \$ 48,471         22       Customer Deposits (235)       \$ 8,437       \$ 48,437         23       Accrued Taxes (236)       \$ 3,005       \$ 5         24       Accrued Interest (237)       \$ 3,005       \$ 5         25       Accrued Interest (237)       \$ 3,005       \$ 5         26       Matured Long-Term Debt (239)       \$ 104,643 \$ - \$ 104       \$ 104,643 \$ - \$ 104         27       Matured Long-Term Ium on Debt (251)       \$ 104,643 \$ - \$ 104       \$ 104,643 \$ - \$ 104         30       Unamortized Premium on Debt (251)       \$ 104,643 \$ - \$ 104       \$ 104,643 \$ - \$ 104         31       Advances for Construction (252)       \$ 48,621       48       48         33       Accumulated Deferred Income Taxes:       \$ 48,621       48       48         33       Accumulated Deferred Income Taxes:       \$ 48							
17       Total Long-Term Debt CURRENT AND ACCRUED LIABILITIES Accounts Payable (231)       \$ 3,893,007 \$ 947,679 \$ 4,844         18       Accounts Payable (232)       \$ 17,494       \$ 17,494         19       Notes Payable to Associated Co. (233)       48,471       44         20       Accounts Payable to Associated Co. (234)       \$ 17,494       \$ 17,494         21       Notes Payable to Associated Co. (233)       48,471       44         22       Customer Deposits (235)       8,437       48         23       Accrued Interest (237)       8,437       48         24       Accrued Interest (239)       3,005       5         25       Accrued Liabilities (241)       27,236       27         29       Total Current and Accrued Liabilities (241)       27,236       27         30       Unamortized Premium on Debt (251)       44       44         31       Advances for Construction (252)       5       104,643       5       104         32       Accumulated Deferred Income Taxes:       48,621       48,621       48         33       Accumulated Deferred Income Taxes:       48,621       48       48         34       Accumulated Deferred Income Taxes:       48,621       48       48         3	16	Other Long-Term Debt (224)	S	3 893 007	\$ 947 679	¢	4,840,686
CURRENT AND ACCRUED LIABILITIES18Accounts Payable (231)\$17,494\$19Notes Payable (232)\$17,494\$20Accounts Payable to Associated Co. (233)48,4714421Notes Payable to Associated Co. (234)\$48,4714422Customer Deposits (235)8,4374823Accrued Taxes (236)3,005524Accrued Interest (237)\$3,005525Accrued Interest (239)7Matured Long-Term Debt (239)2729Matured Interest (240)27,2362729Total Current and Accrued Liabilities\$104,643\$20Unamortized Premium on Debt (251)Advances for Construction (252)\$30Unamortized Deferred Income Taxes:48,6214833Acccumulated Deferred Income Taxes:48,6214836Total Deferred Credits\$48,6214837Other (283)48,621\$48	17	Total Long-Term Debt					4,840,686
18       Accounts Payable (231)       \$ 17,494       \$ 17         19       Notes Payable (232)       48,471       44         20       Accounts Payable to Associated Co. (233)       48,471       44         21       Notes Payable to Associated Co. (234)       8,437       44         22       Customer Deposits (235)       8,437       46         23       Accrued Taxes (236)       3,005       5         24       Accrued Interest (237)       3,005       5         25       Accrued Dividends (238)       7       3,005       5         26       Matured Long-Term Debt (239)       3,005       5       104         28       Misc. Current and Accrued Liabilities (241)       27,236       27         29       Total Current and Accrued Liabilities (241)       27,236       27         30       Unamortized Premium on Debt (251)       404,643       \$       \$         31       Advances for Construction (252)       3       48,621       48         32       Other Deferred Income Taxes:       48,621       48         33       Accumulated Deferred Income Taxes:       48,621       48         34       Accumulated Deferred Income Taxes:       48,621       48		CURRENT AND ACCRUED LIABILITIES	1 the second sec	0,000,007	φ 341,013	Ψ	4,040,000
19Notes Payable (232)20Accounts Payable to Associated Co. (233)48,4714421Notes Payable to Associated Co. (234)8,4374422Customer Deposits (235)8,4374423Accrued Taxes (236)3,005524Accrued Interest (237)3,005525Accrued Dividends (238)3,005526Matured Long-Term Debt (239)7Matured Interest (240)27,23627Matured Interest (240)27,2362128Misc. Current and Accrued Liabilities (241)27,2362129Total Current and Accrued Liabilities\$104,643\$30Unamortized Premium on Debt (251)44,643\$\$31Advances for Construction (252)3Accumulated Deferred Investment44,62133Accumulated Deferred Income Taxes:48,62148,6214836Total Deferred Credits\$48,621\$48,621	18	Accounts Pavable (231)	\$	17 494		¢	17,494
20Accounts Payable to Associated Co. (233)48,47144,47121Notes Payable to Associated Co. (234)8,43748,47122Customer Deposits (235)8,437323Accrued Taxes (236)3,005324Accrued Dividends (237)3325Accrued Dividends (238)3326Matured Long-Term Debt (239)7Matured Interest (240)27,23629Total Current and Accrued Liabilities (241)27,2362730Unamortized Premium on Debt (251)\$104,643\$31Advances for Construction (252)048,6214833Accumulated Deferred Income Taxes:48,6214834Cuter (283)48,621\$4835Total Deferred Credits\$48,62148	19	Notes Payable (232)	I *	17,404		Ŷ	17,494
21Notes Payable to Associated Co. (234)22Customer Deposits (235)3. Accrued Taxes (236)24Accrued Interest (237)25Accrued Interest (237)26Accrued Interest (240)27Matured Interest (240)28Misc. Current and Accrued Liabilities (241)29Total Current and Accrued Liabilities30Unamortized Premium on Debt (251)31Advances for Construction (252)32Other Deferred InvestmentTax Credits (255)34Accumulated Deferred Income Taxes:35Accelerated Amortization (281)36Liberalized Depreciation (282)37Other (283)38Total Deferred Credits38Total Deferred Credits39Total Deferred Credits34Accumulated Comperciation (282)35Accelerated Amortization (281)36Total Deferred Credits37Other (283)38Total Deferred Credits	20	Accounts Payable to Associated Co. (233)	1	48 471			48,471
22Customer Deposits (235)8,43723Accrued Taxes (236)3,00524Accrued Interest (237)25Accrued Dividends (238)26Matured Long-Term Debt (239)27Matured Interest (240)28Misc. Current and Accrued Liabilities (241)29Total Current and Accrued Liabilities20DEFERRED CREDITS30Unamortized Premium on Debt (251)31Advances for Construction (252)32Other Deferred InvestmentTax Credits (255)34Accumulated Deferred InvestmentTax Credits (255)34Accumulated Deferred Income Taxes:35Accelerated Amortization (281)4Liberalized Depreciation (282)38Total Deferred Credits38Total Deferred Credits38Total Deferred Credits	21	Notes Pavable to Associated Co. (234)		40,471			40,471
23Accrued Taxes (236)3,00524Accrued Interest (237)25Accrued Dividends (238)26Matured Long-Term Debt (239)27Matured Interest (240)28Misc. Current and Accrued Liabilities (241)27Total Current and Accrued Liabilities29Total Current and Accrued Liabilities30Unamortized Premium on Debt (251)31Advances for Construction (252)32Other Deferred Credits (253)33Accumulated Deferred InvestmentTax Credits (255)34Accumulated Deferred Income Taxes:35Accelerated Amortization (281)Liberalized Depreciation (282)38Total Deferred Credits38Total Deferred Credits				8 4 3 7			8,437
24Accrued Interest (237)25Accrued Dividends (238)26Matured Long-Term Debt (239)27Matured Interest (240)28Misc. Current and Accrued Liabilities (241)29Total Current and Accrued Liabilities29Total Current and Accrued Liabilities20DEFERRED CREDITS30Unamortized Premium on Debt (251)31Advances for Construction (252)32Other Deferred Credits (253)33Accumulated Deferred InvestmentTax Credits (255)34Accumulated Deferred Income Taxes:35Accelerated Amortization (281)Liberalized Depreciation (282)38Total Deferred Credits38Total Deferred Credits							3,005
25Accrued Dividend's (238)26Matured Long-Term Debt (239)27Matured Interest (240)28Misc. Current and Accrued Liabilities (241)29Total Current and Accrued Liabilities29Total Current and Accrued Liabilities30Unamortized Premium on Debt (251)31Advances for Construction (252)32Other Deferred Credits (253)33Accumulated Deferred InvestmentTax Credits (255)34Accumulated Deferred Income Taxes:Accelerated Amortization (281)Liberalized Depreciation (282)38Total Deferred Credits38Total Deferred Credits				0,000			3,005
26Matured Long-Term Debt (239)27Matured Interest (240)28Misc. Current and Accrued Liabilities (241)29Total Current and Accrued Liabilities29Total Current and Accrued Liabilities30Unamortized Premium on Debt (251)31Advances for Construction (252)32Other Deferred Credits (253)33Accumulated Deferred InvestmentTax Credits (255)34Accumulated Deferred Income Taxes:35Accelerated Amortization (281)Liberalized Depreciation (282)38Total Deferred Credits38Total Deferred Credits							
27Matured Interest (240)27,2362728Misc. Current and Accrued Liabilities (241)27,2362729Total Current and Accrued Liabilities\$ 104,643\$ - \$ 10420DEFERRED CREDITS\$ 104,643\$ - \$ 10430Unamortized Premium on Debt (251)Advances for Construction (252)\$ 104,643\$ - \$ 10431Advances for Construction (252)Other Deferred Credits (253)\$ 46\$ 10433Accumulated Deferred Investment Tax Credits (255)\$ 48,621\$ 48,6214834Accumulated Deferred Income Taxes: Accelerated Amortization (281) Liberalized Depreciation (282)48,6214836Total Deferred Credits\$ 48,621\$ 48	26	Matured Long-Term Debt (239)					
28Misc. Current and Accrued Liabilities (241)27,2362729Total Current and Accrued Liabilities\$ 104,643 \$ - \$ 10430Unamortized Premium on Debt (251)Advances for Construction (252)31Advances for Construction (252)0ther Deferred Credits (253)33Accumulated Deferred Investment4Tax Credits (255)434Accumulated Deferred Income Taxes:35Accelerated Amortization (281)36Liberalized Depreciation (282)38Total Deferred Credits38Total Deferred Credits				-			
29       Total Current and Accrued Liabilities       \$ 104,643 \$ - \$ 104         30       DEFERRED CREDITS         30       Unamortized Premium on Debt (251)         31       Advances for Construction (252)         32       Other Deferred Credits (253)         33       Accumulated Deferred Investment         Tax Credits (255)         34       Accumulated Deferred Income Taxes:         35       Accelerated Amortization (281)         Liberalized Depreciation (282)       48,621         36       Total Deferred Credits         37       Other (283)         38       Total Deferred Credits				27 236			27,236
DEFERRED CREDITS       Image: Construction of the text of tex of text of text of tex of text of text of text of tex of text of	29	Total Current and Accrued Liabilities	\$		\$	\$	104,643
30       Unamortized Premium on Debt (251)         31       Advances for Construction (252)         32       Other Deferred Credits (253)         33       Accumulated Deferred Investment         Tax Credits (255)         34       Accumulated Deferred Income Taxes:         35       Accelerated Amortization (281)         36       Liberalized Depreciation (282)         37       Other (283)         38       Total Deferred Credits			+	101,010	<b>V</b>	Ψ	104,043
31Advances for Construction (252)32Other Deferred Credits (253)33Accumulated Deferred Investment Tax Credits (255)34Accumulated Deferred Income Taxes:35Accelerated Amortization (281) Liberalized Depreciation (282)36Liberalized Depreciation (282)37Other (283)38Total Deferred Credits\$48,621\$48,621	30						
32Other Deferred Credits (253)33Accumulated Deferred Investment Tax Credits (255)34Accumulated Deferred Income Taxes:35Accelerated Amortization (281) Liberalized Depreciation (282)36Liberalized Depreciation (282) Other (283)38Total Deferred Credits\$48,621\$48,621	31	Advances for Construction (252)	1				
33       Accumulated Deferred Investment Tax Credits (255)         34       Accumulated Deferred Income Taxes:         35       Accelerated Amortization (281)         36       Liberalized Depreciation (282)         37       Other (283)         38       Total Deferred Credits							
Tax Credits (255)34Accumulated Deferred Income Taxes:35Accelerated Amortization (281)36Liberalized Depreciation (282)37Other (283)38Total Deferred Credits\$48,621\$\$							
34Accumulated Deferred Income Taxes:35Accelerated Amortization (281)36Liberalized Depreciation (282)37Other (283)38Total Deferred Credits\$48,621\$\$							
35Accelerated Amortization (281)36Liberalized Depreciation (282)37Other (283)38Total Deferred Credits\$48,621\$\$			1				
36         Liberalized Depreciation (282)         48,621         48           37         Other (283)         \$         48,621         \$           38         Total Deferred Credits         \$         48,621         \$         48	35	Accelerated Amortization (281)					
37         Other (283)           38         Total Deferred Credits           \$ 48,621         \$ 48	36	Liberalized Depreciation (282)		48.621			48,621
38 Total Deferred Credits \$ 48,621 \$ 48				10,021			40,021
			\$	48.621		\$	48,621
		OPERATING RESERVES	<b></b>			Ψ	40,021
39 Property Insurance Reserve (261)	39	Property Insurance Reserve (261)					
40 Injuries and Damages Reserve (262)	40	Injuries and Damages Reserve (262)					
				7,733			7,733
42 Miscellaneous Operating Reserves (265)				.,			1,100
			\$	7,733	\$ -	\$	7,733
CONTRIBUTIONS IN AID OF CONSTRUCTION			-	,,		¥	1,100
	44		\$	9,142,476	\$ 1.065.742	\$	10,208,218
					,	÷	3,486,243
46 Total Net C.I.A.C. \$ 5,656,233 \$ 1,065,742 \$ 6,721		Total Net C.I.A.C.	\$		\$ 1.065.742	\$	6,721,975
46 TOTAL EQUITY CAPITAL AND LIABILITIES \$ 12,121,384 \$ 2,023,558 \$ 14,144	46	TOTAL EQUITY CAPITAL AND LIABILITIES		12,121,384			14,144,942

Year Ended December 31, 2017 SPS-2

Atkinson Tank Financing and Step Increase

### **F-2 STATEMENT OF INCOME**

2         Op           3         Op           4         De           5         Am           6         Am           7         Am           8         Tax           9         Inc           10         Tot           11         Nel           12         Inc           0th         Oth           13         Gai           Util         14           15         Rev           Cor         Inc           16         Coss           Job         17           18         Inte           19         Allo           Cor         20	Account Title (Number) (b) UTILITY OPERATING INCOME perating Revenues(400) perating Expenses: perating and Maintenance Expense (401) epreciation Expense (403) mortization of Contribution in Aid of onstruction (405) mortization of Utility Plant Acquisition djustment (406) mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) otal Operating Expenses et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415) osts and Expenses of Merchandising,	\$	nd Balance (c) 1,788,762 1,180,014 500,470 (216,489) 2,715 159,664 11,492 1,637,866 150,896	\$	iustments (d) 83,308 - 22,752 (11,975) 38,336 168 49,281 34,027 34,027	\$	nd Balance (e) 1,872,070 1,180,014 523,222 (228,464) 2,715 198,000 11,660 1,687,147 184,923
2         Op           3         Op           4         De           5         Am           6         Am           7         Am           8         Tax           9         Inc           10         Tot           11         Net           12         Inc           0th         Oth           13         Gai           Util         Vtil           14         Net           15         Rev           Cor         Gob           17         Equ           18         Inte           19         Allo           Cor         Zo	UTILITY OPERATING INCOME perating Revenues(400) perating Expenses: perating and Maintenance Expense (401) epreciation Expense (403) mortization of Contribution in Aid of onstruction (405) mortization of Utility Plant Acquisition djustment (406) mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) otal Operating Expenses et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	1,788,762 1,180,014 500,470 (216,489) 2,715 159,664 11,492 1,637,866 150,896	\$	83,308 22,752 (11,975) 38,336 168 49,281 34,027	\$	1,872,070 1,180,014 523,222 (228,464) 2,715 198,000 11,660 1,687,147 184,923
2 Op 3 Op 4 De 5 Am Co 6 Am Adj 7 Am 8 Tax 9 Inc 10 Tot 11 Net 12 Inc Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	perating Expenses: perating and Maintenance Expense (401) epreciation Expense (403) mortization of Contribution in Aid of onstruction (405) mortization of Utility Plant Acquisition djustment (406) mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) otal Operating Expenses et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	1,180,014 500,470 (216,489) 2,715 159,664 11,492 1,637,866 150,896	\$	22,752 (11,975) 38,336 168 49,281 34,027	\$	1,180,014 523,222 (228,464) 2,715 198,000 11,660 1,687,147 184,923
3Op4Dei5AmCoi66AmAdij77Am8Taa9Inci10Tot11Nei12Inci10Tot11Nei12Inci13GaiUtilUtil14Nei15RevCorCor16Cos17Equ19AlloCor20	perating and Maintenance Expense (401) epreciation Expense (403) mortization of Contribution in Aid of onstruction (405) mortization of Utility Plant Acquisition djustment (406) mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) otal Operating Expenses et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	1,180,014 500,470 (216,489) 2,715 159,664 11,492 1,637,866 150,896	\$	22,752 (11,975) 38,336 168 49,281 34,027	\$	1,180,014 523,222 (228,464) 2,715 198,000 11,660 1,687,147 184,923
4 De 5 Am Co 6 Am Adj 7 Am 8 Tas 9 Inc 10 Tot 11 Net 12 Inc Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	epreciation Expense (403) mortization of Contribution in Aid of onstruction (405) mortization of Utility Plant Acquisition djustment (406) mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) otal Operating Expenses et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	500,470 (216,489) 2,715 159,664 11,492 1,637,866 150,896	\$	(11,975) 38,336 <u>168</u> <u>49,281</u> 34,027	\$	523,222 (228,464) 2,715 198,000 <u>11,660</u> 1,687,147 184,923
5 Am Coi 6 Am Adj 7 Am 8 Tax 9 Inc 10 Tot 11 Net 12 Inc Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	mortization of Contribution in Aid of onstruction (405) mortization of Utility Plant Acquisition djustment (406) mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) <b>otal Operating Expenses</b> et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	500,470 (216,489) 2,715 159,664 11,492 1,637,866 150,896	\$	(11,975) 38,336 <u>168</u> <u>49,281</u> 34,027	\$	523,222 (228,464) 2,715 198,000 <u>11,660</u> 1,687,147 184,923
Con Adj Adj Adj Adj Adj Adj Adj Adj	onstruction (405) mortization of Utility Plant Acquisition djustment (406) mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) otal Operating Expenses et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	(216,489) 2,715 159,664 11,492 1,637,866 150,896	\$	(11,975) 38,336 <u>168</u> <u>49,281</u> 34,027	\$	(228,464) 2,715 198,000 <u>11,660</u> 1,687,147 184,923
6 Am Adj 7 Am 8 Tax 9 Inc 10 Tot 11 Net 12 Inc Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	mortization of Utility Plant Acquisition djustment (406) mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) <b>otal Operating Expenses</b> et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	2,715 159,664 11,492 1,637,866 150,896	\$	38,336 168 49,281 34,027	\$	2,715 198,000 <u>11,660</u> 1,687,147 184,923
Adj 7 Am 8 Tax 9 Inc 10 Tot 11 Net 12 Inc Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	djustment (406) mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) <b>otal Operating Expenses</b> et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	159,664 11,492 1,637,866 150,896	\$	38,336 168 49,281 34,027	\$	2,715 198,000 <u>11,660</u> 1,687,147 184,923
7 Am 8 Tax 9 Inc 10 Tot 11 Net 12 Inc Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	mortization Expense-Other (407) axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) <b>otal Operating Expenses</b> et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	159,664 11,492 1,637,866 150,896	\$	168 49,281 34,027	\$	198,000 <u>11,660</u> <u>1,687,147</u> 184,923
8 Tax 9 Inc 10 Tot 11 Net 12 Inc Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	axes Other Than Income (408.1-408.13) come Taxes (409.1, 410.1, 411.1, 412.1) otal Operating Expenses et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	159,664 11,492 1,637,866 150,896	\$	168 49,281 34,027	\$	198,000 <u>11,660</u> <u>1,687,147</u> 184,923
9 Inc 10 Tot 11 Net 12 Inc Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	come Taxes (409.1, 410.1, 411.1, 412.1) <b>btal Operating Expenses</b> et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) <b>et Water Utility Operating Income</b> <b>OTHER INCOME AND DEDUCTIONS</b> evenues From Merchandising, Jobbing and ontract Work (415)	\$	<u>11,492</u> <u>1,637,866</u> 150,896	\$	168 49,281 34,027	\$	11,660 1,687,147 184,923
10 Tot 11 Net 12 Inc. Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	otal Operating Expenses et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	1,637,866 150,896	\$	49,281 34,027	\$	1,687,147 184,923
11 Net 12 Inc Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	et Operating Income (Loss) come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	150,896	\$	34,027	\$	184,923
12 Inc. Oth 13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	come From Utility Plant Leased to thers (413) ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)						
13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	thers (413) ains(Losses) From Disposition of ility Property (414) <b>et Water Utility Operating Income</b> <b>OTHER INCOME AND DEDUCTIONS</b> evenues From Merchandising, Jobbing and ontract Work (415)	\$	150,896	\$	34,027	\$	184,923
13 Gai Util 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	ains(Losses) From Disposition of ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	150,896	\$	34,027	\$	184,923
14 Vtil 14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	ility Property (414) et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	150,896	\$	34,027	\$	184,923
14 Net 15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	et Water Utility Operating Income OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	150,896	\$	34,027	\$	184,923
15 Rev Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	OTHER INCOME AND DEDUCTIONS evenues From Merchandising, Jobbing and ontract Work (415)	\$	150,896	\$	34,027	\$	184,923
Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	evenues From Merchandising, Jobbing and ontract Work (415)						
Cor 16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	ontract Work (415)						
16 Cos Job 17 Equ Cor 18 Inte 19 Allo Cor 20 Nor							
17 Equ Cor 18 Inte 19 Allo Cor 20 Nor	osts and Expenses of Merchandising.						
17 Equ Cor 18 Inte 19 Allo Cor 20 Nor							
18 Inte 19 Allo Cor 20 Nor	bbing and Contract Work (416)						
18 Inte 19 Allo Cor 20 Nor	uity in Earnings of Subsidiary						
19 Allo Cor 20 Nor	ompanies (418)						
20 Nor	erest and Dividend Income (419)		537				
20 Nor	ow. for funds Used During						
	onutility Income (421)						
21 001	ains (Losses) Form Disposition						
Nor	nutility Property (422)						
22 Mis	scellaneous Nonutility Expenses (426)						
23 Tot	tal Other Income and Deductions	\$	537	\$			E07
	AXES APPLICABLE TO OTHER INCOME	φ	557	φ	-		537
	xes Other Than Income (408.2)						
	come Taxes (409.2, 410.2, 411.2,						
	2.2, 412.3)						
	tal Taxes Applicable To Other Income						
	INTEREST EXPENSE						
27 Inte	erest Expense (427)	\$	129,400	\$	22.265	¢	150 665
	nortization of Debt Discount &	\$	129,400	Φ	23,265	\$	152,665
	pense (428)		2,765		625		2 200
	nortization of Premium on Debt (429)		2,705		025		3,390
	tal Interest Expense	\$	132,165	\$	23,890	\$	156,055
	come Before Extraordinary Items	\$		\$		\$	29,405
		-	.0,200	-	10,107	¥	20,400
32 Extr	EXTRAORDINARY ITEMS						
	EXTRAORDINARY ITEMS traordinary Income (433) traordinary Deductions (434)						
	traordinary Income (433) traordinary Deductions (434)						
	traordinary Income (433)						

Atkinson Tank Financing and Step Increase

### F-1 BALANCE SHEET Capital Structure

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	Adj	justments (d)	Adjusted Year End Balance (e)		
	EQUITY CAPITAL						
1	Common Stock Issued (201)	\$ 16,767			\$	16,767	
2	Other Paid-In Capital (209,211)	3,154,354				3,154,354	
3	Retained Earnings (214-215)	(759,974)		10,137		(749,837)	
4	Total Equity Capital	\$ 2,411,147	\$	10,137	\$	2,421,284	
	LONG TERM DEBT						
5	Other Long-Term Debt (224)	\$ 3,893,007	\$	947,679	\$	4,840,686	
6	Total Long-Term Debt	\$ 3,893,007	\$	947,679	\$	4,840,686	
7	Total Capital Structure	\$ 6,304,154	\$	957,816	\$	7,261,970	

Line No.	Account Title (Number)	Current Year End Balance	Adjustments	Adjusted Year End Balance
(a)	(b)	(c)	(d)	(e)
	EQUITY CAPITAL			
1	Common Stock Issued (201)	0.27%	0.00%	0.23%
2	Other Paid-In Capital (209,211)	50.04%	0.00%	43.44%
3	Retained Earnings (214-215)	-12.06%	1.06%	-10.33%
4	Total Equity Capital	38.25%	1.06%	33.34%
	LONG TERM DEBT			
5	Other Long-Term Debt (224)	61.75%	98,94%	66.66%
6	Total Long-Term Debt	61.75%	98.94%	66.66%
7	Total Capital Structure	100.00%	100.00%	100.00%

#### Hampstead Area Water Company Journal Entries

Atki	nson Tank F	inancing	and Step Increase			Impact on <u>Net Income</u>
1	Dr. Cr.	181 131	Unamortized Debt Expense Cash	12,500	12,500	
	To record e of 2018 Bar		debt expense associated with obtaining PUC approval of nancing			
2	Dr. Cr. Cr. Cr. To record re	131 271 224 224 eccipt of c	Cash CIAC LTD - NHDES loan LTD - NHDES loan cash and related long term debt and equity associated with tank	2,047,662	1,077,717 323,315 646,630	
3	Dr. Cr.	101.00 131	Plant in Service Cash n of 2018 water tank	2,047,662	2,047,662	
4	Dr. Cr. To record 1	403 108 /2 year de	Depreciation Expense (\$2,047,662 / 45 / 2) Accumulated Depreciation epreciation and related accumulated depreciation for year 1	22,752	22,752	(22,752)
5	Dr. Cr. To record 1	272 405 1/2 year ar	Accummulated Amortization of CIAC Amortization of CIAC (\$1,077,717 / 45 / 2) nortization of CIAC and related accumulated amortization for yea	11,975 ar 1	11,975	11,975
6	Dr. Cr. Dr. To record t	224 427 131 he projecto	Other Long Term Debt Interest Expense Cash ed 1st year payments (principle and interest) on NHDES loan	22,266 23,265	45,531	(23,265)
7	Dr. Cr. To record a	428 181 annual am	Amortization of Debt Expense Unamortized Debt Expense ortization of debt expense	625	625	(625)
8	Dr. Cr. To record p	131 400 projected in	Cash Operating Revenue ncrease in revenues	83,308	83,308	83,308
9	Dr. Dr. Dr, Cr.	401 408 409 131	Operating Expenses Taxes other than Income State Business Enterprise Taxes Cash	- 38,336 168	38,504	(38,336) (168)
	To record p Impact on I		ncrease in revenues e			10,137
	Impact on ( Net Impact	Cash		2,130,970	2,144,197 (13,227)	

Hampstead Area Water Company

Revenue Requirement - Step Increase for 2018 Additions to Plant and related CIAC associated with Atkinson Water Tank

RATE BASE			Amount
2018 Plant in Service			\$2,047,662
Less: Accumulated Depreciation			22,752
NET PLANT IN SERVICE			\$2,024,910
Contribution in Aid of Construction			(1,077,717)
Plus: Accumulated Amortization of CIAC			11,975
NET PLANT IN RATE BASE			\$959,168
Cash Working Capital			
TOTAL RATE BASE			<u>\$959,168</u>
Return on Additional Plant @	2.424%		\$23,250
O&M Expenses Depreciation Expense Amortization of CIAC State Utility Property Taxes Local Property Taxes State Business Enterprise Taxes	23,265	0.0072	\$- 45,504 (23,950) 5,816 32,520 168
Operating Expenses			\$ 60,058
Additional Revenue Requirement			\$83,308
2017 Operating Revenues			\$ 1,788,762
% Increase assoicated with Step Increase			4.66%

Hampstead Area W	ater Company							chment B			SPS-6	
DW 17-118							Sch	edule 6a				
STEP ADJUSTMEN	1T											
CALCULATION OF	RATES											
Total Annual Water	Revenues Propo	osed per Settle	ment (Sch 1)				\$	1,965,342	\$ 83,308	\$	2,048,650	
Less: Fire Protection	n Revenues											
Municipal						\$41,336						
Private						-		(41,336)	-		(41,336)	
Revenues from Gen	eral Metered Cu	stomers					\$	1,924,006	\$ 83,308	\$ 2	2,007,314	
Customer Charge R												
	Meter	Proposed	Percent	Proposed	Pro-forma #	Annual						
	Size	Perm Rate	Increase	Step Rate	of Customers	Revenues						
	5/8" Meter	\$120	0.00%	\$120	3,550	\$426,000						
	3/4" Meter	240	0.00%	\$240		-						
	1" Meter 1 1/2" Meter	360 720	0.00%	\$360	65	23,400						
	2" Meter	1,200	0.00% 0.00%	\$720 \$1,200	2	1,440						
	2 Weter	1,200	0.00%	(a)	4 3,621	4,800 \$455,640		(455 640)			(455.040)	
0	-			(u)	5,521	\$430,040		(455,640)	-		(455,640)	
Consumption Charge	e Revenues:						\$ 1	1,468,366	83,308	\$ 1	,551,674	
		Charge Rever			\$1,468,366							
	Total Pro-form	ma Annual Con	sumption (ccf)	(b) ÷	246,870							
	Consumption	Rate per Cust	omer (per ccf)		\$5.95					\$	6.29	
	Total Pro-form	ma Annual Con	sumption (ccf)	x	246,870		\$ (1	1,468,366)		\$ (1	,551,674)	
Unallocated Water R	Revenues						s			\$		
							Ŷ			Ψ	-	
(a) Pro-forma # of Cu	us 3,578 actual o	customers @ 1	2/31/16 + 43 cu	istomers from I	New System acqu	ired in 2017 =		3,621				
(b) Pro-forma Consu		Vater Sales:										
	Gallons				182,243,771							
	Conversion to	Cubic Feet		+	7.48							
	Cubic Feet				24,362,449							
	Conversion to	CCF		+	100	243,624						
	2017 Estimate	ed New Systen	n Sales:									
	Estimated Usa	age of New Sys	stem: (ccf)		3,245.50							
	To annualize 2	2017 usage (12	months / 12 m	onths) (ccf) x	1	3,246						
	Total Pro-form	na Consumptio	n (ccf)			246,870						
SPSt. Cyr												

8/8/2018

Source and Use of Funds	
Atkinson Tank Financing and Step Increase	
Source of Funds	2018
State of NH NHDES debt financing for 30% federal income tax on State of NH CIAC NHDES debt financing Total Source of Funds	\$ 1,077,717 323,315 646,630 \$ 2,047,662
Use of Funds	
Atkinson Water Tank Total Use of Funds	\$ 2,047,662 \$ 2,047,662

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SPSt. Cyr 8/08/2018

Hampstead Area Water Company

## Hampstead Area Water Company Estimated Cost of Financing

# Atkinson Tank Financing and Step Increase

### 2018 Financing Costs

State of NH CIAC	\$ -
NHDES Debt Financing Fees	5,000
St. Cyr & Associates	2,500
Lewis Builders Development	5,000
Total Estimated Financing Costs	<u>\$ 12,500</u>