

	DW17-128 Approved Step Revenue Requirements		QCPAC Revenues approved in DW19-035		Projected QCPAC Surcharge for 2018 Capital Additions		Projected QCPAC For 2019 Capital Additions pro formas		Projected QCPAC Surcharge for 2019 Capital Additions		Projected QCPAC For 2020 Capital Additions pro formas		Projected QCPAC Surcharge for 2020 Capital Additions		Projected QCPAC For 2021 Capital Additions pro formas		Projected QCPAC Surcharge for 2021 Capital Additions		Projected QCPAC For 2022 Capital Additions pro formas		Projected QCPAC Surcharge for 2022 Capital Additions																	
City Bond Fixed Revenue Requirement (CBFRR)	\$		926,309		\$		926,309	\$	-		\$		926,309	\$	-		\$		926,309		\$		926,309															
Operating Expense Revenue Requirement	\$		5,851,582	(1)	\$		(40,866)	(4)(8)	\$		5,810,716	\$		45,231	(4)	\$		5,855,947		(1,434)	(10)(11)	\$		5,854,514	\$		82,466	(4)	\$		5,936,980	\$		34,106	(4)	\$		5,971,086
Annual Principal and Interest Payments	\$		1,362,154	(2)	\$		261,114	(5)(6)	\$		1,623,268	\$		107,314	(12)	\$		1,730,582		260,555	(12)	\$		1,991,137	\$		164,534	(12)	\$		2,155,670	\$		86,465	(12)	\$		2,242,135
Principal and Interest Coverage Requirement			1.10	(3)			1.10				1.10			1.10				1.10					1.10													1.10		
Principal and Interest Revenue Requirement	\$		1,498,370				1,785,595				1,903,640			2,190,250				2,371,237					2,466,349													2,466,349		
Proposed Revenue Requirement excluding NCCRS	\$		8,276,261				8,522,620				8,685,896			8,971,073				9,234,526					9,363,743													9,363,743		
Current Water Revenues excluding CBFRR and NCCRS	\$		5,947,707				7,349,952				7,596,311			7,759,587				8,044,764					8,308,217												8,308,217			
Add: City Bond Fixed Revenue Requirement	\$		926,309				926,309				926,309			926,309				926,309					926,309													926,309		
Current Water Revenues with CBFRR less NCCRS	\$		6,874,016				8,276,261				8,522,620			8,685,896				8,971,073					9,234,526													9,234,526		
Proposed Percent Revenue Increase			20.40%															-					-													-		
ADD: NC Capital Surcharge Revenue	\$		178,915				178,915				178,915			178,915				178,915					178,915													178,915		
Proposed New Revenue Requirement	\$		8,455,176				8,701,535				8,864,811			9,149,987				9,413,441					9,542,658													9,542,658		
Projected QCPAC Increase ⁷							2.98%				1.97%			3.45%				3.18%					1.50%													1.50%		
Cumulative QCPAC increase ⁸							2.98%				4.95%			8.40%				11.58%					9.87%													9.87%		
Cumulative QCPAC monthly increase in average single family residential bill							2.25				3.73			6.33				8.74					7.45													7.45		
Average monthly single family residential bill with QCPAC							77.69				79.18			81.78				84.18					82.89													82.89		

Notes:

- (1) Operating Expense Revenue requirement is the sum of the Total Operating Expenses, Property Tax Expense and Amortization Expense approved in DW17-128
- (2) Annual Principal and interest payments for PEU debt associated with all plant in service as approved in DW17-128
- (3) Principal and interest coverage of 1.10 is as approved in DW17-128
- (4) QCPAC operating expense proformas are based on the property taxes for plant added during the year.
- (5) See Calculation of annual principal and interest payments on spreadsheet titled "2018 QCPAC PEU Additions"
- (6) Portion of Annual Principal and interest payments paid to CoBank for debt associated with plant placed in service between 1/1/2018 and 12/31/2018 based on a 25 year term loan with an actual total all in interest rate of 4.38% that was not recovered in DW17-128
- (7) QCPAC percent revenue surcharges based on increase in revenues over the step revenues granted in DW17-128, exclusive of prior QCPAC surcharges.
- (8) 2018 Proforma Operating Expenses include a reduction in purchased water expenses associated with the completion of the PWW-PEU Interconnection in the amount of \$ 180,500
- (9) Cumulative surcharge percentage is based on total surcharge revenues collected divided by the step revenues granted in DW17-128
- (10) QCPAC operating expense proforma associated with property taxes is reduced by \$ 70,000 to reflect reduction in purchased water costs associated with the completion of the Londonderry Storage Tank
- (11) QCPAC operating expense proforma associated with property taxes is reduced by \$ 28,000 to reflect reduction in arsenic treatment costs associated with the completion of the Locke Lake raw water well line to the Peacham Road Treatment plant
- (12) Portion of Annual Principal and interest payments paid to CoBank for debt associated with plant placed in service between 1/1 and 12/31 for designated year based on a 25 year term loan with an actual total all in interest rate of 5.50% that was not recovered in DW17-128

Impact on PEU Single Family Residential Home:

Monthly meter charge granted in DW17-128, inclusive of Step increase -	\$		20.70
Average Single Family Consumption (CCF) -			7.29
Consumption Charge granted in DW17-128, inclusive of Step increase -	\$		7.51 per CCF
Average Single Family monthly bill with rates granted in DW17-128, inclusive of step -	\$		75.45

Project Name/Description	Project Description	Work Order #	Financing Docket No.	NHPUC Order No.	Date of NHPUC Order	2018 Board Approved Budgeted Amount	Estimated Project Cost as of 10/31/2018	Final Project cost as of 12/31/2018	Community	Eligible for 2018 QCPAC Surcharge?	Taxable	Tax Rate (1)	QCPAC Eligible Property Tax Expense	Explanation for Change/ Addition/Deletion since 1/30/2018
Brady Avenue ⁶	Replace 2,400 linear feet of existing 1.5" thin wall HDPE water main with new 8" diameter ductile iron water main	1703684 & 1807069	DW17-055	26,006	4/19/2017	\$ 379,600	\$ 598,000	\$ 618,983	Derry	Yes	Yes	\$ 30.59	\$ 18,935	
Hillcrest Road	Replace approximately 1,200 linear feet of existing 12" thin wall ductile iron water main with high break history through swamp with 12" HDPE.	1707188 & 1807072	DW17-055	26,006	4/19/2017	\$ 242,000	\$ 240,000	\$ 254,860	Litchfield	Yes	Yes	\$ 26.84	\$ 6,840	
PEU-PWW Interconnection ⁸	Interconnect PEU to PWW under Merrimack River	See Below	DW17-055/Pending filing ⁷	26,006	4/19/2017	\$ 3,300,000	See Below		Merrimack/Litchfield	Yes	Yes	\$ 27.88		
PEU-PWW Interconnection	Interconnecting Water Main - Owned by PEU	1807155, 1807362, 1608938, 1701789	See above	See above	See above	\$ \$ Included above	\$ 3,515,850	\$ 3,335,078	Merrimack/Litchfield	Yes	Yes	\$ 27.88	\$ 92,982	
PEU Contribution toward PWW water main upgrade	Interconnecting Water Main - Owned by PWW (50% PEU paid portion)	1807148				\$ 33,925	\$ 33,925	\$ 33,925	Merrimack/Litchfield	Yes	No	\$ 27.88	\$ -	No property tax obligation for PEU as this is a PWW asset. PEU contribution to this PWW asset per NHPUC Order #26/049 on DW17-071.
PEU-PWW Interconnection Station Bidding & Construction	Booster Station, including purchase of building and meter from PWW	1813395				\$ 340,000	\$ 339,864	\$ 339,864	Merrimack	Yes	Yes	\$ 28.92	\$ 9,829	
Locke Lake Treatment Design	Design treatment for new Source of Supply required by NHDES Corrective Action Plan	1813409	DW18-132			\$ 100,000	\$ -	\$ -	Barnstead	No	Yes	\$ 27.10	\$ -	Design work for project that is not used and useful is not eligible for QCPAC Surcharge
Atkinson Commerce Park Station Imp.	Rebuild Booster Station, Replace Atmospheric Storage Tanks	Deferred	Pending Filing ⁷			\$ 330,000	\$ -	\$ -	Atkinson	Yes	Yes	\$ 22.35	\$ -	Project deferred due to Engineering resources being diverted to design Bedford/Litchfield PEOA facilities
Booster/Well/Chem Feed pump replacements	Replace small booster/well/chemical feed pumps as they fail (run rate) (21)	760 - 763 workorders	Pending Filing ⁷			\$ 60,000	\$ 100,200	\$ 92,476	Various	Yes	Yes	\$ 27.72	\$ 2,563	24 through December 31, 2018
Install/replace treatment systems in small CWS	Replace failed CWS treatment systems. Install new CWS treatment system if water quality or standards requires it.	n/a	Pending Filing ⁷			\$ 25,000	\$ 5,000	\$ -	Various	Yes	Yes	\$ 27.72	\$ -	
Misc. Structural Improvements	Repair/replace aging/failed station structures as needed	n/a	Pending Filing ⁷			\$ 20,000	\$ -	\$ -	Various	Yes	Yes	\$ 27.72	\$ -	
Miscellaneous Fencing and Security projects	Install fencing/security facilities as needed	n/a	Pending Filing ⁷			\$ 10,000	\$ -	\$ -	Various	Yes	Yes	\$ 27.72	\$ -	
Miscellaneous SCADA/Electrical	Install/repair/replace SCADA/Electrical equipment as needed		Pending Filing ⁷			\$ 30,000	See Below	\$ -	Various	Yes	Yes	\$ 27.72	\$ -	2 more VFD failures are projected through year end.
Miscellaneous SCADA/Electrical	Replace Pump #4 VFD at Castle Reach	1819462	Pending Filing ⁷			\$ \$ for these projects from annual run rate budget above	\$ 3,944	\$ 3,944	Various	Yes	Yes	\$ 27.72	\$ 109	
Miscellaneous SCADA/Electrical	Replace Pump #2 VFD at W&E	1816163	Pending Filing ⁷				\$ 3,013	\$ 3,013	Various	Yes	Yes	\$ 27.72	\$ 84	
Miscellaneous SCADA/Electrical	Replace Pump #5 VFD at Castle Reach	1807058	Pending Filing ⁷				\$ 4,145	\$ 4,145	Various	Yes	Yes	\$ 27.72	\$ 115	
Miscellaneous SCADA/Electrical	Replace Well Pump #13 VFD at Locke Lake	1818296	Pending Filing ⁷				\$ 2,639	\$ 2,684	Various	Yes	Yes	\$ 27.72	\$ 74	
Well Rehabilitation	Rehab wells as necessary to restore efficiency as needed	n/a	Pending Filing ⁷			\$ 60,000	\$ 15,000	\$ -	Various	Yes	Yes	\$ 27.72	\$ -	Only one projected well rehab to occur in 2018 vs. 4 in budget.
5 New Services	Single Family, Owner Build, New Homes	720 workorders	Pending Filing ⁷			\$ 23,000	\$ 32,800	\$ 27,558	Various	Yes	Yes	\$ 27.72	\$ 764	8 services added through December
10 Renewed Services	Replacement of failed services	721 & 722 workorders	Pending Filing ⁷			\$ 40,000	\$ 17,400	\$ 18,667	Various	Yes	Yes	\$ 27.72	\$ 517	9 services replaced through December
2 Hydrants	Replacement of non functional hydrants	730 & 731 workorders	Pending Filing ⁷			\$ 10,000	\$ 10,000	\$ -	Various	Yes	Yes	\$ 27.72	\$ -	None Reported in 2018.
10 Valve Replacements	Replacement of Failed Gate Valves	712 workorders	Pending Filing ⁷			\$ 30,000	\$ 12,000	\$ -	Various	Yes	Yes	\$ 27.72	\$ -	None Reported in 2018.
75 New Meters (growth) 5/8"-2"	New meters for new customers	750 workorders	Pending Filing ⁷			\$ 22,500	\$ 14,500	\$ 70,429	Various	Yes	Yes	\$ 27.72	\$ 1,952	531 replacements through December 31, 2018 inclusive of new and replacement meters
719 New Meters for Lead Meter exchanges 5/8"-6"	Replace High lead brass meter with new no lead brass meter	750 workorders	Pending Filing ⁷			\$ 144,000	\$ 143,400	\$ -	Various	Yes	Yes	\$ 27.72	\$ -	
Radio Reads	New and replaced radios for meter reading (123)	754 workorders	Pending Filing ⁷			\$ -	\$ 17,100	\$ 18,606	Various	Yes	Yes	\$ 27.72	\$ 516	249 Radio replacements were completed through December 31, 2018
Investment in Developer Installed Services	One times revenue tariffed amount (57)	n/a	Pending Filing ⁷			\$ -	\$ 42,500	\$ 47,838	Various	Yes	Yes	\$ 27.72	\$ 1,326	Required by Tariff. Not in 2018 Board Approved Budget
Insertion Valve Install	Installation of Insertion Valve on 16" Main MWV	1824544	Pending Filing ⁷			\$ -	\$ 25,000	\$ -	Londonderry	Yes	No	\$ 26.15	\$ -	MWV was going to shut service off for all of Londonderry for a hydrant repair. Insertion valve allowed hydrant replacement without losing service to any of Londonderry. Not included in QCPAC as this will be funded with 0.1 DSRP cash.
Chlorine Transfer Pump for NC Operations	Purchase new chlorine transfer pump to transfer bleach solution from large drum containers to smaller transportable containers	1817322	Pending Filing ⁷			\$ -	\$ 2,587	\$ 2,587	Various	Yes	Yes	\$ 27.72	\$ 72	
Hardwood New Source	Hardwood New Source	1701877	Pending Filing ⁷					\$ 6,285	Windham	Yes	Yes	\$ 27.57	\$ 173	
Locke Lake, Varney Rd Area	Locke Lake, Varney Rd Area - Clean up and final Paving	1817280	Pending Filing ⁷					\$ 94,050	Barnstead	Yes	Yes	\$ 27.10	\$ 2,549	
Locke Lake Well 14 VFD	Locke Lake Well 14 VFD	1900391	Pending Filing ⁷					\$ 8,608	Barnstead	Yes	Yes	\$ 27.10	\$ 233	
Short term interest	Short term interest on FALOC and SRF loans to fund 2018 Capex							\$ 39,547		Yes	No		\$ -	
Total 2018 Board Approved PEU Capital Expenditures -						\$ 4,826,100	\$ 5,179,004	\$ 5,023,146					\$ 139,634	
Projected 2018						\$ -	\$ 5,179,004							

				Projected Annual P&I Payments	
Amount to be funded with 2019 Loan from CoBank ²⁷ -				\$	76,800
Amount to be funded SRF loan for Brady Avenue watermain replacements ³ -				\$	23,215
Amount to be funded SRF loan for PWW/PEU Interconnection ⁴ -				\$	146,210
Amount to be funded SRF loan for Hillcrest Road watermain replacements ⁵ -				\$	14,888
Amount to be funded with Drinking Water and Groundwater Trust Fund Grant -				\$	-
Total Projected 2018 QCPAC P&I -				\$	261,114

1. Tax rate is the sum of the local community rate plus the Statewide Utility tax rate of \$6.60/\$1000

2. Final CoBank Loan Terms are 25 Years at 4.38%

3. Projected Brady Ave. SRF Terms are 30 Years at 1.96% with 10% Principal forgiveness

4. Projected PWW/PEU Interconnection SRF Terms are 20 Years at 1.96%

5. Projected Hillcrest Road SRF Terms are 20 Years at 1.96%

6. Brady Ave was budgeted in 2 phases by the Board, Phase I was in the 2017 Capital Budget and Phase II was in the 2018 Capital Budget with the total project budget estimated at \$ 254,860 of which \$ 10,471 is internal engineering that can not be funded with SRF funds.

7. The cash to fund the "pending filing" projects in 2018 was borrowed from Cohank through the short term Fixed Asset Line of Credit (FALOC) approved in DW17-157. PEU will be filing for approval to borrow long term funds from CoBank in the Winter of 2019 to repay the CoBank FALOC.

8. Eliminate AFDUC on PWW-PEU Interconnect Project in the amount of \$ 95,807

Project Name/Description	Project Description	Work Order #	Board Approved 2019 Capex Budget	Financing Docket No.	NHPUC Order No.	Date of NHPUC Order	Source of Funding	Eligible for 2020 QCPAC Surcharge	Eligible for 2020 QCPAC Surcharge	Estimated Project Cost as of 6/30/2019	Estimated Project Cost as of 9/30/2019	Estimated Project Cost as of 11/30/2019
Elevated Storage Tank in Londonderry ²	Construct 1.25 MG Elevated Storage Tank	1818349, 1901641	\$ 700,000	DW19-069	26,253	5/22/2019	Cobank Loan	No	\$ -	\$ 700,000	\$ -	\$ -
Airstrip alternative arsenic treatment	Raw Water Pipeline from Air Strip well to Peacham Road WTP	1901642	\$ 440,000	DW18-132	26,006	11/16/2018	SRF	No	\$ -	\$ 595,088	\$ -	\$ -
Locke Lake Surface Water Treatment	Design and Permitting of treatment and intake for Locke Lake surface water	combined with below	\$ 200,000	DW18-132	26,006	11/16/2018	SRF	No	\$ -	\$ 200,000	\$ -	\$ -
Locke Lake treatment evaluation	Pilot different treatment technologies to treat Locke Lake surface water	1813409, 1900433	\$ 75,000	DW18-132	26,006	11/18/2018	SRF	No	\$ -	\$ 75,000	\$ -	\$ -
Georgetown Area water main replacements	2018 Surveying costs	1917479	\$ -	DW18-132	26,006	11/16/2018	SRF	Yes	\$ -	\$ -	\$ -	\$ 20,845
Georgetown Drive water main replacement	Replace 4600 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	1901644	\$ 619,300	DW18-132	26,006	11/16/2018	SRF	Yes	\$ 619,300	\$ 682,478	\$ 640,567	\$ 580,142
Bradford Lane water main replacement	Replace 1825 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	1901645	\$ 253,000	DW18-132	26,006	11/18/2018	SRF	Yes	\$ 253,000	\$ 278,810	\$ 278,810	\$ 219,136
N.Barnstead Road - Eliminate deadend piping	Add 680 LF of 4 inch C-900 PVC to eliminate dead end. Replace 275 LF of 4 inch sch 40 PVC with 6 inch C900 PVC	1901646	\$ 132,000	DW18-132	26,006	11/16/2018	SRF	Yes	\$ 132,000	\$ 145,466	\$ 265,466	\$ 415,239
Belmont Drive water main replacement	Replace 500 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	1901647	\$ 68,200	DW18-132	26,006	11/16/2018	SRF	Yes	\$ 68,200	\$ 75,157	\$ 75,157	\$ 41,868
PEU-PWW Interconnection (Merrimack to Litchfield)	Carryover Costs (over 2018 SRF Funding)	1900424, 1900434, 1908514	\$ -	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ -	\$ -	\$ -	\$ 59,691
Upgrade Michells Way PRV Pit	Add additional pit with power and motor control valve to work with dist. System.		\$ -	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ -	\$ 45,000	\$ 45,000	\$ -
Rolling Hills Water Main Replacement	Replace substandard 2 inch diameter pipe with 4 inch C900 PVC	1825265, 1901649, 1918198	\$ 150,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 150,000	\$ 150,000	\$ 165,000	\$ 210,000
1x revenue investments Normal Run Rate with two months of PFOA in Litchfield	Per Tariff	n/a	\$ 96,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 96,000	\$ 94,880	\$ 44,000	\$ 37,500
Alexander Road, Water Main Upsizing	Alexander Road, Water Main Upsizing	1908374		DW19-069	26,253	5/22/2019	0.1 DSRR	No		\$ 1,120	\$ 1,120	\$ 1,120
Nashua Rd 4" Main Relocation - Carryover Charges	Nashua Rd 4" Main Relocation - Carryover Charges	1829926 & 1906036	\$ -	DW19-069	26,253	5/22/2019	0.1 DSRR	No	\$ -	\$ -	\$ 1,201	\$ 16,676
Weinstein/Dame Station Upgrades	Weinstein/Dame Station Upgrades	1506139, 1603114, 1703756, 1813249, 1907079		DW19-069	26,253	5/22/2019	Cobank Loan	Yes		\$ 108,286	\$ 108,286	\$ 108,286
Booster Pump replacement/rebuild	Replace small booster pumps as they fail (run rate)	760 - 763 workorders	\$ 40,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 40,000	\$ 40,000	\$ 32,000	\$ 30,000
Booster Pump replacement/rebuild	W&E Booster, Replace 3 pump motors, install 3 VFD drives	1915423	\$ -	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ -	\$ -	\$ 8,000	\$ 8,000
Well Pump replacements	Replace well pumps as they fail (run rate)	760 - 763 workorders	\$ 40,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 40,000	\$ 40,000	\$ 48,000	\$ 48,000
Chemical Feed pump replacements	Replace Chemical feed pumps as they fail (run rate)	760 - 763 workorders	\$ 10,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 10,000	\$ 10,000	\$ 8,200	\$ 10,000
Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS	n/a	\$ 25,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 25,000	\$ 25,000	\$ 25,000	\$ 15,000
Misc. Structural Improvements	Misc. Structural Improvements	n/a	\$ 20,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 20,000	\$ 20,000	\$ 20,000	\$ 10,000
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects	n/a	\$ 10,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical	n/a	\$ 30,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 30,000	\$ 30,000	\$ 10,000	\$ 2,500
Miscellaneous SCADA/Electrical	Replace VFD Booster #3, Liberty Tree	1910159	\$ -	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ -	\$ -	\$ 1,720	\$ 1,720
Miscellaneous SCADA/Electrical	Replace VFD, Booster #2 - Forest Ridge	1915363	\$ -	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ -	\$ -	\$ 1,742	\$ 1,742
Miscellaneous SCADA/Electrical	Replace VFD, Booster #1 - Spruce Pond	1915856	\$ -	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ -	\$ -	\$ 2,156	\$ 2,156
Miscellaneous SCADA/Electrical	Replace Generator Control Unit, Hardwood	1916937	\$ -	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ -	\$ -	\$ -	\$ 2,115
Well Rehabilitation	Well Rehabilitation	n/a	\$ 60,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 60,000	\$ 60,000	\$ 60,000	\$ -
Atkinson Booster pump station design	Atkinson Booster pump station design	n/a	\$ 30,000	DW19-069	26,253	5/22/2019	Cobank Loan	No	\$ -	\$ -	\$ -	\$ -
Replace softner media, W and E	Replace softner media, W and E	1901650	\$ 10,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 10,000	\$ 10,000	\$ -	\$ -
Add communications between remote facility and Nashua WTP	Install web based communication equipment, 4 locations	n/a	\$ 20,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 20,000	\$ 20,000	\$ 20,000	\$ -
Add communications between remote facility and Nashua WTP	Install web based communication equipment, Forest Ridge	1901651	\$ -	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ -	\$ -	\$ -	\$ 4,488
Pennichuck East Survey Work	Pennichuck East Survey Work	1702834						No				
New Services (5)	Single Family, Owner Build, New Homes	720 workorders	\$ 23,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 23,000	\$ 23,000	\$ 13,200	\$ 14,560
Renewed Services (10)	Replacement of failed services	721 & 722 workorders	\$ 46,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 46,000	\$ 46,000	\$ 35,000	\$ 35,824
Hydrants (5)	Replacement of non functional hydrants	730 & 731 workorders	\$ 25,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 25,000	\$ 25,000	\$ 11,000	\$ 9,911
Gates (8)	Replacement of Failed Gate Valves	712 workorders	\$ 32,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 32,000	\$ 32,000	\$ 21,500	\$ 27,255
Radios (550)	New and replaced radios for meter reading	754 workorders	\$ 55,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 15,000	\$ 15,000	\$ 16,500	\$ 21,500
Meters (Growth) 5/8"-2" - PEU (220)	New meters for new customers	750 workorders	\$ 22,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 22,000	\$ 22,000		
Meters 5/8"-6" Lead Meter Exchange - PEU (550)	Replace High lead brass meter with new no lead brass meter	750 workorders	\$ 55,000	DW19-069	26,253	5/22/2019	Cobank Loan	Yes	\$ 55,000	\$ 55,000	\$ 90,000	\$ 85,000
PEU Capitalized short term project interest	Short term interest on CoBank FALOC from July 2019 through July 2020							Yes				

Pennichuck East Utilities Baord approved 2019 Capital Expenditures -	\$	3,286,500		\$	1,801,500	\$	3,634,285	\$	2,058,625	\$	2,040,274
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Pennichuck East Utilities Projected 2019 QCPAC Eligible Capital Investment (Based on Board approved 2019 Budget) - \$ 1,841,500

Pennichuck East Utilities Projected 2019 QCPAC Eligible Capital Investment, June 30 Update - \$ 2,063,077

Pennichuck East Utilities Projected 2019 QCPAC Eligible Capital Investment, Sept 30 Update - \$ 2,056,304

Pennichuck East Utilities Projected 2019 QCPAC Eligible Capital Investment, Nov 30 Update - 2,022,478

Pennichuck East Utilities Projected 2019 QCPAC Eligible Capital Investment, Final Update⁷ -

Funded with SRF Funds -	\$	1,072,500	\$	1,100,000	\$	1,100,000	1,100,000
Amount to be funded with 2020 Loan from CoBank ⁴ -	\$	769,000	\$	963,077	\$	956,304	922,478

1. Tax rate is the sum of the local community rate plus the Statewide Utility tax rate of \$6.60/\$1000
2. The Londonderry Tank will not be used and useful in 2019 and hence it is not qualified to be included in QCPAC
3. The 2020 PEU Capital Expenditures Budget presented were approved by the Board in January of 2020.
4. Projected CoBank Loan Terms are 25 Years
5. Projected SRF Terms for Locke Lake project are 30 Years
6. Amount of 2019 projects funded with 0.1 DSRR funds
7. This is the QCPAC eligible project costs less any that were funded with 0.1 DSRR funds

resulting in Annual P&I of	\$	59,884	based on 011/30/2019 update
resulting in Annual P&I of	\$	47,430	based on 011/30/2019 update

Project Name/Description	Project Description	Work Order #	Board Approved 2020 Capex Budget	Financing Docket No.	NHPUC Order No.	Date of NHPUC Order
Londonderry Storage, Booster Station, and Transmission Main	Construct 1.25 MG Groung Level Storage Tank, 3,500 gpm Booster Station and 6300 LF 16 inch Transmission Main		\$ 1,545,000	CoBank	Pending Filing	
Airstrip alternative arsenic treatment	Raw Water Pipeline from Air Strip well to Peacham Road WTP		\$ 540,000	DW18-132	26,006	11/16/2018
Georgetown Drive water main replacement	Replace 4600 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC		\$ 10,000	DW18-132	26,006	11/18/2018
Bradford Lane water main replacement	Replace 1825 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC		\$ 10,000	DW18-132	26,006	11/20/2018
N.Barnstead Road - Eliminate deadend piping	Add 680 LF of 4 inch C-900 PVC to eliminate dead end. Replace 275 LF of 4 inch sch 40 PVC with 6 inch C900 PVC		\$ 239,000	DW18-132	26,006	11/22/2018
Belmont Drive water main replacement	Replace 500 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC		\$ 5,000	DW18-132	26,006	11/24/2018
Route 28 Replacement	Replace 720 LF of 2" PE with 720 LF of 4" C-900 PVC.		\$ 80,000	DW18-132	26,006	11/26/2018
Rolling Hills Water Main Replacement - Site Restoration from 2019 Project	Replace substandard 2 inch diameter pipe with 4 inch C900 PVC		\$ 32,000			
Locke Lake Surface Water Treatment	Intake & Treatment Facility Construction		\$ 835,000	DW18-132	26,006	11/26/2018
Pelham Main Replacement/Addition	Replace 1600 LF of 3 inch PE with 12 in C-900 and add 775 LF of 12 in C-900 Monticello & Lane		\$ 285,000	CoBank	Pending Filing	
1 x revenue investments Normal Run Rate	Per Tariff		\$ 100,000	CoBank	Pending Filing	
Sunrise Estates	Station Replacement (design)		\$ 40,000	0.1 DSRR		
Londonderry Core Re-Chloramination	Re-chloramination Evalution and Preliminary Design		\$ 35,000	0.1 DSRR		
Atkinson Booster pump station design	Atkinson Booster pump station design		\$ 30,000	0.1 DSRR		
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild		\$ 40,000	CoBank	Pending Filing	
Well Pump replacements	Well Pump replacements		\$ 40,000	CoBank	Pending Filing	
Chemical Feed pump replacements	Chemical Feed pump replacements		\$ 10,000	CoBank	Pending Filing	
Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS		\$ 25,000	CoBank	Pending Filing	
Misc. Structural Improvements	Misc. Structural Improvements		\$ 20,000	CoBank	Pending Filing	
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects		\$ 10,000	CoBank	Pending Filing	
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical		\$ 30,000	CoBank	Pending Filing	
Well Rehabilitation	Well Rehabilitation		\$ 60,000	CoBank	Pending Filing	
Atkinson Station Rebuild	Station cannot provide requirede fire flow. Hydropneumatic tank is in need of replacement		\$ 500,000	CoBank	Pending Filing	
Install web based communication equipment, 4 locations	Install web based communication equipment, 4 locations		\$ 20,000	CoBank	Pending Filing	
New Services (5)	Single Family, Owner Build, New Homes		\$ 25,000	CoBank	Pending Filing	
Renewed Services (10)	Replacement of failed services		\$ 55,000	CoBank	Pending Filing	
Hydrants (5)	Replacement of non functional hydrants		\$ 30,000	CoBank	Pending Filing	
Gates (8)	Replacement of Failed Gate Valves		\$ 32,000	CoBank	Pending Filing	
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading		\$ 32,000	CoBank	Pending Filing	
Meters (Growth) 5/8"-2" - PEU (220)	New meters for new customers (220)		\$ 22,000	CoBank	Pending Filing	

Pennichuck East Utilities Projected 2020 Total Capital Expenditure Budget - \$ 4,737,000

Pennichuck East Utilities Projected 2020 C

1. Tax rate is the sum of the local community rate plus the Statewide Utility tax rate of \$6.60/\$1000
2. The 2020 PEU Capital Expenditures Budget presented were approved by the Board in Janaury of 2020.
3. Projected CoBank Loan Terms are 25 Years at 5.5%
4. Projected SRF Terms for Locke Lake project are 30 Years at 2.704%
5. Locke Lake Surface Water Treatment project completed in late 2021 at a total projected cost of

resulting in P&I of \$ 217,162
resulting in P&I of \$ 43,393

Pennichuck East Utilities, Inc.
DW 20-xxx
2020 QCPAC Filing
Board Approved 2021 Capital Expenditures²

Project Name/Description	Project Description	Work Order #	Board Approved 2021 Capex Budget	Financing Docket No.	NHPUC Order No.	Date of NHPUC Order
Locke Lake Surface Water Treatment ⁵	Intake & Treatment Facility Construction		\$ 1,065,000	DW18-132	26,006	11/26/2018
1 x revenue investments Normal Run Rate	Per Tariff		\$ 72,000	CoBank	Pending Filing	
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild		\$ 40,000	CoBank	Pending Filing	
Well Pump replacements	Well Pump replacements		\$ 40,000	CoBank	Pending Filing	
Chemical Feed pump replacements	Chemical Feed pump replacements		\$ 10,000	CoBank	Pending Filing	
Middleton Station Re-build	Middleton Station Re-build		\$ 300,000	CoBank	Pending Filing	
Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS		\$ 25,000	CoBank	Pending Filing	
Misc. Structural Improvements	Misc. Structural Improvements		\$ 20,000	CoBank	Pending Filing	
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects		\$ 10,000	CoBank	Pending Filing	
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical		\$ 30,000	CoBank	Pending Filing	
Well Rehabilitation	Well Rehabilitation		\$ 60,000	CoBank	Pending Filing	
New Services (5)	Single Family, Owner Build, New Homes		\$ 25,000	CoBank	Pending Filing	
Renewed Services (10)	Replacement of failed services		\$ 55,000	0.1 DSRR	Pending Filing	
Hydrants (5)	Replacement of non functional hydrants		\$ 30,000	CoBank	Pending Filing	
Gates (8)	Replacement of Failed Gate Valves		\$ 32,000	CoBank	Pending Filing	
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading		\$ 32,000	CoBank	Pending Filing	
New meters for new customers (220). Replacement of failed meters (80)	New meters for new customers (220)		\$ 30,000	CoBank	Pending Filing	
Meters 5/8"-6" Lead Meter Exchange - PEU (400)	Replace High lead brass meter with new no lead brass meter		\$ 40,000	CoBank	Pending Filing	
2021 Radios (1000)	Begin 7 year replacement of all PEU radios (all initial radios installed in 2007)		\$ 130,000	CoBank	Pending Filing	
2021 Meters (Growth) 5/8"-2" (220), Replacement (80)	New meters for new customers (220). Replacement of failed meters (80)		\$ 30,000	CoBank	Pending Filing	

Pennichuck East Utilities Projected 2020 Total Capital Expenditure Budget - \$ 2,076,000

Pennichuck East Utilities Projected 2020 Capital Expenditure Budget - \$ 2,076,000

1. Tax rate is the sum of the local community rate plus the Statewide Utility tax rate of \$6.60/\$1000

2. The 2021 PEU Capital Expenditures Budget presented were approved by the Board in Janaury of 2020.

3. Projected CoBank Loan Terms are 25 Years at 5.5% resulting in P&I of \$ 71,269

4. Projected SRF Terms for Locke Lake project are 30 Years at 2.704% resulting in P&I of \$ 93,265

5. Locke Lake Surface Water Treatment project started in 2020. Expected 2020 expense of \$ 835,000 in 2020. Project will be used and useful in 2021 with a total expectd cost of \$ 1,900,000

Project Name/Description	Project Description	Work Order #	Board Approved 2021 Capex Budget	Financing Docket No.	NHPUC Order No.	Date of NHPUC Order
New Services (5)	Single Family, Owner Build, New Homes		\$ 25,000	CoBank		Pending Filing
Renewed Services (10)	Replacement of failed services		\$ 55,000	0.1 DSRR		Pending Filing
Hydrants (5)	Replacement of non functional hydrants		\$ 30,000	CoBank		Pending Filing
Gates (8)	Replacement of Failed Gate Valves		\$ 32,000	CoBank		Pending Filing
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading		\$ 31,500	CoBank		Pending Filing
New meters for new customers (220). Replacement of failed meters (80)	New meters for new customers (220)		\$ 30,000	CoBank		Pending Filing
2022 Radios (1000)	Year 2 of a 7 year replacement of all PEU radios (all initial radios installed in 2007)		\$ 130,000	CoBank		Pending Filing
2022 Meters (Growth) 5/8"-2" - Core & CWS (TBD)	New meters for new customers (220). Replacement of failed meters (80)		\$ 30,000	CoBank		Pending Filing
Wellesley Drive water main replacement ⁵	Replace 1760 LF of 2 inch PE with 1760 LF of C900 PVC		\$ 240,000	SRF		Pending Filing
Radcliffe Drive water main replacement ⁵	Replace 720 LF of 1.5 inch PE with 720 LF of C900 PVC		\$ 100,000	SRF		Pending Filing
Vassar Drive water main replacement ⁵	Replace 1740 LF of 2 inch PE with 1740 LF of C900 PVC		\$ 250,000	SRF		Pending Filing
1 x revenue investments Normal Run Rate	Per Tariff		\$ 72,000	CoBank		Pending Filing
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild		\$ 40,000	CoBank		Pending Filing
Well Pump replacements	Well Pump replacements		\$ 40,000	CoBank		Pending Filing
Chemical Feed pump replacements	Chemical Feed pump replacements		\$ 10,000	CoBank		Pending Filing
Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS		\$ 25,000	CoBank		Pending Filing
Misc. Structural Improvements	Misc. Structural Improvements		\$ 20,000	CoBank		Pending Filing
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects		\$ 10,000	CoBank		Pending Filing
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical		\$ 30,000	CoBank		Pending Filing
Well Rehabilitation	Well Rehabilitation		\$ 60,000	CoBank		Pending Filing

Pennichuck East Utilities Projected 2020 Total Capital Expenditure Budget - \$ 1,260,500

Pennichuck East Utilities Projected 2020 Capital Expenditure Budget - \$ 1,260,500

1. Tax rate is the sum of the local community rate plus the Statewide Utility tax rate of \$6.60/\$1000
2. The 2022 PEU Capital Expenditures Budget presented were approved by the Board in Janaury of 2020.
3. Projected CoBank Loan Terms are 25 Years at 5.5% resulting in P&I of \$ 45,885
4. Projected SRF Terms for Locke Lake project are 20 Years at 3.250% resulting in P&I of \$ 40,580
5. The Wellesley, Radcliffe and Vassar Drive water main replacemts will be completed over 2 years with water main replacement occurring in 2022 and final pavement in 2023

**Pennichuck East Utility Qualified Capital Project Adjustment Charge (QCPAC)
Customer Notice for February 2020 filing at the New Hampshire Public Utilities
Commission**

Pennichuck East Utilities, Inc.'s ("Pennichuck") primary goal is to provide exceptional service and delivery of quality water 24 hours a day, 365 days a year. We regularly evaluate the infrastructure of our systems to identify areas that require improvement. Pennichuck was granted approval by the New Hampshire Public Utilities Commission (PUC) in DW17-128 (Order #26,194) to implement a Qualified Capital Project Adjustment Charge (QCPAC). The QCPAC allows Pennichuck to bill a monthly surcharge based on a percentage of your monthly bill. The surcharge will recover the costs of Pennichuck's ongoing investment in Qualified Capital Projects (QCPs) necessary to provide service to its customers, in compliance with State and Federal regulations, and to maintain its overall water supply and treatment infrastructure in a proactive and responsive manner.

The QCPAC surcharge allows Pennichuck to recover 1.10 times the annual principal and interest for the debt issued to pay for Pennichuck's Qualified Capital Projects (QCPs) expenditures made on plant and equipment placed into service during the prior year plus the property taxes associated with those QCPs. As a part of this annual process, Pennichuck's QCP expenditures are audited by the PUC for prudence and confirmation of actual expenditure levels.

Our Customers benefit from the QCPAC program as it provides the necessary funding for Pennichuck to maintain a consistent plan for the replacement of aging infrastructure, which in turn increases the reliability and quality of service. The QCPAC program will also result in smaller annual rate changes for customers by permitting Pennichuck to recover the expenses associated with the replacement of aging infrastructure between rate cases.

As part of the ongoing annual QCPAC process, Pennichuck will be filing a proposed three-year capital expenditure plan for 2020-2022 QCPs with the PUC on or before February 15, 2020. The proposed 2020-2022 QCPs submitted will update Pennichuck's 2019 through 2021 proposed QCP expenditures placed on file with the PUC in February of 2019 in conjunction with its DW 19-035 QCPAC filing. As part of the pending February 2020 QCPAC filing, Pennichuck will be requesting the PUC to allow it to increase the QCPAC surcharge from 2.98% to 5.67%. The PUC granted the 2.98% increase in Order #26,313 issued on December 6, 2019 and effective on January 6, 2020. The first bills reflecting the 2.98% QCPAC surcharge will either be delivered in January or February of 2020. The February 2020 filing described in this notice is requesting an additional 2.70% associated with the QCPs placed in service during 2019. The proposed QCPAC surcharge will apply to meter classes and charges for bills rendered after May 1, 2020 and would likely go into effect in the fall of 2020.

The requested QCPAC surcharge for 2019 QCPs, if approved, would result in a total QCPAC surcharge of about \$4.28 per month on the average single family residential bill of \$75.45 resulting in a total monthly bill of \$79.73 consisting of the \$2.25 surcharge granted for the 2018 QCPs and the proposed additional surcharge of \$2.03 for 2019 QCP's.

If you have any questions or concerns related to Pennichuck's February 2020 QCPAC filing, please contact Pennichuck Customer Service at 800-553-5191 or the New Hampshire Public Utilities Commission at 800-852-3793.

Attachment B - PEU Draft QCPAC Tariff Language

NHPUC NO. 1 Water
PENNICHUCK EAST UTILITY, INC.

First Revised Page 50
Superseding Original Page 50

QUALIFIED CAPITAL PROJECT ADJUSTMENT CHARGE

In addition to the net charges provided for in this Tariff, a Qualified Capital Project Adjustment Charge ("QCPAC") surcharge of 4.95% will apply on a service rendered basis to all bills issued after July **xx**, 2020.

I. General Description

Purpose: To recover the fixed costs (1.1 times principal and interest plus property taxes) of Commission-approved capital expenditures needed to operate maintain, insure regulatory compliance and to replace aging infrastructure which were completed and placed in service and to be recorded in the individual accounts, as noted below, between base rate cases. In addition, QCPAC provides the Company with the resources to complete essential asset replacement for infrastructure for the purpose of improving or protecting water quality and the reliability of service and to comply with evolving regulatory requirements imposed by the Safe Drinking Water Act.

QCPAC Eligible Property will encompass all Assets acquired by the Company as part of its annual capital improvements plan. Any regulatory asset that is recovered through an amortization expense is not eligible for QCPAC treatment.

Computation of the QCPAC

The charge effective on a service rendered basis for all bills issued after July **xx**, 2020 and will be calculated to recover the fixed costs of eligible plant additions not previously reflected in the Company's rate base and placed in service between January 1, 2018 and December 31, 2019. Thereafter, the QCPAC will be updated on an annual basis to reflect eligible plant additions placed in service during the prior calendar year. Thus, changes in the QCPAC surcharge percentage will occur as follows:

<u>Effective Date of QCPAC Change</u>	<u>Date To Which QCPAC Eligible Plant Additions Reflected</u>
June 30, 2020	December 31, 2019

The QCPAC will be applied on a service rendered basis to all bills rendered after July **xx**, 2020. The QCPAC will be applied uniformly to all customer classes and charges with the exception that the QCPAC will not be applied against the North Country Capital Recovery Surcharge.

Issued: _____
Effective: July **xx**, 2020

Issued by: _____
Name: Donald L. Ware
Title: Chief Operating Officer

Authorized by NHPUC Order No. **xx,xxx** in Docket No. DW 20-**xxx** dated **October xx**, 2020

The fixed costs of eligible infrastructure system improvement projects will consist of principal and interest payments and property taxes calculated as follows:

Principal and Interest: The principal and interest expense will be based on the annual principal and interest associated with the financings received the Drinking Water and Groundwater Trust Fund, the New Hampshire Department of Environmental Services State Revolving Loan Fund and a term loan with CoBank, all of which were closed on before or on July 30, 2020 to pay for the QCPAC qualified projects that were completed and used and useful by December 31, 2019. The Principal and interest associated with these various financings will be multiplied by 1.1 to determine this portion of the QCPAC surcharge. The debt service revenues collected via the QCPAC surcharge shall be divided into two revenue streams with the revenues associated with 1.0 times the QCPAC principal and interest being part of the Company's Debt Service Revenue Requirement ("DSRR") and the revenues associated with 0.1 times the QCPAC principal and interest being part of the Company's 0.1 Debt Service Revenue Requirement ("0.1 DSRR").

Property Taxes: Incremental property taxes associated with the specific capital projects, as determined in the year of the granting of the QCPAC for such projects. The property tax expense will reflect an estimate of the tax expense for such projects based on the tax rate then in effect at the end of the year the QCP was used and useful times the final audited cost of the eligible QCP's.

QCPAC Surcharge Amount: The charge will be expressed as a percentage carried to two decimal places and will be applied to the effective portion of the total amount billed to each customer under the Company's otherwise applicable rates and charges.

The QCPAC Surcharge Amount approved by the Commission will be recouped back to the effective date of this tariff. The recoupment will be calculated based on actual charges incurred between the effective date of this tariff and the issued date of this tariff and shall be collected over two months commencing after the issuance date of this tariff.

Issued: _____
Effective: July xx, 2020

Issued by: _____
Name: Donald L. Ware

Authorized by NHPUC Order No. xx,xxx in Docket No. DW 20-xxx dated October xx, 2020

Title: Chief Operating Officer

NHPUC NO. 1 Water
PENNICHUCK EAST UTILITY, INC.

First Revised Page 52
Superseding Original Page 52

Formula: The formula for calculation of the QCPAC surcharge is as follows:

$$\text{QCPAC} = \frac{1.1 \times (\text{AP} + \text{AI}) + \text{PT}}{\text{BRWR}}$$

Where:

AP = the annual principal payments associated with the financings issued to fund QCPAC eligible projects that were used and useful before the end of the preceding year.

AI = the annual interest payments associated with the financings issued to fund QCPAC eligible projects that were used and useful before the end of the preceding year the pre-tax return rate applicable to eligible infrastructure system improvement projects.

PT = annual property taxes related to eligible infrastructure system improvement projects.

BRWR= base retail water revenues as approved by the Commission in the Company's last rate proceeding, DW 17-128, or a subsequent docket.

Annual updates: Supporting data for each annual update will be filed with the Commission and the Office of Consumer Advocate no later than February 15th of each year.

Audits: The QCPAC will be subject to audit prior to the determination by the Commission.

Issued: _____
Effective: July xx, 2020

Issued by: _____
Name: Donald L. Ware
Title: Chief Operating Officer

NHPUC NO. 1 Water
PENNICHUCK EAST UTILITY, INC.

First Revised Page 53
Superseding Original Page 53

Authorized by NHPUC Order No. xx,xxx in Docket No. DW 20-xxx dated October xx, 2020

New Base Rates: The QCPAC charge will be reset at zero as of the effective date of new base rates that provide for prospective recovery of the annual costs that had theretofore been recovered under the QCPAC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in the Company's rate base would be reflected in the annual updates of the QCPAC.

Customer Notice: At least thirty (30) days in advance of a QCPAC filing, the Company will notify Customers of the filing by including an explanatory bill insert with the bills. Before sending, the Company will review the notice with the Commission's Consumer Services and External Affairs division. Customers shall also be notified of changes in the QCPAC by including appropriate information with the first bill they receive following any change.

Notice of Project Substitution: If, after the Company has received Commission approval for Year 1 QCPAC projects, because of changed circumstances or significant new information the Company plans to undertake projects in Year 1 that were not included on the list of approved QCPAC projects for that year or it has decided not to proceed with one or more projects that were included on the Commission-approved list, it shall notify the Commission and all parties to the proceeding in which the list of QCPAC projects was approved that the Company plans to add to or delete projects and the reason for the proposed changes, in accordance with the following schedule. The Company will submit updates for approved QCPAC projects for that year, based upon information known on a year-to-date basis, from the beginning of the year through the following effective dates, on the associated reporting dates:

Effective Date

June 30
September 30
November 30

Reporting Date

August 15
November 15
January 15

Issued: _____
Effective: July xx, 2020

Issued by: _____
Name: Donald L. Ware
Title: Chief Operating Officer

Authorized by NHPUC Order No. xx,xxx in Docket No. DW 20-xxx dated October xx, 2020



PENNICHUCK®

PENNICHUCK CORPORATION

CORPORATE SECRETARY'S CERTIFICATE

I, Suzanne L. Ansara, do hereby certify that I am the duly elected Corporate Secretary of Pennichuck Corporation (the "Company"), a New Hampshire corporation, and that I am authorized to execute and deliver this Certificate on behalf of the Company. In that capacity, I do hereby further certify that:

1. The following resolution was adopted by the Board of Directors of the Company on January 24, 2020; and such resolution has not been altered, amended or repealed, and is in full force and effect, as of the date hereof:

Resolved: that the revised 2020 Capital Expenditure Budget and 2021/2022 Capital Expenditure Plans, as presented at this meeting, are hereby approved.

2. Attachment A to this Corporate Secretary's Certificate is a true copy of the Pennichuck East Utility, Inc. 2020 Capital Expenditure Budget and 2021/2022 Capital Expenditure Plans presented to the Board of Directors of the Company on January 24, 2020 and approved by said Board.

In Witness Whereof, I have hereunto set my hand this 10th day of February, 2020.



Suzanne L. Ansara
Corporate Secretary

Attachment A

2020 Capital Budget and 2021/2022 Capex Plans – Pennichuck East Utility

	Total Budgeted for 2019	Total Budgeted in 2020 for Carryover/Multi- year Projects	Total Budgeted in 2020 for New Projects	Total Budgeted for 2020	Total Planned in 2021 for Carryover & New Projects	Total Planned in 2022 for Carryover & New Projects
Mains and Main Replacements	\$ 1,663	\$ 916	\$ 285	\$ 1,201	\$ -	\$ 858
Booster Stations, Tanks, Generators and Pumps	120	30	80	110	340	40
Water Treatment Media and Miscellaneous Water Supply Upgrades	70	-	-	-	135	135
Service, Hydrants and Meters	258	-	196	196	404	364
North Country Operations Facility	-	-	-	-	-	-
All Other	386	-	850	850	132	132
Subtotals	2,497	946	1,411	2,357	1,011	1,529
 New Londonderry Tank - Woodmont Commons	 700	 1,545	 -	 1,545	 -	 -
Locke Lake - Surface Water Intake, Treatment and Mains Upgrade	200	-	835	835	1,065	-
Total Capex Budgeted 2020-2022	\$ 3,397	\$ 2,491	\$ 2,246	\$ 4,737	\$ 2,076	\$ 1,529
 Total Capex Budgeted 2020 - 2022 approved 12/20/19	 \$ 3,397	 \$ 2,245	 \$ 3,386	 \$ 5,631	 \$ 1,601	 \$ 1,529
 Variances	 \$ -	 \$ 246	 \$ (1,140)	 \$ (894)	 \$ 475	 \$ -





PENNICHUCK®

PENNICHUCK CORPORATION

CORPORATE SECRETARY'S CERTIFICATE

I, Suzanne L. Ansara, do hereby certify that I am the duly elected Corporate Secretary of Pennichuck Corporation (the "Company"), a New Hampshire corporation, and that I am authorized to execute and deliver this Certificate on behalf of the Company. In that capacity, I do hereby further certify that:

1. The following resolution was adopted by the Board of Directors of the Company on January 24, 2020; and such resolution has not been altered, amended or repealed, and is in full force and effect, as of the date hereof:

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In Witness Whereof, I have hereunto set my hand this 10th day of February, 2020.



Suzanne L. Ansara
Corporate Secretary

Attachment A

2020 Capital Budget and 2021/2022 Capex Plans – Pennichuck East Utility

	Total Budgeted for 2019	Total Budgeted in 2020 for Carryover/Multi- year Projects	Total Budgeted in 2020 for New Projects	Total Budgeted for 2020	Total Planned in 2021 for Carryover & New Projects	Total Planned in 2022 for Carryover & New Projects
Mains and Main Replacements	\$ 1,663	\$ 916	\$ 285	\$ 1,201	\$ -	\$ 858
Booster Stations, Tanks, Generators and Pumps	120	30	80	110	340	40
Water Treatment Media and Miscellaneous Water Supply Upgrades	70	-	-	-	135	135
Service, Hydrants and Meters	258	-	196	196	404	364
North Country Operations Facility	-	-	-	-	-	-
All Other	386	-	850	850	132	132
Subtotals	2,497	946	1,411	2,357	1,011	1,529
 New Londonderry Tank - Woodmont Commons	 700	 1,545	 -	 1,545	 -	 -
Locke Lake - Surface Water Intake, Treatment and Mains Upgrade	200	-	835	835	1,065	-
Total Capex Budgeted 2020-2022	\$ 3,397	\$ 2,491	\$ 2,246	\$ 4,737	\$ 2,076	\$ 1,529
 Total Capex Budgeted 2020 - 2022 approved 12/20/19	 \$ 3,397	 \$ 2,245	 \$ 3,386	 \$ 5,631	 \$ 1,601	 \$ 1,529
 Variances	 \$ -	 \$ 246	 \$ (1,140)	 \$ (894)	 \$ 475	 \$ -

