

DW 20-156  
PENNICHUCK EAST UTILITY, INC.  
TEMPORARY RATES  
SUMMARY - CALCULATION OF REVENUE REQUIREMENT FROM WATER SALES

	REVENUE REQUIREMENT PER COMPANY FILING	REVENUE REQUIREMENT PER SETTLEMENT
<b><u>CITY BOND FIXED REVENUE REQUIREMENT (CBFRR)</u></b>		
1) City Bond Fixed Revenue Requirement (CBFRR) (Schedule 1)	\$ 926,309	\$ 926,309
<b><u>OPERATING EXPENSE REVENUE REQUIREMENT (OERR) (Schedule 2)</u></b>		
2) Total Pro Forma Operation & Maintenance Expenses	\$ 6,046,869	\$ 6,092,210
3) Pro Forma Property Tax Expense	1,174,044	1,174,044
4) Pro Forma Amortization Expense	340,758	127,440
5) Pro Forma Income Tax Expense	3,775	-
6) Total Operating Expenses [(2) + (3) + (4) + (5)]	\$ 7,565,446	\$ 7,393,694
<b><u>DEBT SERVICE REVENUE REQUIREMENT (DSRR) (Schedule 3)</u></b>		
7) Pro Forma Test Year Annual Debt Service	\$ 1,455,529	\$ 1,455,529
8) Debt Service Coverage Requirement	x 1.1	x 1.1
9) Debt Service Revenue Requirement (DSRR) [(7) x (8)]	\$ 1,601,082	\$ 1,601,082
10) REVENUE REQUIREMENT EXCLUSIVE OF NORTH COUNTRY CAPITAL RECOVERY SURCHARGE (NCCRS) REVENUES [(1) + (6) + (9)]	\$ 10,092,837	\$ 9,921,085
<b><u>CALCULATION OF PERCENT INCREASE (DECREASE) IN ANNUAL BASE RATE WATER REVENUES</u></b>		
11) Total Proposed Revenue Requirement Exclusive of NCCRS Revenues [(10)]	\$ 10,092,837	\$ 9,921,085
12) Less: Pro Forma Test Year Other Operating Revenues (Schedule 2)	(30,188)	(30,188)
13) Total Proposed Water Revenues from Base Rates [(11) - (12)]	\$ 10,062,649	\$ 9,890,897
14) Less: Pro Forma Test Year Water Revenues from Base Rates (Schedule 2)	(8,674,184)	(8,674,184)
15) Proposed Increase / (Decrease) in Annual Water Revenues from Base Rates [(13) - (14)]	\$ 1,388,465	\$ 1,216,713
	16.01%	14.03%
16) Proposed Increase / (Decrease) in Annual Water Revenues from Base Rates	\$ 1,301,128	\$ 1,216,713
	15.00%	14.03%
16) Less: Pro Forma Test Year Water Revenues from QCPAC (Schedule 2)	(258,491)	(258,491)
17) Proposed Increase / (Decrease) in Total Annual Revenues from Water Sales [(15) - (16)]	\$ 1,042,637	\$ 958,222
	12.02%	11.05%
<b><u>OPERATING REVENUES AFTER IMPLEMENTATION OF TEMPORARY RATES</u></b>		
18) Proposed Revenues from Base Rates [(14) + (16)]	\$ 9,975,312	\$ 9,890,897
19) Other Operating Revenues (12)	30,188	30,188
20) Proposed North Country Capital Recovery Surcharge (NCCRS) (Schedule 2)	178,915	178,915
21) Total Proposed Operating Revenues after Implementation of Temporary Rates [(18) + (19) + (20)]	\$ 10,184,415	\$ 10,100,000

**DW 20-156  
PENNICHUCK EAST UTILITY, INC.  
TEMPORARY RATES**

**SCHEDULE 1 - CALCULATION OF PEU'S SHARE OF CITY BOND FIXED REVENUE REQUIREMENT (CBFRR)**

Total City Bond \$ 150,570,000  
Bond Interest Rate 4.09%  
Bond Period 30 yrs.

	Total City Bond \$ 150,570,000
	Less Rate Stabilization fund \$ 5,000,000
Amount of City Bond to be prorated between Utilities CBFRR	\$ 145,570,000
PWW Share of CBFRR	10.21%
PWW Prorate share	\$ 14,864,176
Add back PWW Pro Rata Share of Rate Stabilization Reserve	\$ 980,000
Total PWW Pro Rata Share for CBFRR/MARA	\$ 15,844,176
Bond Interest Rate	4.09%
Bond Period	30 yrs.
<b>PEU CBFRR Requirement</b>	<b>\$ 926,309</b>

Notes:

Pro Rata Calculation as follows:<sup>(1)</sup>

PWW & Southwood Equity (12/31/2011) <sup>(2)</sup>	\$ 56,442,675	88.12%
PEU Equity (12/31/2011)	\$ 6,540,063	10.21%
PAC Equity (12/31/2011)	\$ 1,066,353	1.66%
	\$ 64,049,091	100.00%

Calculation of RSF Percentage based on Revenue requirements from DW13-126, 13-128 and 13-130

RSF amount funded by City Bond -	\$ 5,000,000	
PWW Revenue Requirement -	\$ 27,689,214	per DW13-130 Settlement Agreement
PEU Revenue Requirement -	\$ 6,913,261	per DW13-126 Settlement Agreement
PAC Revenue Requirement -	\$ 745,186	per DW13-128 Settlement Agreement
PEU Share of RSF as a percentage -	19.56%	
PEU Share of RSF in \$\$ -	\$ 980,000	

Distribution of RSF funds to Revenue Requirement RSF's<sup>(3)</sup>

CBFRR RSF	\$ 31,000
MOERR RSF	\$ 898,000
1.0 DSRR RSF	\$ 51,000
	\$ 980,000

(1) Calculations are from DW11-026

(2) Consists of Equity as of 12/31/2011 as follows:

PWW	\$ 54,395,626
Southwood	\$ 2,047,049
Total	\$ 56,442,675

(3) PEU RSF fund levels as established in DW17-128

**DW 20-156  
PENNICHUCK EAST UTILITY, INC.  
TEMPORARY RATES  
SCHEDULE 2 - OPERATING INCOME STATEMENT AND DETAILED CALCULATION OF ESTIMATED REVENUE REQUIREMENT**

	<u>Company Proposal per Original Filing</u>			<u>Settlement Proposal</u>			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Test Year Operating Income	Adjustments to Derive Temp Rates	Adjusted Test Yr Operating Income per Co' Filing (Co's Sch 1)	Adj's per Settlement (Sch 2a)	Pro Forma Operating Income per Settlement	Revenue Increase per Settlement	Revenue Requirement per Settlement
<b>OPERATING REVENUES</b>							
Revenues from Water Sales:							
Water Revenues from Base Rates	\$ 8,500,418	\$ -	\$ 8,500,418	\$ 173,766	1 \$ 8,674,184	\$ 1,216,713	\$ 9,890,897
Water Revenues from Qualified Capital Project Adjustment Charge (QCPAC)	106,880	-	106,880	151,611	2 258,491	(258,491)	-
Total Revenues from Water Sales	<u>8,607,298</u>	<u>-</u>	<u>8,607,298</u>	<u>325,377</u>	<u>8,932,675</u>	<u>958,222</u>	<u>9,890,897</u>
Other Operating Revenues	30,188	-	30,188		30,188		30,188
Water Revenues from North Country Capital Recovery Surcharge (NCCRS)	181,603	-	181,603		181,603	(2,688)	178,915
Total Operating Revenues	<u>8,819,089</u>	<u>-</u>	<u>8,819,089</u>	<u>325,377</u>	<u>9,144,466</u>	<u>955,534</u>	<u>10,100,000</u>
<b>OPERATING EXPENSES</b>							
<b>Operation and Maintenance Expenses:</b>							
Production Expense	2,257,198	-	2,257,198	45,341	3 - 4 2,302,539		2,302,539
Transmission and Distribution Expense	1,006,231	-	1,006,231		1,006,231		1,006,231
Customer Account and Collection Expense	204,718	-	204,718		204,718		204,718
Administrative and General Expense	181,461	-	181,461		181,461		181,461
Inter-Division Management Fee	2,397,261	-	2,397,261		2,397,261		2,397,261
Total Operation and Maintenance Expenses	<u>6,046,869</u>	<u>-</u>	<u>6,046,869</u>	<u>45,341</u>	<u>6,092,210</u>	<u>-</u>	<u>6,092,210</u>
<b>Other Operating Expenses:</b>							
Property Tax Expense	1,174,044	-	1,174,044		1,174,044		1,174,044
Gain from Forgiveness of SRF Debt	(23,660)	23,660	-		-		-
Depreciation Expense	1,549,220	(1,549,220)	-		-		-
Amortization of Acquisition Adjustment	(195,643)	-	-		-		-
Amortization of Contributions in Aid of Construction (CIAC)	(431,235)	431,235	-		-		-
Amortization Expense - Other	340,758	-	340,758	(213,318)	5 127,440		127,440
Total Other Operating Expenses	<u>2,413,484</u>	<u>(898,682)</u>	<u>1,514,802</u>	<u>(213,318)</u>	<u>1,301,484</u>	<u>-</u>	<u>1,301,484</u>
<b>Income Tax Expense:</b>							
State Income Tax Expense	93,834	(90,059)	3,775	(3,775)	6 -		-
Federal Income Tax Expense	325,301	(325,301)	-	-	-		-
Total Income Tax Expense	<u>419,135</u>	<u>(415,360)</u>	<u>3,775</u>	<u>(3,775)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>8,879,488</u>	<u>(1,314,042)</u>	<u>7,565,446</u>	<u>(171,752)</u>	<u>7,393,694</u>	<u>-</u>	<u>7,393,694</u>
<b>NET OPERATING INCOME</b>	<b><u>\$ (60,399)</u></b>	<b><u>\$ 1,314,042</u></b>	<b><u>\$ 1,253,643</u></b>	<b><u>\$ 497,129</u></b>	<b><u>\$ 1,750,772</u></b>	<b><u>\$ 955,534</u></b>	<b><u>\$ 2,706,306</u></b>
<b>CALCULATION OF REVENUE DEFICIENCY AND REQUIRED INCREASE:</b>							
			<b>PER COMPANY</b>	<b>SETTLEMENT ADJUSTMENTS</b>	<b>PER SETTLEMENT</b>	<b>REVENUE INCREASE</b>	<b>SETTLEMENT</b>
NET OPERATING INCOME			\$ 1,253,643	\$ 497,129	\$ 1,750,772	\$ 955,534	\$ 2,706,306
LESS: QUALIFIED CAPITAL PROJECT ADJUSTMENT CHARGE (QCPAC) REVENUES			(106,880)	(151,611)	(258,491)	-	-
LESS: NORTH COUNTRY CAPITAL RECOVERY SURCHARGE (NCCRS) REVENUES			(181,603)	-	(181,603)	2,688	(178,915)
NET OPERATING INCOME EXCLUSIVE OF QCPAC and NCCRS REVENUES			<u>\$ 965,160</u>	<u>\$ 345,519</u>	<u>\$ 1,310,679</u>	<u>\$ 1,216,713</u>	<u>\$ 2,527,391</u>
LESS: CITY BOND FIXED REVENUE REQUIREMENT (CBFRR)			<u>(926,309)</u>	<u>-</u>	<u>(926,309)</u>	<u>-</u>	<u>(926,309)</u>
LESS: DEBT SERVICE REVENUE REQUIREMENT (DSRR)							
PRO FORMA DEBT SERVICE			(1,455,529)	-	(1,455,529)	-	(1,455,529)
x DEBT COVERAGE REQUIREMENT			<u>1.1</u>	<u>x 1.1</u>	<u>x 1.1</u>	<u>x 1.1</u>	<u>x 1.1</u>
DEBT SERVICE REVENUE REQUIREMENT (DSRR)			<u>(1,601,082)</u>	<u>-</u>	<u>(1,601,082)</u>	<u>-</u>	<u>(1,601,082)</u>
<b>CALCULATED REVENUE (DEFICIENCY) / INCREASE</b>			<b><u>\$ (1,562,231)</u></b>	<b><u>\$ 345,519</u></b>	<b><u>\$ (1,216,713)</u></b>	<b><u>\$ 1,216,713</u></b>	<b><u>\$ -</u></b>
<b>Revenue Requirement Component Summary:</b>							
							<b>\$ 926,309</b>
<b>City Bond Fixed Revenue Requirement (CBFRR):</b>							
<b>Operating Expense Revenue Requirement (OERR):</b>							
Total O & M Expenses							\$ 6,092,210
Property Tax Expense							1,174,044
Amortization Expense							127,440
Income Tax Expense							-
							<b>7,393,694</b>
<b>Debt Service Revenue Requirement (DSRR):</b>							
Pro Forma Debt Service							\$ 1,455,529
Debt Service Coverage Requirement x							1.1
							<b>1,601,082</b>
<b>North Country Capital Recovery Surcharge (NCCRS):</b>							<b>178,915</b>
<b>Total Temporary Rate Revenue Requirement Including NCCRS Revenues:</b>							<b><u>\$ 10,100,000</u></b>

DW 20-156  
**PENNICHUCK EAST UTILITY, INC.**  
**TEMPORARY RATES**  
**SCHEDULE 2a - OPERATING INCOME ADJUSTMENTS PER SETTLEMENT**

**OPERATING REVENUES****REVENUES FROM WATER SALES****Revenues from Water Sales:**Water Revenues from Base Rates:

1 Normalize Test Year Revenues to Reflect 5 Year Avg Volumetric Sales per Co's Schedule 1C. \$ 173,766

Water Revenues from Qualified Capital Project Adjustment Charge (QCPAC):

2 Normalize Test Year Revenues to Reflect 5 Year Avg Volumetric Sales per Co's Schedule 1C. 151,611

**TOTAL ADJUSTMENTS - OPERATING REVENUES****\$ 325,377****OPERATING EXPENSES****OPERATION AND MAINTENANCE EXPENSES****Production Expense:**

3 Adjustment to Purchased Water Expense associated with 5 Year Avg Flows per Co's Sch 1, Att B, Adj IIB:  
     2019 Purchased Water Expense, less Trucked Water \$ 1,002,160  
     Percent change in Purchased Water from Test Yr to 5 Year Avg per Co's Sch 1C x 4.10% \$ 41,089

4 Adjustment to Electric Supply Charge associated with 5 Year Avg Flows per Co's Sch 1, Att B, Adj IID:  
     2019 Electric Usage in KWH 2,001,401  
     Percent change in Production from Test Yr to 5 Year Avg per Co's Sch 1C x 2.87%  
     2019 Supply Rate per KWH x \$ 0.07403 4,252

**Total Adjustments - Operation and Maintenance Expenses****45,341****OTHER OPERATING EXPENSES****Amortization Expense - Other:**

5 Elimination of Amortization Expense associated with PEU's portion of Acquisition Adj per Co's Sch 1, Att H, Adj IB: **(213,318)**

**INCOME TAX EXPENSE****State Income Tax Expense:**

6 To eliminate 2019 NH Business Enterprise Tax (See Co Sch 1, Att J, Adju IA) (3,775)

**TOTAL ADJUSTMENTS - OPERATING EXPENSES****(171,752)****NET OPERATING INCOME ADJUSTMENTS****\$ 497,129**

**DW 20-156  
PENNICHUCK EAST UTILITY, INC.  
TEMPORARY RATES  
SCHEDULE 2b - ANALYSIS OF OPERATING REVENUES**

Rate or Class of Service	Test Year Base Rate Revenues	Test Year QCPAC Revenues	Total Test Year Revenues	Pro Forma QCPAC Revenues	Total Test Year Pro Forma Revenues	5-Yr Avg Base Rate Pro Forma	5-Yr Avg QCPAC Pro Forma	Total 5-Yr Average Pro Forma Revenues	5-Yr Avg Pro Forma Revenues Less: QCPAC	Pro Forma Test Year Revenues
G-M	\$ 7,221,538	\$ 90,800	\$ 7,312,338	\$ 124,402	\$ 7,436,740	\$ 173,766	\$ 5,178	\$ 7,615,684	\$ 7,395,304	\$ 7,615,684
Private FP	358,892	4,513	363,405	6,182	369,587	-	-	369,587	358,892	369,587
FP - Hydrants	852,013	10,713	862,726	14,677	877,403	-	-	877,403	852,013	877,403
Windham Public Hydrant	38,577	485	39,062	665	39,727	-	-	39,727	38,577	39,727
Raymond Public Hydrant	6,139	77	6,216	106	6,322	-	-	6,322	6,139	6,322
Lee Public Hydrant	4,312	54	4,366	74	4,440	-	-	4,440	4,312	4,440
Exeter Public Hydrant	5,604	70	5,674	97	5,771	-	-	5,771	5,604	5,771
Birch Hill Public Hydrant	11,103	140	11,243	191	11,434	-	-	11,434	11,103	11,434
Bow Public Hydrant	2,240	28	2,268	39	2,307	-	-	2,307	2,240	2,307
Revenues from Water Sales	8,500,418	106,880	8,607,298	146,432	8,753,730	173,766	5,178	8,932,675	8,674,184	8,932,675
North Country Capital Recovery Surcharge	181,603	-	181,603	-	181,603	-	-	181,603	181,603	181,603
Revenues from Water Sales and NCCRS	8,682,021	106,880	8,788,901	146,432	8,935,333	173,766	5,178	9,114,278	8,855,787	9,114,278
Other Operating Revenues	30,188	-	30,188	-	30,188	-	-	30,188	30,188	30,188
<b>Total Operating Revenues</b>	<b>\$ 8,712,209</b>	<b>\$ 106,880</b>	<b>\$ 8,819,089</b>	<b>\$ 146,432</b>	<b>\$ 8,965,521</b>	<b>\$ 173,766</b>	<b>\$ 5,178</b>	<b>\$ 9,144,466</b>	<b>\$ 8,885,975</b>	<b>\$ 9,144,466</b>

**DW 20-156**  
**PENNICHUCK EAST UTILITY, INC.**  
**TEMPORARY RATES**  
**SCHEDULE 2c - NON-MATERIAL OPERATING EXPENSES**

<b>Acct No.</b>	<b>Description</b>	<b>Per Co's 2019 Gen'l Ledger</b>	<b>Pro Forma Adj's per Co's Filing</b>	<b>Pro Forma Balance per Co's Filing</b>	<b>Pro Forma Adj's per Settlement</b>	<b>Pro Forma Balance per Settlement</b>
921002	SENIOR MANAGEMENT VEHICLES	\$ -	\$ -	\$ -	\$ -	\$ -
921003	SENIOR MANAGEMENT - FUEL PURCHASED	-	-	-	-	-
921004	SENIOR MANAGEMENTTT - VEHICLE REGISTRATION	-	-	-	-	-
923000	OUTSIDE SERVICES	23,260	-	23,260	-	23,260
926001	OFFICER'S LIFE INSURANCE	-	-	-	-	-
926500	MISCELLANEOUS EMPLOYEE BENEFITS	-	-	-	-	-
926501	MISCELLANEOUS EMPLOYEE BENEFITS - WELLNESS	-	-	-	-	-
926502	MISCELLANEOUS EMPLOYEE BENEFITS - ACTIVITIES	-	-	-	-	-
926505	EMPLOYEE RELATIONS	-	-	-	-	-
926600	TUITION REIMBURSEMENT	-	-	-	-	-
926610	TRAINING EDUCATIONAL SEMINARS	-	-	-	-	-
930100	MEETINGS & CONVENTIONS	-	-	-	-	-
930101	MEMBERSHIPS	-	-	-	-	-
930200	PUBLIC RELATIONS	-	-	-	-	-
930300	MEALS	4,603	-	4,603	-	4,603
930410	CHARITABLE CONTRIBUTIONS	-	-	-	-	-
	<b>TOTAL NON-MATERIAL OPERATING EXPENSES</b>	<b>\$ 27,863</b>	<b>\$ -</b>	<b>\$ 27,863</b>	<b>\$ -</b>	<b>\$ 27,863</b>

DW 20-156  
PENNICHUCK EAST UTILITY, INC.  
TEMPORARY RATES  
SCHEDULE 3 - PRO FORMA TEST YEAR DEBT SERVICE

Holder	Term	Maturity	Int Rate	OUTSTANDING DEBT	PRO FORMA PRINCIPAL PAYMENTS					PRO FORMA INTEREST PAYMENTS					PRO FORMA DEBT SERVICE PER CO FILING	PRO FORMA DEBT SERVICE PER SETTLMNT
					2019 Principal Payments	Pro Forma Adj's per Co Filing	Pro Forma Princ Pmts per Co Filing	Adjustments per Settlement	Pro Forma Princ Pmts per Sett/mnt	2019 Interest Payments	Pro Forma Adj's per Co Filing	Pro Forma Int Pmts per Co Filing	Adjustments per Settlement	Pro Forma Int Pmts per Sett/mnt		
<b>PRO FORMA TEST YEAR DEBT:</b>																
<b>Outstanding Debt at 12/31/2019:</b>																
CoBank	20	03/01/30	5.950%	\$ 2,715,543	\$ 212,716		\$ 212,716		\$ 212,716	\$ 120,540		\$ 120,540		\$ 120,540	\$ 333,256	\$ 333,256
State of NH SRF: Green Hills	20	01/01/25	3.728%	113,245	17,325		17,325		17,325	4,689		4,689		4,689	22,014	22,014
State of NH SRF: Pelham Tank	20	01/01/27	3.488%	242,897	30,114		30,114		30,114	9,044		9,044		9,044	39,158	39,158
State of NH SRF: Maple Hills	20	06/01/30	2.952%	353,184	28,543		28,543		28,543	10,884		10,884		10,884	39,427	39,427
State of NH SRF: Birch Hill NC Loan	20	12/01/31	2.864%	1,193,378	82,859	(82,859)	-	-	-	35,469	(35,469)	-	-	-	-	-
State of NH SRF: Locke Lake - 2007	20	05/01/30	2.952%	151,960	12,325		12,325		12,325	4,743		4,743		4,743	17,068	17,068
State of NH SRF: Locke Lake - 2011	20	06/01/33	2.864%	227,937	6,427		6,427		6,427	6,724		6,724		6,724	13,151	13,151
State of NH SRF: Liberty Tree	20	04/01/35	3.104%	334,930	8,013		8,013		8,013	10,651		10,651		10,651	18,664	18,664
State of NH SRF: Locke Lake - 2012	20	12/01/33	2.720%	300,407	17,523		17,523		17,523	8,430		8,430		8,430	25,953	25,953
CoBank \$1.7M Loan (RX0848T4)	10	06/20/23	3.620%	1,294,541	72,802		72,802		72,802	49,104		49,104		49,104	121,906	121,906
CoBank \$925K Loan (RX0848T3)	20	06/20/33	4.250%	706,244	37,786		37,786		37,786	31,403		31,403		31,403	69,189	69,189
State of NH SRF: Locke Lake Dam Site - Phase 2	20	07/01/35	2.720%	327,933	16,785		16,785		16,785	9,168		9,168		9,168	25,953	25,953
State of NH SRF: Winwood & Monroe - Phase 1	20	07/01/36	2.720%	333,303	15,794		15,794		15,794	9,300		9,300		9,300	25,094	25,094
State of NH SRF: Winwood & Monroe - Phase 2	20	11/01/36	2.464%	349,020	16,530		16,530		16,530	8,821		8,821		8,821	25,351	25,351
State of NH SRF: W&E Main Replacement	20	08/01/36	2.616%	882,518	41,966		41,966		41,966	23,684		23,684		23,684	65,650	65,650
State of NH SRF: Hickory & Avery	20	04/01/36	2.720%	359,529	17,529		17,529		17,529	9,654		9,654		9,654	27,183	27,183
State of NH SRF: Hardwood Treatment Station	20	07/01/36	2.464%	491,091	23,832		23,832		23,832	12,420		12,420		12,420	36,252	36,252
CoBank \$625K Loan	25	03/06/40	4.900%	557,471	15,610		15,610		15,610	28,159		28,159		28,159	43,769	43,769
CoBank \$1.25M Loan T6 (1st Tranche)	25	11/01/41	4.200%	1,160,174	31,223		31,223		31,223	50,198		50,198		50,198	81,421	81,421
CoBank \$950K Loan T6 (2nd Tranche)	25	11/01/41	4.830%	887,255	21,945		21,945		21,945	44,091		44,091		44,091	66,036	66,036
State of NH SRF: Locke Lake - Varney Road	20	11/01/37	1.960%	1,356,529	63,287		63,287		63,287	27,262		27,262		27,262	90,549	90,549
State of NH SRF: Brady Ave (Derry) - 2017	30	07/01/49	1.960%	563,319	5,633		5,633		5,633	16,196		16,196		16,196	21,829	21,829
State of NH SRF: Hillcrest Road (Litchfield) - 2017	20	09/01/39	1.960%	238,741	3,306		3,306		3,306	5,482		5,482		5,482	8,788	8,788
CoBank \$500K Loan (2017 Capital Projects)	25	05/20/43	5.330%	339,168	7,034		7,034		7,034	18,556		18,556		18,556	25,590	25,590
State of NH SRF: Merrimack River Crossing	20	09/01/39	1.960%	2,367,217	32,783		32,783		32,783	64,446		64,446		64,446	97,229	97,229
CoBank \$1.153M Loan T9 (2018 QCP's)	25	06/01/44	4.380%	1,144,579	8,421		8,421		8,421	18,326		18,326		18,326	26,747	26,747
State of NH SRF: Locke Lake - Georgetown Main	30	TBD	2.704%	958,333	-		-		-	-		-		-	-	-
Sub-total: 2019 Outstanding Debt				19,950,446	848,111	(82,859)	765,252	-	765,252	637,444	(35,469)	601,975	-	601,975	1,367,227	1,367,227
<b>New Debt Acquired during 2020:</b>																
CoBank \$800K Loan (2019 QCP's)	25	12/20/45	3.980%	800,122	-		-		-	-		-		-	-	-
Sub-total: 2020 New Debt				800,122	-		-		-	-		-		-	-	-
<b>Intercompany Debt:</b>																
Penn Corp: Refinanced \$1,701,516 Loans - 2018	30	05/01/48	3.200%	1,646,609	35,001		35,001		35,001	53,301		53,301		53,301	88,302	88,302
Penn Corp: Refinanced \$1,157,403 NC Loan - 2018	30	05/01/48	3.200%	1,120,054	23,808	(23,808)	-		-	36,256	(36,256)	-		-	-	-
Sub-total: Intercompany Debt				2,766,663	58,809	(23,808)	35,001		35,001	89,557	(36,256)	53,301		53,301	88,302	88,302
<b>PRO FORMA TEST YEAR TOTALS</b>				<b>\$ 23,517,231</b>	<b>\$ 906,920</b>	<b>\$ (106,667)</b>	<b>\$ 800,253</b>	<b>\$ -</b>	<b>\$ 800,253</b>	<b>\$ 727,001</b>	<b>\$ (71,725)</b>	<b>\$ 655,276</b>	<b>\$ -</b>	<b>\$ 655,276</b>	<b>\$ 1,455,529</b>	<b>\$ 1,455,529</b>

**DW 20-156  
PENNICHUCK EAST UTILITY, INC.  
TEMPORARY RATES  
SCHEDULE 4 - REPORT OF PROPOSED RATE CHANGES**

Rate or Class of Service	Effect of Proposed Change	Average Number Customers	Change in Annual Revenues				Temporary Rate Change in Annual Revenues	
			Pro Forma Test Year Revenues	Less: Pro Forma QCPAC Revenues	Pro Forma Test Year Base Rate Revenues	Proposed Distribution of Revenue Requirement	Amount	% Increase
G-M	Increase	7,927	\$ 7,615,684	\$ (220,380)	\$ 7,395,304	\$ 8,432,631	\$ 1,037,326	14.03%
Private FP	Increase	320	369,587	(10,695)	358,892	409,233	50,341	14.03%
FP - Hydrants	Increase	4	877,403	(25,390)	852,013	971,523	119,510	14.03%
Windham Public Hydrant	Increase	357	39,727	(1,150)	38,577	43,988	5,411	14.03%
Raymond Public Hydrant	Increase	248	6,322	(183)	6,139	7,000	861	14.03%
Lee Public Hydrant	Increase	34	4,440	(128)	4,312	4,917	605	14.03%
Exeter Public Hydrant	Increase	52	5,771	(167)	5,604	6,390	786	14.03%
Birch Hill Public Hydrant	Increase	216	11,434	(331)	11,103	12,660	1,557	14.03%
Bow Public Hydrant	Increase	26	2,307	(67)	2,240	2,554	314	14.03%
Revenues from Water Sales		8,251	8,932,675	(258,491)	8,674,184	9,890,897	1,216,713	14.03%
North Country Capital Recovery Surcharge	Decrease	1,199	181,603	-	181,603	178,915	(2,688)	-1.48%
Revenues from Water Sales and NCCRS		8,251	9,114,278	(258,491)	8,855,787	10,069,812	1,214,025	13.71%
Other Operating Revenues	-	-	30,188	-	30,188	30,188	-	0.00%
<b>Total Operating Revenues</b>		<b>8,251</b>	<b>\$ 9,144,466</b>	<b>\$ (258,491)</b>	<b>\$ 8,885,975</b>	<b>\$ 10,100,000</b>	<b>\$ 1,214,025</b>	<b>13.66%</b>