

TAB 1

Notice of Intent

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

PENNICHUCK EAST UTILITY, INC.

DOCKET NO. 20-156

NOTICE OF INTENT TO FILE RATE SCHEDULES

Pursuant to N.H. RSA 378:3 and N.H. Code Admin. R. 1604.05(a) (requiring thirty days' notice), Pennichuck East Utility, Inc. (PEU), hereby gives notice of its intent to file rate schedules with the New Hampshire Public Utilities Commission. Pursuant to N.H. Code Admin. R. 1604.05(c), such rate schedules will be filed within sixty days of this notice.

Pursuant to RSA Chapter 378 and N.H. Code Admin. R. 1604.05(b), PEU will be seeking to increase its revenue requirement by approximately \$1,851,894, or 21.28%, above the revenues generated by sales, based on the five-year average methodology with a Material Operating Expense Factor. This increase does not include revenues from the North Country Capital Recovery Surcharge and annual revenues recovered under the Qualified Capital Project Adjustment Charge program.

PEU's last rate case was in 2017 in Docket No. DW 17-128 and was based on a 2016 test year. The proposed increase averages to approximately 7.09% per year since that last rate case.

PENNICHUCK EAST UTILITY, INC.

By its attorney,




Dated: September 23, 2020

Marcia A. Brown
NH Brown Law, PLLC
20 Noble Street
Somersworth, NH 03878
(603) 219-4911/mab@nhbrownlaw.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of this notice was emailed this day to the Office of the Consumer Advocate and to the Commission's electronic service list for initial filings.

Dated: September 23, 2020


Marcia A. Brown

TAB 2

PEU Cover Letter



Marcia A. Brown
Attorney at Law

Environmental Law ■ Utility Law

November 23, 2020

VIA ELECTRONIC DELIVERY

Debra A. Howland, Executive Director
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, N.H. 03301

Re: DW 20-156 - Pennichuck East Utility, Inc.
Permanent Rate Proceeding

Dear Director Howland:

Pursuant to the Commission's temporary electronic filing requirements, enclosed please find for filing Pennichuck East Utilities, Inc.'s PART Puc 1604 general rate schedules and other filing requirements. Hardcopies will be provided shortly for the Commission's convenience of review. Please add the attached contact information to the Commission's official service list.

Thank you for your assistance with this filing. Please do not hesitate to contact me if you have any questions.

Very Truly Yours,

A handwritten signature in black ink that reads "Marcia A. Brown". The signature is written in a cursive, flowing style.

Marcia A. Brown

Enclosures

cc: Docket-Related Service List for DW 20-156

DW 20-156 Service List Additions:

Larry D. Goodhue
Pittsfield Aqueduct Company, Inc.
25 Walnut Street
Nashua, NH 03060-3347
larry.goodhue@pennichuck.com

Donald L. Ware
Pittsfield Aqueduct Company, Inc.
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Carol Ann Howe
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TAB 3

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TAB 4

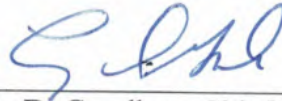
Attestation

ATTESTATION REQUIRED BY PUC 1604.04

Pursuant to N.H. Admin. Rule Puc 1604.04, the undersigned executive in charge of utility accounts for Pennichuck East Utility, Inc. does hereby attest as follows:

I, Larry D. Goodhue, the officer in charge of the utility accounts of Pennichuck East Utility, Inc., affirm, based on my personal knowledge, information and belief, that the cost and revenue statements, and the supporting data submitted, which purport to reflect the books and records of the company, do in fact set forth the results shown by such books and records and that all differences between the books and the test year data and any changes in the manner of recording an item on the utility's books during the test year, have been expressly noted.

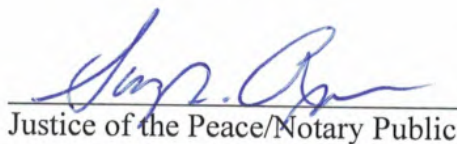
Date: November 12, 2020



Larry D. Goodhue, Chief Executive Officer
Pennichuck East Utility, Inc.

STATE OF NEW HAMPSHIRE
HILLSBOROUGH COUNTY

Subscribed and sworn to on this 12th day of November, 2020, before me,



Justice of the Peace/Notary Public



My Commission Expires: _____

TAB 5

Petition and Proposed Tariff Pages for Temporary Rates

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

Docket No. DW 20-156

Pennichuck East Utility, Inc.
Permanent Rate Proceeding

PETITION FOR TEMPORARY RATES

NOW COMES, Pennichuck East Utility, Inc. (“PEU” or the “Company”), pursuant to RSA 378:27 and 378:29 and in accordance with N.H. Admin. Rule Puc 203.07, hereby requests that the New Hampshire Public Utility Commission (the “Commission”) approve temporary rates for PEU at the levels noted in the attached temporary rate schedules. PEU requests these temporary rates be effective on a service rendered basis thirty (30) days after the date of this filing. In support of its petition, PEU states as follows:

1. PEU filed its notice of intent to file rate schedules with the Commission on September 23, 2020, which the Commission acknowledged by Secretarial Letter dated September 25, 2020. PEU is filing its rate schedules (“Rate Filing”) to change its permanent rates contemporaneously with this petition.
2. RSA 378:27 authorizes the Commission to grant temporary rates if, in its opinion, the public interest so requires and the records of the utility on file with the Commission indicate it is not earning a reasonable return on its property used and useful in the public service. Moreover, RSA 378:27 allows the Commission to authorize effective dates as early as the date on which the petition for a permanent rate change is filed. *Pennichuck Water Works, Inc.*, Order No. 24,377 at 7 (September 30, 2004), citing *Appeal of Pennichuck Water Works*, 120 NH 562, 567 (1980). “Further, the analysis and investigation conducted by the Commission in a

temporary rate case need not be as intensive as that deemed necessary in a permanent rate proceeding.” *Pennichuck Water Works, Inc.*, Docket No. DW 01-081, Order No. 23,770 at 5 (Aug. 31, 2001) (citation omitted). The Commission may rely on books and records already on file with the Commission. *Appeal of Office of Consumer Advocate*, 134 N.H. 651, 659-660 (1991) (“New Hampshire law allows the PUC in a rate case to rely on records and reports that a utility is required to file with it.” “Included among those records and reports are the utility’s annual reports.” “Temporary rates shall be determined expeditiously, without such investigation as might be deemed necessary to a determination of permanent rates.”)

3. As is detailed in the accompanying testimony, PEU’s books and records on file with the Commission as well as its Rate Filing demonstrate that it needs rate relief. As shown on Puc 1604.06 Schedule A and Schedule 1 of the Rate Filing, and based on the rate-making methodology approved in Docket No. DW 17-128 and inclusive of the North Country Capital Recovery Surcharge (“NCCRS”) and Qualified Capital Project Adjustment Charge (QCPAC), PEU’s 2019 pro formed test year revenue needs were \$10,715,419 while its actual revenues were \$8,819,088. The computation of the revenue deficiency results in a needed revenue increase of 21.05%. To the extent necessary to support this petition, PEU incorporates by reference the testimony and supporting materials filed in support of its permanent Rate Filing.

4. PEU’s current revenues are too low to cover principal and interest payments to PEU’s parent, Pennichuck Corporation, and cover PEU’s operating expenses. As stated above, PEU is seeking an overall revenue increase of 21.05%. This translates into an overall customer rate increase of 21.05%, although each rate class may have a different percent increase at the conclusion of PEU’s permanent rate proceeding. Regardless of the individual customer class rate changes, because of the size of this needed revenue increase, and its potential impact on

customer rates and bills if it were to be implemented as one rate increase, PEU recommends mitigating the potential rate shock by phasing-in the rate increase. As such, PEU requests temporary rates be set at a 15% increase over the rates approved in DW 17-128, across all customer classes. The QCPAC approved for 2018 QCP's granted in DW 19-035 at 2.98% and the QCPAC sought for 2019 QCP's in DW 20-019 at 1.97% will be eliminated if temporary rates are granted. PEU believes eliminating the QCPAC charge will be less confusing to customers because customer bills will not change multiple times during the pendency of this rate proceeding. As noted in the attached joint testimony, stripping away the impact of the 1.97% and 2.98% QCPAC increases, the increase solely attributed to temporary rates is approximately 10%; or less than half of the revenue increase sought in PEU's Rate Filing. PEU believes approving a temporary rate increase balances the interests of PEU and its customers, will result in less frequent rate changes on account of removal of the QCPAC increase and will result in just and reasonable rates. Temporary rates are protective of customers because they are reconciled at the conclusion of the rate proceeding even if there are rate changes due to a cost of service study. This proposed increase is consistent with the requirements of RSA 378:27, which provides that "temporary rates shall be sufficient to yield not less than a reasonable return on the cost of property of the utility used and useful in the public service less accrued depreciation...". Additionally, temporary rates are necessary because unless temporary rate relief is granted, PEU's inadequate revenues will result in the confiscation of the Company's property. PEU is proposing to implement the temporary rate increase by increasing all customers' bills by the same percentage while maintaining the current rate design during the pendency of the case. A comparison of current rates versus the proposed temporary rates is illustrated on the attached draft, track-change, tariff pages.

5. This request to establish temporary rates (as opposed to some other rate level) is not presently a justiciable issue but PEU presumes that the Commission will suspend PEU's permanent rate tariffs and will not on its own accord order temporary rates. Therefore, PEU believes it is proper and reasonable to file its temporary rate request with its Rate Filing.

6. As to an effective date for temporary rates, pursuant to RSA 378:3 “[u]nless the commission otherwise orders, no change shall be made in any rate, fare, charge or price, which shall have been filed or published by a public utility in compliance with the requirements hereof, except after 30 days’ notice to the commission and such notice to the public as the commission shall direct.”) See, *Appeal of Pennichuck Water Works*, 120 N.H. 562, 567 (1980) (wherein the Court held that “[a]ccordingly, we hold that the earliest date on which the Commission can order temporary rates to take effect is the date on which the utility files its underlying request for a change in permanent rates.” “In no event may temporary rates be made effective as to services rendered before the date on which the permanent rate request is filed.”); and *Pennichuck Water Works, Inc.*, Docket No. DW 04-056, Order No. 24,377 (Sept. 30, 2004). In this case, PEU is filing its rate schedules and tariffs today, and therefore, to provide the thirty (30) day’s notice, PEU has set the temporary rates to be effective December 24, 2020.

7. In conclusion, based on the books and records on file with the Commission, including the testimony attached hereto, PEU believes it has demonstrated that it is eligible for the temporary rate relief requested herein.

WHEREFORE, the Company respectfully requests that the Commission:

- A. Fix, determine, and prescribe, pursuant to RSA 378:27 and 378:29, temporary rates for PEU at its current rate levels, effective December 24, 2020;

- B. Order that temporary rates remain in effect until such time as the Commission issues a final order establishing permanent rates;
- C. Grant such other relief as is just and equitable.

Respectfully submitted,

Pittsfield Aqueduct Company, Inc.

By its Attorney,
NH BROWN LAW, PLLC

Date: November 23, 2020 By:



Marcia A. Brown, Esq.
20 Noble Street
Somersworth, NH 03878
(603) 219-4911
mab@nhbrownlaw.com

CLIFFORD LAW OFFICES, PLLC

Date: November 23, 2020 By:



John S.G. Clifford, Esq.
4 Little Rabbit Lane
Kiawah Island, SC 29455
(914) 584-1628
profilelaw@gmail.com

Certificate of Service

I hereby certify that on this day, a copy of this petition has been emailed to the official service list for this proceeding.

Date: November 23, 2020



Marcia A. Brown, Esq.

TEMPORARY
RATE SCHEDULE
 GENERAL SERVICE - METERED
 SCHEDULE G-M

Availability:

The rate is available for metered water service in the franchised area subject to the terms and conditions of this tariff.

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of New Hampshire Public Utilities Commission for Water Service.

Rate:

A minimum customer charge shall be made for each customer to whom service is rendered under this tariff, based on the meter size shown below:

<u>Meter Size</u>	<u>Current Rate</u>
5/8"	\$20.70 23.81
3/4"	44.03 50.63
1"	62.32 71.67
1" meter with private residential fire service ¹	30.41 34.98
1 1/2"	135.68 156.03
2"	201.30 231.50
3"	427.09 491.15
4"	670.55 771.13
6"	1,341.07 1,542.23
8"	1,674.93 1,926.17
10"	1,674.93 1,926.17

1. This rate is grandfathered to single-family residential homes that have a single service with a single curb stop and a 1" meter to allow the passage of fire flows for a single-family residential sprinkler system. The rate for this class will be the tariffed rate for a 5/8" meter and a private 1-1/2" fire service. This rate is grandfathered to homes that had this type of service on or before 12/31/2018.

Volumetric Rate:

In addition to the standard customer charge, the monthly volumetric charge based on usage will be as follows:

Volumetric Charge: ~~\$ 7.51~~ **8.64** per 100 cu. ft.

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: ~~February 22, 2019~~ **November 23, 2020**

Issued By: Donald L. Ware

Effective: ~~February 24, 2019~~ **December 24, 2020**

Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Twelfth~~Thirteenth Revised Page 40

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Eleventh~~Twelfth Revised Page 40
and Original Page 49**TEMPORARY
RATE SCHEDULE****GENERAL SERVICE – NON-METERED**

Pennichuck East Utility, Inc. (PEU) will charge current unmetered customers a monthly rate as specified below based on the average single family residential usage as specified below until such time as meters are installed.

Commercial, Industrial and Private Fire Protection customers will be charged an average rate as calculated for a similar customer in PEU.

PEU will make every effort to install meters in a timely manner and in no such case should these rates remain in force more than a twelve month period.

	Current Rate Customer Charge
5/8 inch Meter Charge	\$20.70 23.81
Volumetric Charge	\$ 7.518.64
Average Single Family Residential Usage	\$ 7.29 6.50* CCF
	\$54.75 62.96
Total Monthly Charge	\$75.45 86.77

For the Towns of Barnstead, Conway, and Middleton:

	Current Rates Customer Charge		
	<u>Barnstead</u>	<u>North Conway</u>	<u>Middleton</u>
5/8 inch Meter Charge	\$ 20.70 23.81	\$ 20.70 23.81	\$ 20.70 23.81
Volumetric Charge	\$ 7.518.64	\$ 7.518.64	\$ 7.518.64
Average Single Family Residential Usage**	\$ 3.50	\$ 3.50	\$ 3.50
	\$26.29 29.81	\$ 26.29 29.81	\$ 26.29 29.81
Capital Recovery Surcharge	\$ 12.81	\$ 12.81	\$ 10.74
Total Monthly Charge	\$59.80 66.43	\$59.80 66.43	\$57.73 64.36

Issued: ~~October 10, 2018~~November 23, 2020 Issued by: Donald L. Ware

Effective: ~~November 16, 2018~~December 24, 2020 Title: Chief Operating Officer

*Average consumption is based on single family residential 5/8" metered customers' average 5 year annual usage divided by 12.

**Average consumption for Towns of Barnstead, Conway, and Middleton is based on single family residential 5/8" metered customers' average 5 year annual usage of 41.4 CCF divided by 12.

Authorized by NHPUC Order No. in Docket No. DW 20-156, dated

NHPUC NO. 1 WATER

Seventh~~Eighth~~ Revised Page 42

PENNICHUCK EAST UTILITY, INC.

Superseding Sixth~~Seventh~~ Revised Page 42

**TEMPORARY
RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
LONDONDERRY

Availability:

The rate is applicable to all municipal fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

~~\$16.07~~ **18.48**

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

~~\$0.14767~~ **0.16982** per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ **November 23, 2020**

Issued by Donald L. Ware

~~Donald L. Ware~~

Effective: ~~November 16, 2018~~ **December 24, 2020**

Title: Chief Operating Officer

Authorized by NHPUC Order No.

in Docket No. DW 20-156, dated

NHPUC NO. 1 WATER

~~Third~~Fourth Revised Page 42A

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Third~~Second Revised Page 42A

**TEMPORARY
RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
DERRY

Availability:

The rate is applicable to all municipal fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

~~\$16.07~~ **18.48**

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

~~\$0.14767~~ **16982** per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ **November 23, 2020** Issued by Donald L. Ware

Effective: ~~November 16, 2018~~ **December 24, 2020** Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

NHPUC NO. 1 WATER

FourthFifth Revised Page 43A

PENNICHUCK EAST UTILITY, INC.
Page 43A

Superseding ThirdFourth Revised

**TEMPORARY
RATE SCHEDULE****PUBLIC FIRE PROTECTION SERVICE****TOWN OF BOW, PINES OF BOW WATER SYSTEM**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current

Rate~~\$7.18~~8.26**Terms of Payment:**

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~November 23, 2020

Issued by: Donald L. Ware

Donald L. Ware

Effective: ~~November 16, 2018~~December 24, 2020

Title: Chief Operating Officer

Authorized by NHPUC Order No.

in Docket No. DW 20-156, dated

NHPUC NO. 1 WATER

Fifth~~Sixth~~ Revised Page 43B

PENNICHUCK EAST UTILITY, INC.

Superseding Fourth~~Fifth~~ Revised Page 43B

**TEMPORARY
RATE SCHEDULE**

PUBLIC FIRE PROTECTION SERVICE

TOWN OF RAYMOND, GREEN HILLS WATER SYSTEM

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current Rate

~~\$2.18~~ **2.51**

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ **November 23, 2020**

Issued by Donald L. Ware

~~Donald L. Ware~~

Effective: ~~November 16, 2018~~ **December 24, 2020** Title:

Chief Operating Officer

Authorized by NHPUC Order No.

in Docket No. DW 20-156, dated

NHPUC NO. 1 WATER

~~Fourth~~^{Fifth} Revised Page 43C

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Third~~^{Fourth} Revised Page 43C

**TEMPORARY
RATE SCHEDULE**

PUBLIC FIRE PROTECTION SERVICE
TOWN OF WINDHAM CASTLE REACH, FLETCHERS CORNER, OAKWOOD,
W&E AND WHISPERING WINDS WATER SYSTEMS

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
~~\$9.07~~ **10.43**

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ **November 23, 2020** Issued by Donald L. Ware

Effective: ~~November 16, 2018~~ **December 24, 2020** Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

NHPUC NO. 1 WATER

~~Fourth~~^{Fifth} Revised Page 43D

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Third~~^{Fourth} Revised Page 43D

**TEMPORARY
RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION - UNMETERED
TOWN OF RAYMOND, GREEN HILLS WATER SYSTEM

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, payable in advance, from the month of installation

Current

Rate~~\$60.21~~^{69.24}**Terms of Payment:**

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~^{November 23, 2020} Issued by Donald L. Ware

Effective: ~~November 16, 2018~~^{December 24, 2020} Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

NHPUC NO. 1 WATER

~~Third~~Fourth Revised Page 43E

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Second~~Third Revised Page 43E

**TEMPORARY
RATE SCHEDULE**

PUBLIC FIRE PROTECTION SERVICE
EXETER

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current

Rate~~\$8.98~~10.33**Terms of Payment:**

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~November 23, 2020 Issued by Donald L. Ware

Effective: ~~November 16, 2018~~December 24, 2020 Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

NHPUC NO. 1 WATER

~~Third~~Fourth Revised Page 43F

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Second~~Third Revised Page 43F**TEMPORARY
RATE SCHEDULE****PUBLIC FIRE PROTECTION SERVICE
LEE**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
~~\$10.56~~ **12.14**

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ **November 23, 2020** Issued by Donald L. Ware

Effective: ~~November 16, 2018~~ **December 24, 2020** Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

NHPUC NO. 1 WATER

~~Third~~Fourth Revised Page 43GPENNICHUCK EAST UTILITY, INC.
43GSuperseding ~~Third~~Second Revised Page**TEMPORARY
RATE SCHEDULE****PUBLIC FIRE PROTECTION SERVICE
BIRCH HILL**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$4.31 4.96

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~November 23, 2020 Issued by: Donald L. Ware

Effective: ~~November 16, 2018~~December 24, 2020 Title: Chief Operating Officer

Authorized by NHPUC Order No. in Docket No. DW 20-156, dated

NHPUC NO. 1 WATER

~~Eighth~~^{Ninth} Revised Page 44

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Seventh~~^{Eighth} Revised Page 44

**TEMPORARY
RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
PELHAM

Availability:

This rate is applicable to all municipal fire protection service rendered in the Company's service area for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall made up of the following by town:

1. Monthly Hydrant Charge

For each hydrant installed, payable in advance, from the month of installation.

Current

Rate

~~\$16.07~~ **18.48**

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (4" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year, and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

~~\$0.14767~~ **16982** per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ **November 23, 2020** Issued by Donald L. Ware

Effective: ~~November 16, 2018~~ **December 24, 2020** Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

NHPUC NO. 1 WATER

FourthFifth Revised Page 44A

PENNICHUCK EAST UTILITY, INC.

Superseding ThirdFourth Page 44A

**TEMPORARY
RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
LITCHFIELD

Availability:

This rate is applicable to all municipal fire protection service rendered in the Company's service area for the purpose of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

~~\$16.07~~ **18.48**

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (4" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

~~\$0.44767~~ **16982** per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ **November 23, 2020** Issued by Donald L. Ware

Effective: ~~November 16, 2018~~ **December 24, 2020** Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

NHPUC NO. 1 WATER

Ninth Revised Page 45

PENNICHUCK EAST UTILITY, INC.

Superseding Eighth Ninth Revised Page 45

**TEMPORARY
RATE SCHEDULE
PRIVATE FIRE PROTECTION SERVICE
SCHEDULE FP-NM**

Availability:

This schedule is applicable to all private fire protection service within a structure or on private property, to include sprinkler systems and privately owned non-municipal hydrants, rendered by the Company in any service area not served under any other private fire protection rate schedule of the Company.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or waste or unlawful use of water.

Rate:

The charge shall be determined by the size of the fire service tap to the property as follows:

<u>Connection or Service</u>	<u>Current Rate</u>
1 ½"	\$ 9.74 11.17
2"	17.25 19.84
3"	38.82 44.64
4"	69.02 79.37
6"	155.33 178.63
8"	276.10 317.52
10"	455.26 523.55
12"	733.22 843.20

For each private hydrant, whether connected directly to the Company's mains, or to mains, or to the customer's private fire protection distribution system:

~~\$121.37~~ 139.58

Terms of Payment:

Bills under this rate are net; will be rendered monthly and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: ~~February 22, 2019~~ November 23, 2020

Issued by: Donald L. Ware

Effective: ~~February 24, 2019~~ December 24, 2020

Title: Chief Operating Officer

Authorized by NHPUC Order No. ~~26,213~~ Docket No. DW 20-156-18-090 dated January 24, 2019.

NHPUC NO. 1 WATER

~~Fifth~~^{Sixth} Revised Page 48

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Fourth~~^{Fifth} Revised Page 48

**TEMPORARY
RATE SCHEDULE
CAPITAL RECOVERY SURCHARGE**

Availability:

This rate is applicable to all metered water service in the Company's following service areas:

Barnstead: Locke Lake
North Conway: Birch Hill
Middleton: Sunrise Lake Estates

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of the New Hampshire Public Utilities Commission for Water Service.

Capital Recovery Surcharge:

A capital recovery surcharge shall be made for each customer to whom service is rendered under this tariff as shown below:

<u>Service Area</u>	<u>Monthly Charge</u>
Barnstead: Locke Lake	\$ 12.81
North Conway: Birch Hill	\$ 12.81
Middleton: Sunrise Lake Estates	\$ 10.74

The surcharge will be charged monthly over a period of 30 years to the record holder where the existing service is provided. The surcharge will be calculated in each general rate case to reflect the current number of customers in each system.

Terms of Payments:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: ~~October 10, 2018~~^{November 23, 2020} Issued by Donald L. Ware

Effective: ~~November 16, 2018~~^{December 24, 2020} Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

**TEMPORARY
RATE SCHEDULE
GENERAL SERVICE - METERED
SCHEDULE G-M**

Availability:

The rate is available for metered water service in the franchised area subject to the terms and conditions of this tariff.

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of New Hampshire Public Utilities Commission for Water Service.

Rate:

A minimum customer charge shall be made for each customer to whom service is rendered under this tariff, based on the meter size shown below:

<u>Meter Size</u>	<u>Current Rate</u>
5/8"	\$ 23.81
3/4"	50.63
1"	71.67
1" meter with private residential fire service ¹	34.98
1 1/2"	156.03
2"	231.50
3"	491.15
4"	771.13
6"	1,542.23
8"	1,926.17
10"	1,926.17

1. This rate is grandfathered to single-family residential homes that have a single service with a single curb stop and a 1" meter to allow the passage of fire flows for a single-family residential sprinkler system. The rate for this class will be the tariffed rate for a 5/8" meter and a private 1-1/2" fire service. This rate is grandfathered to homes that had this type of service on or before 12/31/2018.

Volumetric Rate:

In addition to the standard customer charge, the monthly volumetric charge based on usage will be as follows:

Volumetric Charge: \$ 8.64 per 100 cu. ft.

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 23, 2020

Issued By: Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

NHPUC NO. 1 WATER

Thirteenth Revised Page 40

PENNICHUCK EAST UTILITY, INC.

Superseding Twelfth Revised Page 40
and Original Page 49**TEMPORARY
RATE SCHEDULE****GENERAL SERVICE – NON-METERED**

Pennichuck East Utility, Inc. (PEU) will charge current unmetered customers a monthly rate as specified below based on the average single family residential usage as specified below until such time as meters are installed.

Commercial, Industrial and Private Fire Protection customers will be charged an average rate as calculated for a similar customer in PEU.

PEU will make every effort to install meters in a timely manner and in no such case should these rates remain in force more than a twelve month period.

	<u>Customer Charge</u>
5/8 inch Meter Charge	\$23.81
Volumetric Charge	\$ 8.64
Average Single Family Residential Usage	<u>6.50* CCF</u>
	<u>\$62.96</u>
Total Monthly Charge	<u>\$86.77</u>

For the Towns of Barnstead, Conway, and Middleton:

	<u>Customer Charge</u>		
	<u>Barnstead</u>	<u>North Conway</u>	<u>Middleton</u>
5/8 inch Meter Charge	\$ 23.81	\$ 23.81	\$ 23.81
Volumetric Charge	\$ 8.64	\$ 8.64	\$ 8.64
Average Single Family Residential Usage**	\$29.81	\$ 29.81	\$ 29.81
Capital Recovery Surcharge	\$ 12.81	\$ 12.81	\$ 10.74
Total Monthly Charge	<u>\$66.43</u>	<u>\$66.43</u>	<u>\$64.36</u>

Issued: November 23, 2020Issued by: Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

*Average consumption is based on single family residential 5/8" metered customers' average 5 year annual usage divided by 12.

**Average consumption for Towns of Barnstead, Conway, and Middleton is based on single family residential 5/8" metered customers' average 5 year annual usage of 41.4 CCF divided by 12.

Authorized by NHPUC Order No. in Docket No. DW 20-156, dated

NHPUC NO. 1 WATER

Eighth Revised Page 42

PENNICHUCK EAST UTILITY, INC.

Superseding Seventh Revised Page 42

**TEMPORARY
RATE SCHEDULE**

**MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
LONDONDERRY**

Availability:

The rate is applicable to all municipal fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

\$18.48

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

\$0.16982 per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

Authorized by NHPUC Order No.

in Docket No. DW 20-156 dated

NHPUC NO. 1 WATER

Fourth Revised Page 42A

PENNICHUCK EAST UTILITY, INC.

Superseding Third Revised Page 42A

**TEMPORARY
RATE SCHEDULE**

**MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
DERRY**

Availability:

The rate is applicable to all municipal fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

\$18.48

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

\$0.16982 per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

Authorized by NHPUC Order No. in Docket No. DW 20-156, dated

NHPUC NO. 1 WATER

Fifth Revised Page 43A

PENNICHUCK EAST UTILITY, INC.
43A

Superseding Fourth Revised Page

**TEMPORARY
RATE SCHEDULE****PUBLIC FIRE PROTECTION SERVICE****TOWN OF BOW, PINES OF BOW WATER SYSTEM**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current

Rate

\$8.26

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

Authorized by NHPUC Order No.

in Docket No. DW 20-156 dated

NHPUC NO. 1 WATER

Sixth Revised Page 43B

PENNICHUCK EAST UTILITY, INC.

Superseding Fifth Revised Page 43B

**TEMPORARUY
RATE SCHEDULE**

PUBLIC FIRE PROTECTION SERVICE

TOWN OF RAYMOND, GREEN HILLS WATER SYSTEM

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$2.51

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156 dated _____

NHPUC NO. 1 WATER

Fifth Revised Page 43C

PENNICHUCK EAST UTILITY, INC.

Superseding Fourth Revised Page 43C

**TEMPORARY
RATE SCHEDULE**

PUBLIC FIRE PROTECTION SERVICE
TOWN OF WINDHAM CASTLE REACH, FLETCHERS CORNER, OAKWOOD,
W&E AND WHISPERING WINDS WATER SYSTEMS

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$10.43

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156 dated _____

NHPUC NO. 1 WATER

Fifth Revised Page 43D

PENNICHUCK EAST UTILITY, INC.

Superseding Fourth Revised Page 43D

**TEMPORARY
RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION - UNMETERED
TOWN OF RAYMOND, GREEN HILLS WATER SYSTEM

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, payable in advance, from the month of installation

Current

Rate

\$69.24

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

Authorized by NHPUC Order No.

in Docket No. DW 20-156 dated

NHPUC NO. 1 WATER

Fourth Revised Page 43E

PENNICHUCK EAST UTILITY, INC.

Superseding Third Revised Page 43E

**TEMPORARY
RATE SCHEDULE**

**PUBLIC FIRE PROTECTION SERVICE
EXETER**

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$10.33

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156 dated _____

NHPUC NO. 1 WATER

Fourth Revised Page 43F

PENNICHUCK EAST UTILITY, INC.

Superseding Third Revised Page 43F

**TEMPORARY
RATE SCHEDULE**

**PUBLIC FIRE PROTECTION SERVICE
LEE**

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$12.14

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

Authorized by NHPUC Order No.

in Docket No. DW 20-156 dated

NHPUC NO. 1 WATER

Fourth Revised Page 43G

PENNICHUCK EAST UTILITY, INC.

Superseding Third Revised Page 43G

**TEMPORARY
RATE SCHEDULE**

PUBLIC FIRE PROTECTION SERVICE
BIRCH HILL

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$4.96

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156 dated _____

NHPUC NO. 1 WATER

Ninth Revised Page 44

PENNICHUCK EAST UTILITY, INC.

Superseding Eighth Revised Page 44

**TEMPORARY
RATE SCHEDULE**

**MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
PELHAM**

Availability:

This rate is applicable to all municipal fire protection service rendered in the Company's service area for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall made up of the following by town:

1. Monthly Hydrant Charge

For each hydrant installed, payable in advance, from the month of installation.

Current

Rate

\$18.48

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (4" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year, and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

\$0.16982 per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156 dated _____

NHPUC NO. 1 WATER

Fifth Revised Page 44A

PENNICHUCK EAST UTILITY, INC.

Superseding Fourth Page 44A

**TEMPORARY
RATE SCHEDULE**

**MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
LITCHFIELD**

Availability:

This rate is applicable to all municipal fire protection service rendered in the Company's service area for the purpose of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current
Rate
\$18.48

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (4" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each month.

Charge for each "inch-foot" unit to be

Current
Rate
\$0.16982 per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

NHPUC NO. 1 WATER

Tenth Revised Page 45

PENNICHUCK EAST UTILITY, INC.

Superseding Ninth Revised Page 45

**TEMPORARY
RATE SCHEDULE
PRIVATE FIRE PROTECTION SERVICE
SCHEDULE FP-NM**

Availability:

This schedule is applicable to all private fire protection service within a structure or on private property, to include sprinkler systems and privately owned non-municipal hydrants, rendered by the Company in any service area not served under any other private fire protection rate schedule of the Company.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or waste or unlawful use of water.

Rate:

The charge shall be determined by the size of the fire service tap to the property as follows:

<u>Connection or Service</u>	<u>Current Rate</u>
1 ½"	\$ 11.17
2"	19.84
3"	44.64
4"	79.37
6"	178.63
8"	317.52
10"	523.55
12"	843.20

For each private hydrant, whether connected directly to the Company's mains, or to mains, or to the customer's private fire protection distribution system:

\$139.58

Terms of Payment:

Bills under this rate are net; will be rendered monthly and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 23, 2020Issued by: Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

Authorized by NHPUC Order No.

Docket No. DW 20-156 dated

NHPUC NO. 1 WATER

Sixth Revised Page 48

PENNICHUCK EAST UTILITY, INC.

Superseding Fifth Revised Page 48

**TEMPORARY
RATE SCHEDULE
CAPITAL RECOVERY SURCHARGE**

Availability:

This rate is applicable to all metered water service in the Company's following service areas:

Barnstead: Locke Lake

North Conway: Birch Hill

Middleton: Sunrise Lake Estates

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of the New Hampshire Public Utilities Commission for Water Service.

Capital Recovery Surcharge:

A capital recovery surcharge shall be made for each customer to whom service is rendered under this tariff as shown below:

<u>Service Area</u>	<u>Monthly Charge</u>
Barnstead: Locke Lake	\$ 12.81
North Conway: Birch Hill	\$ 12.81
Middleton: Sunrise Lake Estates	\$ 10.74

The surcharge will be charged monthly over a period of 30 years to the record holder where the existing service is provided. The surcharge will be calculated in each general rate case to reflect the current number of customers in each system.

Terms of Payments:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 23, 2020

Issued by: Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

Authorized by NHPUC Order No. _____ in Docket No. DW 20-156, dated _____

TAB 6

Joint Temporary Rate Testimony of Larry Goodhue and Donald Ware

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

Docket No. DW 20-156

Pennichuck East Utility, Inc.
Permanent Rate Proceeding

DIRECT JOINT TESTIMONY OF
LARRY D. GOODHUE AND DONALD L. WARE
IN SUPPORT OF PETITION FOR TEMPORARY RATES

November 23, 2020

1 **I. INTRODUCTION**

2 **Q. Mr. Goodhue, would you please state your name, address, and position with**
3 **the Pennichuck East Utility, Inc.?**

4 A. My name is Larry D. Goodhue. My business address is 25 Walnut Street,
5 Nashua, New Hampshire. I am Chief Executive Officer and Chief Financial Officer of
6 Pennichuck East Utility, Inc. (the “Company” or “PEU”). I have been employed with
7 PEU since December, 2006. I am also Chief Executive Officer and Chief Financial
8 Officer of Pennichuck Corporation (“Pennichuck”), which is the corporate parent of
9 PEU.

10 **Q. Please describe your educational background.**

11 A. I have a Bachelor in Science Degree in Business Administration with a major in
12 Accounting from Merrimack College in North Andover, Massachusetts. I am a licensed
13 Certified Public Accountant in the State of New Hampshire. My license is currently
14 inactive status.

15 **Q. Please describe your professional background.**

16 A. Prior to joining Pennichuck, I was the Vice President of Finance and
17 Administration and previously the controller with METRObility Optical Systems, Inc.
18 from September, 2000 to June 2006. In my more recent role with METRObility, I was
19 responsible for all financial, accounting, treasury and administration functions for a
20 manufacturer of optical networking hardware and software. Prior to joining
21 METRObility, I held various senior management and accounting positions with several
22 private and publicly traded companies.

1 **Q. What are your responsibilities as Chief Executive Officer of Pennichuck?**

2 A. As Chief Executive Officer, I am responsible for the overall management of
3 Pennichuck and its subsidiaries, including PEU. I report to the Board of Directors. I also
4 work closely with the Chief Operating Officer, the Corporate Controller, Treasurer,
5 Assistant Treasurer, Chief Engineer, Director of Water Supply, Distribution Manager, the
6 Director of Human Resources and the Director of Information Technology to: (1)
7 implement short and long-term financial and operating strategies, (2) insure the adequate
8 funding of debt and expenses, and (3) to enable Pennichuck's utility subsidiaries to
9 provide high quality water service at affordable rates, on a consistent basis.

10 **Q. Mr. Ware, please state your name and position with Pennichuck East Utility.**

11 A. My name is Donald L. Ware. I am the Chief Operating Officer of PEU which is a
12 subsidiary of the Pennichuck Corporation. I am employed by and have worked for
13 Pennichuck Water Works, Inc. since 1995. I am a licensed professional engineer in New
14 Hampshire, Massachusetts and Maine.

15 **Q. Please describe your educational background.**

16 A. I have a Bachelor in Science in Civil Engineering from Bucknell University in
17 Lewisburg, Pennsylvania and I completed all required courses, with the exception of my
18 thesis, for a Master's degree in Civil Engineering from the same institution. I have a
19 Master's in Business Administration from the Whittemore Business School at the
20 University of New Hampshire.

21 **Q. Please describe your professional background.**

1 A. Prior to joining the Company, I served as General Manager of the Augusta Water
2 District in Augusta, Maine from 1986 to 1995. I served as the District's engineer
3 between 1982 and 1986. Prior to my engagement with the District, I served as design
4 engineer for the State of Maine Department of Transportation for six months and before
5 that as design engineer for Buchart-Horn Consulting Engineers from 1979 to 1982.

6 **Q. What are your responsibilities as Chief Operating Officer of PEU?**

7 A. As Chief Operating Officer, I am responsible for PEU's overall operations,
8 including customer service, water supply, distribution and engineering. I work closely
9 with PEU's Chief Engineer and other senior managers to help develop PEU's Annual and
10 three-year Capital Improvement Plans.

11 **II. REQUEST FOR TEMPORARY RATES**

12 **Q. What is the purpose of your joint testimony?**

13 A. The joint testimony is offered for the purpose of supporting PEU's request for an
14 increase in its revenue requirement by 21.05% as shown on Puc 1604.06 Schedule A and
15 Schedule 1 of PEU's permanent rate filing. Pursuant to those schedules, PEU has
16 demonstrated that for the twelve months ended December 2019, its revenues have been
17 insufficient to cover its needs. This joint testimony is also offered to support PEU's
18 request for a temporary rate increase in customer rates presuming the Commission
19 suspends PEU's permanent rate schedules.

20 **Q. Can you explain why the revenue deficiency is not so easy to decipher when**
21 **reading a copy of PEU's 2019 Annual Report on file with the Commission?**

1 A. Sure. As I explained before the Commission in Docket No. DW 19-084 for
2 PEU's affiliate, Pennichuck Water Works, Inc. ("PWW"), PEU's income and expense
3 statements on file with the Commission do not accurately reflect PEU's long-term debt
4 owed to its parent. The Statements of Income and Expense submitted to the Commission
5 are formulated around an investor owned utility that has a return on equity and
6 depreciation expense in its revenue requirement and the statements PEU files don't really
7 reflect the Company's cash position. In PEU's situation, it shares with its sister
8 subsidiaries a requirement to contribute its ranked share of the City Bond Fixed Revenue
9 Requirement ("CBFRR"). That cost is a significant driver of PEU's revenue deficiency.

10 **Q. What increase is PEU seeking for temporary rates?**

11 A. The Company is seeking a temporary rate increase of 15% over the permanent
12 rates granted in DW17-128. The temporary rate increase will be applied evenly to all
13 customer rate classes. The temporary rate increase does not apply to the North Country
14 Capital Recovery Surcharge. Also, the Qualified Capital Project Adjustment Charge
15 (QCPAC) approved for 2018 QCP's granted in DW 19-035 at 2.98% and the QCPAC
16 sought for 2019 QCP's in DW 20-019 at 1.97% will be eliminated if temporary rates are
17 granted. PEU believes eliminating the QCPAC charge will be less confusing to
18 customers because customer bills will not change multiple times during the pendency of
19 this rate proceeding. As noted in the attached joint testimony, stripping away the impact
20 of the 1.97% and 2.98% QCPAC increases, the increase solely attributed to temporary
21 rates is approximately 10%; or less than half of the revenue increase sought in PEU's
22 Rate Filing. PEU believes approving a temporary rate increase balances the interests of

1 PEU and its customers, will result in less frequent rate changes on account of removal of
2 the QCPAC increase and will result in just and reasonable rates.

3 **Q. On what date is PEU requesting temporary rates be effective and why?**

4 A. We are requesting that PEU be granted temporary rates, effective December 24,
5 2020, on a service rendered basis. This effective date complies with the requirement that
6 utilities provide customers with thirty (30) day's notice of a rate change. This proposed
7 effective date is dependent on PEU being able to fully recover the difference between
8 temporary and permanent rates at the conclusion of this proceeding. If temporary rates
9 are granted the QCPAC granted for 2018 and 2019 capital improvements will be
10 eliminated.

11 **Q. Is there any benefit of temporary rates to customers?**

12 A. Yes. The granting of temporary rates in this manner will mitigate the rate impact
13 on customers by phasing-in the rate. Otherwise, if the needed revenue requirement was
14 put into customer rates all at once at the conclusion of the rate proceeding, it might create
15 rate shock to customer's budgets. The rate shock would be exacerbated because the
16 recoupment between temporary and permanent rates would also be reflected in customer
17 rates all at once. Phasing in the permanent rate increase will reduce the rate increase at
18 the conclusion of the rate case and reduce the amount recovered from customers for the
19 recoupment between temporary and permanent rates.

20 **Q. Are you aware that N.H. Admin. Rules Puc 1203.05 provides that rate**
21 **changes be implemented on a service rendered basis?**

1 A. Yes. PEU plans to implement temporary rates on a service rendered basis,
2 consistent with the Commission's rules.

3 **Q. Will the temporary rates be spread uniformly across customer classes?**

4 A. Yes. There will be no change in rates until such time as the Commission
5 approves a final order granting any changes in rate design and granting permanent rates.

6 **Q. What steps will PEU take to notify customers of the temporary rates?**

7 A. Simultaneously, with this filing, PEU is posting its rate filing and request for
8 temporary rates on its web site. PEU will also be completing a direct mailing to each
9 customer with a notice of the rate filing and the requested rates, both temporary and
10 permanent in early December. Additionally, PEU will be sending letter to all town
11 officials and State of NH delegation officials, for the communities the Company serves in
12 its franchise territories, in order to fully apprise them of the filings. This is something the
13 Company has done in the normal course of its rate case filings in the past, in order to
14 keep officials in the communities served aware of proceedings for rate increases. These
15 letters will be mailed in the same timeframe that this case is filed with the NHPUC.

16 **III. JUST AND REASONABLE FINDING AND CONCLUSION**

17 **Q. Do you believe that the temporary rates requested by PEU are just and**
18 **reasonable and in the public interest?**

19 A. Yes. As demonstrated by the analysis described above and in the permanent rate
20 case materials filed by PEU in this docket, PEU is not earning sufficient revenues to meet
21 its expenses including property taxes, and other necessary and prudent operating
22 expenses. The requested temporary rates will also serve to mitigate rate shock during this

1 pandemic. Temporary rates are fully reconcilable which protects customers from any
2 over-collection. Because the temporary rates are a balance between PEU and its
3 customers, we believe they are just and reasonable.

4 **Q. Does that conclude your testimony on temporary rates?**

5 **A. Yes.**

TAB 7

Report of Proposed Rate Change

Pennichuck East Utility, Inc.
Report of Proposed Rate Changes
For the Twelve Months Ended December 31, 2019

Proforma
Schedule 9
Temporary

DOCKET NO:

DW20-156

DATE FILED:

11/23/20

TARIFF NO.:

1or PAGE NOS. 38, 40, 42, 42A, 43A-G, 44, 44A, 45, and 48.

EFF. DATE:

12/24/20

Proposed Change						
Rate or Class of Service	Effect of Proposed Change	Average Number of Customers	Five Year Ave 2019 TY Proforma Rates ¹	Proposed Temporary Rates	Amount	Percent ⁶
G-M ^{4,5}	No Change	7,927	7,395,303	8,504,599	1,109,295	15.00%
Private FP ²	No Change	320	358,892	412,726	53,834	15.00%
FP - Hydrants	No Change	4	852,013	979,815	127,802	15.00%
Windham Public Hydrant ³	No Change	357	38,577	44,364	5,787	15.00%
Raymond Public Hydrant ³	No Change	248	6,139	7,060	921	15.00%
Lee Public Hydrant ³	No Change	34	4,312	4,958	647	15.00%
Exeter Public Hydrant ³	No Change	52	5,604	6,445	841	15.00%
Birch Hill Public Hydrant ³	No Change	216	11,103	12,769	1,666	15.00%
Bow Public Hydrant ³	No Change	26	2,240	2,576	336	15.00%
NC Capital Recovery Surcharge ^{4,7}	No Change	1,199	181,603	178,915	(2,688)	-1.48%
TOTALS		8,251	8,855,787	10,154,227	1,298,440	

Signed by: Donald L. WareTitle: Chief Operating Officer

1. Revenues do not include QCPAC Revenues
2. Includes Private Fire Services and Private Hydrants - count is number of accounts
3. Customer Count for the Windham, Raymond, Exeter, Lee, Birch Hill and Bow Public Hydrants are included in the total customer counts of G-M
4. Customer Count for the NC Capital Recovery Surcharge are included in the total customer counts of G-M
5. G-M Revenues do nto include NCCRS revenues
6. Reflects a requested temporary rate increase of 15.00% across all
7. NCCRS revenue requirement is 178,915 per DW17-128 15.00% across all customer classes by the NCCRS

Pennichuck East Utility, Inc.
Report of Proposed Rate Changes
For the Twelve Months Ended December 31, 2019

Pro Forma
Schedule 9
Permanent

DOCKET NO:

DW 20-156

DATE FILED:

11/23/20

TARIFF NO.:

1or PAGE NOS. 38, 40, 42, 42A, 43A- G,44,
44A, 45, and 48.

EFF. DATE:

12/24/20

\$						
Rate or Class of Service	Effect of Proposed Change	Average Number of Customers	Five Year Ave 2019 TY Proforma Rates ¹	Proposed Perm Rates ⁶	Amount	
					Amount	% Increase
G-M ^{4,5}	Increase	7,927	7,395,303	9,123,467	1,728,164	23.37%
Private FP ²	Increase	320	358,892	344,126	(14,766)	-4.11%
FP - Hydrants	Increase	4	852,013	988,705	136,692	16.04%
Windham Public Hydrant ³	Increase	357	38,577	42,947	4,369	11.33%
Raymond Public Hydrant ³	Increase	248	6,139	9,045	2,906	47.34%
Lee Public Hydrant ³	Increase	34	4,312	5,962	1,650	38.27%
Exeter Public Hydrant ³	Increase	52	5,604	7,100	1,496	26.69%
Birch Hill Public Hydrant ³	Increase	216	11,103	12,669	1,566	14.10%
Bow Public Hydrant ³	Increase	26	2,240	2,483	243	10.85%
NC Capital Recovery ⁷	No change	1,199	181,603	178,915	(2,688)	-1.48%
TOTALS		8,251	8,855,787	10,715,419	\$1,859,632	

Signed by: Donald L. WareTitle: Chief Operating Officer

1. Revenues do not include QCPAC Revenues
2. Includes Private Fire Services and Private Hydrants - count is number of accounts
3. Customer Count for the Windham, Raymond and Bow Public Hydrants are included in the total customer counts of G-M
4. Customer Count for the NC Capital Recovery Surcharge are included in the total customer counts of G-M
5. G-M Revenues do not include NCCRS revenues
6. Proposed rates in accordance with the COSS
7. NCCRS revenue requirement is 178,915 per DW17-128

PENNICHUCK EAST UTILITY, INC.
Rate Impact on Average Single Family Residential Customer (7)

	DW17-128 Rate Model	
Overall Revenue Requirement (1)(3)	<u>\$ 10,536,504</u>	
Current Water Revenues with CBFRR, excluding Capital Recovery Surcharge (1)(3)	<u>\$ 8,704,372</u>	
Overall Revenue % Increase	21.05%	
<u>Base Rates (2):</u>	<u>Base Rates (2)</u>	<u>Proposed Rates (6)</u>
Monthly 5/8 inch Meter Customer Charge	\$ 20.70	\$ 24.17
Monthly Volumetric Charge based on Usage (4)	\$ 48.82	\$ 61.23
Total Average Single Family Residential Monthly Bill	<u>\$ 69.52</u>	<u>\$ 85.40</u>
Current Monthly QCPAC Surcharge (5)	<u>\$ 3.44</u>	
Total Average Single Family Residential Monthly Bill with QCPAC	<u>\$ 72.96</u>	

Customer Impact from New Rates:

Increase to the Total Average Single Family Residential Base Monthly Bill	\$ 15.88	over tariffed Step rates granted in DW17-128 or	22.84%
Increase to the Total Average Single Family Residential Monthly Bill	\$ 12.44	over tariffed Step rates granted in DW17-128 with 2019 and 2020 QCPACs or	17.89%

Notes:

- (1) Overall Revenue Requirement using DW17-128 Rate methodology. Rate is inclusive of 2019 and 2020 QCPAC surcharges (reflective of Capital expenditures made in 2018 and 2019).
- (2) The Base rates reflect the current tariffed rates granted in DW17-128. The base rates do not include the impact of the QCPAC surcharge for 2019 and 2020.
- (3) The Overall Revenue requirement increase requested is exclusive of the Capital Recovery Surcharge Revenues.
- (4) Base Volumetric Charge per CCF
Average Single Family Residential Monthly Usage (CCF)(7) \$ 7.51 6.5
- (5) Based on the QCPAC granted in DW19-035 for used and useful 2018 Capex and for the QCPAC being sought in DW20-019 for used and useful 2019 Capex.
The cumulative impact of these two QCPACs is projected to be 4.95%
- (6) Cost of Service Study is proposing a volumetric rate per CCF of \$ 9.42 per month
- (7) The Average Single family monthly usage reflects the 5 year single family average usage (exclusive of the North Country customers) between 2015 and 2019 divided by 12.

TAB 8

Customer Notice

Rate Increase Sought

PENNICHUCK EAST UTILITY, INC.

Pennichuck East Utility, Inc. (PEU) has filed rate schedules with the New Hampshire Public Utilities Commission (Commission) to increase its rates for all customer classes, including General Metered, GM Non-Metered, Municipal Fire Protection-Hydrants, Private Fire Protection, and Public Hydrant service for Windham, Raymond, Lee, Exeter, Birch Hill, and Bow. PEU is seeking a temporary rate increase of 15% and an overall permanent increase of 21.05%

PEU seeks this increase based on increased operating expenses as well as investment in its plant and treatment systems to ensure continued compliance with the Safe Drinking Water Act. The increase sought for PEU residential General Metered customers would result in a change to the average bill as follows:

Average Residential Monthly Bill Based on Average Monthly Usage of 6.50 CCF (100 Cubic Feet)				
	Customer Charge Based on 5/8" meter	Volumetric Charge per CCF	Volumetric Charge	Total Monthly
Current Rates	\$20.70	\$7.51	\$48.82	\$69.52
Proposed Temporary Rate	\$23.81	\$8.64	\$56.16	\$79.97
Proposed Permanent Rate	\$24.17	\$9.42	\$61.23	\$85.40
* Please note that the average consumption is based on single family residential 5/8" metered customers average 5 year annual usage divided by 12.				

The Commission will issue an order scheduling a Pre-Hearing Conference to be held via WebEx. When the order is issued, the Company will post it at www.pennichuck.com and publish the order in area newspaper(s). At the Pre-hearing Conference, the Commission will hear preliminary statements from PEU and other parties, and will consider requests for formal intervenor status.

The Pre-Hearing Conference is open to the public. Customers and other interested parties are invited to attend the hearing and comment on PEU's request. Those unable to attend the Pre-Hearing may submit written comments to the New Hampshire Public Utilities Commission at 21 South Fruit Street, Suite 10, Concord NH 03301 or via e-mail at puc@puc.nh.gov Tel: (603) 271-2431 Fax: (603) 271-3878.

**For more information please reference the
enclosed information sheet or call
Pennichuck East Utility, Inc. at 1-800-553-5191**

Rate Increase Sought
PENNICHUCK EAST UTILITY, INC.
Locke Lake, Barnstead, NH

Pennichuck East Utility, Inc. (PEU) has filed rate schedules with the New Hampshire Public Utilities Commission (Commission) to increase its rates for all customer classes, including General Metered, GM Non-Metered, Municipal Fire Protection-Hydrants, Private Fire Protection, and Public Hydrant service for Windham, Raymond, Lee, Exeter, Birch Hill, and Bow. PEU is seeking a temporary rate increase of 15% and an overall permanent increase of 21.05%. Additionally PEU is requesting a reduction to the North Country Capital Recovery Surcharge for Locke Lake.

PEU seeks this increase based on increased operating expenses as well as investment in its plant and treatment systems to ensure continued compliance with the Safe Drinking Water Act. The increase sought for PEU residential General Metered customers would result in a change to the average bill as follows:

Average Residential Monthly Bill Based on Average Monthly Usage of 3.45 CCF (100 Cubic Feet)					
	Customer Charge Based on 5/8" meter	Volumetric Charge per CCF	Volumetric Charge	Capital Recovery Surcharge	Total Monthly
Current Rates	\$20.70	\$7.51	\$25.91	\$12.81	\$59.42
Proposed Temporary Rate	\$23.81	\$8.64	\$29.81	\$12.81	\$66.43
Proposed Permanent Rate	\$24.17	\$9.42	\$32.50	\$12.58	\$69.25
* Please note that the average consumption is based on single family residential 5/8" metered customers average 5 year annual usage divided by 12					

The Commission will issue an order scheduling a Pre-Hearing Conference to be held via WebEx. When the order is issued, the Company will post it at www.pennichuck.com and publish the order in area newspaper(s). At the Pre-hearing Conference, the Commission will hear preliminary statements from PEU and other parties, and will consider requests for formal intervenor status.

The Pre-Hearing Conference is open to the public. Customers and other interested parties are invited to attend the hearing and comment on PEU's request. Those unable to attend the Pre-Hearing may submit written comments to the New Hampshire Public Utilities Commission at 21 South Fruit Street, Suite 10, Concord NH 03301 or via e-mail at puc@puc.nh.gov Tel: (603) 271-2431 Fax: (603) 271-3878.

**For more information please reference the
 enclosed information sheet or call
 Pennichuck East Utility, Inc. at 1-800-553-5191**

Rate Increase Sought
PENNICHUCK EAST UTILITY, INC.
Sunrise Estates, Middleton, NH

Pennichuck East Utility, Inc. (PEU) has filed rate schedules with the New Hampshire Public Utilities Commission (Commission) to increase its rates for all customer classes, including General Metered, GM Non-Metered, Municipal Fire Protection-Hydrants, Private Fire Protection, and Public Hydrant service for Windham, Raymond, Lee, Exeter, Birch Hill, and Bow. PEU is seeking a temporary rate increase of 15% and an overall permanent increase of 21.05%. Additionally PEU is requesting a reduction to the North Country Capital Recovery Surcharge for Sunrise Estates.

PEU seeks this increase based on increased operating expenses as well as investment in its plant and treatment systems to ensure continued compliance with the Safe Drinking Water Act. The increase sought for PEU residential General Metered customers would result in a change to the average bill as follows:

Average Residential Monthly Bill Based on Average Monthly Usage of 3.45 CCF (100 Cubic Feet)					
	Customer Charge Based on 5/8" meter	Volumetric Charge per CCF	Volumetric Charge	Capital Recovery Surcharge	Total Monthly
Current Rates	\$20.70	\$7.51	\$25.91	\$10.74	\$57.35
Proposed Temporary Rate	\$23.81	\$8.64	\$29.81	\$10.74	\$64.36
Proposed Permanent Rate	\$24.17	\$9.42	\$32.50	\$10.36	\$67.03
* Please note that the average consumption is based on single family residential 5/8" metered customers average 5 year annual usage divided by 12.					

The Commission will issue an order scheduling a Pre-Hearing Conference to be held via WebEx. When the order is issued, the Company will post it at www.pennichuck.com and publish the order in area newspaper(s). At the Pre-hearing Conference, the Commission will hear preliminary statements from PEU and other parties, and will consider requests for formal intervenor status.

The Pre-Hearing Conference is open to the public. Customers and other interested parties are invited to attend the hearing and comment on PEU's request. Those unable to attend the Pre-Hearing may submit written comments to the New Hampshire Public Utilities Commission at 21 South Fruit Street, Suite 10, Concord NH 03301 or via e-mail at puc@puc.nh.gov Tel: (603) 271-2431 Fax: (603) 271-3878.

**For more information please reference the
 enclosed information sheet or call
 Pennichuck East Utility, Inc. at 1-800-553-5191**

Rate Increase Sought
PENNICHUCK EAST UTILITY, INC.
Birch Hill, North Conway, NH

Pennichuck East Utility, Inc. (PEU) has filed rate schedules with the New Hampshire Public Utilities Commission (Commission) to increase its rates for all customer classes, including General Metered, GM Non-Metered, Municipal Fire Protection-Hydrants, Private Fire Protection, and Public Hydrant service for Windham, Raymond, Lee, Exeter, Birch Hill, and Bow. PEU is seeking a temporary rate increase of 15% and an overall permanent increase of 21.05%. Additionally PEU is requesting a reduction to the North Country Capital Recovery Surcharge for Birch Hill.

PEU seeks this increase based on increased operating expenses as well as investment in its plant and treatment systems to ensure continued compliance with the Safe Drinking Water Act. The increase sought for PEU residential General Metered customers would result in a change to the average bill as follows:

Average Residential Monthly Bill Based on Average Monthly Usage of 3.45 CCF (100 Cubic Feet)					
	Customer Charge Based on 5/8" meter	Volumetric Charge per CCF	Volumetric Charge	Capital Recovery Surcharge	Total Monthly
Current Rates	\$20.70	\$7.51	\$25.91	\$12.81	\$59.42
Proposed Temporary Rate	\$23.81	\$8.64	\$29.81	\$12.81	\$66.43
Proposed Permanent Rate	\$24.17	\$9.42	\$32.50	\$12.69	\$69.36
* Please note that the average consumption is based on single family residential 5/8" metered customers average 5 year annual usage divided by 12					

The Commission will issue an order scheduling a Pre-Hearing Conference to be held via WebEx. When the order is issued, the Company will post it at www.pennichuck.com and publish the order in area newspaper(s). At the Pre-hearing Conference, the Commission will hear preliminary statements from PEU and other parties, and will consider requests for formal intervenor status.

The Pre-Hearing Conference is open to the public. Customers and other interested parties are invited to attend the hearing and comment on PEU's request. Those unable to attend the Pre-Hearing may submit written comments to the New Hampshire Public Utilities Commission at 21 South Fruit Street, Suite 10, Concord NH 03301 or via e-mail at puc@puc.nh.gov Tel: (603) 271-2431 Fax: (603) 271-3878.

**For more information please reference the
 enclosed information sheet or call
 Pennichuck East Utility, Inc. at 1-800-553-5191**

TAB 9

Testimony of Larry Goodhue

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

Docket No. DW 20-156

Pennichuck East Utility, Inc.
Permanent Rate Proceeding

DIRECT TESTIMONY OF LARRY D. GOODHUE

November 23, 2020

Testimony of Larry D. Goodhue

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1 **I. INTRODUCTION**

2 **Q. Would you please state your name, address and position with Pennichuck East**
3 **Utility, Inc., as well as its corporate Parent, Pennichuck Corporation?**

4 **A.** My name is Larry D. Goodhue. My business address is 25 Walnut Street, Nashua, New
5 Hampshire. I am the Chief Executive Officer of Pennichuck East Utility, Inc. (“PEU” or
6 “Company”). I am also the Chief Executive Officer of Pennichuck Corporation (“Penn
7 Corp”), which is the corporate parent of PEU. I have been employed in the CEO capacity
8 since November 6, 2015. Prior to serving as CEO, I served as Chief Financial Officer of
9 Penn Corp and PEU. In addition to holding the CEO title for both PEU and Penn Corp, I
10 have retained the title of CFO for both entities, as well as the other subsidiaries of Penn
11 Corp.

12 **Q. Please describe your educational background.**

13 **A.** I have a Bachelor’s in Science degree in Business Administration with a major in
14 Accounting from Merrimack College in North Andover, Massachusetts. I am a licensed
15 Certified Public Accountant in New Hampshire; my license is currently in an inactive
16 status.

17 **Q. Please describe your professional background.**

18 **A.** Prior to joining PEU and Penn Corp, I was the Vice President of Finance and
19 Administration and previously the Controller with METRObility Optical Systems, Inc.
20 from September 2000 to June 2006. In my more recent role with METRObility, I was
21 responsible for all financial, accounting, treasury and administration functions for a
22 manufacturer of optical networking hardware and software. Prior to joining

Testimony of Larry D. Goodhue

1 METRObility, I held various senior management and accounting positions with several
2 private and publicly-traded companies.

3 **Q. What are your responsibilities as Chief Executive Officer of Penn Corp?**

4 **A.** As Chief Executive Officer, I am responsible for the overall management of Penn Corp
5 and its subsidiaries, including PEU, and I report to the Board of Directors. I work with
6 the Chief Operating Officer, the Corporate Controller, Treasurer, Assistant Treasurer,
7 Director Water Supply, Chief Engineer, Distribution Manager, the Director of Human
8 Resources and the Director of Information Technology to: (1) implement short and long-
9 term financial and operating strategies, (2) insure the adequate funding of debt and
10 expenses, and (3) enable Penn Corp's utility subsidiaries to provide high quality water
11 service at affordable rates, on a consistent basis.

12 **Q. Have you previously testified before this or any other regulatory commission or**
13 **governmental authority?**

14 **A.** Yes. I have submitted written testimony in the following dockets before the New
15 Hampshire Public Utilities Commission (the "Commission"):

- 16 • Financings for PEU – DW 12-349, DW 13-017, DW 13-125, DW 14-020, DW 14-
17 191, DW 14-282, DW 14-321, DW 15-044, DW 16-234, DW 17-055, DW 17-157,
18 DW 18-132, DW 19-069 and DW 20-081;
- 19 • Financings for Pittsfield Aqueduct Company ("PAC") – DW 15-045 and DW 16-235;
- 20 • Financings for Pennichuck Water Works, Inc. ("PWW") – DW 14-021, DW 14-130,
21 DW 15-046, DW 15-196, DW 16-236, DW 17-183, DW 19-026, DW 20-055, DW
22 20-064 and DW 20-157.

Testimony of Larry D. Goodhue

- 1 • Permanent and Temporary Rate Increase Proceedings for: PWW – DW 13-130, DW
2 16-806 and DW 19-084; PEU – DW 13-126 and DW 17-128; and PAC – DW 13-128
3 and DW 20-153.
- 4 • Numerous other special dockets for Pennichuck Water Works, Inc., Pennichuck East
5 Utility, Inc., and Pittsfield Aqueduct Company, Inc, since 2012.

II. PURPOSE OF THIS TESTIMONY**Q. What is the purpose of your testimony?**

8 **A.** The purpose of my testimony is to provide information supporting PEU's request for
9 permanent rate relief, including: (1) relevant historical information regarding the City of
10 Nashua's ("City") acquisition of Penn Corp in early 2012; (2) subsequent developments
11 with respect to transformative changes in the capitalization of PWW as was presented to
12 this Commission in more detail in three recent financing dockets, DW 14-130, DW 15-
13 196 and DW 17-183; (3) information concerning how the ratemaking structure set forth
14 in the Settlement Agreement approved by this Commission in Order No. 25,292 in
15 Docket No. DW 11-026 has been operating since the 2012 acquisition and within the
16 context of subsequent PWW financing efforts, as well as modifications to that structure
17 approved in Docket No. DW 16-806 (Order No. 26-070) and Docket No. DW 19-084
18 (Order No. 26,383); and (4) information supporting the rate relief requested by PEU and
19 the specific further modifications to PEU's current ratemaking structure included therein,
20 and information demonstrating that such requests are just, reasonable and in the public
21 interest.

Testimony of Larry D. Goodhue

1 **Q. Would you please identify the other witnesses in this case?**

2 **A.** The other witness in this case, who is providing written testimony in this proceeding, is
3 Chief Operating Officer Donald Ware. He holds this role for both PEU and Penn Corp,
4 as well as the other subsidiaries of Penn Corp. His testimony will describe his
5 qualifications, history and previous instances of testimony before the Commission.

6 **III. HISTORY OF THE CITY OF NASHUA ACQUISITION**

7 **Q. Mr. Goodhue, before explaining the details of the rate case, would you please**
8 **provide some history regarding the ownership of PEU and how that history**
9 **supports PEU's requests?**

10 **A.** Yes. Currently, PEU, as a corporate entity, is wholly-owned by Penn Corp, which is, in
11 turn, a corporation that is wholly-owned by the City of Nashua, New Hampshire. The
12 City of Nashua acquired its ownership of Penn Corp on January 25, 2012, pursuant to this
13 Commission's Order No. 25,292 (November 23, 2011) (Approving Acquisition and
14 Settlement Agreement). Prior to this acquisition by the City of Nashua, Penn Corp's
15 shares were traded on the NASDAQ public stock exchange. For purposes of my
16 testimony, I refer to the period prior to the City's acquisition as "pre-acquisition" and the
17 period after as "post-acquisition".

Testimony of Larry D. Goodhue

Q. Did the City's acquisition affect the way in which PEU operates as a utility?

A. Yes. As vetted in prior case testimonies, the change in the ultimate ownership of PEU's parent, Penn Corp, from a publicly-traded investor-owned utility ("IOU") to ownership by the City has had important consequences for the operation of PEU.¹

One of the most important consequences is that PEU, after the City's acquisition of Penn Corp, no longer has access to private equity markets as a method of financing its capital needs. As such, and as contemplated during the Commission's proceeding to approve the City's acquisition of Penn Corp in DW 11-026, after the acquisition, PEU expected to finance its on-going capital needs entirely through the issuance of debt.²

Q. Does reliance solely on debt to finance PEU's operations have impacts on PEU's customers?

A. Yes. As testified to in prior dockets, debt is important as it relates to the ongoing capital structure of the Company and its ability to finance its operations and capital investments.

Q. Please Explain.

A. As was contemplated during the acquisition proceedings, one very positive result of this anticipated debt component is that the weighted average cost of PEU's capital structure is significantly lower than it was prior to the City's acquisition. This lower cost of capital

¹ See, PWV's rate case, Docket No. DW 16-806, Pre-filed Direct Testimony of Larry D. Goodhue (9/26/16) and Hearing Transcript of July 25, 2017. See also PEU's rate case, Docket No. DW 17-128, Pre-filed Direct Testimony of Larry D. Goodhue (October 18, 2007).

² See, Order No. 25,734 (Nov. 7, 2014) in Docket No. DW 14-130 approving PWV's Integrated Capital Finance Plan totaling \$54.5M. See also Order No. 25,808 (Sept. 2, 2015) in Docket No. DW 15-196 approving \$25.5M in tax-exempt bonds for PWV through the New Hampshire Business Finance Authority. These financings support PEU's access to low-cost debt either as an intercompany loan or by demonstrating the credit worthiness of PEU via its affiliate PWV because PEU has no employees and uses PWV's employees.

Testimony of Larry D. Goodhue

1 has had, and will continue to have, direct benefits for PEU's customers. The lower cost
2 of capital is a direct result of PEU's transition from a traditional investor-owned utility
3 debt/equity capital structure to the new, municipal-like capital structure which is solely
4 debt-financed. Instead of financing approximately 50% of the Company's capital
5 structure with a return on equity, which the Company was earning prior to 2012 at a post-
6 tax rate of 9.75% (or approximately 16% pre-tax, at then existing tax rates, or
7 approximately 12% pre-tax at current corporate tax rates), the Company now funds 100%
8 of its capital structure with debt, at rates in the range of 2.5-4.5%. The lower overall
9 rates translate directly into reduced customer rates, both currently and on a going forward
10 and long-term basis.

11 **Q. Does reliance solely on debt to finance PEU's operations have negative consequences**
12 **for PEU's rate setting methods and procedures?**

13 **A.** Yes. It exacerbates regulatory lag and negatively affects traditional bank/lender coverage
14 ratios. As also contemplated in the acquisition Docket DW 11-026, the City's acquisition
15 of Penn Corp and the resulting need to finance utility operations with debt has required
16 modifications to PEU's (and Penn Corp's other subsidiary utilities') ratemaking methods
17 and procedures to accommodate PEU's municipal-like debt only financing structure.
18 Even though this low-cost municipal debt model is better in its overall cost of capital, it
19 however, makes PEU much more dependent on the direct relationship of cash flow
20 generated from rates, as it relates to the ongoing repayment of debt in support of ongoing
21 capital investments. Under the previous IOU structure, the allowed return on equity
22 allowed PEU to generate extra cash to cover the repayment of debt obligations, provide
23 adequate coverage of operating expenses and regulatory lag, and allowed Penn Corp. to

Testimony of Larry D. Goodhue

1 satisfy dividend obligations to public-company shareholders. That IOU structure also
2 allowed the Company to seek debt for infrastructure replacements that could have interest
3 only repayment structures, with balloon maturities, that could either be refinanced at
4 maturity or repaid by issuing more equity into the marketplace. Post-acquisition, PEU
5 has lost this buffer to cash flows, and regulatory lag, because it has lost the ability to raise
6 additional equity to repay balloon maturity obligations.

7 **Q. Was this shift to debt and the resulting cash flow consequences discussed in prior**
8 **dockets?**

9 **A.** Yes. This shift has been discussed extensively in prior dockets. The Commission's order
10 approving the settlement agreement in the acquisition docket DW 11-026 expressly
11 acknowledged this shift, as the Commission approved a "modified ratemaking structure"
12 that had important differences from the traditional "equity-based" ratemaking method.
13 This modified ratemaking structure, first implemented for PEU in Docket No. DW 13-
14 126, recognized that for PEU, in its post-acquisition periods, it is much more important
15 to set rates at levels that assure PEU's lenders that PEU will earn revenues sufficient to
16 provide cash flow coverage for repayment of its debt obligations, and to satisfy on a
17 continuing basis all associated debt covenant obligations associated with the debt used for
18 infrastructure replacement and short-term working capital needs, some of which are
19 borne at the Pennichuck Corporation level at it pertains to the Working Capital Line of
20 Credit ("W/C LoC") available for usage by all subsidiaries, as well as specific covenants
21 that underly PEU's debt obligations with CoBank.³ In light of lender credit risk concerns

³ See footnote 2 and financing dockets listed on page 2 of this testimony.

Testimony of Larry D. Goodhue

as well as overall lender requirements, the Company has worked with its lenders to put covenants in place on its issued bonded debt for PWW, and covenants which allows the Company to continue to access the W/C LoC it has as a resource through its parent (Penn Corp Corporation). These new covenants are aligned with PEU's new capital and rate structures and recognizes PEU's cash-flow based model, as well as PEU's need to seek recovery of: 1) cash outflows for necessary operating expenses and debt service on the Company's external debt for capital projects; and 2) the City Bond Fixed Revenue Requirement ("CBFRR") obligation for the bonds issued to purchase the parent company, as a necessary and requisite ongoing rate structure element, as approved in the acquisition docket, Docket No. DW 11-026.

IV. OVERVIEW OF REQUEST FOR RATE RELIEF AND PROPOSED MODIFICATIONS TO PEU'S RATEMAKING STRUCTURE

Q. Mr. Goodhue, please provide an overview of the nature of the Company's requests?

A. The proposed relief consists of two principal components. First, as set forth in our full rate filing materials, which are described in more detail by Mr. Ware in his testimony, PEU is requesting a rate increase of 21.05% (see Tab 7 of PEU's Rate Filing), bringing its allowed revenues to a level of \$10,715,419, as shown at Tab 14, (Puc 1604.08 "Schedule 9") and as detailed at Tab 13 (Puc 1604.06 "Schedule A"). This rate increase is dampened somewhat by the fact that some of the increase will or is already being collected via PEU's Qualified Capital Project Adjustment Charge ("QCPAC") of 2.98% approved in NHPUC Order 26,313 for QCP's placed in service during 2018 and the 1.97% QCPAC for QCP's placed into service during 2019 for which the approval process is currently in pendency in docket DW 20-019. Although, if the Commission approves

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1 PEU's temporary rate request, then PEU suggests that the QCPAC be reflected as an
2 element of the temporary rate increase, so as to reduce the number of times customer
3 rates change, and be less confusing to customers.

4 The second component of PEU's requested relief is set forth in its Petition for Further
5 Modifications in Ratemaking Structure. PEU seeks the Commission's approval of further
6 modifications to the ratemaking structure that was approved in DW 17-128 to include
7 modifications approved for PWW in DW 19-084. My testimony focuses mostly on the
8 latter component.

9 **Q. Please explain in more detail the reasons behind needing the second component.**

10 **A.** PEU is requesting the Commission to approve further modifications to PEU's ratemaking
11 structure that would continue to allow PEU and its lenders to have reasonable
12 expectations of future rates to support PEU's long-term, post-acquisition capital
13 requirements (i.e., debt). Additionally, and more importantly, the further modifications
14 are being requested to minimize the adverse impact of "regulatory lag" in the recovery of
15 dollar-for-dollar coverage of necessary and prudent operating expenses, without the need
16 to borrow debt funds to refill or sufficiently fund rate stabilization/reserve cash funds.
17 To illustrate this problem further, in its prior ownership structure, and like other IOUs,
18 the return on equity allowed for incremental profits to be earned between permanent rate
19 filings. These incremental profits were used to fund shareholder dividends, but more
20 importantly, provided coverage for inflationary, or other prudent increases in operating
21 expenses between rate cases, for which the regulatory lag in rate recovery never fully
22 funded. This coverage issue is a very important concern to PEU's lenders. PEU's
23 requested further modifications acknowledge that PEU's reliance on debt financing

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1 requires a ratemaking method that is based on a fixed multiple of the annual debt service
2 on existing debt, with the balance of the allowed revenue requirement tied to coverage of
3 prudent, normal and ongoing operating expenses, but in a more-timely manner. The
4 benefit of this to ratepayers is smaller incremental rate increases, versus larger periodic
5 rate changes, as well as cash coverage of actual operating expenses versus rate coverage
6 to fund the cost of debt service on moneys borrowed to provide for adequate cash reserve
7 funds, required to access debt funding for ongoing necessary capital improvements of the
8 water distribution and treatment infrastructure of the Company.

9 **Q. Do you believe that the requested increase in PEU's rates is consistent with the**
10 **projected rate increase trajectory anticipated when the City of Nashua acquired**
11 **Penn Corp?**

12 **A.** Yes. The increase being requested is consistent with the history of the City's acquisition
13 of Penn Corp. The City's acquisition was premised on the assumption that the City's
14 ownership of PEU, PWW, and PAC would produce consistently lower rates for
15 ratepayers, as compared to the previous investor-owned utility structure. In the forecasts
16 underlying the settlement agreement and order approving the acquisition, it was assumed
17 that PEU would realize rate increases over time of approximately 2.9% per year in order
18 to fund projected increases in operating costs and debt repayment and procurement
19 obligations, exclusive of certain key events which have occurred since that time, for
20 which no possibility of predicting such events could have been know at that time. These
21 key events include: (1) the material expansion of the distribution systems in certain key
22 communities that the Company was obligated to accept in their approved franchise
23 territories due to PFOA contamination issues, (2) the increase in property taxes due to

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1 increases at or above inflationary levels in several communities, as well as an expansion
2 of the taxable property base from the PFOA activities, and (3) the assumption of more
3 management fee expenses by the Company due to increased prorata revenues and prorata
4 customers, as elemental components in the fixed methodology calculations from the
5 approved and promulgated management fee allocation between the subsidiaries of Penn
6 Corp, and with Penn Corp itself..

7
8 The increase being sought in this proceeding is consistent with the City's assumptions,
9 excluding the identified key events, as the rate of increase of base operating expenses for
10 the Company since 2012 have regularly been in the 2-3% rate per annum. If PEU had
11 experienced annual 2.9% rate increases over this entire period, the resulting rates would
12 be near the level PEU is seeking in this proceeding, excluding the inclusion of the impact
13 of the exceptional key events. And as demonstrated in my testimony and the testimony
14 of Mr. Ware, this rate request takes into account the fact that certain operating expenses,
15 specifically property taxes, have risen at a rate in excess of the average annual 3%
16 increase assumed in the acquisition docket.

17 **Q. Do you believe that the further modifications requested in PEU's petition are**
18 **consistent with the anticipated capital structure of PEU?**

19 **A.** Yes. The premise of lower customer rates was based primarily on two factors:
20 1) a reduction in operating expenses attributable to the fact that Penn Corp would no
21 longer be required to carry the significant costs associated with the SEC requirements, as
22 well as management and administrative infrastructure required of publicly-traded
23 companies; and

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1 2) PAC, PEU, and PWW would be transitioned from a traditional IOU debt/equity capital
2 structure (subject to the traditional cost-of-service ratemaking model) to a debt capital
3 structure that is more aligned with the ratemaking model typically applied to municipally-
4 owned utilities. For example, the modified ratemaking structure approved in DW 11-026
5 included a special requirement to allow the utilities to collect revenues sufficient to cover
6 the City's obligations on the bonds it issued to accomplish the acquisition (the CBFRR)
7 and dispensed with the traditional idea that the City should be allowed to collect an
8 "equity-based" rate of return on its investment in the utilities. Because the City only
9 sought revenues sufficient to assure itself, its lenders, and its rating agencies that it would
10 meet its debt obligations and enable the utilities to continue to provide excellent and safe
11 water service at affordable prices, the resulting rates were projected to be lower than if
12 the City had sought a "profit" on its investment.

13
14 The modifications approved for PWW in Docket DW No. 16-806, as well as the further
15 modification approved in Docket No. DW 19-084, both of which PEU seeks, are
16 absolutely consistent with the Company having a municipal-like capital structure. The
17 requested further modified ratemaking methodology for PEU, as it is for PWW, is
18 required to properly, adequately, and timely provide PEU with the necessary cash flows
19 to fund all operating and debt service obligations and to allow PEU to access lending
20 markets in the future to meet its needs at reasonable costs.

21 **Q. What are the primary benefits of the DW 19-084 Settlement Agreement for PWW,**
22 **and how do they apply to PEU?**

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1 **A.** The primary benefits of the rate structure modifications included in the DW 19-084
2 Settlement Agreement as shown immediately below, and how they apply to PEU are all
3 intended to: (1) increase PEU's required access to necessary debt funding, (2) provide
4 adequate cash flows to repay their debts, (3) give them the ability to meet lender covenant
5 requirements, and (4) will provide lenders with the confidence in PEU's ability to repay
6 their debt obligations in spite of the process to get new permanent rates approved and the
7 regulatory lag that occurs in that overall process, all of which are fundamental for PEU to
8 be able to continue to access needed debt for infrastructure replacement and operations.
9 The key structural elements being requested as a modification to the existing rate
10 structure approved for PEU in Docket No. DW 17-128, are:
11 (1) a Material Operating Expense Factor ("MOEF") to provide for ongoing cashflow
12 support for PEU's Material Operating Expense Revenue Requirement ("MOERR") and
13 associated Rate Stabilization Fund ("RSF");
14 (2) for atypical years in the 5-year average of water consumption, that the Company be
15 allowed to substitute the data from the next most recent preceding typical operating
16 year's data. Also, that an "atypical" year be defined as one in which that year's water
17 consumption either exceeds or falls short of the calculated trailing 5-year average of
18 water consumption by more than 15%. Further, for purposes of determining whether an
19 "atypical" year exists, that calculation shall be based on the trailing 5-year average of the
20 test year as well as the four immediately preceeding years. Therefore, the underlying
21 trailing 5-year average data used in that determination shall be inclusive of the data
22 pertaining to the potential "atypical" year;

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1 (3) the inclusion of actual NH Business Enterprise Tax cash payments in the revenue
2 requirement;

3 (4) prioritization of usage of available Debt Service Revenue Requirement-0.1 (“DSRR-
4 0.1”) funds;

5 (5) recovery of State Revolving Loan Fund (“SRF”) and Drinking Water Groundwater
6 Trust Fund (“DWGTF”) debt issuance costs; and

7 (6) re-establishment of imprest levels of Rate Stabilization Fund accounts retention of a
8 previously

9 approved reconciliation mechanism.

10 **Q. Did the Parties to the DW 19-084 Settlement Agreement anticipate that the modified**
11 **rate structure would also apply to PEU in this case?**

12 **A.** There was no formal or written inclusion of such action for PEU in that Settlement
13 Agreement, but our discussions during the prosecution of that docket with the parties to
14 the case and the Agreement made parties aware that PEU would be seeking a similar
15 treatment in this rate proceeding, when filed.

16 **Q. Is PEU now seeking to implement the same ratemaking structure described in the**
17 **DW 19-084 Settlement Agreement?**

18 **A.** Yes. This is the ideal time for the new ratemaking structure to apply to PEU as this
19 further modified structure is needed to: (1) insure ongoing adequate EBITDA coverage
20 for PEU, as it relates to covenant requirements, (2) provide adequate cash flows from
21 revenues to pay debt service, CBFRR and operating expenses, and (3) provide adequate
22 support funds in the form of maintaining and supporting the RSF accounts, to provide for
23 cash funding during times of revenue shortfalls and expense growth above inflationary

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1 levels between rate case filings, and minimizing the impact of regulatory lag between rate
2 cases, as described in further detail in the testimony of Mr. Ware for this docket.

3 **Q. What is PWW's bond credit rating and has it changed since the implementation of**
4 **the modified rate structures in DW 16-806 and DW 19-084, and what does that**
5 **imply for PEU, as result of the modifications approved in DW 17-128 and requested**
6 **in this permanent rate filing?**

7 **A.** PWW's credit rating is a Standard and Poors ("S&P") "A" rating, with a negative
8 outlook. The Company was downgraded slightly for its April 2020 bond issuance from a
9 rating of "A+" with a stable outlook, to the current rating with a negative outlook, for one
10 primary reason: Standard and Poors indicated that the change and reduction in the
11 outlook was the result of the Company's overall cash balance position at the time of the
12 current rating issuance. And, they cited that the impact of the timing of rate cases, as
13 well as the degradation in cash balances that occurred from regulatory lag, were the main
14 contributing factors. Since that April bond issuance, PWW has obtained an order
15 approved the further modifications to its rate structure being included in this case, but
16 final permanent rates have not yet been issued and approved in that docket. As such,
17 when PWW completed a debt restructuring bond issuance in September 2020, the "A"
18 rating with a negative outlook was affirmed. S&P indicated at that time that an increase
19 in the credit rating could not be granted at that time due to two factors: (1) permanent
20 rates from the case and modified structure were not yet in place and approved, and (2) the
21 impact of COVID-19 had caused a shift in the paradigm of assessing overall debt risk in
22 the market. S&P indicated on the call reviewing the issued rating in September, that
23 absent the rate structure modifications approved in DW 19-084, and sought in this case, a

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1 credit downgrade would have actually occurred. As such, indications are that PWW's
2 credit rating will be either maintained or enhanced upon the receipt and order of final
3 permanent rates from the docket, and when the full impact of COVID-19 is fully
4 understood in the market. How this applies to PEU is simply that the paradigms that an
5 entity such as S&P uses to assign a credit rating, are nearly synonymous with the factors
6 that commercial bank lenders use in approving and issuing debt for an entity such as
7 PEU. Additionally, even though a favorable credit rating for PWW does not have a
8 direct impact on PEU, as PEU uses the workforce and equipment assets of PWW for its
9 overall operational activities, PWW's ability to access and finance its capital assets at a
10 favorable credit rating has an overall long-term tangential benefit to PEU.

11 **Q. Will the proposed further modifications address this negative outlook for PWW,**
12 **and what does that mean for PEU?**

13 **A.** Yes. Again, in discussions with the rating agency at the time of PWW's September 2020
14 bond issuance it became clear to PWW that primarily the inclusion of the MOEF, and
15 secondarily the other enhancements, are and looked upon favorably in the credit rating
16 process, which directly impacts the reduction of cash liquidity risk going forward.
17 Therefore, the modifications to rate structure being requested in this docket are very
18 important in re-establishing a "positive outlook" for PEU and its commercial lenders, like
19 it will for PWW in its bond credit rating outlook.

20 **Q. Please explain the relationship between rate relief and the Company's cash position.**

21 **A.** The Company's current cash position is the direct result of the Company's inability to
22 have its rates provide cash coverage for inflationary increases between rate cases as well
23 as the permanent rate lag due to the timing for recovery of operating expenses from a

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1 permanent rate case filing process. It currently takes the Company the better part of two
2 years from the test year, to get full rate relief in a permanent rate filing, and in that
3 interim, inflation or other operating expense factors will have increased currently
4 occurring operating expenses well over and above “test year” operating. As such, the
5 Company has used its rate stabilization fund coverage, as allowed in Dockets DW 11-026
6 and DW 17-128, when revenues did not exceed allowed levels which would have fully
7 refunded or overfunded those rate stabilization funds. This experience with the existing
8 ratemaking modifications, and discussions conducted annually by the Company’s
9 primarily commercial lender, as it pertains to current financial status, liquidity levels, and
10 rate modification and rate setting opportunities, has also influenced PEU’s request for
11 further requisite modifications to its ratemaking methodology .

12 **Q. Mr. Goodhue, why is PEU requesting these further modifications at this time, when**
13 **it could have requested them in the original acquisition docket or in Docket DW 17-**
14 **128?**

15 **A.** In short, just as was the case for the process pursued for PWW, gradualism and
16 experience. First, as the Commission is aware, the settlement agreement approved in DW
17 11-026 provided that PWW, PEU, and PAC would file their first full rate cases
18 simultaneously not later than June 1, 2013. The purpose of that filing requirement was to
19 allow the utilities to develop experience and operating history under the new ownership
20 structure. PWW, PEU, and PAC filed their first post-acquisition rate cases consistent
21 with this requirement. However, at that relatively early time, PEU had not yet acquired
22 direct experience on how the capital markets and commercial lenders would react to
23 PEU’s unique ownership structure.

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1 Second, PWW has now acquired experience and information from its significant bond
2 financings that has allowed that Company to obtain direct input and insights into how
3 capital markets have and will continue to respond to its ownership structure; which
4 indirectly and directly impacts PEU, both in its ability to utilize PWW personnel and
5 assets for its operational activities, as well as PEU's ability to continue to access debt
6 funding for its commercial lending partners, both is availability of those funds, and in the
7 cost of those funds.

8 Third, PEU has acquired actual experience with respect to the operation of the current
9 ratemaking method, and its modifications approved in Docket DW 17-128, and has been
10 able to observe and test its benefits, and its deficiencies.

11 Fourth, PEU felt it was necessary to implement the various needed modifications to rate
12 structure in a "stepped" approach, giving consideration to requested rate increases and
13 their impact on customers, but to also analyze the various methods that might be
14 employed to accomplish this. The further modifications being requested in this case are
15 designed to only provide adequate cash coverage of operating expenses between
16 permanent rate filings, but on a more timely or pre-emptive basis, and without the need to
17 borrow debt funds to provide for adequate cash reserves, for which rates would be needed
18 to provide debt service coverage for those borrowed funds (instead of providing solely
19 for the funds required as an element of the Operating Expense Revenue Requirement
20 ("OERR") portion of allowed revenues, as approved in DW 17-128).

21 **V. SUMMARY OF PROPOSED RATE RELIEF**

22 **Q. Mr. Goodhue, would you please briefly describe the rate relief requested in this**
23 **proceeding by PEU?**

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1 **A.** Yes. As described in the testimony of Donald L. Ware, PEU is requesting the
2 Commission to approve a rate increase of 21.05%, bringing its allowed revenues to a
3 projected level of \$10,715,419 as delineated in PEU's rate case filing at Tab 14 (Puc
4 1604.08 "Schedule 9") and at Tab 13 (Puc 1604.06 "Schedule A").

5 **Q.** **Would you briefly describe the basis for this requested rate relief?**

6 **A.** The fundamental basis for this request is that it represents the revenues required to cover
7 PEU's current operating expenses, maintain adequate and supported RSF for adequate
8 liquidity and risk containment, and to meet the demonstrated costs of servicing PEU's
9 direct debt obligations plus its share of the CBFRR. PEU has prepared its ratemaking
10 schedules to demonstrate this fundamental basis.

11 **Q.** **Why is PEU filing a rate case at this time?**

12 **A.** PEU is filing a rate case at this time to get a reset in its permanent rates sufficient to
13 cover necessary and prudent operating expenses, which have grown in magnitude and
14 overall dollar value since its last permanent rate filing in Docket No. DW 17-128.
15 Operating expenses of the Company have increased due to inflation and other factors as
16 delineated earlier in this testimony, since the last filed permanent rate filing, and in some
17 cases, at rates above inflationary levels. This has caused the Company to nearly fully
18 extinguish its funds in the MOERR RSF, as it has been used in accordance with the
19 currently approved rate structure, to backstop the increased expenses since the last
20 permanent rate case. Absent the ability to file this case at this time, the Company would
21 have neither: (1) sufficient overall revenues to cover its prudent and necessary operating
22 expenses, or (2) sufficient funds remaining in the MOERR RSF fund to provide support
23 to its necessary cash operating requirements.

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Q. Please discuss the format of the ratemaking schedules filed by PEU upon which the requested rate relief is based.

A. PEU's requested rate relief is based on the modified ratemaking as approved in Docket Nos. DW 11-026, DW 13-126, DW 16-806, and DW 19-084. The rate increase is also based on the modified methods reflected in the ratemaking schedules, to the extent they have an impact on the current rate request, versus the implementation of forward-looking rate and factor elements. As further described in the testimony of Mr. Ware, these rate schedules embody financial information and resulting rates attributable to the approved rate structures resulting from those dockets and include the three primary "buckets" of allowed revenues: (1) City Bond Fixed Revenue Requirement, (2) Debt Service Revenue Requirement and the (3) Operating Expense Revenue Requirement. The required schedules under Puc 1604.06 (Schedule A and Schedule 1) and Puc 1604.08 (Schedule 5) address the approved revenue requirements being sought in this case, inclusive of the rate structure, pro forma operating expenses, and underlying debt service obligations for the Company's used and useful Capital Improvements.

VI. SUMMARY OF PROPOSED MODIFICATIONS TO PEU'S RATEMAKING STRUCTURE

Q. Please identify the specific additional modifications PEU is requesting be made to its current ratemaking structure.

- 1. Create a Material Operating Expense Factor (MOEF) which would become an embedded element of the allowed revenues included in the OERR portion of those revenues.**

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1 **A.** Currently, due to the Company's capital structure being supported solely by its last
2 approved rates and debt between rate cases for capital improvements, inflationary
3 increases in operating expenses are not covered by allowed revenues and are
4 "backstopped" by the usage of cash funds reserved in the MOERR RSF (as approved in
5 Docket No. DW 17-128). However, the adequacy of these funds is not sufficient in their
6 total imprest value to cover these increases in costs between rate cases. In order to fully
7 "backstop" these expenses with the MOERR RSF, this fund would have to be funded at a
8 much higher value, as delineated in the testimony of Mr. Ware in this docket. In order to
9 accomplish that, absent the inclusion of an MOEF, all of those funds would have to be
10 funded thru a debt issuance. In doing this, ratepayers would then have included in their
11 rates the cost of these funds, as well as the debt service on those funds, in order to hold
12 cash balances in reserve to support these increasing operating expenses. Implementing
13 the MOEF would simplify this and reduce the overall cost to ratepayers for the adequate
14 coverage of operating expenses, as the additional dollars needed to reinforce the MOERR
15 RSF between rate cases would be funded with dollars earned ratably, without need to
16 cover an incremental cost of debt service for those funds. The advantages to this
17 approach are lower overall costs to ratepayers and the reduction or near elimination of
18 non-recoverable regulatory lag for necessary operating expenses, for which the Company
19 has only received a dollar-for-dollar coverage in the permanent rates. This is being done
20 to minimize the impact of adequately funding and maintaining the MOERR RSF fund, as
21 a component of the Company's permanent rate request, to adequately maintain necessary
22 cash balances to operate the Company and fund its ongoing operating costs between rate
23 cases. In the alternative, if the Commission does not approve the MOEF, the Company

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1 requests that the allowable refill of the RSF funds over the succeeding three years be
2 maintained at 100% efficacy, as allowed in those prior Dockets (DW 11-026 and DW 17-
3 128) and their respective rate orders, and as more fully described in the testimony of Mr.
4 Ware in this docket.

5 **2. Include the actual cash basis of incurred NH Business Enterprise Taxes in**
6 **the operating expenses of the Company OERR allowed revenues.**

7 A. With recent changes in the Federal Tax laws, the Company will soon be in a position
8 where its Net Operating Loss Carryforwards (NOL's) will either be fully exhausted, or
9 under the Tax Cuts and Jobs Act (TCJA) that only 80% of its taxable income can be
10 offset with the usage of NOL's. As such, there is a high likelihood that the Company will
11 be subject to actual cash costs related to Federal Income taxes before its next fully
12 promulgated rate case. Additionally, in the State of NH, corporations are subject to both
13 the Business Profits Tax (BPT) and Business Enterprise Tax (BET), which has a cash
14 payment requirement associated with one or both of them, regardless of current NOL
15 position. Under the Company's current allowed revenue rate structure, the cash coverage
16 of corporate taxes is not included in any of its revenue components. The Company is
17 requesting in this filing that the actual cash cost of the NH Business Enterprise Tax be
18 included in the OERR component of allowed revenues in this and future permanent rate
19 cases, so it has the actual cash to pay these obligations. The Company will request the
20 inclusion of Federal Corporate Income Taxes and NH BPT, in a future rate case, when
21 NOLs are exhausted to the point where either 20% of taxable income is subject to cash
22 payment, or eventually 100% of taxable income is subject to cash payment requirements.

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1 This is the same arrangement that was agreed to for PWW in the Settlement Agreement
2 for DW 19-084.

3 **3. Re-prioritization of the usage of the 0.1 DSRR funds collected each year.**

4 **A.** Currently, these funds are to be used to fund capital improvements each year without the
5 incurrence of debt, however, the Company now has experience with the collection and
6 usage of these funds since the approval and establishment of this fund since its last
7 permanent rate case. It seems illogical that these funds would be first used to fund these
8 capital improvements, when the RSF funds have been reduced in their overall value due
9 to: (1) revenue performance below allowed levels, or (2) operating expenses were at
10 levels well above approved levels, due to the fact that allowed revenues were based on
11 test year expenses with some adjustment for proformas for 12-months after the test year,
12 but continued to grow with compound inflation, or due to other factors, in the years
13 following the completion of a rate case. As such, the Company is requesting in this filing
14 that the 0.1 DSRR funds be used in the following priority order: 1) fund the cost of
15 deferred assets (i.e. studies and other intangible assets) that do not qualify for QCPAC
16 and debt financing; 2) pay for the interest cost on Fixed Asset Line of Credit borrowings
17 (FALOC), if these costs are not allowed to be included in the Company's QCPAC
18 surcharges; 3) refill RSF fund balances to their imprest values; and 4) pay for capital
19 improvements, as previously authorized in DW 17-128.

20 **Q. Would this priority order benefit ratepayers? If so, how?**

21 **A.** The overall impact of this would be positive for ratepayers as it would lessen the burden
22 on rates to ensure that the RSF funds are retained at adequate levels to properly support
23 the allowed revenues and expenses of the Company, and fully fund necessary activities

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1 that are engaged for, which are neither depreciable capital or routine but are prudent
2 ongoing annual operating expenses. The priority order will also enhance the Company's
3 overall ability to cash flow and/or debt-fund operations. This would be positive for
4 ratepayers because an enhanced ability to continue to access debt funding at favorable
5 terms translates directly to reduced cost of interest on debt incurred for Capital
6 improvements.

7 **4. Reallocate the imprest value of PEU's aggregate RSF funds.**

8 **A.** In Docket No. DW 17-128, the Commission approved the Company's request to establish
9 the imprest levels of these RSF funds. In Docket No. DW 17-128, the Commission
10 approved allocation of this \$1.080 million aggregate imprest sum: CBFRR RSF -
11 \$31,000; MOERR RSF - \$898,000; and 1.0 DSRR RSF \$51,000. In Mr. Ware's
12 testimony to this docket, he outlines the actual calculations and needs relating to the RSF
13 funds, as well as the Company's current request on reallocating, funding and addressing
14 these funds.

15 **5. Treatment of Debt Issuance costs for long-term debt, other than tax-exempt**
16 **and taxable bond issuances.**

17 **A.** The Company funds its operations with debt from three general sources: term loans from
18 a commercial lender (Cobank), SRF loans, and DWGTF loans. Unlike PWW, where the
19 cost of issuance is included in the overall amount issued in the annual bond issuances, the
20 cost of issuance for these debt instruments are not included in the borrowed sums. As
21 such, the cost of issuance, as included in Deferred Debt Expense on the Company's
22 books, has coverage in the allowed revenues of the Company in its 1.0 DSRR revenues,
23 plus the over-cover in its 0.1 DSRR revenues. However, because the amortization of

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1 Deferred Debt expense is not included in the covered expenses under the OERR revenues
2 and those *de minimis* cost of issuance costs are not included in the amounts borrowed
3 from Cobank, the SRF, or DWGTF, there is no cash coverage for those costs included in
4 the Company's currently allowed rate structure. As these costs are generally *de minimis*
5 in nature, as it relates to the debt issued, the Company proposes that they be allowed to
6 carry these costs in Outside Services going forward, as an includable expense in the
7 NOERR portion of the overall allowed revenues of the Company. This would allow the
8 Company to recover the actual cash outflows for these cost of issuance expenses at a
9 dollar-for-dollar coverage level, as absent that ability, the cost of these necessary and
10 prudent expenses have no cash coverage in the Company's rate structure. And, as the
11 Company has an overall rate structure designed to cover actual cash expenses, the
12 inclusion of these costs is essential, without causing unnecessary or further impairment of
13 the RSF funds between rate cases. This would be altered going forward for all debt of
14 this type, but the Company would not seek to go backwards and include the amortization
15 of the remaining unamortized Deferred Debt expense currently on its books.

16 **Q. Will PEU be seeking a temporary rate increase?**

17 **A.** Yes. PEU will be seeking a temporary rate increase in this filing. Direct testimony and a
18 petition for temporary rates has been prepared and filed as a part of this case.

19 **VII. NOTIFICATION OF RATE CASE**

20 **Q. Please describe PEU's efforts to communicate with the affected communities and**
21 **customers relative to this filing.**

22 **A.** Concurrent with the filing of this case with the Commission, PEU is notifying, in writing,
23 officials of all communities served by PEU. PEU is specifically mailing letters to

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1 representatives of each of the nineteen municipalities served by PEU, including State
2 Senators, and State Representatives within PEU's service territory. The overall potential
3 impact of the requested rate relief and proposed modifications have already been
4 presented to PEU's and Penn Corp's Board of Directors. Upon filing of this petition with
5 the Commission, as referenced in the testimony of Mr. Ware, all of the Company's
6 customers will be served notice of the permanent and temporary rates sought, including
7 all general metered customers and customers served under special contracts.

8 **VIII. JUST AND REASONABLE FINDING AND CONCLUSION**

9 **Q. Mr. Goodhue, do you believe that PEU's proposed rate relief and modifications to**
10 **its ratemaking structure as established in DW 11-026, and modified in DW 16-806**
11 **and DW 19-084 for PWW but also applied to PEU, will result in just and reasonable**
12 **rates for PEU's customers?**

13 **A.** Yes. I believe the requested rates and the proposed modifications are just and reasonable
14 for several reasons.

15 First, the requested rates, including the effects of the proposed modifications to PEU's
16 ratemaking structure are generally consistent with the long-term projections presented in
17 the City's acquisition of Penn Corp, in Docket No. DW 11-026, which assumed an
18 average annual increase in rates of approximately 3%, excluding unique and special
19 events such as the PFOA-related expansion of PEU's service area. . While the rate
20 increase sought in this proceeding is significant when the cumulative increase is
21 examined as an average annual increase, it is, however, generally consistent with the
22 original assumptions of the acquisition docket, excepting the unique and necessary
23 events.

Testimony of Larry D. Goodhue

1 Second, the requested rates continue to be materially lower than the levels which would
2 otherwise have occurred under the private investor ownership which would have had a
3 50/50 debt/equity capital structure as well as a return on equity value that would be well
4 in excess of PEU's current cost of debt. This lower cost of capital has and continues to
5 benefit ratepayers and was one of the principal benefits the Commission found when
6 approving the City's acquisition. Since the acquisition, PEU has, like its affiliates,
7 migrated to a utility model that finances all of its capital needs via the issuance of debt.
8 This results in a materially lower weighted cost of capital than a private IOU with a more
9 traditional debt and equity capitalization.

10 Third, the requested rates are necessary to maintain PEU's ability to continue to provide
11 safe and high-quality water service by financing continued reasonable and prudent
12 operations and by having access to borrowed funds necessary to finance required capital
13 assets and infrastructure.

14 Fourth, the requested additional modifications to PEU's current ratemaking structure are
15 the result of further experience the Company has obtained in the period of time since its
16 last permanent rate increase. Since the Company's last approved permanent rate
17 increase, funds in the MOERR RSF have been utilized at a significant level to "backstop"
18 the inflationary increases in operating expenses(as further described in the testimony of
19 Mr. Ware to this docket). The impact of this is significant, PEU drew the \$898,000
20 imprest fund down to values that approached zero. Not only did this bring this required
21 fund to a level where it could not fully serve its designated purpose, it also was brought
22 up as a matter of concern by the Company's commercial lender in their annual credit
23 review of the Company, and the continuing ability to access necessary debt funding. This

Testimony of Larry D. Goodhue

1 experience caused PEU to propose the specific additional modifications to its ratemaking
2 methodology so that going forward, PEU will have confidence that these modifications
3 will continue to enhance it's ability to access debt markets in the future at affordable
4 interest rates and at reasonable covenants.

5 **Q. Mr. Goodhue, do you believe that the requested rate relief and adoption of the**
6 **proposed modifications are required to ensure that PEU continues to be able to**
7 **provide safe and high-quality water service to its customers?**

8 **A.** Yes. PEU's current rate structure is based upon a cash flow model for the dollar-for-
9 dollar coverage of its obligations under the CBFRR and DSRR, as well as coverage of its
10 necessary operating expenses as they are incurred between rate cases. It is not designed
11 to create excess operating profits. It is imperative that the Company have a rate structure
12 that enables it to provide 100% of the cash needed to pay for its obligations, in
13 compliance with all rules and regulations as a public water provider, inclusive of
14 requirements as established by the Environmental Protection Agency and the NH
15 Department of Environmental Services. This is especially important in an environment
16 in which the standards for public water have come under increased scrutiny, and public
17 pressure as well as peer-review science, is impacting the standards for many existing and
18 newly emerging contaminants. Some of these emerging water quality standards will have
19 an impact on the Company in both annual operating expenses, as well as capital project
20 investments, which could be significant or material on a going forward or initial
21 investment basis. And, as a regulated public water supplier, the Company is obligated to
22 comply with all Federal and State water quality standards, to the health and benefit of its
23 customers, without unnecessary delays and in conformity with promulgated dates of

Testimony of Larry D. Goodhue

1 implementation. In order to do this, the Company needs to have a mechanism in place to
2 reduce or eliminate regulatory lag for the coverage of its operating expenses, in addition
3 to the coverage of monies to pay its obligations for CBFRR and access necessary external
4 debt service to fund capital structure replacement and improvements, as well as fund
5 capital and operating expense costs as a result of current and changing water quality
6 standards. Without these modifications in place, the Company will not be able to meet
7 these obligations going forward without the need to borrow monies to properly fully fund
8 its RSF accounts with borrowed monies, on a periodic and recurring basis. In doing so, it
9 would further burden rate payers for debt service for monies held in reserve to back stop
10 operating expenses, which would be analogous to an individual taking out a mortgage on
11 their home to pay their monthly home operating costs.

12 **Q. Mr. Goodhue, does this conclude your testimony?**

13 **A.** Yes, it does.

TAB 10

Testimony of Donald Ware and Attachments

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

Docket No. DW 20-156

Pennichuck East Utility, Inc.
Permanent Rate Proceeding

DIRECT TESTIMONY OF DONALD L. WARE

November 23, 2020

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1 **I. INTRODUCTION**

2 **Q. What is your name and what is your position with Pennichuck East Utility, Inc.?**

3 **A.** My name is Donald L. Ware. I am the Chief Operating Officer of the Pennichuck East
4 Utility, Inc. (“PEU” or “the Company”) which is a subsidiary of Pennichuck Corporation.
5 I am employed by and have worked for Pennichuck Water Works, Inc. 1995. I am a
6 licensed professional engineer in New Hampshire, Massachusetts and Maine.

7 **Q. Please describe your educational background.**

8 **A.** I have a Bachelor in Science degree in Civil Engineering from Bucknell University in
9 Lewisburg, Pennsylvania and I completed all the required courses, with the exception of
10 my thesis, for a Master’s degree in Civil Engineering from the same institution. I have a
11 Master’s in Business Administration from the Whittemore Business School at the
12 University of New Hampshire.

13 **Q. Please describe your professional background.**

14 **A.** Prior to joining the Company, I served as the General Manager of the Augusta Water
15 District in Augusta, Maine from 1986 to 1995. I served as the District’s engineer
16 between 1982 and 1986. Prior to my engagement with the District, I served as a design
17 engineer for the State of Maine Department of Transportation for six months and before
18 that as a design engineer for Buchar-Horn Consulting Engineers from 1979 to 1982.

19 **Q. What are your responsibilities as Chief Operating Officer of PEU?**

20 **A.** As Chief Operating Officer, I am responsible for PEU’s overall operations, including
21 customer service, water supply, distribution and engineering. I work closely with PEU’s
22 Chief Engineer and other senior managers to help develop PEU’s Annual and Three-Year
23 Capital Improvement Plans.

1 **II. PURPOSE OF THIS TESTIMONY**

2 **Q. What is the purpose of your testimony?**

3 **A.** I will be discussing the operations of PEU and how these operations relate to and justify
4 the requested rate increase. I have been principally responsible for preparation of the
5 Filing Requirement Schedules and Rate of Return Information filed at Tabs 13 and 14 of
6 PEU's rate case filing. My testimony will address specific details of these schedules.
7 My testimony will interface with Larry Goodhue's testimony in regard to addressing the
8 revenue and operational pro formas that are part of 1604.06 Schedule 1 ("Sch 1"),
9 requested changes in rate design that are part of 1604.06 Schedule A ("Sch A") and the
10 financing necessary to support the Company's Capital Improvements in 1604.08
11 Schedule 5 ("Sch 5").

12 **Q. Do you have any general comments regarding these schedules?**

13 **A.** Yes. The format of the schedules is generally consistent with the format described in the
14 Settlement Agreement filed in DW 19-084. The filed schedules follow the methodology
15 approved by Order No. 25,292 in Docket No. DW 11-026 and as amended and described
16 in Order No. 26,070 in the DW 16-806 Settlement Agreement and reflect further
17 modifications approved in Order No. 26,383 in Docket No. DW 19-084 for Pennichuck
18 Water Works, Inc. ("PWW").

19 **Q. Please explain the revenue components sought by the Company in Puc 1604.06**
20 **Schedule A:**

21 **A.** The requested rate treatment involves the following revenue requirements and
22 adjustments to revenue requirements as approved in DW 17-128:

1 1. Modifying the test year ending revenues to reflect the average of last five years of
2 volumetric sales (2015 through 2019). The purpose of this adjustment is to eliminate the
3 swings in revenues that can occur between a wet test year followed by a dry year or a dry
4 test year followed by wet year. The normalization of volumetric sales and the associated
5 production expenses between the test year and the five-year average results in smaller
6 swings in Net Income than would otherwise be associated with swings in summer
7 consumption. The Sch A-5 Yr Ave Current Revenues used are based on Puc 1604.06
8 Schedule 1C. The calculation of the impact on operating expenses of using the five-year
9 average is found in Puc 1604.06 Sch 1, Attachment B.

10 2. A Material Operating Expense Revenue Requirement (MOERR) based on the
11 Material Operating Expenses incurred during the Test Year with proformas reflecting
12 known and measurable changes to the Test Year expenses in addition to changes to those
13 operating expenses that are impacted by a change in production expenses associated with
14 using a 5-year average of water produced. The Material Operating expenses (MOE's)
15 used for this revenue requirement do not include Non-Material Operating Expenses
16 (NOE's) as detailed on Puc 1604.06 Sch 1, Attachment I. The MOE's are inclusive of
17 total operating expenses as well as amortization, property tax, and income tax expenses.

18 3. The addition of a Material Operating Expense Factor (MOEF) of 6% to provide for a
19 factor applied and calculated upon test year material operating expenses which typically
20 grow year over year due to inflation and other operational pressures, such as changes in
21 regulatory requirements. As was demonstrated in the rate case for PWW in Docket No.
22 DW 19-084, as a debt-only funded entity, cash flow coverage is essential to the
23 Company, and as such, in order to continue to access the debt markets, support the RSF

1 funds behind the revenue buckets, maintain an ability to fund operating expenses between
2 rate cases without the full effect of regulatory lag, this factor is essential as a component
3 of the Company's overall rate structure.

4
5 An example of a regulatory requirement impact is the reduction in the NHDES arsenic
6 standard from 10 parts per billion (ppb) to 5 ppb, going into effect as of July 1, 2021,
7 which will double the amount of arsenic removal media that is used each year in order to
8 fully comply with drinking water standards for the removal of this element in the water
9 supplied to customers.

10
11 As addressed above, the MOEF is intended to provide for sufficient cash needed to cover
12 the increases in operating expenses, which are not covered by the revenues granted in the
13 last rate case, as determined and based upon a fixed historical test year. The Company's
14 goal in implementing the MOEF is to eliminate the need to borrow cash from an outside
15 entity to cover operating expenses when the annual revenues are not sufficient to pay for
16 those expenses, and/or the need to borrow money in order to refill and reinforce the RSF
17 funds intended to facilitate temporary coverage of cash flow anomalies which occur due
18 to seasonal water consumption pattern changes, or other short term fluctuations. This is
19 very important as there is no rate mechanism currently in existence for the Company
20 which allows for the recovery of cash borrowed to pay the deficit between operating
21 revenues and expenses. And as these needs would be working capital borrowing needs,
22 as opposed to debt to fund capital projects and investments, there are very few, if any,
23 borrowing mechanisms that allow an entity to borrow funds on a long-term basis to cover

1 deficits between operating expenses and revenues, for working capital needs. The
2 proposed MOEF was not requested or approved in DW 17-128, as this facet of the overall
3 rate structure was first introduced for the regulated utility companies as a part of the
4 consolidated Pennichuck family of companies, in the most recent docket for PWW, as
5 indicated earlier. As such, the Company is seeking a MOEF as part of the revenue
6 requirement formulate in this rate filing for the same reason, and in a similar form, to the
7 MOEF allowed in PWW's recently approved revenue requirement determination, as
8 approved in DW19-084.

9 4. A Non-Material Operating Expense Revenue Requirement (NOERR) which provides
10 the cash to cover approved Test Year expenses that are deemed nonmaterial based on the
11 chart of accounts to which these expenses are ascribed. The applicable chart of accounts
12 from Non-Material Operating Expenses (NOE's) are as approved in DW 16-806 and as
13 detailed on Puc 1604.06, Sch 1, Attachment I of this filing.

14 5. A Debt Service Revenue Requirement (DSRR 1.0) which reflects the revenue
15 necessary to cover the Company's annual debt service (principal and interest payments)
16 associated with all plant in service by the end of the Test Year ending 12/31/2019 as
17 found in Sch 5 of the Puc 1604.08 Schedules.

18 6. A Debt Service and Interest Coverage Requirements (0.1 DSRR) equal to 10% of the
19 DSRR 1.0.

20 7. The recovery of the North Country Capital Recovery Surcharge in the amount of
21 \$178,915 as established and approved in DW 17-128.

22 **Q. Why is PEU filing rate schedules to increase customer rates?**

1 **A.** Based on the Puc 1604.06 Schedule A, PEU was in an earnings deficiency during the
2 2019 Test Year. The revenues collected in 2019 fell well below the revenue
3 requirements the Company needed to: (1) maintain its operations, (2) make its required
4 payments to the City under the CBFRR, and (3) make its debt payments to its lenders.
5 On this basis solely, the actual test year revenues would require a 17.96% increase to
6 cover the 2019 expenses as allowed in DW17-128. Per Mr. Goodhue's testimony, PEU
7 is seeking a 21.05% increase in revenues after including:

- 8 • pro forma reflecting known and measurable increases in expenses and revenues
9 are made to the Test year, and
- 10 • a Material Expense Operating Factor (MOEF) of 6.0% (which is being requested
11 as part of this rate filing), are factored in.

12 **Q. Please describe the primary drivers of this revenue deficiency.**

13 **A.** The drivers in the 21.05% revenue deficiency are:

- 14 1. The debt service on Capital expenditures made in 2018 and 2019, which accounts for
15 4.95% of the 21.05% increase being sought.
- 16 2. A 6% MOEF which accounts for 4.14% of the 21.05% increase being sought. The
17 need and reasoning behind the Company's request for the MOEF will be discussed
18 later in this testimony.
- 19 3. Compounded annual inflationary and operating pressures of the Company's operating
20 expenses since its last permanent rate case account for the remaining 11.96% of the
21 21.05% increase being sought; most specifically:

- 1 a. Increases in Production expenses driven by increased purification chemical costs
2 (primarily associated with arsenic removal), increases in purchase water costs,
3 and increases in labor expenses.
- 4 b. Increases in Transmission and Distribution expenses resulting from:
- 5 i. Increased meter operating labor costs resulting from the labor costs that had
6 been capitalized in the recent past, when that labor was used to replace leaded
7 brass meters (in accordance with regulatory requirements), but is now being
8 expensed, as this labor is now being used to complete routine and required
9 meter periodic tests (again, in accordance with regulatory testing
10 requirements). Meter Operating and Labor expense in 2016 was \$27,662 and
11 in 2019 it was \$154,624.
- 12 ii. Increased levels of main and service repairs, resulting from a continued focus
13 on finding and repairing leaks for the Company's aging infrastructure. In the
14 case of PEU, the aging infrastructure is primarily substandard PVC and HDPE
15 water main that was installed in systems that PEU acquired, as approved by
16 the Commission, from the Consumers New Hampshire Water Company in
17 1998. The Company has been working to replace this piping over a period of
18 several years, but much of this pipe still remains in the infrastructure of its
19 distribution systems and is the reason unaccounted for water in PEU typically
20 runs around 20%. In 2016, the Company incurred \$365,659 in Distribution
21 and Service-related work associated with leak repairs. In 2019, the Company
22 incurred \$475,630 of expenses in this area.

1 c. Increases in property taxes, based upon the addition and replacement of property,
2 plant and equipment, as well as valuation and millage rate changes by the
3 communities that the Company serves.

4 d. Increases in PEU's management fee associated with its' share of the increases in
5 PWW's management fee associated with shared expenses. The expenses
6 associated with the PWW management fee have increased since the 2016 TY and
7 those increases are the result of: (1) an increase in employees (primarily
8 associated with the implementation of GIS and Asset Management), (2)
9 adjustments to wages and increased expenses associated with employee benefits,
10 and (3) lastly, increases in the amount of shared property utilized by the Company
11 to the direct and indirect benefit of customers, like the Company's GIS and asset
12 management program, and all the hardware and software required to support that
13 program.

14 **Q. Please describe what PEU has done to control these drivers of the revenue**
15 **deficiency.**

16 **A.** The Company obtains its labor resources, inventory, and management from PWW. The
17 Company acquires its own long-term debt to fund its annual capital improvements and
18 infrastructure replacements. In all cases, the Company is focused on controlling expenses
19 in an intelligent fashion. In order to accomplish that control the Company has established
20 the following practices:

21 1. PWW's Department managers evaluate staffing levels required by PEU as part of the
22 annual budgeting process. The evaluation is completed to ensure that PEU's work is
23 performed by the best mix of full time, part time, and seasonal employees along with

1 outside consultants and technology required to accomplish the regulatory tasks and
2 “best” utility operating practices that the Company needs to complete each year. It is
3 important to note that the current use of PWW staff to perform PEU’s required
4 operational tasks is not expected to change significantly in the future for the
5 Company to meet its customer and regulatory needs. The efficiency of the labor
6 employed should improve as the Company’s deployment of Asset Management and
7 Geographical Information System programs progress from the creation and
8 implementation phases, and the programs are placed into full service. Once in full
9 service, these programs will result in increased employee efficiency in the field and
10 enhance and further streamline the office activities that support the field operations.
11 A fully operational Asset Management program will also help the Company’s capital
12 projects planning by providing individual asset level data that focuses on a balance
13 of: (1) asset vulnerability to failure, (2) the impact of an asset failure, and (3) the asset
14 repair and maintenance records and expenses, with the objective of replacing the
15 Company’s assets at the proper time to minimize the life cycle cost of its assets.

16 2. The Company seeks competitive bids for services whenever it is feasible. It seeks
17 bids for power supply, chemicals, print house services, insurances (health, dental,
18 property and liability), as well as other services to attract the lowest possible pricing
19 for its customers.

20 3. It seeks competitive bids for its capital expenditures.

21 **III. DISCUSSION OF EFFECT OF QCPAC ON PROPOSED RATE INCREASE**

22 **Q. Will this rate case be addressing the Company’s Capital Improvements?**

1 **A.** No, not directly. The Company's Capital Improvements are addressed through its annual
2 Qualified Capital Project Adjustment Charge ("QCPAC") filings. Pennichuck is
3 currently seeking a QCPAC for the Capital Improvements it completed in 2019 via
4 DW20-019.

5 **Q.** **Please describe how the QCPAC sought in DW20-019 will interface with the**
6 **revenue requirement sought in DW 20-156.**

7 **A.** The QCPAC being sought for the Company's 2019 capital improvements will be a
8 surcharge on the permanent rates that were granted in Docket No. DW 17-128. The
9 QCPAC granted in Docket No. DW 20-019 will result in additional revenues which will
10 cover the 1.1 times the principal and interest associated with the pending loan from
11 CoBank which was approved by NHPUC in Order No. 26,418 in Docket No. DW 20-
12 081, as well as the property taxes associated with the capital improvements that were
13 placed into service during 2019, by the Company. The QCPAC revenues associated with
14 the 2019 improvements, along with the QCPAC revenues associated with the 2018
15 capital improvements (granted in DW 19-035) will be rolled into the permanent rate
16 increase being sought in this docket and are included in the 21.05% revenue deficiency.
17 PEU anticipates that the QCPAC associated with the Company's 2020 Capital
18 improvements (to be filed in February of 2021) will be treated as a surcharge on the
19 revenue requirement approved in this docket. The QCPAC filed in 2021 will be
20 equivalent to the step increases granted in previous rate filings, which allowed the
21 Company to recover its investment, and associated expenses, for capital improvements
22 placed in service within 12 months of the end of the test year. Because of this integration
23 of the QCPAC into the permanent rates, PEU has proposed that if temporary rates are

1 awarded, that the temporary rate be high enough to capture the QCPAC revenues and that
2 the QCPAC rate increases themselves not occur during the pendency of this proceeding.

3 This is further explained in my joint testimony with Mr. Goodhue. on temporary rates.

4 **Q. How do these increases impact the average single-family residential water bill?**

5 **A.** Please see the Customer Impact tab of the attached electronic Puc 1604.06 schedules or
6 in hardcopy, see Tab 7, “Rate Impact on Average Single Family Residential Customer”
7 for the impact on the average single-family residential bill (exclusive of the NCCRS) on a
8 monthly basis based on the Company’s request for the modified rate making
9 methodology, which resulted in a requested overall rate increase of 21.05%. The actual
10 requested rate increase varies between customer classes in accordance with the
11 recommendations of the Cost of Service Study (COSS) completed by Raftelis Associates.
12 Please see the testimony provided by Mr. Dave Fox, in regard to the COSS in Tab 11 of
13 this filing, as it pertains to the recommended increases for each customer class, required
14 to result in the requested 21.05% overall increase in the revenue requirement. In the case
15 of the average single-family residential customer with a 5/8” meter using 6.50 CCF per
16 month, the rates tariffed in DW 17-128 resulted in a monthly bill of \$69.52. Based on the
17 COSS recommendations, that same average single-family residential customer would pay
18 \$85.40 per month, or a 22.84% increase. I will discuss the Company’s position with
19 regards to the recommendations of the COSS later in my testimony.

20 **Q.** What is the basis for the use of the Single Family residential monthly customer usage of
21 6.50 CCF?

22 **A.** The single family residential monthly customer usage of 6.50 CCF is based on taking the
23 5-year average of the annual single-family usage (excluding the North Country

customers) and dividing it by 12. The annual five-year average was used as it is consistent with the rate making methodology of using the five-year average consumption for determining the rate per CCF.

IV. SUMMARY OF RATE SCHEDULES PER ORDER NO. 26,074

Q. Do you have any summary comments regarding the filing schedules?

A. Yes. The format of the filed Puc 1604.01, Puc 1604.06 and Puc 1604.08 schedules is consistent with the format approved in Order No. 26,179 for Docket No. DW 17-128 and No. 26,383 for Docket No. DW 19-084. The orders approved the modified ratemaking structure described in the settlement agreement in those proceedings.

V. DISCUSSION OF SPECIFIC SCHEDULES AND INFORMATION

Q. Please discuss the pro forma to the Total Revenues detailed in Puc 1604.06 Schedule 1, the Operating Income Statement.

A. The Company's Puc 1604.06 Schedule 1 begins with the TY ending 12/31/2019 Revenues. The TY ending Revenues were pro formed in a series of steps as follows:

(1) In arriving at the PRO FORMA Revenues for the 12 months ended 12/31/2019, the TY Revenues were pro formed for the 12 months ending 12/31/2019 by reducing the TY revenues by the sum of:

(a) the CBFRR allowed (per Sch 1 Attachment A);

(b) by the NCCRS revenues (per Sch 1 Attachment A) and

(c) the QCPAC revenues (per Sch 1C)

(2) The PRO FORMA 12 Months 12/31/19 were pro formed to the PRO FORMA Revenues 12 months Based on Five Year 12/31/19 by increasing the Water Sales and QCPAC

1 revenues by \$178,946 per Sch 1C to reflect the fact that 2019 volumetric water sales were
2 lower than the FIVE YR average sales.

3 **Q. Please discuss the pro forma to the Total Operating Expenses detailed in Puc**
4 **1604.06 Schedule 1, the Operating Income Statement.**

5 **A.** PEU's Schedule 1 begins with the TY ending 12/31/2019. The pro forma adjustments
6 reflect known and measurable increases/decreases to the 12/31/2019 Test Year Operating
7 Expenses that occurred during the test year or will occur within 12 months of the end of
8 2019 TY resulting in the PRO FORMA 12 Months ending 12/31/2019 Operating
9 Expenses. The next PRO FORMA Adjustments to the Operating Expenses on Sch 1 are
10 associated with the change in pumpage expenses associated with using the Five-Year
11 average production versus the 2019 TY production. Each of the PRO FORMA
12 adjustments in Schedule 1 are explained on the Schedule 1 support schedules.

13 **Q. Please discuss each of the Puc 1604.06 Sch 1 Support Schedules between the Twelve**
14 **Months 12/31/2019 and the Pro Forma Test Year ending 12/31/2019 in regard to**
15 **Operating Expenses.**

16 **A. Sch 1 Attachment B – Production Account.** Pro forma Production expenses are
17 expected to be \$44,657 more than the actual 2019 TY production expenses or about a
18 2.0% increase. This increase is associated with increases to union labor rates and
19 purchased water costs, offset by a decrease in purchased power expenses. The reduction
20 in purchased power expenses is the result of the Company's supply side electric expense
21 dropping from \$.07403 per KWH to \$0.06950 per KWH, which became effective
22 11/01/2020 due to a new two-year power contract obtained via a public bid process. The
23 Company also adjusted production expenses up by \$46,160 to reflect the increased levels

1 of purchased water and production expenses associated with using the Five-Year Average
2 consumption levels which resulted in an increase in the TY Revenue proforma
3 adjustment of \$178,946.

4 **Sch 1 Attachment C – Distribution Account.** Pro forma Distribution expenses were
5 pro formed to be \$277,276 less than the 2019 TY Distribution expenses or about a 1.8%
6 decrease. This decrease is associated with a projected decrease in labor and benefits
7 associated with 2019 TY leak detection efforts, down to levels which are reflective of the
8 expenses experienced over the four years prior to the 2019 TY, in the area of leak
9 detection.

10 **Sch 1 Attachment D Customer Accounts and Collection.** Pro forma Customer
11 Accounts and Collection expenses are expected to be \$5,733 less than the 2019 TY
12 expenses, or about a 2.8% decrease. The decrease in expenses is the result of the
13 Company attaining a new print vendor contract in July of 2020, through a public bid
14 process.

15 **Sch 1 Attachment E Administrative and General Account.** Pro forma Administrative
16 and General expenses are expected to be \$12,459 greater than the actual 2019 TY
17 expenses, or about an 6.9% increase, reflecting increases in insurance and regulatory
18 commission expenses.

19 **Q. Please explain the pro forma reduction of \$42,053 to the Inter-Divisional**
20 **Management Fee expenses found on Sch 1, Attach F.**

21 **A.** The decreased expenses of \$42,053 are the result of:

- 22 1. The Company's 19.05% share of reduced annualized salary and benefits of
23 \$134,080 at Pennichuck Water Works.

1 2. The Company's 19.05% share of the decrease in Pennichuck Water Works
2 office lease \$3,035 or \$578.

3 3. The Company's 19.05% share of the \$22,147 increase in Pennichuck Water
4 Works Pension and Health Retirement expenses or \$4,219.

5 4. A reduction in PWW management fee in the amount of \$20,152 associated
6 with PWW revenues increasing as a result of the order issued in DW19-084

7 **Q. Please compare the total operating expenses for the pro formed Year Ending ("YE")**
8 **12/31/19 operating expenses when compared to the actual YE 2017 total operating**
9 **expenses.**

10 **A.** The Pro forma Five-Year TY 19 operating expenses (which is the equivalent to the
11 projected YE 2020 operating expenses adjusted to the five-year production average) are
12 \$1,189,203 greater than the YE 17 operating expenses, or an increase of about 20.1%.
13 The primary drivers of this increase in expenses are as follows:

14 a. An increase in production expenses of \$381,863 which was largely driven by
15 increased production costs associated with arsenic treatment and in purchased water
16 expenses.

17 b. An increase in the Interdivisional management fee allocation of \$256,809.

18 c. An increase of Amortization expense of \$207,760 which is attributable to the recovery
19 of the projected 2020 year ending RSF accounts deficit of \$2,087,598 over ten years.

20 d. An increase in property tax expenses in the amount of \$345,594 which was driven by
21 increased property, plant and equipment (PP&E), with the largest increase occurring in
22 the Town of Litchfield where PP&E increased by over \$4.2 million associated with new

1 water main and services that were installed by St. Gobain, to provide service to private
2 wells in Litchfield contaminated with PFOA.

3 **Q. Please discuss the pro forma to the Operating Deductions related to Amortization**
4 **Expense.**

5 **A.** The pro forma to the Operating Deductions associated with changes to Amortization
6 Expenses are as reflected in Sch 1 Attachment H. These Expenses were reduced by
7 \$93,590 reflecting the impact of three pro forma as follows:

8 (1) The elimination of amortization expenses associated with deferred charges that
9 the Company had fully amortized before the end of 2019 and 2020. This resulted
10 in a reduction in TY amortization expenses of \$67,471.

11 (2) The elimination of the amortization of the MARA in accordance with Order
12 25,292 (DW11-026) resulting in a reduction of TY amortization expense in the
13 amount of \$213,318.

14 (4) The amortization expense associated with the refilling of the projected year
15 ending 2020 RSF accounts deficit of \$1,107,598 to the DW17-128 approved level
16 of \$980,000 over a ten-year frame resulting in an increased amortization expense
17 of \$208,760 as detailed in Puc1604.06 Sch 1, Attachment A, Page 3.

18 **Q. Please discuss the pro forma to the Operating Deductions related to Property Tax**
19 **Expense.**

20 **A.** The pro forma to the Operating Deductions associated with Property Tax Expense are as
21 reflected in Sch 1 Attachment G and reflect the change in property tax expenses
22 associated with Plant additions and retirements that occurred during 2019, resulting in a
23 pro forma increase in the amount of \$62,965.

1 **Q. What is the overall impact of the change in Property Taxes between the YE 19 and**
2 **YE 16?**

3 **A.** Property tax expenses increased \$345,594 between the YE 2016 and YE 2019, or 38.8%.
4 During this same time frame Plant in Service, net of depreciation expense and the
5 Municipal Acquisition Regulatory Asset, increased by about 35.2%, so the increase in
6 property tax expenses is in line with the changed in net PP&E.

7 **Q. Please explain the Pro Forma adjustments made in Sch 1 to the Total Operating**
8 **Expenses applied to the 12 Months PRO FORMA 12/31/2019 resulting from using**
9 **the FIVE-YEAR AVE for volumetric sales.**

10 **A.** Just as revenue levels were normalized in Sch 1 to reflect the difference between the
11 2019 volumetric sales and the Five Year average of volumetric sales, all operating
12 expenses that were impacted by the change in volumetric sales have been pro formed to
13 reflect the expenses associated with producing volumetric sales equal to the difference
14 between the Five Year Average volumetric sales volumes and the TY 2019 volumetric
15 sales volumes. This proforma was made to the pro forma 12 months 12/31/2019 Test
16 Year expenses.

17 **Q. What operating expenses are impacted by a change in volumetric sales.**

18 **A.** The primary expenses impacted by a change in volumetric sales are the electric expenses
19 required to produce and deliver the water to customers, as well as the cost of purchasing
20 water for the Company's customers from other water systems.

21 **Q. What is the total impact on the operating expenses detailed above as a result of**
22 **adjusted volumetric sales as detailed previously?**

1 **A.** The impact on operating expenses, per Sch 1 Attachment B is an increase \$46,160 in
2 expenses which are the result of the following pro forma adjustments:

3 (1) An increase in purchased water expenses in the amount of \$42,663

4 (2) An increase in electrical expenses associated with a 2.87% increase in plant
5 electrical expenses (as found in Sch 1C) in the amount of \$3,497

6 **Q. Please describe Sch 5 of the Puc 1604.08 schedules**

7 **A.** Sch 5 of the 1604.08 schedules provides a complete listing of all of the Company's
8 outstanding debt instruments along with specific information for each instrument. The
9 debt instrument specific information is detailed in the columns between and including the
10 columns titled "Term" to "Coupon Rate". The bottom line to this schedule is that the
11 Company is projecting \$23,517,231 of outstanding debt as of 12/31/2019 (inclusive of
12 \$2,313,432 of debt associated with the North Country Surcharge and \$800,122 in debt
13 associated with the CoBank loan approved in DW 20-081 to fund QCP's completed
14 during the 2019TY) with an average Funded Effective Rate of 3.68% which is the
15 Component Cost Rate for the Company's Long-term Debt used in the calculation of the
16 company's Overall Rate of Return. All the columns to the right of the "Coupon Rate" in
17 Sch 5 of the 1604.08 schedules reflect the calculation of the Principal and Interest
18 payments ("P&I") made on these bonds as follows:

19 (1) The P&I payments made by the Company during the 2019 TY in the amount of
20 \$1,633,922 which is inclusive of \$178,392 of P&I payments associated with the
21 North Country Surcharge.

22 (2) The pro forma 2019 P&I payments in the amount of \$1,716,526 reflect the total
23 annual P&I payments that the Company will need to make on the outstanding

1 bond and loan amounts of about \$21,203,799 borrowed, exclusive of the
2 \$2,313,432 of outstanding debt associated with the North Country Surcharge, to
3 fund the Company's Plant in Service as of 12/31/2019 and inclusive of the
4 pending CoBank Loan to be closed on in late November or early December 2020
5 in the amount of \$800,122.

6 **Q. How were the annual P&I payments detailed in para. 1 and 3 above calculated?**

7 **A.** The P&I payments made during the 2019 TY reflect actual cash payments on the actual
8 outstanding debt instruments during 2019. The pro forma 2019 P&I payments of
9 \$1,716,526 reflect the following pro forma:

- 10 (1) A reduction of P&I payments of \$178,392 associated with the P&I payments
11 associated with the North Country Surcharge
- 12 (2) The addition of \$47,041 in P&I payments associated with the portion of the
13 NHDES SRF \$4.24 million loan approved by the NHPUC in Order #26,189 in
14 response to DW 18-132, used to construct the Georgetown area water main
15 replacements in Locke Lake in the amount of \$958,333 that were completed in
16 2019.
- 17 (4) The addition of \$49,606 in P&I payments associated with the pending CoBank
18 Loan in the amount of \$800,122 associated with capital improvements placed in
19 service by PEU during 2019 as approved in order #26,418 in response to DW 20-
20 081.
- 21 (5) The addition of \$49,783 in P&I payments to annualize the 2019 partial payment
22 of \$26,747 associated with the CoBank Loan in the amount of \$1,153,000 entered

1 into in July of 2019 and related with capital improvements placed in service by
2 PEU during 2018 as approved in order #26,253 in response to DW 19-069.

3 (6) The addition of \$54,366 in P&I payments to annualize the 2019 partial payment
4 of \$97,229 associated with the NHDES SRF loan in the amount of \$3,215,000
5 entered into in September of 2019 and related the installation of the Merrimack
6 River Crossing watermain between Pennichuck Water Works and PEU as well as
7 the replacement of water mains along Hillcrest road in Litchfield and along Brady
8 Avenue in Derry, all of which were placed into service in 2019 as approved in
9 Order No. 26,006 in response to DW 17-055.

10 **VI. DISCUSSION OF OTHER OPERATIONAL MATTERS**

11 **Q. Thank you for walking through the schedule details. Are there any operational**
12 **issues you would like to discuss?**

13 **A.** Yes, I would like to discuss the Company's request to refill its' Rate Stabilization Funds
14 ("RSF") to the imprest level total of \$980,000 approved in DW17-128 with the individual
15 RSF's underlying the CBFRR, MOER and 1.0 DSRR at the levels detailed in DLW Exh.
16 1 of my testimony.

17 **Q. What RSF levels are being sought on DLW Exh.1?**

18 **A.** The levels of each RSF being sought are as follows:

19 CBFRR RSF - \$31,000

20 MOERR RSF - \$898,000

21 1.0 DSRR RSF - \$51,000

22 These levels of RSF are less than those calculated below and are only considered to be
23 sufficient levels of individual funding, if a MOEF is approved as part of this rate filing.

1 **Q. Please explain how the requested RSF levels were calculated?**

2 **A.** The calculations used to establish the requested RSF levels can be found in DLW-Exhibit
3 1 of my testimony. Each RSF is calculated to provide sufficient cash funding levels
4 needed to meet the Company's obligations over three years of reduced revenues resulting
5 from wet weather, as well as 3 years of inflation or operating expense increases at 3.0%
6 per annum, with regards to the Material Operating Expenses. These calculations detail a
7 need for a total RSF amount of \$2,050,000. The Company reduced the requested levels
8 each of the RSF funds from those calculated in DLW Exh. 1 as follows:

9 CBFRR RSF from \$60,000 to \$29,000

10 MOERR RSF from \$1,860,000 to \$889,000

11 1.0 DSRR RSF from \$130,000 to 62,000

12 Resulting in total aggregate RSF levels being sought being \$980,000. The Company's
13 requested level for each RSF is based upon the assumption that its request to implement a
14 MOEF as part of this rate filing is approved.

15 **Q. What are the projected 2020 year ending totals in each of the RSF accounts**
16 **established in DW17-128?**

17 **A.** The projected level of each RSF account at the end of 2020 is calculated in Puc1604.06
18 Sch. 1 Attachment A Page 3 and are as follows:

19 CBFRR RSF - \$207,069

20 MOERR RSF – (\$1,562,000)

21 1.0 DSRR RSF - \$247,334

1 For a total projected RSF account balance of (\$1,107,598) at the end of 2020 resulting in
2 a need to acquire \$2,087,598 to reestablish each of the RSF funds to the levels approved
3 in DW 17-128.

4 **Q. How does the Company propose to fund \$2,087,598 required to reestablish the year**
5 **ending 2020 RSF levels of \$980,000?**

6 **A.** The Company, per Order No. 26,179 in DW 17-128 could set up a deferred debit in the
7 amount of \$2,087,598 (projected year end 2020 RSF account deficit) and amortize that
8 debit over three years resulting in an increased annual amortization expense of \$695,866,
9 which would result, under the proposed rate making formula in a projected rate increase
10 of 26.98%. In lieu of that, the Company is proposing to set up the deferred debit and
11 amortize that debit over 10 years, which would result in increased annual amortization
12 expense of \$208,760, and which would result, under the proposed rate making formula,
13 in a projected rate increase of 21.05%.

14 **Q. Please explain the purpose of the MOEF?**

15 **A.** The MOEF is a contingency factor applied to the approved Material Operating Revenues
16 to ensure that the Company has sufficient cash flow from water sales under approved
17 rates to pay for material operating expenses for the years between rate case test years. In
18 the proposed rate structure, the Material Operating expense revenues are granted based
19 upon a pro forma adjustment to the Test Year expenses for known and measurable
20 changes to the Test Year expenses which occur within 12-months of the end of the test
21 year. Given the normal progression of a rate case, which is typically filed 6 to 9 months
22 after the TY. And, assuming that the new permanent rates take effect at the date of
23 customer notice (typically between 7 to 11 months after the TY) the revenues granted in a

1 rate case, without a MOEF, are only sufficient to cover expense increases that occurred
2 within the first 12 months after the test year. The year after the filing (two years after the
3 TY) the revenues being collected are only sufficient to cover the expenses for the year
4 following the TY and if there are upward pressures on the material operating expenses,
5 year over year, the revenues being collect two years after the TY would be insufficient to
6 pay for expenses of that year. This shortage of revenues is further exacerbated during the
7 3rd year after the test year as the revenues being collected are still based upon the pro
8 forma TY expenses which are now two-years old, resulting in a larger gap between
9 revenues collected and current year expenses. The rate making mechanisms approved in
10 DW 11-026 did not provide for this cash flow deficit, resulting in the Company having to
11 borrow money in the form of short-term debt to pay for the expenses not covered by the
12 collected revenues. There currently is no rate making mechanism which allows for the
13 Company to collect revenues needed to pay-off the short term debt incurred between rate
14 cases, which results from the inevitable deficit in cash created by the difference between
15 approved revenues based on test year expenses and actual expenses incurred in future
16 years between rate cases. The MOEF is a mechanism to provide the Company with the
17 cash flow to go three years between rate cases without having to borrow money to cover
18 increased operating expenses.

19 **Q. Wasn't the purpose of the RSF funds to provide operating cash necessary to cover**
20 **the shortfall between rate case granted revenues and increased operating expenses?**

21 **A.** No. The RSF was designed to cover cash short falls created by differences in revenues
22 and expenses that were either related to weather impacts or other economic factors
23 outside the Company's control. Experience with both Pennichuck Water Works and

1 Pennichuck East Utilities show that when the cash from the RSF funds was used, in
2 accordance with DW 11-026, DW 16-806, DW 19-084 and DW 17-128, that these funds
3 were drawn down to \$0 between rate cases and forced those Companies to borrow money
4 on a short-term basis to bridge the cash gap between revenues that are fixed to a test year,
5 compared with expenses that were growing in a compounded fashion from those
6 approved for from the pro forma test year. The depletion of RSF funds, as investigated in
7 DW 19-084, was so large that the replenishment of the funds to their imprest values over
8 three years in the form of a deferred debit would have resulted in very large rate
9 increases. The MOEF is designed to minimize the usage of RSF cash; limiting it to usage
10 only to cover deficits created by a reduction in revenues associated with consumption
11 levels that fall below those used to establish the test year revenues.

12 **Q. How was the proposed MOEF factor level of 6.0% determined?**

13 **A.** The proposed 6% MOEF, which would be recognized as part of the MOERR portion of
14 allowed revenues, was designed to provide three years of material operating revenues that
15 would equal three years of upward trending material operating expenses. In the PEU's
16 case, the calculation is detailed on DLW Exhibit 1 and is based upon a 3% per year
17 change in operating expenses. The MOEF should result in the Company collecting more
18 MOERR revenues in the first year outside the rate case than required, with those funds
19 being deposited into the MOER RSF. In the second year outside of the rate case, it is
20 projected that the MOERR revenues would essentially equal the MOE's for that year, and
21 those funds would neither flow into or out of the MOER RSF during that year. In the
22 third year outside of the rate case the projected MOERR revenues would not produce
23 sufficient cash to pay for the increased operating expenses, and the shortfall would be

1 covered by withdrawing cash from the MOER RSF, as deposited into the fund in year
2 one outside the test year. In an ideal world, assuming that the consumption each year
3 equaled the consumption used to develop the MOERR portion of allowed revenues, the
4 RSF would be back to its originally established level at the end of three years which
5 would also be the next Test Year for a rate case.

6 **Q. Is the Company doing anything to promote conservation by its customers?**

7 **A.** Yes. The Company continues to work with its customers with regards to sustainable
8 conservation efforts through the use of semi-annual mailings promoting water saving
9 fixtures, good water use habits and proper lawn irrigation practices. The Company is a
10 member of the EPA WaterSense program and uses its website to direct customers to the
11 EPA WaterSense program where there is an extension amount of information regarding
12 water conservation and water saving fixtures.

13 **Q. Is the Company continuing to see a reduction in base residential water use as a**
14 **result of conservation efforts by its customers?**

15 **A.** The average annual single-family base usage is calculated using the customer usage
16 during the months of Nov. through March in order to eliminate outside usage. In 2016
17 the base single family residential usage was 5.0 CCF (125 gallons per day per household)
18 compared to 4.55 CCF (113 gpd) per single family residential user in 2019 or a reduction
19 of about 10%. The Company attributes a portion of this drop to conservation.

20 **Q. Was a Cost of Service Study (COSS) prepared as part of this case?**

21 **A.** Yes. The last COSS was prepared as part of DW 07-032, so it was deemed necessary to
22 have a COSS prepared as part of this case to ensure that the revenue requirement sought

1 from each customer class matched the expenses associated with providing service to each
2 customer class.

3 **Q. Who prepared the COSS for the Company?**

4 **A.** The COSS was prepared by Raftelis Financial Consultants, Inc. under the direction of
5 Mr. David Fox. The COSS is attached in Tab 11 of this rate filing along with testimony
6 detailing the development and results of the COSS.

7 **Q. How did the COSS recommend that the proposed 21.05% rate increase be**
8 **distributed among the Company's customer classes?**

9 **A.** The COSS shifted the overall 21.05% increase to varying increases across all the
10 customer classes (G-M, Private Fire, Muni Fire), GM meter charges and GM volumetric
11 rates and service sizes for Private Fire protection. The breakout of recommended
12 increases/decreases to the current tariffed rates is found on Puc1604.08 Schedule 9 –
13 Perm found on Tab 14 of this filing.

14 **Q. Does the Company agree with the findings of the COSS?**

15 **A.** Yes. The Company plans to implement the recommendations of the COSS in the
16 distribution of the increased in revenue requirements among its customer classes.

17 **Q. Please summarize the impact of the Company's rate increase request by Customer**
18 **Class.**

19 **A.** The Tariff pages and Report of Proposed Changes sheets which detail the impact or the
20 rate increase by customer class are found in Tabs 15 and 7 of the filing. The Company
21 proposes to spread the proposed rate increase across the customers classes as
22 recommended in the COSS.

23 **Q. How does the Company plan to notify its customers of the pending rate increase?**

Testimony of Donald L. Ware

A. In accordance with Puc 1203.02(c) and (d), the Company will be notifying its customers regarding the rate filing by providing a form of notice. The notice will be sent via a direct mailing to its customers, along with a FAQ document, as further explained in Mr. Goodhue's testimony. The notice will be sent to customer's prior to December 11, 2020. The direct mailing will also include information pointing customers to the Company's web page and to watch for a publication of notice regarding the suspension of the Company's rates and the date of the prehearing conference. Additionally, when the Commission issues the order to suspend the proposed tariffs and schedule a prehearing conference, the Company will provide notification in area newspaper(s) in addition to the individual customer notification.

Q. Will there be any changes to the NCCRS tariffed levels?

A. Yes, while the required revenues to cover the payment of the NCCRS related debt of \$178,315 has not changed since Docket DW17-128 the number of customers has increased in each of the three Community Water Systems, Locke Lake CWS, Birch Hill CWS and the Sunrise Estates CWS have increased slightly and as a result the fixed revenue requirement of the NCCRS is spread across more customers resulting in a slight decrease of the NCCRS in each of the systems noted above. The following is the information related to the calculation of the proposed revised NCCRS rates for each CWS and appears at Tab 15 of PEU's rate filing:

Service Area	Current Rate	DW17-128 Customer Count	12/31/2019 Customer Count	Proposed Rate
Barnstead: Locke Lake	\$ 12.81	882	898	\$ 12.58
North Conway: Birch Hill	\$ 12.81	214	216	\$ 12.69
Middleton: Sunrise Estates	\$ 10.74	81	84	\$ 10.36

Testimony of Donald L. Ware

1 **Q.** **Do you have any other testimony to offer?**

2 **A.** No.

Pennichuck East Utilities
DW17-128
Calculation of Rate Stabilization Funds

DLW Exh 1

Page 1

PEU Proforma Test Year 2019									
Proformed Revenue Requirement ¹ - \$ 10,566,692									
</									

Revenue Type	2015 PEU Billed Revenue ⁷	2016 PEU Billed Revenue ⁸	2017 PEU Billed Revenue	2018 PEU Billed Revenue	2019 PEU Billed Revenue
Total Volumetric Charges (less Recoupment)	\$ 3,713,054	\$ 3,645,136	\$ 3,959,013	\$ 4,191,292	\$ 4,093,815
Total Capital Recovery Surcharge (fixed)	\$ 300,353	\$ 303,336	\$ 296,146	\$ 297,430	\$ 299,985
Total Meter Charge (less recoupment - fixed)	\$ 1,515,095	\$ 1,516,104	\$ 1,616,793	\$ 1,750,470	\$ 2,114,832
Total Fire Protection - Public & Private (fixed)	\$ 775,061	\$ 795,700	\$ 861,603	\$ 912,761	\$ 931,801
Total Billed Revenue	\$ 6,303,563	\$ 6,260,276	\$ 6,733,555	\$ 7,151,953	\$ 7,440,433
% of Revenues that are variable	58.9%	58.2%	58.8%	58.6%	55.0%
% of Revenues that are fixed	41.1%	41.8%	41.2%	41.4%	45.0%

Average percentage of revenues that were variable during the previous 5 years - 57.9%

Expense Type	2015 PEU Actual Variable Expenses	2016 PEU Actual Variable Expenses	2017 PEU Actual Variable Expenses	2018 PEU Actual Variable Expenses	2019 PEU Actual Variable Expenses
Purchased Water	\$ 959,966	\$ 1,009,818	\$ 952,865	\$ 1,104,605	\$ 1,018,049
Electric	\$ 302,197	\$ 279,236	\$ 269,019	\$ 313,229	\$ 337,595
Chemicals	\$ 32,816	\$ 66,806	\$ 79,231	\$ 75,072	\$ 87,745
Total Variable Costs	\$ 1,294,979	\$ 1,355,860	\$ 1,301,115	\$ 1,492,906	\$ 1,443,389
Variable Expenses as a Percent of Total Revenues	20.5%	21.7%	19.3%	20.9%	19.4%

	2015 Actual CCF's sold by PEU	2016 Actual CCF's sold by PEU	2017 Actual CCF's sold by PEU	2018 Actual CCF's sold by PEU	2019 Actual CCF's sold by PEU
Annual Metered Sales (CCF)	691,344	730,157	661,679	684,279	669,602
Percentage Variance between Current and High Consumption Year	3.14%	8.29%	-1.20%	2.14%	0.00%
Average Consumption (CCF) over the past five years	687,412				
Variance between current and 5 Yr Ave Consumption	0.57%	5.85%	-3.89%	-0.46%	-2.66%

Largest percentage reduction in volumetric sales at PEU of 3.89% over the past five years from the five year average of volumetric sales

Results in a Revenue loss of \$ 159,212

Results in an Operating Expense reduction of \$ 56,134

Results in an Operating Income reduction of \$ 103,077

Calculation of MOER RSF, based on increase in MOE's over the past 5 years		
	Inflation	Revenue Shortfall
Yr 1 -	\$ 218,410	\$ 173,167
Yr 2 -	\$ 443,373	\$ 173,167
Yr 3 -	\$ 675,084	\$ 173,167
	\$ 1,336,867	\$ 519,501
Totals -	\$	\$ 1,856,368

Pennichuck East Utilities
DW17-128
Calculation of Rate Stabilization Funds

DLW Exh 1
Page 2

Calculation of Annual Material Operating Expense Adjustment Percentage

	2016 PEU Material Operating Expenses (DW17-128 TY)	2017 PEU Material Operating Expenses	2018 PEU Material Operating Expenses	2019 PEU Material Operating Expenses	2019 PEU Proforma Material Operating Expenses ⁹	Increase in Pro Forma TY Operating Expense since the prior rate case TY	Average annual increase in Operating Expenses since the prior rate case	Increase in Operating Expense between 2018 and 2019 Proforma
Production Expenses	\$ 1,991,779	\$ 1,966,063	2,290,425	2,257,199	2,347,926	17.9%	5.58%	2.51%
Transmission & Distribution Expenses	\$ 616,944	\$ 696,492	737,584	1,006,231	850,713	37.9%	11.19%	15.34%
Customer Acct & Collection Exp	\$ 184,106	\$ 192,789	200,152	204,718	198,984	8.1%	2.60%	-0.58%
Administrative & General Expense	\$ 155,295	\$ 167,568	184,537	181,461	193,921	24.9%	7.61%	5.09%
Inter Div Management Fee	\$ 1,811,426	\$ 2,098,399	2,356,956	2,397,261	2,275,502	25.6%	7.82%	-3.46%
Amortization Expense	\$ 50,687	\$ 58,618	86,683	127,440	118,703	134.2%	32.42%	36.94%
Property Taxes	\$ 1,051,160	\$ 891,416	1,040,185	1,177,819	1,153,820	9.8%	3.12%	10.92%
Total Annual MOERR Expenses	\$ 5,861,396	\$ 6,071,345	\$ 6,896,522	\$ 7,352,129	\$ 7,139,569	21.8%	5.06%	3.52%
Less change in variable expenses over prior year	\$ 1,355,860	\$ 1,301,115	\$ 1,492,906	\$ 1,443,389	\$ 1,472,660	8.6%	2.09%	-1.36%
Total Annual MOERR Expenses less variable expenses	\$ 4,505,536	\$ 4,770,230	\$ 5,403,616	\$ 5,908,740	\$ 5,666,910	25.8%	5.90%	4.87%
Total Percentage Increase in Fixed Material Operating Expenses since the prior rate case -						6.73%		

Notes:

- Based on Debt Service Multiplier of 1.10 per Sch A of 1604.06 schedules. The 1.1 multiplier is not applied to the North Country Capital Recovery Surcharge P&I
- Revenue requirements per Sch A of 1604.06 schedules
- Requested Rate Stabilization fund for Operating Expense and P & I Coverage each have a contingency of 0% safety factor and are based on year ending 2019 results
- PEU share of the \$5,000,000 RSF for distribution to the RSF, MOERSF and the P&IRSF is⁵ 19.56% based on % of PWW revenues (2012 Case) to % of all three regulated utilities revenues (2012 Cases) or \$ 980,000
- Calculation of RSF Percentage based on Revenue requirements from DW13-126, 13-128 and 13-130

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
Total Utility Revenue Requirement -	\$ 35,347,661	

- For Calculation of Operating Expense Requirement see Exhibit 1.1
- 2015 Billed Recoupment - \$ 196,261
- 2016 Billed Recoupment - \$ 16,968

9. 2019 amortization expense proforma does not include deferred debit to refill depleted RSF accounts

TAB 11

Testimony of David Fox (COSS) and Attachments

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION
DW 20-156**

**DIRECT TESTIMONY
OF
DAVID M. FOX, MANAGER
RAFTELIS FINANCIAL CONSULTANTS, INC.**

**IN THE MATTER OF THE
REVISION OF RATES
FILED BY
PENNICHUCK EAST UTILITY, INC.**

PREFILED TESTIMONY OF
David M. Fox

Q: Please state your name and business address?

A: My name is David M. Fox and my business address is 20 Main St. Suite 301, Natick, MA 01760.

Q: By whom are you employed and in what capacity?

A: I am a Manager of Raftelis Financial Consultants, Inc. a nationwide consulting firm specializing in water and wastewater rate and financial planning studies.

Prior Experience

Q: Please describe your qualifications and experience.

A: I have a bachelor's degree in Economics from Coastal Carolina University in Conway, SC and a master's degree in Economics from Clemson University in Clemson, SC. After graduating in 2009, I was employed by Raftelis Financial Consultants, Inc. (Raftelis). Over the course of my career, I have worked on over 100 water and wastewater rate and financial studies within the United States. I have also had the opportunity to work on numerous financial feasibility studies in support of revenue bond issues, capital program financing support, customer rate affordability analyses, utility valuations studies, and rate benchmarking surveys. I currently lead Raftelis' New England efforts based out of our office in Natick, MA.

Q: Do you belong to any professional organizations or committees?

A: Yes, I am a member of the American Water Works Association, the New England Water Works Association, Massachusetts Water Works Association, and the Rhode Island Water Works Association. I also sit on the Financial Management Committee of the New England Water Works Association. For the American Water Works Association, I also contributed to the most recent (7th edition) of the M1 Manual on rates – *Principles of Water Rates, Fees, and Charges*.

1

2 **Q: Have you previously been involved in matters before state regulatory commissions on rate**
3 **related matters?**

4 A: Yes. I have submitted or prepared expert cost of service analyses in support of water rate
5 filings at the Massachusetts Departments of Public Utilities, and Rhode Island, New Hamp-
6 shire, and Maine Public Utilities Commissions.

7 **Summary**

8 **Q: What is your role in this proceeding?**

9 A: Working with the staff of and advisers to the Pennichuck East Utility, Inc. (PEU), I have pre-
10 pared a cost of service study and developed new rates based on *pro forma* revenue require-
11 ments as developed and presented by Mr. Ware in his pre-filed testimony and corresponding
12 schedules. My testimony and supporting schedules include a cost of service study that allo-
13 cates the functional costs to various cost components, and then distributes those costs to
14 types of service. Finally, I utilized these data and developed new cost of service based rates
15 and charges, along with corresponding customer impacts.

16

17 **Q: What was the basis for your cost of service study?**

18 A: In general, I followed the cost of service methodology as outlined in the guidance provided
19 in the most recent (7th) edition of the American Water Works Association's M1 Manual of
20 Practice. This is the most widely accepted and used cost allocation method used to calculate
21 water rates.

22

23 **Q: Will you summarize your findings and conclusions regarding PEU's cost of service and pro-**
24 **posed rates?**

25 A: Yes.

- 1 • Based on the results of my cost of service study, there will not be an equal percentage
2 or across-the-board change to all of PEU's existing tariffs. Metered rates, customer ser-
3 vice charges, and fire protection charges are proposed to be adjusted by varying
4 amounts to equitably recover the cost of service.
- 5 • The metered rate per one hundred cubic feet (Ccf) will increase from \$7.51 to
6 \$9.42, or by approximately 25%.
- 7 • The customer service charge for a 5/8" customer, which comprise approximately
8 96% of all PEU customers, will increase from \$20.70 per month to \$24.17 per
9 month. All other meter sizes will increase or decrease at various percentage
10 changes to coincide with cost of service. Please refer to my accompanying sched-
11 ules for detail with regard to the rates for other meter sizes.
- 12 • Public fire protection charges, assessed per hydrant and inch-foot of mains, are
13 proposed to increase by varying percentages. Hydrant charges are proposed to
14 increase from \$16.07 per month to \$34.39 per month. Inch-foot charges are pro-
15 posed to increase from \$0.01231 per inch-foot to \$0.01279. These increases re-
16 flect the significant investment and capacity PEU has to provide public fire pro-
17 tection services.
- 18 • Private fire protection charges will all change by varying percentages based on
19 the size of the connection. Please refer to my accompanying schedules for more
20 detail.

21 Content of Schedules

22 **Q: Please describe the schedules included with your pre-filed direct testimony.**

23 A: I have included 7 main schedules (DF 1 through 7). The schedules included in this filing are:

- 24 • Schedule DF - 1 - This schedule presents the *pro forma* revenue require-
25 ments, depreciation, and plant-in-service records functionalized between
26 general water service, fire protection, and customer service. Please refer to

Mr. Ware's testimony and schedules for more detail on revenue requirements and adjustments.

- Schedule DF - 2 – This schedule presents the units of service including the number of meters by size and billing frequency, the number of private and public fire services by size of connection, hydrants, and inch-feet of mains, and metered water consumption. This schedule also presents meter and demand equivalents, which I will cover later in my testimony.
- Schedule DF - 3 – This schedule summarizes the allocation of total fire service to public and private service, and proposed fire protection calculations and charges.
- Schedule DF - 4 – This schedule summarizes the allocation of customer related revenue requirements to metered and billing related components, and proposed customer service calculations and charges.
- Schedule DF - 5 – This schedule presents the proposed metered rate and its derivation.
- Schedule DF - 6 – This schedule presents a summary of the current rates and the proposed rates derived from the cost of service study. This schedule also presents a proof of revenue, showing the annual revenues under the proposed rates and charges, and how they tie to the ultimate revenue requirement.
- Schedule DF - 7 – This schedule presents the impact of the proposed rates and charges on various types of customers. A typical PEU customer uses approximately 5 Ccf per month.

Units of Service

Q: Did you analyze water sales, numbers of meters and fire service units of service?

A: Yes. Schedule DF - 2 presents the number of meters by size, the number of public fire hydrants and private fire services by size as well as inch-feet of mains, and metered water use.

1

2 **Q: You present several meter-related equivalents on Schedule DF - 2. Please explain these.**

3 A: For the purposes of allocating fixed service charges to meter sizes, I used cost and flow ca-
4 pacity equivalents. Cost equivalents are based on the investment and replacement costs of
5 meters by size, while flow equivalents are based on the flow capacity of each meter size.
6 That is, within approximation, a 2" meter costs 5.5 times more than a 5/8" meter, and has 8
7 times the flow capacity. Cost equivalents were utilized to scale meter related costs to meter
8 size, while flow equivalents were utilized to scale readiness-to-serve costs. Readiness-to-
9 serve reflects the investment PEU has made in its infrastructure to be able to provide service
10 to its customers 24 hours a day, 365 days a year, whether customers are using those services
11 or not. This amount was approximated by recovering one third of PEU's fixed debt service
12 obligations.

13

14 To determine the appropriate fire protection charges I determined the potential water de-
15 mand from hydrants and private fire services. The demand through a closed pipe under
16 pressure is proportional to the diameter of the pipe to the 2.63 power (Hazen Williams for-
17 mula for flow through a pipe under pressure). The flow is not proportional to the square of
18 the diameter because of head (flow) losses against the pipe walls. Smaller pipes have more
19 pipe wall per square foot of area. These equivalents were used to determine the relative
20 cost-based charges for each pipe size.

21 **Rate and Charge Calculations**

22 **Q: Please describe what you did next.**

23 A: Once *pro forma* revenue requirements and the units of service had been established, I began
24 to functionalize and allocate the costs to types of service (water, fire protection, customer).
25 Please refer to Schedule DF - 1 for presentation of the functionalization of revenue require-
26 ments. Ultimately said functionalized revenue requirements were then utilized to calculate
27 cost of service based rates. The first such assignment led to the derivation of fire protection
28 charges.

1 **Q: Please explain how you calculated the proposed fire protection charges.**

2 A: Because the costs associated with public fire hydrants should not be charged to private fire
3 services, I first removed the costs directly related to hydrants from the total fire service allo-
4 cation. Based on the relative potential demands presented on Schedule DF 2, I split the
5 remaining fire service demand costs (net of hydrant expenses) to public and private fire ser-
6 vice. In the case of the public fire service charges I added the allocated public fire service
7 costs to the direct hydrant expenses and divided by the total number of public fire hydrants
8 in PEU's system or arrive at an annual per hydrant charge. To derive the private fire service
9 charges, I simply determined the number of private fire service equivalents using the fire
10 demand factors described earlier in my testimony. This cost per equivalent was then applied
11 to the equivalency factors for each private fire service size to derive the fire service charge
12 for each size private fire service.

13
14 **Q: What was the next cost of service element that you allocated?**

15 A: I then allocated revenue requirements to customer related charges. In the case of these
16 charges, the revenue requirements were split into two components: (a) those costs related
17 to meters and service pipes (vary by the size of the meter and service) and (b) those costs
18 related to billing, meter reading, and collections (vary by the number of billings). In addition
19 to these explicit allocations, I also added one-third of PEU's debt service obligations to the
20 service charge revenue requirements to reflect a reasonable cost amount to be recovered
21 for maintaining adequate readiness-to-serve.

22
23 **Q: Please explain the derivation of your proposed service charges.**

24 A: For the metering and readiness-to-serve components of the service charge, I calculated a
25 cost per equivalent meter, and then scaled this cost up by meter size based on the afore-
26 mentioned meter equivalents. I then calculated a per-bill charge for the billing component
27 (same for all meter sizes) and added that to each meter component.

1

2 **Q: How did you then proceed with your cost of service and rate calculation?**

3 A: For those revenue requirements allocated to general water, I simply divided into that
4 amount the rate year billable units to arrive at a per-Ccf rate.

5

6 **Q: Have you provided a summary of the proposed rates and its impact on customers?**

7 A: Yes. Schedule DF - 6 presents PEU's current rates compared to the proposed rates along
8 with the annual percentage change. Schedule DF -7 presents the impact of the proposed
9 rates to various customer types. Please note again that a typical PEU customer uses approx-
10 imately 5 Ccf per month.

11

12 **Q: Have you provided a revenue proof summary?**

13 A: Yes. Pages 3 and 4 of Schedule DF - 6 presents PEU's projected revenue, by rate component.

14 **Conclusion**

15 **Q: Does this conclude your testimony?**

16 A: Yes, it does.

Pennichuck East Utility, Inc.
Summary of Cost of Service

Required from Rates & Charges	Total	<u>Water Sales</u>			<u>Fire Protection</u>		<u>Customer</u>	
	<u>Cost of Service</u>	<u>Allocation</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
Operation & Maintenance	\$ 5,804,292	Total O&M	73.8%	\$ 4,284,832	5.5%	\$ 317,271	20.7%	\$ 1,202,189
Amortization	268,729	Depreciation	63.4%	170,374	18.7%	50,310	17.9%	48,045
Taxes - Federal & State	3,775	Composite Allocation	68.5%	2,585	13.3%	500	18.3%	690
Taxes - Property	1,237,010	Plant in Service	60.6%	749,279	24.9%	307,925	14.5%	179,806
Material Operating Expense Factor (MOEF)	438,399	Total O&M	73.8%	323,634	5.5%	23,964	20.7%	90,801
Debt Service Revenue Requirement	1,888,178	Plant in Service	60.6%	1,143,703	24.9%	470,019	14.5%	274,456
City Bond Fixed Revenue Requirement	926,309	Plant in Service	60.6%	561,082	24.9%	230,583	14.5%	134,644
Less Other Revenues	(30,188)	Composite Allocation	68.5%	(20,671)	13.3%	(4,001)	18.3%	(5,516)
Total: Required from Rates & Charges	\$ 10,536,504	Composite Allocation	68.5%	\$ 7,214,817	13.3%	\$ 1,396,571	18.3%	\$ 1,925,115

Pennichuck East Utility, Inc.
Allocation of O&M Expenses

	<u>Pro-Forma</u>	<u>Allocation</u>	<u>Percent</u>	<u>Water Sales</u> <u>Amount</u>	<u>Percent</u>	<u>Fire Protection</u> <u>Amount</u>	<u>Percent</u>	<u>Customer</u> <u>Amount</u>
Source of Supply Expenses								
<u>Operation</u>								
Operation Supervision and Engineering	\$ -	Average Day Demand	99.5%	\$ -	0.5%	\$ -	0.0%	\$ -
Operation Labor and Expenses	45,185	Average Day Demand	99.5%	44,959	0.5%	226	0.0%	-
Purchased Water	1,093,480	Average Day Demand	99.5%	1,088,013	0.5%	5,467	0.0%	-
Miscellaneous Expenses	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Rents	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Subtotal: Operation	\$ 1,138,665			\$ 1,132,972		\$ 5,693		\$ -
<u>Maintenance</u>								
Maintenance Supervision & Engineering	\$ -	Average Day Demand	99.5%	\$ -	0.5%	\$ -	0.0%	\$ -
Maintenance of Supply Mains	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Maintenance of Miscellaneous Water Source Plant	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Subtotal: Maintenance	\$ -			\$ -		\$ -		\$ -
Total: Source of Supply Expenses	\$ 1,138,665			\$ 1,132,972		\$ 5,693		\$ -
Pumping Expenses								
<u>Operation</u>								
Operation Supervision and Engineering	\$ -	Average Day Demand	99.5%	\$ -	0.5%	\$ -	0.0%	\$ -
Fuel for Power Production	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Fuel or Power Purchased for Production	337,595	Average Day Demand	99.5%	335,907	0.5%	1,688	0.0%	-
Pumping Labor and Expenses	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Miscellaneous Expenses	15,383	Average Day Demand	99.5%	15,306	0.5%	77	0.0%	-
Rents	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Subtotal: Operation	\$ 352,978			\$ 351,213		\$ 1,765		\$ -
<u>Maintenance</u>								
Maintenance Supervision and Engineering	\$ -	Average Day Demand	99.5%	\$ -	0.5%	\$ -	0.0%	\$ -
Maintenance of Structures and Improvements	11,812	Average Day Demand	99.5%	11,753	0.5%	59	0.0%	-
Maintenance of Power Production Equipment	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Maintenance of Pumping Equipment	683,819	Average Day Demand	99.5%	680,400	0.5%	3,419	0.0%	-
Subtotal: Maintenance	\$ 695,631			\$ 692,153		\$ 3,478		\$ -
Total: Pumping Expenses	\$ 1,048,609			\$ 1,043,366		\$ 5,243		\$ -

Pennichuck East Utility, Inc.
Allocation of O&M Expenses

	<u>Pro-Forma</u>	<u>Allocation</u>	<u>Percent</u>	<u>Water Sales</u> <u>Amount</u>	<u>Percent</u>	<u>Fire Protection</u> <u>Amount</u>	<u>Percent</u>	<u>Customer</u> <u>Amount</u>
Water Treatment Expenses								
<u>Operation</u>								
Operation Supervision and Engineering	\$ -	Average Day Demand	99.5%	\$ -	0.5%	\$ -	0.0%	\$ -
Chemicals	87,745	Average Day Demand	99.5%	87,306	0.5%	439	0.0%	-
Operation Labor and Expenses	51,051	Average Day Demand	99.5%	50,796	0.5%	255	0.0%	-
Miscellaneous Expenses	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Subtotal: Operation	\$ 138,796			\$ 138,102		\$ 694		\$ -
<u>Maintenance</u>								
Maintenance of Water Treatment Equipment	\$ 21,856	Average Day Demand	99.5%	\$ 21,747	0.5%	\$ 109	0.0%	\$ -
Subtotal: Maintenance	\$ 21,856			\$ 21,747		\$ 109		\$ -
Total: Water Treatment Expenses	\$ 160,652			\$ 159,849		\$ 803		\$ -
Transmission and Distribution Expenses								
<u>Operation</u>								
Operation Supervision and Engineering	\$ -	Trans. & Distr.	12.5%	\$ -	21.2%	\$ -	66.3%	\$ -
Transmission and Distribution Lines Expenses	-	Max Day plus Fire	63.3%	-	36.7%	-	0.0%	-
Meter Expenses	163,377	Customer Service	0.0%	-	0.0%	-	100.0%	163,377
Customer Installation Expense	7,706	Customer Service	0.0%	-	0.0%	-	100.0%	7,706
Miscellaneous Expenses	-	Trans. & Distr.	12.5%	-	21.2%	-	66.3%	-
Rents	-	Max Day plus Fire	63.3%	-	36.7%	-	0.0%	-
Subtotal: Operation	\$ 171,083			\$ -		\$ -		\$ 171,083
<u>Maintenance</u>								
Maintenance Supervision and Engineering	\$ -	Trans. & Distr.	12.5%	\$ -	21.2%	\$ -	66.3%	\$ -
Maintenance of Structures and Improvements	-	Trans. & Distr.	12.5%	-	21.2%	-	66.3%	-
Maintenance of Dist. Reservoirs & Standpipes	-	Storage	72.1%	-	27.9%	-	0.0%	-
Maintenance of Trans. & Distribution Mains	131,561	Max Day plus Fire	63.3%	83,245	36.7%	48,316	0.0%	-
Maintenance of Fire Mains	-	Hydrants	0.5%	-	99.5%	-	0.0%	-
Maintenance of Services	264,299	Customer Service	0.0%	-	0.0%	-	100.0%	264,299
Maintenance of Meters	10,595	Customer Service	0.0%	-	0.0%	-	100.0%	10,595
Maintenance of Hydrants	94,774	Hydrants	0.5%	474	99.5%	94,300	0.0%	-
Maintenance of Miscellaneous Plant	56,642	Trans. & Distr.	12.5%	7,053	21.2%	12,015	66.3%	37,573
Subtotal: Maintenance	\$ 557,871			\$ 90,772		\$ 154,632		\$ 312,467
Total: Transmission & Distribution Expenses	\$ 728,954	Trans. & Distr.	12.5%	\$ 90,772	21.2%	\$ 154,632	66.3%	\$ 483,550

Pennichuck East Utility, Inc.
Allocation of O&M Expenses

	<u>Pro-Forma</u>	<u>Allocation</u>	<u>Percent</u>	<u>Water Sales</u> <u>Amount</u>	<u>Percent</u>	<u>Fire Protection</u> <u>Amount</u>	<u>Percent</u>	<u>Customer</u> <u>Amount</u>
Customer Accounts Expenses								
<u>Operation</u>								
Supervision	\$ -	Customer Service	0.0%	\$ -	0.0%	\$ -	100.0%	\$ -
Meter Reading Salaries	58,102	Customer Service	0.0%	-	0.0%	-	100.0%	58,102
Customer Records & Coll. Expenses-Labor	115,781	Customer Service	0.0%	-	0.0%	-	100.0%	115,781
Uncollectible Accounts	25,101	Customer Service	0.0%	-	0.0%	-	100.0%	25,101
Miscellaneous Customer Account Expense	-	Customer Service	0.0%	-	0.0%	-	100.0%	-
Subtotal: Operation	\$ 198,984			\$ -		\$ -		\$ 198,984
Total: Customer Accounts Expenses	\$ 198,984			\$ -		\$ -		\$ 198,984
Administrative and General Expenses								
<u>Operation</u>								
Administrative and General Salaries	\$ -	Total O&M	74.1%	\$ -	5.1%	\$ -	20.8%	\$ -
Office Supplies and Other Expenses	7,298	Total O&M	74.1%	5,407	5.1%	371	20.8%	1,521
Administrative Expenses Transferred	-	Total O&M	74.1%	-	5.1%	-	20.8%	-
Outside Services Employed	18,688	Total O&M	74.1%	13,845	5.1%	949	20.8%	3,894
Property Insurance	113,498	Plant In Service	60.6%	68,748	24.9%	28,253	14.5%	16,498
Injuries and Damages	-	Total O&M	74.1%	-	5.1%	-	20.8%	-
Employee Pension and Benefits	-	Total O&M	74.1%	-	5.1%	-	20.8%	-
Regulatory Commission Expenses	34,108	Total O&M	74.1%	25,269	5.1%	1,732	20.8%	7,106
Miscellaneous General Expenses	2,354,836	Total O&M	74.1%	1,744,605	5.1%	119,595	20.8%	490,636
Rents	-	Total O&M	74.1%	-	5.1%	-	20.8%	-
Subtotal: Operation	\$ 2,528,428			\$ 1,857,874		\$ 150,900		\$ 519,654
<u>Maintenance</u>								
Maintenance of General Plant	\$ -	Total O&M	74.1%	\$ -	5.1%	\$ -	20.8%	\$ -
Subtotal: Maintenance	\$ -			\$ -		\$ -		\$ -
Total Administrative and General Expenses	\$ 2,528,428			\$ 1,857,874		\$ 150,900		\$ 519,654
Total Operation and Maintenance Expenses	\$ 5,804,292	Total O&M	73.8%	\$ 4,284,832	5.5%	\$ 317,271	20.7%	\$ 1,202,189

Pennichuck East Utility, Inc.
Allocation of Plant in Service

		<u>Pro-Forma</u>	<u>Allocation</u>	<u>Water Sales</u>		<u>Fire Protection</u>		<u>Customer</u>	
				<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
<u>Plant In Service</u>									
Organization	1%	\$ 386,400	Customer Service	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 386,400
Franchises	0%	69,878	Customer Service	0.0%	-	0.0%	-	100.0%	69,878
L & LR: Supply & Pumping	2%	1,224,782	Average Day Demand	99.5%	1,218,658	0.5%	6,124	0.0%	-
S & I: Supply & Pumping	10%	7,499,075	Average Day Demand	99.5%	7,461,580	0.5%	37,495	0.0%	-
Collecting & Impounding Reserv.	0%	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Lake, River & Other Intake	0%	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Wells & Springs	3%	2,365,509	Average Day Demand	99.5%	2,353,681	0.5%	11,828	0.0%	-
Infiltration Galleries & Tunnels	0%	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Supply Mains	1%	562,249	Average Day Demand	99.5%	559,438	0.5%	2,811	0.0%	-
Power Generation Equipment	1%	759,921	Average Day Demand	99.5%	756,121	0.5%	3,800	0.0%	-
Pumping Equipment	3%	2,023,511	Average Day Demand	99.5%	2,013,393	0.5%	10,118	0.0%	-
Water Treatment Equipment	2%	1,321,060	Average Day Demand	99.5%	1,314,455	0.5%	6,605	0.0%	-
Distribution Reserv. & Standpipes	3%	1,992,420	Storage	72.1%	1,436,557	27.9%	555,863	0.0%	-
Transmission Mains	59%	44,695,023	Max Day plus Fire	63.3%	28,280,630	36.7%	16,414,393	0.0%	-
Distribution Mains	0%	-	Max Day plus Fire	63.3%	-	36.7%	-	0.0%	-
Services	11%	8,383,066	Customer Service	0.0%	-	0.0%	-	100.0%	8,383,066
Meters & Meter Installation	3%	2,055,998	Customer Service	0.0%	-	0.0%	-	100.0%	2,055,998
Hydrants	2%	1,617,812	Hydrants	0.5%	8,089	99.5%	1,609,723	0.0%	-
Other Plant & Misc. Equipment	0%	89,767	Plant in Service	60.6%	54,373	24.9%	22,345	14.5%	13,048
Office Furniture & Equipment	0%	2,689	Plant in Service	60.6%	1,629	24.9%	669	14.5%	391
Transportation Equipment	0%	-	Plant in Service	60.6%	-	24.9%	-	14.5%	-
Stores Equipment	0%	-	Plant in Service	60.6%	-	24.9%	-	14.5%	-
Tools, Shop & Garage Equip.	0%	72,937	Plant in Service	60.6%	44,179	24.9%	18,156	14.5%	10,602
Laboratory Equipment	0%	9,592	Plant in Service	60.6%	5,810	24.9%	2,388	14.5%	1,394
Power Operated Equipment	0%	-	Plant in Service	60.6%	-	24.9%	-	14.5%	-
Communications Equipment	1%	528,230	Plant in Service	60.6%	319,958	24.9%	131,491	14.5%	76,781
Miscellaneous Equipment	0%	92,317	Plant in Service	60.6%	55,918	24.9%	22,980	14.5%	13,419
Other Tangible Equipment	0%	10,364	Plant in Service	60.6%	6,278	24.9%	2,580	14.5%	1,506
Total: Plant In Service	100%	\$ 75,762,600	Plant in Service	60.6%	\$ 45,890,749	24.9%	\$ 18,859,368	14.5%	\$ 11,012,483

Pennichuck East Utility, Inc.
Allocation of Depreciation

<u>Depreciation</u>		<u>Pro-Forma</u>	<u>Allocation</u>	<u>Water Sales</u>		<u>Fire Protection</u>		<u>Customer</u>	
				<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
Organization	1%	\$ 15,284	Customer Service	0.0%	\$ -	0.0%	\$ -	100.0%	\$ 15,284
Franchise	0%	3,494	Customer Service	0.0%	-	0.0%	-	100.0%	3,494
S & I: Supply & Pumping	12%	192,328	Average Day Demand	99.5%	191,366	0.5%	962	0.0%	-
Collecting & Impounding Reserv.	0%	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Lake, River & Other Intake	0%	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Wells & Springs	6%	91,764	Average Day Demand	99.5%	91,305	0.5%	459	0.0%	-
Infiltration Galleries & Tunnels	0%	-	Average Day Demand	99.5%	-	0.5%	-	0.0%	-
Supply Mains	1%	8,618	Average Day Demand	99.5%	8,575	0.5%	43	0.0%	-
Power Generation Equipment	3%	39,459	Average Day Demand	99.5%	39,262	0.5%	197	0.0%	-
Pumping Equipment	6%	91,864	Average Day Demand	99.5%	91,405	0.5%	459	0.0%	-
Water Treatment Equipment	5%	81,771	Average Day Demand	99.5%	81,362	0.5%	409	0.0%	-
Distribution Reserv. & Standpipes	2%	37,614	Storage	72.1%	27,120	27.9%	10,494	0.0%	-
Transmission Mains	44%	674,289	Max Day plus Fire	63.3%	426,654	36.7%	247,635	0.0%	-
Distribution Mains	0%	-	Max Day plus Fire	63.3%	-	36.7%	-	0.0%	-
Services	11%	165,428	Customer Service	0.0%	-	0.0%	-	100.0%	165,428
Meters & Meter Installation	6%	85,713	Customer Service	0.0%	-	0.0%	-	100.0%	85,713
Hydrants	1%	22,095	Hydrants	0.5%	110	99.5%	21,985	0.0%	-
Other Plant & Misc. Equipment	0%	1,769	Depreciation	63.4%	1,122	18.7%	331	17.9%	316
Office Furniture & Equipment	0%	-	Depreciation	63.4%	-	18.7%	-	17.9%	-
Transportation Equipment	0%	-	Depreciation	63.4%	-	18.7%	-	17.9%	-
Stores Equipment	0%	-	Depreciation	63.4%	-	18.7%	-	17.9%	-
Tools, Shop & Garage Equip.	0%	211	Depreciation	63.4%	134	18.7%	40	17.9%	38
Laboratory Equipment	0%	480	Depreciation	63.4%	304	18.7%	90	17.9%	86
Power Operated Equipment	0%	-	Depreciation	63.4%	-	18.7%	-	17.9%	-
Communications Equipment	2%	27,710	Depreciation	63.4%	17,568	18.7%	5,188	17.9%	4,954
Miscellaneous Equipment	1%	8,413	Depreciation	63.4%	5,334	18.7%	1,575	17.9%	1,504
Other Tangible Plant	0%	942	Depreciation	63.4%	597	18.7%	176	17.9%	168
Adjustment	0%	(27)	Depreciation	63.4%	(17)	18.7%	(5)	17.9%	(5)
Total Depreciation	100%	\$ 1,549,219	Depreciation	63.4%	\$ 982,201	18.7%	\$ 290,037	17.9%	\$ 276,981

Pennichuck East Utility, Inc.
Explanation of Allocations

	<u>Water Service</u>	<u>Fire Prot.</u>	<u>Customer</u>	<u>Total</u>	
Average Day Demand	99.5%	0.5%	0.0%	100.0%	Facilities used to meet average demands or maximum day water
Max Day plus Fire	63.3%	36.7%	0.0%	100.0%	Facilities Used for Maximum Day plus Fire
		<u>Gal/Min</u>	<u>Percent</u>		
	Maximum Day	3,446	63.3%		Product/Purch 603,710 1000 gal/yr
	Fire Demand	<u>2,000</u>	<u>36.7%</u>		50,309 1000 gal/month avg
	Max Day Plus Fire	5,446	100.0%		66,912 1000 gal max month
					1.33 max month
					3.00 max day
Customer Service	0.0%	0.0%	100.0%	100.0%	All Customer Service
Depreciation	63.4%	18.7%	17.9%	100.0%	Based on all allocable Depreciation Items
Composite Allocation	68.5%	13.3%	18.3%	100.0%	Based on all allocable expenses
Total O&M	74.1%	5.1%	20.8%	100.0%	Based on all allocable O&M Expenses
Hydrants	0.5%	99.5%	0.0%	100.0%	For Hydrants
Plant In Service	60.6%	24.9%	14.5%	100.0%	Based on all allocable Utility Plant Items
Storage	72.1%	27.9%	0.0%	100.0%	For Storage Facilities
		<u>Gal/Min</u>	<u>Percent</u>		
	Maximum Hour	5,169	72.1%		Assume Max Hour = 1.5 X Max Day
	Fire Demand	<u>2,000</u>	<u>27.9%</u>		
	Total	7,169	100.0%		
Transmission & Distribution	12.5%	21.2%	66.3%	100.0%	General T&D O&M Expenses

Pennichuck East Utility, Inc.
Retail Units of Service

<u>Monthly</u>	<u>No. of Meters</u>	<u>No. of Bills</u>	<u>Cost Factor</u>	<u>Meter Equivs.</u>	<u>Flow Factor</u>	<u>Cap. Equivs.</u>
5/8"	7,629	91,548	1.00	7,629	1.00	7,629
3/4"	66	792	1.28	85	1.50	99
1"	140	1,680	2.52	352	2.50	350
1 1/2"	45	540	4.97	224	5.00	225
2"	43	516	5.56	239	8.00	344
3"	4	48	25.96	104	16.00	64
4"	-	-	60.40	-	25.00	-
6"	-	-	84.51	-	50.00	-
	7,927	95,124		8,633		8,711

	<u>Ccf/year</u>
Billable Water Consumption	705,312

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Pennichuck East Utility, Inc.
Fire Protection Units of Service

<u>Inch Feet</u>		<u>Hydrants</u>
Londonderry	1,951,858	201
Pelham	461,000	36

Litchfield	2,665,012	248
Raymond	85,586	12
Bow	10,798	2
Windham	207,178	27
Birch Hill	66,400	6
Exeter	30,120	6
Lee	20,016	7
Total: Inch Feet	5,497,968	545

	<u>Number</u>	<u>Factor *</u>	<u>Equivs.</u>	<u>Percent</u>
<i>Public</i>				
Hydrants	545	111.3	60,664.5	72.03%
<i>Private</i>				
1 1/2"	111	2.9	322.4	
2"	83	6.2	513.8	
3"	0	18.0	0.0	
4"	22	38.3	843.0	
6"	48	111.3	5,342.9	
8"	30	237.2	7,116.2	
10"	0	426.6	0.0	
12"	3	689.0	2,067.1	
Hydrants	66	111.3	7,346.5	
Subtotal: Private	363		23,552.0	27.97%
Total			84,216.5	100.00%

* Nominal size to the 2.63 power.

Pennichuck East Utility, Inc.
Calculation of Fire Protection Charges

Total Fire Protection Allocation (a)	\$ 1,396,571	
Hydrants O&M	94,300	
Plus O&M Admin	40,215	Based on General & Admin % of Total = 42.65%
Hydrants Cap.	64,093	Based on Hydrant % of Fire Assets: 8.54%
Hydrants Taxes	26,325	
Total Direct Hydrant (b)	<u>\$ 224,934</u>	
 Net Non-Hydrant Fire (a) - (b)	 \$ 1,171,638	

	Percent <u>Allocated *</u>	Revenue <u>Required</u>
Allocation Between Public and Private		
Public Fire Service	72.03%	\$ 843,977
Private Fire Service	27.97%	327,661
Total	<u>100.0%</u>	<u>\$ 1,171,638</u>

* From Units of Service

Pennichuck East Utility, Inc.
Calculation of Fire Protection Charges

Public Fire Service

Total Costs Allocated to Public Fire	\$	1,068,911
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Hydrant Maintenance Charge

Hydrant Allocation	\$	224,934	Direct Hydrant Costs
Hydrants		545	
Annual \$/Hydrant Cost	\$	412.72	
Per Month	\$	34.39	

Inch-Foot Charge

Inch-Foot Allocation	\$	843,977	Public Fire (Excluding Direct Hydrant)
Inch-Feet		5,497,968	
Annual \$/Inch-Foot	\$	0.1535	
Per Month	\$	0.0128	

Pennichuck East Utility, Inc.
Calculation of Fire Protection Charges

Private Fire Service

Allocated Cost	\$	327,661			
-----		-----			
Number of Equivs		23,552.0			\$13.91 per 1" equivalent per year

<u>Service Size</u>	<u>Factor</u>	<u>Demand</u>	<u>Charge</u>	<u>Billing</u>	<u>Charge</u>	<u>Monthly</u>	<u>Charge</u>
1 1/2"	2.9	\$	3.37	\$	3.78	\$	7.15
2"	6.2		7.18		3.78		10.96
3"	18.0		20.85		3.78		24.63
4"	38.3		44.43		3.78		48.21
6"	111.3		129.05		3.78		132.83
8"	237.2		275.01		3.78		278.79
10"	426.6		494.56		3.78		498.34
12"	689.0		798.84		3.78		802.62
Hydrants	111.3		129.05		3.78		132.83

Pennichuck East Utility, Inc.
Summary of Customer Expense Allocations

Required from Customer Charges	Customer		<u>METERS/SERVICES</u>		<u>BILLINGS</u>	
	<u>Total *</u>	<u>Allocation</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
Operation & Maintenance	\$ 1,202,189	Customer O&M	70.8%	\$ 851,706	29.2%	\$ 350,485
Amortization	48,045	Customer Depreciation	100.0%	48,045	0.0%	-
Taxes - Federal & State	690	All Customer Expenses	80.5%	555	19.5%	135
Taxes - Property	179,806	Customer Plant	100.0%	179,806	0.0%	-
Operating Expense Contingency	90,801	Customer O&M	70.8%	64,329	29.2%	26,472
Debt Service Revenue Requirement	274,456	Customer Plant	100.0%	274,456	0.0%	-
City Bond Fixed Revenue Requirement	134,644	Customer Plant	100.0%	134,644	0.0%	-
Less Other Revenues	(5,516)	All Customer Expenses	80.5%	(4,438)	19.5%	(1,077)
Total: Required from Customer Charges	\$ 1,925,115	All Customer Expenses	80.5%	\$ 1,549,104	19.5%	\$ 376,015

* From allocation of O&M, Plant & Depreciation allocated to Customer Costs

Pennichuck East Utility, Inc.
Allocation of Customer Expenses

	Customer		<u>METERS/SERVICES</u>		<u>BILLINGS</u>	
	<u>Total</u>	<u>Allocation</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
Transmission and Distribution Expenses						
<u>Operation</u>						
Operation Supervision and Engineering	\$ -	Meter	100.0%	\$ -	0.0%	\$ -
Transmission and Distribution Lines Expenses	-	Meter	100.0%	-	0.0%	-
Meter Expenses	163,377	Meter	100.0%	163,377	0.0%	-
Customer Installation Expense	7,706	Meter	100.0%	7,706	0.0%	-
Miscellaneous Expenses	-	Meter	100.0%	-	0.0%	-
Rents	-	Meter	100.0%	-	0.0%	-
Subtotal: Operation	\$ 171,083			\$ 171,083		\$ -
<u>Maintenance</u>						
Maintenance Supervision and Engineering	\$ -	Meter	100.0%	\$ -	0.0%	\$ -
Maintenance of Structures and Improvements	-	Meter	100.0%	-	0.0%	-
Maintenance of Dist. Reservoirs & Standpipes	-	Meter	100.0%	-	0.0%	-
Maintenance of Trans. & Distribution Mains	-	Meter	100.0%	-	0.0%	-
Maintenance of Fire Mains	-	Meter	100.0%	-	0.0%	-
Maintenance of Services	264,299	Meter	100.0%	264,299	0.0%	-
Maintenance of Meters	10,595	Meter	100.0%	10,595	0.0%	-
Maintenance of Hydrants	-	Meter	100.0%	-	0.0%	-
Maintenance of Miscellaneous Plant	37,573	Meter	100.0%	37,573	0.0%	-
Subtotal: Maintenance	\$ 312,467			\$ 312,467		\$ -
Total: Transmission & Distribution Expenses	\$ 483,550			\$ 483,550		\$ -
Customer Accounts Expenses						
<u>Operation</u>						
Supervision	\$ -	Billing/Cust. Svc.	0.0%	\$ -	100.0%	\$ -
Meter Reading Salaries	58,102	Billing/Cust. Svc.	0.0%	-	100.0%	58,102
Customer Records & Coll. Expenses-Labor	115,781	Billing/Cust. Svc.	0.0%	-	100.0%	115,781
Uncollectible Accounts	25,101	Billing/Cust. Svc.	0.0%	-	100.0%	25,101
Miscellaneous Customer Account Expense	-	Billing/Cust. Svc.	0.0%	-	100.0%	-
Subtotal: Operation	\$ 198,984			\$ -		\$ 198,984
Total: Customer Accounts Expenses	\$ 198,984			\$ -		\$ 198,984

Pennichuck East Utility, Inc.
Allocation of Customer Expenses

	Customer		<u>METERS/SERVICES</u>		<u>BILLINGS</u>	
	<u>Total</u>	<u>Allocation</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
Administrative and General Expenses						
<u>Operation</u>						
Administrative and General Salaries	\$ -	Customer O&M	70.8%	\$ -	29.2%	\$ -
Office Supplies and Other Expenses	1,521	Customer O&M	70.8%	1,077	29.2%	443
Administrative Expenses Transferred	-	Customer O&M	70.8%	-	29.2%	-
Outside Services Employed	3,894	Customer O&M	70.8%	2,759	29.2%	1,135
Property Insurance	16,498	Customer O&M	70.8%	11,688	29.2%	4,810
Injuries and Damages	-	Customer O&M	70.8%	-	29.2%	-
Employee Pension and Benefits	-	Customer O&M	70.8%	-	29.2%	-
Regulatory Commission Expenses	7,106	Customer O&M	70.8%	5,035	29.2%	2,072
Miscellaneous General Expenses	490,636	Customer O&M	70.8%	347,597	29.2%	143,039
Rents	-	Customer O&M	70.8%	-	29.2%	-
Subtotal: Operation	\$ 519,654			\$ 368,156		\$ 151,498
<u>Maintenance</u>						
Maintenance of General Plant	\$ -	Customer O&M	70.8%	\$ -	29.2%	\$ -
Subtotal: Maintenance	\$ -			\$ -		\$ -
Total Administrative and General Expenses	\$ 519,654			\$ 368,156		\$ 151,498
Total Oper. and Maint. Expenses	\$ 1,202,189	Customer O&M	70.8%	\$ 851,706	29.2%	\$ 350,485

Pennichuck East Utility, Inc.
Allocation of Customer Plant Investment

	Customer		<u>METERS/SERVICES</u>		<u>BILLINGS</u>	
	<u>Total</u>	<u>Allocation</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
<u>Plant Investment</u>						
Organization	\$ 386,400	Customer Plant	100.0%	\$ 386,400	0.0%	\$ -
Franchises	69,878	Customer Plant	100.0%	69,878	0.0%	-
Services	8,383,066	Meter	100.0%	8,383,066	0.0%	-
Meters & Meter Installation	2,055,998	Meter	100.0%	2,055,998	0.0%	-
Other Plant & Misc. Equipment	13,048	Customer Plant	100.0%	13,048	0.0%	-
Office Furniture & Equipment	391	Billing/Cust. Svc.	0.0%	-	100.0%	391
Transportation Equipment	-	Customer Plant	100.0%	-	0.0%	-
Stores Equipment	-	Customer Plant	100.0%	-	0.0%	-
Tools, Shop & Garage Equip.	10,602	Customer Plant	100.0%	10,602	0.0%	-
Laboratory Equipment	1,394	Customer Plant	100.0%	1,394	0.0%	-
Power Operated Equipment	-	Customer Plant	100.0%	-	0.0%	-
Communications Equipment	76,781	Customer Plant	100.0%	76,781	0.0%	-
Miscellaneous Equipment	13,419	Customer Plant	100.0%	13,419	0.0%	-
Other Tangible Plant	1,506	Customer Plant	100.0%	1,506	0.0%	-
Total Cust. Plant In Service	\$ 11,012,483	Customer Plant	100.0%	\$ 11,012,092	0.0%	\$ 391

Pennichuck East Utility, Inc.
Allocation of Customer Depreciation

	Customer		<u>METERS/SERVICES</u>		<u>BILLINGS</u>	
	<u>Total</u>	<u>Allocation</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
<u>Depreciation</u>						
Organization	\$ 15,284	Customer Depreciation	100.0%	\$ 15,284	0.0%	\$ -
Franchise	3,494	Customer Depreciation	100.0%	3,494	0.0%	-
Services	165,428	Meter	100.0%	165,428	0.0%	-
Meters & Meter Installation	85,713	Meter	100.0%	85,713	0.0%	-
Other Plant & Misc. Equipment	316	Customer Depreciation	100.0%	316	0.0%	-
Office Furniture & Equipment	-	Billing/Cust. Svc.	0.0%	-	100.0%	-
Transportation Equipment	-	Customer Depreciation	100.0%	-	0.0%	-
Stores Equipment	-	Customer Depreciation	100.0%	-	0.0%	-
Tools, Shop & Garage Equip.	38	Customer Depreciation	100.0%	38	0.0%	-
Laboratory Equipment	86	Customer Depreciation	100.0%	86	0.0%	-
Power Operated Equipment	-	Customer Depreciation	100.0%	-	0.0%	-
Communications Equipment	4,954	Customer Depreciation	100.0%	4,954	0.0%	-
Miscellaneous Equipment	1,504	Customer Depreciation	100.0%	1,504	0.0%	-
Other Tangible Plant	168	Customer Depreciation	100.0%	168	0.0%	-
Adjustment	(5)	Customer Depreciation	100.0%	(5)	0.0%	-
Total Depreciation	\$ 276,981	Customer Depreciation	100.0%	\$ 276,981	0.0%	\$ -

Pennichuck East Utility, Inc.
Explanation of Customer Allocations

	Meters	Billings	Total
Billing/Cust. Svc.	0.0%	100.0%	100.0% Billing & Customer Service
Meter	100.0%	0.0%	100.0% Meter/Service Related
Customer O&M	70.8%	29.2%	100.0% Based on all other Customer Related O&M
Customer Plant	100.0%	0.0%	100.0% Based on all other Customer Related Plant
Customer Depreciation	100.0%	0.0%	100.0% Based on all other Customer Related Depreciation
All Customer Expenses	80.5%	19.5%	100.0% Based on all allocable expenses

Pennichuck East Utility, Inc.
Calculation of Customer Service Charges

BILLING CHARGE

Billing Cost	\$376,015	
----- =	----- =	\$3.780 per billing
No. of Billings (including Priv. Fire)	99,480	

METER/SERVICE CHARGE

Meter/Service Cost	\$1,549,104	
----- =	----- =	\$179.438 per equivalent per year
No. of Meter Equivs.	8,633.1	

READY TO SERVE (PORTION OF FIXED COSTS)

1/3 of Water Related Debt Service Requirements	\$ 568,262	
----- =	----- =	\$65.235 per equivalent per year
No. of Capacity Equivs.	8,711.0	

<u>Monthly</u>		<u>Billing Charge</u>	<u>Meter Charge</u>		<u>Readiness-to-Serve</u>		<u>Total Charge</u>		<u>Revenue</u>
5/8"	\$	3.78	\$ 14.95	\$	5.44	\$	24.17	\$	2,212,641
3/4"		3.78	19.20		8.15		31.13		24,658
1"		3.78	37.64		13.59		55.01		92,418
1 1/2"		3.78	74.39		27.18		105.35		56,888
2"		3.78	83.20		43.49		130.47		67,323
3"		3.78	388.15		86.98		478.91		22,988
4"		3.78	903.10		135.91		1,042.79		-
6"		3.78	1,263.67		271.81		1,539.26		-
8" and up		3.78	2,616.80		434.90		3,055.48		-
								\$	2,476,915

Pennichuck East Utility, Inc.
Calculation of Metered Rates

Total Cost of Service	\$	10,536,504
Less Revenues from Fire Charges		(1,396,571)
Less Revenues from Customer Service Charges		(2,493,380)
Equals Required Volumetric Revenue	\$	6,646,552
Metered Sales (Ccf/year)		705,312
Cost Based Metered Rate (per Ccf)	\$	9.42

Pennichuck East Utility, Inc.
Summary of Cost of Service

<u>Customer Service Charge (\$/month)</u>		<u>Current</u>	<u>Cost Of Service</u>	<u>% Change</u>	<u>\$ Change</u>
<u>Meter Size</u>					
5/8"	\$	20.70	\$ 24.17	17%	\$ 3.47
3/4"		44.03	31.13	-29%	(12.90)
1"		62.32	55.01	-12%	(7.31)
1 1/2"		135.68	105.35	-22%	(30.33)
2"		201.30	130.47	-35%	(70.83)
3"		427.09	478.91	12%	51.82
4"		670.55	1,042.79	56%	372.24
6"		1,341.07	1,539.26	15%	198.19
8" and up		1,674.93	3,055.48	82%	1,380.55
 <u>Metered Rate (\$/100 cubic feet)</u>					
	\$	7.51	\$ 9.42	25%	\$ 1.91

Pennichuck East Utility, Inc.
Summary of Cost of Service

		<u>Current</u>	<u>Cost Of Service</u>	<u>% Change</u>	<u>\$ Change</u>
<u>Public Fire Protection (per month)</u>					
\$/hydrant/month (HM)	\$	16.07	\$ 34.39	114%	\$ 18.32
\$/inch-foot/month (IF)	\$	0.01231	\$ 0.01279	4%	\$ 0.00049
<u>Private Fire Protection</u>					
		<u>Current</u>	<u>Cost of Service</u>	<u>% Change</u>	<u>\$ Change</u>
<u>Service Size</u>					
1 1/2"	\$	9.71	\$ 7.15	-26%	\$ (2.56)
2"		17.25	10.96	-36%	(6.29)
3"		38.82	24.63	-37%	(14.19)
4"		69.02	48.21	-30%	(20.81)
6"		155.33	132.83	-14%	(22.50)
8"		276.10	278.79	1%	2.69
10"		455.26	498.34	9%	43.08
12"		733.22	802.62	9%	69.40
Hydrants		121.37	132.83	9%	11.46

Pennichuck East Utility, Inc.
Revenue Proof

Customer Service Charge:

		Number of	Cost of Service Rates	
		<u>Bills</u>	<u>Rate</u>	<u>Revenue</u>
Monthly	5/8"	91,548	\$ 24.17	\$ 2,212,641
	3/4"	792	31.13	24,658
	1"	1,680	55.01	92,418
	1 1/2"	540	105.35	56,888
	2"	516	130.47	67,323
	3"	48	478.91	22,988
	4"	-	1,042.79	-
	6"	-	1,539.26	-
	8" and up	-	3,055.48	-
Total Customer Service Charges				\$ 2,476,915

Consumption Charges

	<u>Use (ccf)</u>			
Metered Rate	705,312	\$	9.42	\$ 6,646,552
Total Consumption Charges				\$ 6,646,552

Pennichuck East Utility, Inc.Revenue ProofFire Protection - Monthly ChargesCost of Service Rates

		<u>Rate</u>	<u>Revenue</u>
	Hydrants	Hyd.Maint. Chg	HydMaint Rev
<u>Hydrant Maintenance</u>	545	\$ 34.39	\$ 224,934
	Inch-Feet	In-Ft Cng	In-Ft Rev
<u>Inch-Foot</u>	5,497,968	\$ 0.01279	\$ 843,977
<u>Total Public Fire Revenue</u>			\$ 1,068,911
<u>Private Fire</u>			
1 1/2"	111	\$ 7.15	\$ 9,520
2"	83	10.96	10,913
3"	0	24.63	-
4"	22	48.21	12,726
6"	48	132.83	76,509
8"	30	278.79	100,363
10"	0	498.34	-
12"	3	802.62	28,894
Hydrants	66	132.83	105,200
Total Private Fire			\$ 344,126
Total Private & Public Fire			\$ 1,413,036
Grand Total Revenue			\$ 10,536,504

Pennichuck East Utility, Inc.
Customer Impacts Schedule

<u>Cons. (Ccf/Month)</u>	<u>Meter Size</u>	<u>Existing</u>			<u>Cost of Service</u>			<u>Change</u>	
		<u>Volumetric Charge</u>	<u>Monthly Cust. Charge</u>	<u>Monthly Total Bill</u>	<u>Volumetric Charge</u>	<u>Monthly Cust. Charge</u>	<u>Monthly Total Bill</u>	<u>\$</u>	<u>%</u>
3	5/8"	\$ 22.53	\$ 20.70	\$ 43.23	\$ 28.27	\$ 24.17	\$ 52.44	\$ 9.21	21.3%
5	5/8"	37.55	20.70	58.25	47.12	24.17	71.29	13.04	22.4%
10	5/8"	75.10	20.70	95.80	94.24	24.17	118.40	22.60	23.6%
25	1"	187.75	62.32	250.07	235.59	55.01	290.60	40.53	16.2%
50	1"	375.50	62.32	437.82	471.18	55.01	526.19	88.37	20.2%
50	1 1/2"	375.50	135.68	511.18	471.18	105.35	576.53	65.35	12.8%
75	2"	563.25	201.30	764.55	706.77	130.47	837.24	72.69	9.5%
150	2"	1,126.50	201.30	1,327.80	1,413.53	130.47	1,544.00	216.20	16.3%
250	2"	1,877.50	201.30	2,078.80	2,355.89	130.47	2,486.36	407.56	19.6%
500	2"	3,755.00	201.30	3,956.30	4,711.78	130.47	4,842.25	885.95	22.4%

Class of Service			Inch-Ft	# of Hydrants	Calculated Annual Charge	
FP - Hydrants ¹						
Londonderry FP Hydrants	-	1,951,858	201	\$	382,581	
Pelham FP Hydrants	-	461,000	36	\$	85,625	
Litchfield FP Hydrants	-	2,665,012	248	\$	511,453	
Raymond FP Hydrants ³	-	85,586	12	\$	9,045	
Total FP Hydrants -				\$	988,705	
Bow Public Hydrant	-	10,798	2	\$	2,483	
Windham Public Hydrant		207,178	27	\$	42,947	
Birch Hill Public Hydrant	-	66,400	6	\$	12,669	
Exeter Public Hydrant	-	30,120	6	\$	7,100	
Lee Public Hydrant	-	20,016	7	\$	5,962	
Raymond Public Hydrant ³	-	85,586	12	\$	9,045	
Total Public Hydrants -				\$	80,206	
Total Public Fire Protection -				\$	1,068,911	

Notes:

1. FP Hydrant charges are billed to the Municipality
2. Public Hydrant Charges are billed to the Customers of the Water systems in those communities with Fire Hydrants in they water system
3. The Town of Raymond pays for 50% of the FP Hydrants charge in Raymond. The remaining 50% of the Public FP-Hydrants charge is paid for via the Raymond Public Hydrant charge.

TAB 12

Petition for Further Modification of Ratemaking Structure

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

Docket No. DW 20-156

PENNICHUCK EAST UTILITY, INC.

Permanent Rate Proceeding

PETITION FOR FURTHER MODIFICATION TO RATEMAKING STRUCTURE

Pennichuck East Utility, Inc. (PEU), in accordance with N.H. Admin. Rule Puc 203.06 (relative to petitions) and N.H. Rev. Stat. Ann. 378:28 (relative to permanent rates), and N.H. Rev. Stat. Ann. 365:28 (relative to modification of orders) hereby requests that the New Hampshire Public Utilities Commission (Commission) grant further modifications to PEU's ratemaking methodology, as described below. In support of its petition, PEU states:

Background

1. PEU is a regulated utility pursuant to RSA 362:4 and provides water service to approximately 8,251 customers in the towns of Atkinson, Barnstead, Bow, Chester, Conway, Derry, Exeter, Hooksett, Lee, Litchfield, Londonderry, Middleton, Pelham, Plaistow, Raymond, Sandown, Tilton, Weare, and Windham. PEU is a subsidiary of Pennichuck Corporation, which is wholly owned by the City of Nashua (City).
2. On September 23, 2020 PEU filed its notice of intent to file rate schedules, pursuant to N.H. Code Admin. R. PART Puc 1604.05. Pursuant to Puc 1604.05, utilities must give the Commission 30-days notice of its rate changes and must file any full rate case within sixty days of filing the notice of intent. The thirty-day filing window commenced Friday, October 23, 2020. Sixty days from the filing of the notice of intent is Sunday, November 22, 2020, however, pursuant to N.H. Code Admin. R. 202.03 (computation of time), that deadline is Monday, November 23, 2020.

3. Contemporaneous with this petition, and pursuant to PART Puc 1604, PEU is filing its supportive testimony, filing requirement schedules, rate of return schedules, full rate case schedules, tariffs, and rate case expenses summary prior to the November 23, 2020 deadline. Pursuant to rate schedules prior to the November 23, 2020 deadline and, pursuant to RSA 378:3, the rate filing sets in motion PEU's increase in its rates. Those rates are based on PEU's calculation of its revenue requirement. Pursuant to RSA 378:1 and RSA 378:3, the rate filing sets in motion PEU's increase in its permanent rates after the thirty day's notice. Those rates are based on PAC's calculation of its revenue requirement.

History of Evolution of Ratemaking Methodology

4. In Order No. 25,292 (November 23, 2011), in Docket No. DW 11-026, the Commission approved the acquisition of PEU's parent company, Pennichuck Corporation, by the City. That acquisition was completed on January 25, 2012, whereby Pennichuck Corporation ceased to be a publicly traded company. The City became Pennichuck Corporation's sole shareholder with a "limitation on Nashua's ability to draw dividends or other distributions from Pennichuck Corporation" (Order No. 25,292 at page 45). That limitation means there is no ability to sell stock and Pennichuck Corporation and its affiliates no longer have access to the equity markets for financing; they only have access to debt.

5. As part of the acquisition, the Commission approved a modified ratemaking structure for Pittsfield Aqueduct Company, Inc. (PAC), PEU, and Pennichuck Water Works, Inc. (PWW). That modification enabled those regulated utilities to earn a reasonable return on invested assets through a ratemaking methodology that still produced just and reasonable customer rates, as required under *FPC v. Hope Natural Gas*, 320 U.S. 591, 602-603 (1944). The ratemaking structure included a City Bond Fixed Revenue Requirement (CBFRR) for an equity-related item

called the Municipal Acquisition Regulatory Asset (MARA). The latter was an equity-related item approved in the revenue requirement and represented the excess of the City's purchase price over the book value of the assets of Pennichuck Corporation. The purchase price was equal to the price the City paid for the shares including all transaction and debt financing cost plus all of the existing liabilities assumed. This aggregate MARA is allocated among the Pennichuck Corporation subsidiaries, including the regulated utilities PAC, PEU, and PWW. In addition, the ratemaking structure included a \$5,000,000.00 Rate Stabilization Fund (RSF) designed to provide assurance to creditors that Pennichuck Corporation's regulated utilities would meet the City's bond repayment requirements. *See Joint Petition of Nashua, Pennichuck Corporation, et al*, Order No. 25,292 at 30 (November 23, 2011) ("the fund is intended to provide holders of the City Acquisition Bonds with reasonable assurances of the available cash to be used to pay debt service on the City Acquisition Bonds, similar to a debt service reserve fund, and will hence facilitate Nashua's ability to borrow funds at reasonable interest rates, which will directly benefit customers in the form of a lower cost of capital").

6. The Commission modified the unique ratemaking structure in PAC, PEU, and PWW's 2013 rate cases. See Docket Nos. DW 13-128, DW 13-126, and DW 13-130, respectively. In those proceedings, the Commission established, among other things, the value of equity-related items and determined how the return on equity would be calculated. See Order No. 25,695 for PAC dated July 22, 2014; Order No. 25,696 for PEU dated July 25, 2014; and Order No. 25,693 for PWW dated July 15, 2014. The Commission also approved the settling parties' resolution of what constituted non-revenue producing assets, the amount of eminent domain costs, and final actual total of the MARA. *Id.*

7. In Docket Nos. DW 16-806 for PWW's general rate proceeding and DW 17-128 for PEU's general rate proceeding, and with the aid of additional years of experience with the unique ratemaking structure, the Commission again approved further modifications. In particular, the Commission approved operating expense revenue requirement components: (a) Material Operating Expense Revenue Requirement (MOERR); and (b) Non-material Operating Expense Revenue Requirement (NOERR)¹. The Commission approved debt service revenue requirement components: (a) Debt Service Revenue Requirement-1.0 (DSRR-1.0), and (b) Debt Service Revenue Requirement-0.1 (DSRR-0.1)². Similar to the rate stabilization fund for the CBFRR, the Commission approved rate stabilization funds for the MOERR (MOERR-RSF) and DSRR-1.0 (DSRR-1.0-RSF). It is relevant to note that the creation of these additional RSFs involved reallocating the original \$5,000,000.00 imprest value of the CBFRR RSF among PAC, PEU, and PWW as well as allocating to the newly-created RSFs.³ See Order No. 26,070 for PWW dated November 7, 2017 and Order No. 26,179 for PEU dated October 4, 2018. The Commission also approved a five-year average test year period for PEU and PWW. *Id.* The ratemaking modifications were designed to provide: 1) stability to customer rates, 2) assurance to creditors of PEU and PWW's ability to effectively meet cash obligations, 3) sufficient cash-flow coverage for PEU and PWW's operating needs, and 4) enhancement to PWW's credit rating. All of which

¹ The MOERR consists of all of the operating expenses included in an Operating Expense Revenue Requirement (OERR) with the exception of those expenses specified as Non-Material Operating Expense Revenue Requirement items.

² The DSRR-0.1 is intended to provide a 10% over-cover for annual debt service obligations in order to satisfy debt lending requirements.

³ Initially, \$1.08 million of the original \$5 million RSF was allocated to PEU and PAC (\$980,000 of which was subsequently allocated to PEU in Docket No. DW 17-128) to assist those utilities in meeting their cash needs. The remaining \$3.92 million of the original RSF retained by PWW was then apportioned among three reserve funds to provide additional coverage for the specific cash flow needs in its modified revenue requirement: (1) CBFRR-RSF (PWW's obligation relative to the City's acquisition bond) – \$680,000; (2) MOERR-RSF (PWW's material operating expenses) – \$2,850,000; and (3) DSRR-1.0-RSF (PWW's debt service requirements) – \$390,000. The re-apportionment of PWW's RSF funds was specifically designed to provide stability to customer rates even under adverse conditions, as it could draw on those funds to meet its cash obligations under such conditions.

were anticipated to increase the ability to access the credit markets and obtain lower-cost debt financing.

8. Most recently, in Docket No. DW 19-084, the Commission approved additional changes to the ratemaking structure for PWW which included the addition of a Material Operating Expense Factor (MOEF) to the MOERR. See Order No. 26,383 for PWW dated July 24, 2020. PEU seeks this change to its ratemaking structure in this instant rate proceeding.

Why the Ratemaking Changes are Necessary for PEU

9. The reasons for the modifications to PEU's ratemaking structure are detailed in the testimonies of Mr. Larry Goodhue and Mr. Donald Ware. As the Commission is aware, the Pennichuck Corporation's regulated utilities are nearly exclusively debt-weighted in their capital structure. Although this form of capital is cheaper than equity and, ultimately, benefits ratepayers, the major credit rating agencies have been cautious in their evaluation of PWW, and likewise by the internal credit committees of the lending institutions to PEU, as the regulated utilities navigate the new capital structure and ratemaking methodologies. In discussions with the PWW's investment bankers about these modifications to the ratemaking structure, as well as discussions with the lending representatives of PEU's primary bank lender, the Company concluded that the modifications would increase access to the credit markets or commercial bank lending institutions, and most likely at an enhanced credit ratings for PWW, as well as expand access to lower cost debt for PEU, which in turn benefits customers. In general, if lenders have reasonable expectations that future rates will be more directly related to the Company's long-term, post-acquisition debt-based capital requirements and create sustainable cash coverage, then they will continue to lend to the Company to meet its ongoing capital and working capital needs, and lend to the Company and its Parent on more beneficial terms. Because PEU obtains a

significant portion of its financing as inter-company advances and loans for essential operating expenses and usage of PWW labor and equipment, the benefit of the lower credit rating PEU's affiliates obtain also flows through to PEU and its customers. Therefore, the same arguments the companies made for PWW's adoption of the modifications to the ratemaking structure also apply to PEU.

10. The need for the requested ratemaking structure modifications is readily illustrated in PEU's schedules. See Puc 1604.08 schedules at rate filing Tab 14 (Schedule 5 and Schedule 6). PEU currently has approximately \$3 million in outstanding intercompany loans, as well as approximately \$5 million in outstanding intercompany advances. As explained by Messrs. Goodhue and Ware, PEU presently lacks a revenue mechanism to enable it to repay its debt. This lack of cash flow is analogous to PWW's situation explained in Docket No. DW 19-084 where PWW experienced a significant draw-down of its operating expense rate stabilization fund. Similarly, PEU drew the \$898,000 imprest value of its MOERR RSF down to values that approached zero. Clearly, a mechanism is needed to address this vulnerability in PEU's revenue requirement methodology**

11. To address the cash coverage concerns and the intercompany loan issue, as well as to bring uniformity as to how the revenue requirements are calculated for all Pennichuck Corporation regulated utilities (as was originally envisioned in the acquisition docket, DW 11-026, and in the 2013 rate cases), PEU requests that the Commission modify PEU's present ratemaking structure (which was approved in DW 17-128) to include:

(1) a MOEF to provide for ongoing cashflow support for PEU's MOERR and associated RSF;

(2) for atypical years in the 5-year average of water consumption, that the Company be allowed to substitute the data from the next most recent preceding typical operating year's data. Also, that an "atypical" year be defined as one in

which that year's water consumption either exceeds or falls short of the calculated trailing 5-year average of water consumption by more than 15%. Further, for purposes of determining whether an "atypical" year exists, that calculation shall be based on the trailing 5-year average of the test year as well as the four immediately preceeding years. Therefore, the underlying trailing 5-year average data used in that determination shall be inclusive of the data pertaining to the potential "atypical" year;

- (3) actual NH Business Enterprise Tax cash payments in the revenue requirement;
- (4) prioritization of usage of available DSRR-0.1 funds;
- (5) recovery of State Revolving Loan Fund and Drinking Water Groundwater Trust Fund debt issuance costs; and
- (6) re-establishment of imprest levels of RSF accounts retention of a previously approved reconciliation mechanism.

Conclusion

12. In light of PEU's revenue deficiency, its need for adequate and sustainable cash flow, PEU respectfully requests the Commission allow it to modify its ratemaking structure with the above-described targeted changes and charge rates based on that ratemaking structure.

WHEREFORE, Pennichuck East Utility, Inc. respectfully requests the Commission:

- A. Grant this petition for further modification of PEU's ratemaking structure; and
- B. Grant such other relief as is just and equitable.

Respectfully submitted,

PENNICHUCK EAST UTILITY, INC.

By its Attorneys,

N.H. Brown Law, PLLC

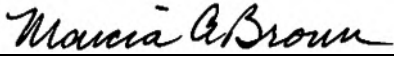
Date: November 23, 2020

By: *Marcia A. Brown*
 Marcia A. Brown, Esq.
 NH Brown Law, PLLC
 20 Noble Street
 Somersworth, NH 03878
 (603) 219-4911
 mab@nhbrownlaw.com

Certificate of Service

I hereby certify that on this day, a copy of this petition has been emailed to the Docket-Related Service List for this proceeding.

Date: November 23, 2020



Marcia A. Brown, Esq.

TAB 13

1604.06 and 1604.07 Filing Requirement Schedules

Pennichuck East Utilities, Inc.
Schedule A
Computation of Revenue Deficiency
For The Twelve Months Ended December 31, 2019

Schedule A

	12 Months Ending 12/31/19 No MOEF	PRO FORMA Adjustments to 2019 Test Year	PRO FORMA 12 Months Ending 12/31/19 No MOEF	Perm Rate PRO FORMA Adjustments based on FIVE YEAR AVE	Perm Rate Based on Five Year Ave with MOEF
City Bond Fixed Revenue Requirement (CBFRR)	\$ 926,309 (1)	\$ -	\$ 926,309	\$ -	\$ 926,309
Material Operating Expense Revenue Requirement (MOERR)	\$ 7,537,584 (2)	\$ (277,100)	\$ 7,260,483	\$ 46,160	\$ 7,306,643
Operating Expense Contingency	1.0		1.0		1.060
Material Operating Expense Revenue Requirement (MOERR)	\$ 7,537,584		\$ 7,260,483		\$ 7,745,042
Non Material Operating Expense Revenue Requirement (NOERR)	\$ 27,863	\$ (20,701)	\$ 7,163	\$ -	\$ 7,163
Debt Service Revenue Requirement (DSRR 1.0)	\$ 1,455,530 (3)	\$ 260,996	\$ 1,716,526	\$ -	\$ 1,716,526
Principal and Interest Coverage Requirement	1.10	1.10	1.10	1.10	1.10
Total Debt Service Revenue Requirement including the .01 DSRR	<u>\$ 1,601,083</u>	<u>\$ 287,095</u>	<u>\$ 1,888,178</u>	<u>\$ -</u>	<u>\$ 1,888,178</u>
Revenue Requirement exclusive of NCCRS	\$ 10,092,839	\$ 9,995	\$ 10,074,970	\$ 46,160	\$ 10,566,692
Less Other Operating Revenues	<u>\$ 30,188</u>	<u>\$ -</u>	<u>\$ 30,188</u>	<u>\$ -</u>	<u>\$ 30,188</u>
Revenues required from Customer Classes exclusive of NCCRS	\$ 10,062,651	\$ 9,995	\$ 10,044,782	\$ 46,160	\$ 10,536,504
NCCRS Revenue Requirement per DW17-128	<u>\$ 178,915</u>	<u>\$ -</u>	<u>\$ 178,915</u>	<u>\$ -</u>	<u>\$ 178,915</u>
Revenues required from Customer Classes inclusive of NCCRS	\$ 10,241,566	\$ 9,995	\$ 10,223,697	\$ 46,160	\$ 10,715,419
Total Current Revenues inclusive of Other Revenues, QCPAC and NCCRS	\$ 8,819,088	\$ 146,431	\$ 8,965,519	\$ 178,946	\$ 9,144,465
Current Water Revenues inclusive of Other Revenues excluding CBFRR, NCCRS and QCPAC	\$ 7,555,502	\$ -	\$ 7,555,502	\$ 173,768	\$ 7,729,270
Add: City Bond Fixed Revenue Requirement	<u>\$ 975,102 (4)</u>	<u>\$ -</u>	<u>\$ 975,102</u>	<u>\$ -</u>	<u>\$ 975,102</u>
Current Water Revenues with CBFRR less NCCRS and QCPAC	\$ 8,530,604	\$ -	\$ 8,530,604	\$ 173,768	\$ 8,704,372
Proposed Percent Revenue Increase	17.96%		17.75%		21.05%

Principal and Interest Coverage Requirement - 1.10

Notes:

- (1) The CBFRR includes the revenues necessary to repay the City Bond per Sch1 Attach A page 2
(2) Material Operating Expense Revenue requirement is the sum of the Total Operating Expenses, Property Tax Expense, and Amortization Expense from Sch 1 less the non material operating expenses from Sch 1, Attach I
(3) Annual Principal and Interest payments for debt associated with all plant in service as of 12/31/2019 per 1604.08, Schedule 5 less P&I associated with NCCRS debt
(4) TY 2019 City Bond Fixed Revenues per Sch 1, Attach A, Pg 3

Pennichuck East Utility, Inc.
Overall Rate of Return
For the Twelve Months Ended December 31, 2019

Rate of Return - Sch 1A

			Post Acquisition		Post Acquisition
			Component		Average
<u>Capital Component</u>	<u>Post Acquisition</u>	<u>Post Acquisition</u>	<u>Component</u>	<u>Cost</u>	<u>Cost</u>
	<u>Amount</u>	<u>Ratio</u>	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>
Long-term Debt	\$ 22,717,109	72.19%	3.68%	(2)	2.66%
Intercompany Debt	\$ 8,169,417	25.96%	2.90%		0.75%
Preferred Stock	\$ -	0.00%	0.00%		0.00%
Common Equity	\$ 583,814	1.86%	4.85%	(1)	0.09%
Overall Rate of Return	\$ 31,470,340	100.00%			3.50%

Notes:

(1) The return on equity based on Order 25,292 in DW 11-026 is as follows:

Average 2019 30 year Treasury bonds	1.85%
Plus 3.0%	3.00%
Total	4.85%

(2) Per Order 25,230 in DW 10-091, the interest rate as reflected on Schedules 5 is calculated on debt net of debt issuance costs

PENNICHUCK EAST UTILITY, INC.
OPERATING INCOME STATEMENT
For the Twelve Months Ended December 31, 2019

Schedule 1

	Account Number	TWELVE MONTHS 12/31/19	PRO FORMA Adjustments to Test Year	PRO FORMA 12 MONTHS 12/31/19	PRO FORMA Adjustments based on Five Year Ave	PRO FORMA 12 Months Based on Five Year Ave 12/31/2019	TWELVE MONTHS 12/31/18	TWELVE MONTHS 12/31/17
Water Sales, less QCPAC Revenues	460 to 462	\$ 8,682,019	\$ -	\$ 8,682,019	\$ 173,768 (9)	\$ 8,855,787	\$ 8,688,466	\$ 7,162,516
QCPAC Revenues		\$ 106,881	\$ 146,431	\$ 253,312	\$ 5,178 (9)	\$ 258,491	\$ -	\$ -
Total Water Sales		\$ 8,788,900		\$ 8,935,331		\$ 9,114,278	\$ 8,688,466	\$ 7,162,516
Other Operating Revenue	471	30,188	-	30,188		\$ 30,188	35,989	34,791
Total Revenues		8,819,088	146,431	8,965,519	178,946 -	9,144,466	8,724,455	7,197,307
CBFRR Revenues (11)		975,102	-	975,102	-	975,102		
NCCRS Revenues (12)		181,603	-	181,603	-	181,603		
QCPAC Revenues		106,881	146,431	253,312	-	253,312		
Total Revenues less CBFRR, QCPAC and NCCRS Revenues		7,555,502		7,555,503		7,734,449		
Operating Expenses								
Production Expenses	601 to 652	2,257,199	44,567 (1)	2,301,766	46,160 (8)	2,347,926	2,290,425	1,966,063
Transmission & Distribution Expenses	660 to 678	1,006,231	(277,276) (2)	728,954	-	728,954	737,584	696,492
Customer Acct & Collection Exp	902 to 904	204,718	(5,733) (3)	198,984		198,984	200,152	192,789
Administrative & General Expense	920 to 950	181,461	(8,241) (4)	173,220		173,220	184,537	167,569
Inter Div Management Fee	930	2,397,261	(42,053) (5)	2,355,208		2,355,208	2,356,956	2,098,399
Amortization Expense	407	340,758	(72,030) (6)(10)	268,729		268,729	86,683	58,618
Property Taxes	408.1	1,174,044	62,965 (7)	1,237,010		1,237,010	1,021,406	891,416
Income Tax	409 to 410	3,775	-	3,775	-	3,775	18,779	-
Total Operating Expense		7,565,447	(297,801)	7,267,646	46,160	7,313,806	6,896,522	6,071,347

Notes:

- (1) adjust production expenses for chemicals, electricity and purchased water per Schedule 1, Attachment B
- (2) adjust distribution expenses for personnel and salary increases per Schedule 1, Attachment C
- (3) adjust for customer account and collection costs per Schedule 1, Attachment D
- (4) adjust for Admin & General expenses per Schedule 1, Attachment E and NOERR expenses per Schedule 1 Attachment I
- (5) adjust Management Fees per Schedule 1 Attachment F
- (6) adjust amortization for additions/deletions and eliminations to deferred charges per Schedule 1, Attachment H
- (7) adjust property taxes for year over year valuation adjustment per Schedule 1, Attachment G
- (8) Normalize test year production expenses to reflect 5 Year Ave production volumes per Schedule 1 Attachment B
- (9) Normalize test year revenues to reflect 5 Year Ave volumetric sales per Schedule 1C
- (10) Adjust amortization for refill of RSF funds to imprest value per Schedule 1, Attachment A, Page 3
- (11) TY 2019 City Bond Fixed Revenues per Sch 1, Attach A, Pg 4
- (12) TY 2019 North country Capital Recovery Surcharge per Sch 1C

Pennichuck East Utility, Inc
Pro Forma Adjustment Income or Expense
Total Revenues
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment A

I Water Sales

- A.** Per Order 25,292 in DW 11-026, the following pro forma adjustment eliminates the annualized water sales associated with the City Bond Fixed Revenue Requirement (CBFRR). Includes PEU payment for its share of the \$5,000,000 Rate Stabilization Fund per Schedule 1 Attach A2

Therefore:

\$ (926,309)

- B** Per Order 25,051 in DW 09-051, the following pro forma adjustment eliminates the water sales associated with the North Country Capital Recovery Surcharge (CRS).

Therefore:

\$ (181,603)

TOTAL WATER SALES PRO FORMA:

\$ (1,107,912)

Pennichuck East Utility Inc
PRO FORMA Adjustments to Revenue Requirement
Calculation of PEU's share of City Bond Fixed Revenue Requirement

Schedule 1
Attachment A2

Pro Forma
Adjustments

Revenue

- 1 To recognize adjustment of fixed annual revenue requirement to meet City Bond obligation.

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		<u>\$5,000,000</u>
Amount of City Bond to be prorated between Utilities CBFRR	\$	145,570,000
PEU Share of CBFRR (1)		<u>10.21%</u>
PEU Prorata share		<u>\$14,864,176</u>
Add back PEU Pro Rata Share of Rate Stabilization Reserve (2)	\$	<u>980,000</u>
Total PEU Pro Rata Share for CBFRR/MARA	\$	<u>15,844,176</u>
Bond Interest Rate		4.09%
Bond Period		30 yrs.
PEU CBFRR Revenue Requirement	\$	<u>926,309</u>

Notes:

(1) Pro Rata Calculation as follows:

PWW & Southwood Equity (12/31/2011) (3)	\$	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%
	\$	<u>64,049,091</u>	<u>100.00%</u>

(2) 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	

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

PWW	\$	54,395,626
Southwood	\$	<u>2,047,049</u>
Total	\$	<u>56,442,675</u>

Pennichuck East Utility
PRO FORMA Adjustments To Rate Stabilization Fund Accounts
RSF Balance Calculations
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment A3

I DEFERRED DEBIT/CREDIT to/from RSF ACCOUNTS

A.		12/31/2018					12/31/2019 RSF		2020 Projected	2020 Projected	Projected		Recommended
		RSF Balances	2019 Revenues	(1)	2019 Expenses		Balances	Revenues (9)	Expenses (9)	12/31/2020 RSF Balances	Balances per DW17-128		
	City Bond Fixed Revenue Requirement	\$ 28,348	\$ 975,102	(1)	\$ 926,309	\$ 77,141	\$ 1,056,237	\$ 926,309	\$ 207,069	\$ 31,000			
	Material Operating Expense Revenue Requirement	\$ 771,069	\$ 6,005,119	(2)	\$ 7,509,720	(6) (7)	\$ (733,532)	\$ 6,620,323	\$ 7,448,791	\$ (1,562,000)	\$ 898,000		
	1.0 Debt Service Revenue Requirement	\$ 47,100	\$ 1,547,188	(4)	\$ 1,455,530	(8)	\$ 138,758	\$ 1,825,101	\$ 1,716,526	\$ 247,334	\$ 51,000		
	Totals	\$ 846,517	\$ 8,527,409		\$ 9,891,559		\$ (517,633)			\$ (1,107,598)	\$ 980,000		

	2019	2020	
Combined RSF Shortfall -	\$ 1,497,633	\$ 2,087,598	Projected combined RSF shortfall based on current rate making and target RSF balances based on DW19-084 MOES concept RSF Shortfall to be recovered over a period of 10 years
Amortize Deferred Debit -	\$ 149,763	\$ 208,760	

2019/2020 REVENUES BY REVENUE REQUIREMENT		2019 Revenues (Actual)	2020 Revenues (Projected)
City Bond Fixed Revenue Requirement -	\$	975,102	\$ 1,056,237
Material Operating Expenses Revenue Requirement -	\$	6,005,119	\$ 6,620,323
Non Material Operating Expense Requirement (3) -	\$	8,742	\$ 9,470
1.0 Debt Service Revenue Requirement -	\$	1,547,188	\$ 1,825,101
0.1 Debt Service Revenue Requirement (5) -	\$	154,719	\$ 182,510
Total Revenues -	\$	8,690,870	\$ 9,693,641

Notes:

- | | | | |
|---|--------------|---|---------|
| (1) CBFRR Revenues as a percentage of water sales (exclusive of QCPAC) per DW17-128 | 11.19% | CBFRR Revenues as a percentage of QCPAC | 0.0% |
| (2) MOERR Revenues as a percentage of water sales (exclusive of QCPAC) per DW17-128 | 70.60% | MOERR Revenues as a percentage of QCPAC | -16.59% |
| (3) NOERR Revenues as a percentage of water sales (exclusive of QCPAC) per DW17-128 | 0.10% | NOERR Revenues as a percentage of QCPAC | 0.0% |
| (4) 1.0 DSRR Revenues as a percentage of water sales (exclusive of QCPAC) per DW17-128 | 16.46% | 1.0 DSRR Revenues as a percentage of QCPAC | 105.99% |
| (5) 0.1 DSRR Revenues as a percentage of water sales (exclusive of QCPAC) per DW17-128 | 1.65% | 0.1 DSRR Revenues as a percentage of QCPAC | 10.60% |
| (6) Total Operating Expenses less Non material operating expenses of | \$ 27,863 | per Schedule 1 Attach I. Non material operating expenses as defined in DW16-806 | |
| (7) Income Taxes proformed out of Material Operating Expenses. | | | |
| (8) 2019 Principal and Interest Payments per 1604.08 Schedule 5 | | | |
| (9) 2020 Revenues and Expenses are based on Actuals through October 31, 2020 and 2020 Budget for the remainder of the year. These are unaudited revenues/expenses and are used for illustrative purposes. | | | |
| Final 2020 year end RSF Balances will be determined during the pendency of this rate case and used in the calculation of the final revenue requirement. | | | |
| 2020 Projected QCPAC Revenues | \$ 256,520 | based on 2020 actual revenues through Oct 2020 plus budgetted revenues for the remainder of the year | |
| 2020 Projected Non QCPAC Revenues | \$ 9,437,124 | based on 2020 actual revenues through Oct 2020 plus budgetted revenues for the remainder of the year exclusive of NCCRS of \$ 178,915 | |

Pennichuck East Utility, Inc
Pro Forma Adjustment Income or Expense
Production Expenses
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment B

I Union Contract

A. In 2018, the Company signed a three year contract with the United Steelworkers Union which called for a 3.45% increase 1/1/2020. To calculate the pro forma adjustments for Production union payroll, the payroll data was extracted from the work order detail report for the year 2019. (See Schedule 1B)

	Wage increase granted on 01/1/20	9,204
Benefits	66.20%	<u>6,093</u>
	\$	15,297

Therefore:

\$ 15,297

II Operating and Maintenance Expenses:

A. Effective during 2020, the rates for water purchased from the Manchester Water Works, Derry Water Works, Hooksett Village Water Precinct, Pennichuck Water Works and the Hudson Water Department increased both volumetric and meter rates in 2020. The calculation of the pro forma adjustment is as follows:

Location	2019 Amount	% Increase in 2020	Increase	Pro Forma
Derry Water Works	\$ 125,030	3.00%	\$ 3,751	\$ 128,781
North Conway Water Precinct	\$ 39,158	0.00%	\$ -	\$ 39,158
Hooksett Village Water District	\$ 69,288	0.00%	\$ -	\$ 69,288
Hudson Water Department	\$ 78,903	12.30%	\$ 9,705	\$ 88,608
Raymond Water Department	\$ 47,577	0.00%	\$ -	\$ 47,577
Pennichuck Water Works ¹	\$ 248,819	10.25%	\$ 13,080	\$ 261,899
Manchester Water Works	\$ 393,385	3.00%	\$ 11,802	\$ 405,186
Total	\$ 1,002,160			\$ 1,040,497

Therefore:

\$ 38,337

B. Adjustment to Purchased Water Expense associated with 5 Year Average Flows

In 2019, PEU purchased \$1,002,160, exclusive of trucked water. This proforma increases the 2019 proforma purchased water to the 5 year average by applying the increase in purchased water between the 2019 TY and the Five year average for purchased water of 4.10% found in Sch 1C.

2019 Purchased Water Expense, less trucked water -	\$ 1,002,160
Proforma increase to purchased water (See II.A. Above) -	\$ 38,337
2019 Proforma Purchased Water Expense -	\$ 1,040,497
Increase in Purchased Water Expense based on 5 Year Average -	\$ 42,663

Therefore:

\$ 42,663

C. During 2019, the Company negotiated a new electricity supply charge rate (per kilowatt hour) effective November 1, 2019 for G and GV Accounts. The calculation of the pro forma adjustment is as follows:

		Pro Forma			
2019 TY	KWH	2019 Purchased Power Total \$	2019 Supply Rate	2020 Supply Rate	Decrease
2019 Totals -	2,001,401	\$ 337,595	\$ 0.07403	\$ 0.06950	\$ (9,066)

Therefore:

\$ (9,066)

D. Adjustment to Electric supply charge associated with 5 Year Average Flows

	2019	% Change	Change in KWH	2020 KWH Rate	Change in Electric Supply Costs
Total KWH	2,001,401	2.87%	57,377	0.06095 \$	3,497

\$ 3,497

TOTAL PRODUCTION EXPENSES PRO FORMA:

\$ 44,567

\$ 46,160

1. PWW purchased water expense to PEU has a fixed charge of \$ 121,213 that is not impacted by the PWW rate increase granted in DW19-084

Pennichuck East Utility, Inc.
Pro Forma Adjustment Income or Expense
Transmission and Distribution Expenses
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment C

I Union Contract

- A.** In 2019, the Company signed a two year contract with the United Steelworkers Union which called for a 3.45% increase 1/1/2020.
 To calculate the pro forma adjustments for Distribution union payroll, the payroll data was extracted from the work order detail report for the year 2019. (See Schedule 1B)

	Wage increase granted on 01/1/20	17,093	
Benefits	66.20%	11,315	
		<u>\$ 28,408</u>	
Therefore:			\$ 28,408

II Operation and Maintenance Schedules

- B.** In 2019, the Company invested significant resources into leak detection and repair efforts beyond those typically completed during a typical year. While the Company projects levels of leak detection and repair efforts above those in prior years, it is performing a reduction in those efforts to about 10% over the average of the 4 years preceeding 2019.

Therefore: **\$ (183,926)**

- C.** Reduction in benefits associated with reduction in labor in II.B. above **\$ (121,759)**

TOTAL TRANSMISSION AND DISTRIBUTION EXPENSES PRO FORMA: **\$ (277,276)**

Pennichuck East Utility, Inc.
Pro Forma Adjustment Income or Expense
Customer Account and Collection Expense
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment D

I Customer Account and Collection

A. In October of 2020, the cost of bill and notice processing decreased/increased in accordance with the Company's vendor change from Curtis1000 to DMM. These cost increases were partially offset by a decrease in postage. The following pro forma adjustment annualizes the impact on costs as follows:

Activity	Quantity ¹	Rate				Pro Forma
		2020 Rate	2019 Rate	Change		
Bill (Paper, Print and Insert)	89,842	\$ 0.1250	\$ 0.1400	\$ (0.02)	\$ (1,348)	
Notice (Paper, Print and Insert)	6,895	\$ 0.3400	\$ 0.1400	\$ 0.20	\$ 1,379	
Bill Envelopes	100,000	\$ 0.0270	\$ 0.0375	\$ (0.01)	\$ (1,046)	
Bill Return Envelope	100,000	\$ 0.0235	\$ 0.0339	\$ (0.01)	\$ (1,035)	
					<u>\$ (2,050)</u>	
Bill Postage	89,842	\$ 0.4090	\$ 0.4500	\$ (0.04)	\$ (3,684)	
Notice Postage	6,895	\$ 0.4500	\$ 0.4500	\$ -	\$ -	
					<u>\$ (3,684)</u>	
Therefore:		Total Decrease in expenses -				\$ (5,733)
		Total Customer Account and Collection Pro Forma -				\$ (5,733)

1. Number of bills processed in 2019

Pennichuck East Utility Inc
Pro Forma Adjustment Income or Expense
Administrative and General Expense
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment E

I Insurance

A. In 2020, the Company's insurance expense is increased.

The pro forma adjustment to reflect the increased costs is as follows:

2019 Insurance Expense	\$ 105,018
2020 Insurance Expense	<u>\$ 113,498</u>
	<u>\$ 8,480</u>

Therefore: **\$ 8,480**

II Regulatory Commission Expense

A In 2019, the Company recorded regulatory commission expense based on quarterly assessments. Based on the latest assessment, the Company expects to incur higher levels in 2020 as follows:

2019 Regulatory Expense	\$ 30,129
2020 NHPUC Annual Assessment	<u>\$ 34,108</u>
Therefore:	<u>\$ 3,979</u>

\$ 3,979

TOTAL ADMINISTRATIVE & GENERAL EXPENSE PRO FORMA:

\$ 12,459

Pennichuck East Utility Inc
Pro Forma Adjustment Income or Expense
Management Fee Expense
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment F

I Management Fee Allocated to Affiliates (Rule 1601.01, Section 26)

A In the test year, PWV adjusted compensation for non-union salary and wages that occurred on April 1, 2020 per Sch Non Union 1B.

A portion of the increases will flow through the management fee (1604.01 Section 26) and be allocated to PEU including benefits, as follows:

Non Union Payroll Pro Forma	\$ (88,648)
Benefits Pro Forma	\$ (45,432)
Total Pro Forma	<u>\$ (134,080)</u>
% Allocated to PEU	19.05% <u>\$ (25,542)</u>

Therefore:

\$ (25,542)

B. Under the current lease at Manchester Street, lease payments remained constant. The CAM charges increased in 2019. The following pro forma adjustment annualizes the current lease payments:

2020 Estimated Expense	\$ 335,532
2019 Lease Expense	\$ 338,567
Increase in Lease Expense	<u>\$ (3,035)</u>
% Allocated to PEU	19.05% <u>\$ (578)</u>

Therefore:

\$ (578)

C. In 2020, the Company is expecting an increase in pension expenses and health retirement plans based on actuarial valuation. The pro forma adjustment to reflect the increased costs is as follows:

	Health Retirement
2020 Estimated Expense	<u>\$ 353,640</u>
2019 Actual Expense	<u>\$ 331,493</u>
Increased Expense	<u>\$ 22,147</u>
% Allocated to PEU	19.05% <u>\$ 4,219</u>

Therefore:

\$ 4,219

D. In 2020, Pennichuck Water Works Revenues increased as a result of Order #xx,xxx in DW19-084 which results in a shifting of Tier 1 expenses between the regulated Utilities resulting in a pro forma decrease in the Company's share of PWV's Mgt Fee

Therefore:

\$ (20,152)

TOTAL MANAGEMENT FEE EXPENSE PRO FORMA:

\$ (42,053)

Pennichuck East Utility Inc
Pro Forma Adjustment Income or Expense
Property and Other Taxes Expense
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment G

I PROPERTY TAXES

- A. To reflect a pro forma property tax adjustment for the net change in property taxes for all of the communities and the State of New Hampshire. Schedule 1A reflects the tax rate, taxes paid in the test year, the pro forma adjustments for increases in property taxes based on the tax year for each community, and the consolidated property tax adjustment.

Therefore:

\$ 62,965

TOTAL PROPERTY AND OTHER TAXES EXPENSE PRO FORMA:

\$ 62,965

Pennichuck East Utility Inc
Pro Forma Adjustment Income or Expense
Amortization Account
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment H

I AMORTIZATION

Perm
Proforma

- A.** In 2019 and 2020, the Company completed or will complete amortizing certain deferred assets.

An adjustment is made to remove the related amortization expenses from the test year.

(See Schedule 2, Attachment B support)

Therefore:

\$ (67,471)

- B.** Elimination of amortization expense associated with PEU's portion of the acquisition premium paid by the City of Nashua to acquire Pennichuck Corporation in accordand with DW11-026 in thae amount of

\$ (213,318)

- C.** The amortization of the RSF account deficit of \$ 2,087,598
per Sch 1, Attach A, Page 3 over 10 years or

\$ 208,760

TOTAL AMORTIZATION EXPENSE PRO FORMA:

\$ (72,030)

Pennichuck East Utilities
Non Material Operating Expenses as defined in DW17-128
For the Twelve Months Ended December 31, 2019

Schedule 1
Attachment I

		<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>		<u>2019 Totals</u>
921002	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
921003	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
921004	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
923000	OUTSIDE SERVICES	46	1,753	911	2,372	4,099	3,672	6,917	298	425	173	2,578	17	23,259.62	23,259.62
926001	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
926500	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
926501	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
926502	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
926505	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
926600	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
926610	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
930100	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
930101	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
930200	PUBLIC RELATIONS	954	-	476	10	1,293	1,009	7	-	-	216	516	123	4,603.58	4,603.58
930300	MEALS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
930410	CHARITABLE CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total of Non RSF backed O&M Expenses -															\$ 27,863.20
2019 One time Outside services to be removed from proposed revenue requirement -															20,700.55

Pennichuck East Utility Inc.
Pro Forma Adjustment Income or Expense
Income Taxes Account
For the Twelve Months Ended December 31, 2019

Schedule 1
Attach J

I INCOME TAX EXPENSE

- A.** To reflect the pro forma adjustment to book basis income taxes versus actual tax payments made to Federal and State Governments in 2019

Pennichuck East Utility Book Basis 2019 Federal and State Income Taxes				
	2019 Book	2019 Actual Tax		
	Basis (1)	Payments (2)	Proforma	
PROV/FED INC TAX/CURRENT	\$ 132,469	\$ -	\$ (132,469)	
PROVS FOR NH BUS PRFTS TAX CUR	\$ 34,414	\$ -	\$ (34,414)	
PROV/FED INC TAX/DEFERRED	\$ 192,832	\$ -	\$ (192,832)	
PROV NH INCOME TAX DEFERRED	\$ 55,645	\$ -	\$ (55,645)	
NH BUSINESS ENTERPRISE TAX	\$ 3,775	\$ 3,775	\$ (0)	
INVESTMENT TAX CREDITS	\$ (33,036)	\$ -	\$ 33,036	
TOTALS	\$ 386,099	\$ 3,775	\$ (382,324)	

Notes:

- (1) Taxes based on 2019 Profit and Loss Statement which reflects taxes calculated on PWW's book basis pretax income at the Federal and State statutory income tax basis
- (2) Cash payments made to the Federal and State Governments based on 2019 Corporate Tax Returns based in PEU's share of PCP BET tax of 3.00% of the actual 2019 tax payment in the amount of \$ 125,825

Pennichuck East Utility Inc.
Property Taxes
For the Twelve Months Ended December 31, 2019

Schedule 1A

TOWN	TAX YEAR	TEST YEAR	TOTAL BILL FOR TAX YEAR 2019	TOTAL EXPENSE FOR 2019	PRO FORMA PROPERTY TAX	PROPERTY TAX ADJUSTMENTS	PRO FORMA PROPERTY TAX ADJUSTMENT			Dec-18	Jun-19	Dec-19
ATKINSON	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 1,228	\$ 1,338								
00001-00023			\$ 1,228	\$ 1,338	\$ (110)	\$ -	\$ (110)	\$ 1,338		834.00	654.00	574.00
										834.00	654.00	574.00
BARNSTEAD	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 388	\$ 380						177.00	190.00	198.00
046-007			84,847	82,802						38,334.00	40,212.00	44,635.00
014-008-001			23	20						6.00	9.00	14.00
014-009			262	242						90.00	128.00	134.00
048-001-000X			-	-						-	-	-
000-006			\$ 85,520	\$ 83,444	\$ 2,077	\$ 17,956	\$ 20,033	\$ 65,487		38,607.00	40,539.00	44,981.00
BOW	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 10,434	\$ 10,136						4,621.00	4,474.00	5,960.00
28-3-43-B-UO			10,812	10,753						5,288.00	5,119.00	5,693.00
15-3-109-UO			1,206	1,200						590.00	571.00	635.00
44-2-134-UO			\$ 22,452	\$ 22,089	\$ 364	\$ (733)	\$ (370)	\$ 22,822		10,499.00	10,164.00	12,288.00
CHESTER	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 213	\$ 270	\$ (57)		\$ (57)	\$ 270		220.00	211.00	2.00
017-102-000												
CONWAY	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ -	\$ -						-	512.00	371.00
231-28			883	918						-	512.00	371.00
232-140			-	-						-	-	-
232-149			877	870		-				424.00	427.00	450.00
231-56			836	841						427.00	414.00	422.00
231-71			-	-						-	-	-
231-43			-	-						-	-	-
231-148			-	-						-	-	-
231-106			-	-						-	-	-
231-147			16,318	19,880						3,679.00	6,904.00	9,414.00
997-002			44	46						25.00	25.00	19.00
231-139-021			\$ 18,958	\$ 22,554	\$ (3,596)	\$ (49)	\$ (3,645)	\$ 22,603		5,067.00	8,282.00	10,676.00
DERRY	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 12,860	\$ 13,510						1,346.50	3,954.73	13,160.71
09-015 ¹			-	-						-	-	-
02-081			-	-						-	-	-
01-002-036 ¹			2,014	1,957						893.49	1,003.98	1,009.84
05-038-A			\$ 14,874	\$ 15,467	\$ (593)	\$ 282	\$ (311)	\$ 15,185		2,239.99	4,958.71	14,170.55
EXETER	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 238	\$ 1,727	\$ (1,489)		71	\$ (1,418)	\$ 1,656	\$ 103.68	\$ 109.23	\$ 129.22
115-30												
HOOKESETT	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 5,076	\$ 5,188						2,761.00	2,614.00	2,462.00
WATR-0001			12,206	12,429						6,548.00	6,286.00	5,920.00
0005-0116-000W			\$ 17,282	\$ 17,616	\$ (334)	\$ -	\$ (334)	\$ 17,616		9,309.00	8,900.00	8,382.00
LEE	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 439	\$ 1,221	\$ (782)		-	\$ (782)	\$ 1,221	219.00	214.00	225.00
000036-000003												
LITCHFIELD	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 317,534	\$ 319,654						163,006.00	156,739.00	160,775.00
0016-0057			342	357						200.00	169.00	173.00
0011-0035			\$ 317,876	\$ 320,010	\$ (2,134)	\$ 7,720	\$ 5,586	\$ 312,290		163,206.00	156,928.00	160,948.00
LONDONDERRY	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 2,552	\$ 2,717						1,605.00	1,591.00	961.00
10-142-0			275,235	258,943						105,034.00	104,180.00	171,055.00
81-5-0			1,678	1,656						794.00	787.00	891.00
7-108A-0			2,528	2,570						1,347.00	1,335.00	1,193.00
4-3-21			2,094	2,124						1,107.00	1,099.00	995.00
13-74-1A			\$ 284,087	\$ 268,009	\$ 16,078	\$ 30,775	\$ 46,853	\$ 237,234		109,887.00	108,992.00	175,095.00
MIDDLETON	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 11,571	\$ 11,505						5,654.00	6,201.00	5,370.00
000003-00016			993	1,090						690.00	523.00	470.00
000002-000013			\$ 12,564	\$ 12,595	\$ (31)	\$ 33	\$ 2	\$ 12,562		6,344.00	6,724.00	5,840.00
PELHAM	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 63,719	\$ 57,755						19,932.00	26,828.00	36,891.00
0-14-1			1,045	1,938						2,309.00	1,045.00	
32-1-146-28			7,201	7,770						4,738.00	6,321.00	880.00
7-4-65			985	956						435.00	433.00	552.00
14-4-137-10-A			1,137	1,306						906.00	602.00	535.00
7-4-26			11,056	11,819						7,053.00	7,017.00	4,039.00
13-4-139-22-A			\$ 85,143	\$ 81,544	\$ 3,599	\$ 1,724	\$ 5,323	\$ 79,820		35,373.00	42,246.00	42,897.00
PLAISTOW	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 4,098	\$ 4,391	\$ (293)		3,324	\$ 3,031	\$ 1,067	2,635.00	2,572.00	1,526.00
99-08												
RAYMOND	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 43,280	\$ 45,406						25,891.00	23,846.00	19,434.00
021-000-00B			222	226						119.00	110.00	112.00
021-000-00A			2,193	2,236						1,183.00	1,085.00	1,108.00
017-000-095			141	136						61.00	70.00	71.00
012-003-084			-	-						-	-	-
022-004-017			\$ 45,836	\$ 48,004	\$ (2,168)	\$ 65	\$ (2,103)	\$ 47,939		27,254.00	25,111.00	20,725.00
SANDOWN	04/01/19 - 03/31/20	01/01/19- 12/31/19	\$ 1,332	\$ 1,205	\$ 127		-	\$ 1,205	\$ 1,205	412.00	705.00	627.00
07-007-01-0A												

TOWN	TAX YEAR	TEST YEAR	TOTAL BILL FOR TAX YEAR 2019	TOTAL EXPENSE FOR 2019	PRO FORMA PROPERTY TAX	PROPERTY TAX ADJUSTMENTS	PRO FORMA PROPERTY TAX ADJUSTMENT				Dec-18	Jun-19	Dec-19
TILTON 000U-03-000037	04/01/19 - 05/31/20	01/01/19- 12/31/19	\$ 9,277	\$ 10,289	\$ (1,012)	493	\$ (520)	\$ 9,797			6,663.00	6,392.00	2,885.00
WEARE 109-42	04/01/19 - 05/31/20	01/01/19- 12/31/19	\$ 9,948	\$ 9,865	\$ 83	-	\$ 83	\$ 9,865			4,808.00	4,817.00	5,131.00
WINDHAM 22L-00300-02441 00F-00000-02489	04/01/19 - 05/31/20	01/01/19- 12/31/19	\$ 2,208	\$ 2,302							1,291.00	1,140.00	1,068.00
			\$ 58,398	\$ 65,783							43,968.00	32,874.00	25,524.00
			\$ 60,606	\$ 68,084	\$ (7,478)	567	\$ (6,911)	\$ 67,517			45,259.00	34,014.00	26,392.00
STATE OF NH	01/01/19- 12/31/19	01/01/19- 12/31/19	\$ 190,034	\$ 212,509	\$ (22,475)	20,964	\$ (1,511)	\$ 191,545			196,203.00		212,509.00
			\$ 1,182,005	\$ 1,292,229	\$ (20,224)	\$ 83,190	\$ 62,965	- \$ 1,119,040	1,119,040				

1. Change in Derry Taxes based on abatement and property transfer.

Pennichuck East Utilities, Inc.
Taxable Assets Additions
For Twelve Months Ended December 31, 2019

Schedule 1A Attachment A

Asset ID	Description	Placed In Service	Book Cost	Tax Rate	Local Tax	Property Tax
Town or Department: Atkinson						
Asset Type: PEU DEVELOPER INSTALLED SERVICES - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00003005	PEU DEV INSTALLED SERV - CIAC	02/01/2019	2,707.38	15.52		42.02
700-00003016	PEU DEV INSTALLED SERV - CIAC	02/01/2019	2,707.38	15.52		42.02
700-00003017	PEU DEV INSTALLED SERV - CIAC	02/01/2019	2,707.38	15.52		42.02
700-00003018	PEU DEV INSTALLED SERV - CIAC	02/01/2019	2,707.38	15.52		42.02
Subtotal: 333230-7000-001			10,829.52			42.02
Asset Type: PEU DEVELOPER INSTALLED SERVICES - PAID						
Asset GL Acct #: 333250-7000-001						
700-00003007	PEU DEV INSTALLED SERV - PAID	02/01/2019	329.13	15.52		5.11
700-00003008	PEU DEV INSTALLED SERV - PAID	02/01/2019	329.13	15.52		5.11
700-00003009	PEU DEV INSTALLED SERV - PAID	02/01/2019	329.13	15.52		5.11
700-00003010	PEU DEV INSTALLED SERV - PAID	02/01/2019	329.13	15.52		5.11
Subtotal: 333250-7000-001			1,316.52			5.11
Subtotal: Atkinson			12,146.04			47.13
Town or Department: Barnstead						
Asset Type: PEU WELL PUMP & PIPING						
Asset GL Acct #: 307210-7000-001						
700-00003170	Locke Lake: Well Pump #11 - Replace	07/01/2019	6,281.50	20.98		131.79
Subtotal: 307210-7000-001			6,281.50			131.79
Asset Type: PEU SUPPLY MAINS						
Asset GL Acct #: 309200-7000-001						
700-00003486	Georgetown Drive: Barnstead-1,337' of 6"	11/01/2019	2,072.10	20.98		43.47
700-00003537	Georgetown Drive: Barnstead-1,337' of 6"	11/01/2019	16,044.00	20.98		336.60
700-00003538	Georgetown Drive: Barnstead-1,337' of 6"	11/01/2019	7,987.60	20.98		167.58
700-00003622	Georgetown Drive - 1337' of 6"	12/01/2019	848.88	20.98		17.81
700-00003622-001	Georgetown Drive - 1337' of 6"	12/01/2019	248.51	20.98		5.21
Subtotal: 309200-7000-001			27,201.09			570.68
Asset Type: Distribution Mains - Paving						
Asset GL Acct #: 331001-7000-001						
700-00003439	Georgetown Drive: Barnstead - Pavement	11/01/2019	62,044.00	20.98		1,301.68
700-00003462	Belmont Drive: Barnstead - Pavement	11/01/2019	4,615.00	20.98		96.82
700-00003539	Bradford Lane: Barnstead - Pavement	11/01/2019	27,090.00	20.98		568.35
700-00003540	Danbury Road: Barnstead - Pavement	11/01/2019	12,960.00	20.98		271.90
700-00003576	North Barnstead Road: Barnstead-Pavement	11/01/2019	62,870.00	20.98		1,319.01
700-00003668	Kent Lane: Barnstead - Paving	12/01/2019	1,000.00	20.98		20.98
Subtotal: 331001-7000-001			170,579.00			3,578.75
Asset Type: PEU MAINS 6" & LARGER						
Asset GL Acct #: 331100-7000-001						
700-00003460	Georgetown Drive: Barnstead-4,612' of 6"	11/01/2019	193,221.54	20.98		4,053.79
700-00003461	Georgetown Drive: Barnstead-4,612' of 6"	11/01/2019	24,798.03	20.98		520.26
700-00003470	Belmont Drive: Barnstead-488' of 6" PVC	11/01/2019	18,147.60	20.98		380.74
700-00003471	Belmont Drive: Barnstead-488' of 6" PVC	11/01/2019	2,542.28	20.98		53.34
700-00003471-001	Belmont Drive: Barnstead-488' of 6" PVC	11/01/2019	81.64	20.98		1.71
700-00003481	Belmont Drive: Barnstead-488' of 6" PVC	11/01/2019	680.68	20.98		14.28
700-00003482	Bradford Lane: Barnstead - 1,136' of 6"	11/01/2019	1,584.52	20.98		33.24
700-00003483	Danbury Road: Barnstead - 1,470' of 6"	11/01/2019	2,050.40	20.98		43.02
700-00003484	Georgetown Drive: Barnstead-4,612' of 6"	11/01/2019	6,432.92	20.98		134.96
700-00003554	Bradford Lane: Barnstead - 1,136' of 6"	11/01/2019	52,195.46	20.98		1,095.06
700-00003555	Bradford Lane: Barnstead - 1,136' of 6"	11/01/2019	6,108.10	20.98		128.15
700-00003556	Danbury Road: Barnstead - 1,470' of 6"	11/01/2019	59,242.95	20.98		1,242.92
700-00003557	Danbury Road: Barnstead - 1,470' of 6"	11/01/2019	7,903.95	20.98		165.82
700-00003569	Bradford Circle: Barnstead - 697' of 6"	11/01/2019	972.20	20.98		20.40
700-00003570	Bradford Circle: Barnstead - 697' of 6"	11/01/2019	32,024.85	20.98		671.88
700-00003571	Bradford Circle: Barnstead - 697' of 6"	11/01/2019	3,747.67	20.98		78.63
700-00003586	North Barnstead Road: Barnstead - 1,395'	11/01/2019	68,171.24	20.98		1,430.23
700-00003587	North Barnstead Road: Barnstead - 1,395'	11/01/2019	7,267.35	20.98		152.47
700-00003587-001	North Barnstead Road: Barnstead - 1,395'	11/01/2019	233.36	20.98		4.90
700-00003595	North Barnstead Road: Barnstead - 1,395'	11/01/2019	1,945.78	20.98		40.82
700-00003620	Belmont Drive - 488' of 6"	12/01/2019	360.49	20.98		7.56
700-00003621	Georgetown Drive - 4612' of 6"	12/01/2019	2,635.40	20.98		55.29
700-00003621-001	Georgetown Drive - 4612' of 6"	12/01/2019	771.54	20.98		16.19
700-00003624	Bradford Lane - 1136' of 6"	12/01/2019	649.14	20.98		13.62
700-00003624-001	Bradford Lane - 1136' of 6"	12/01/2019	190.04	20.98		3.99
700-00003625	Bradford Circle - 697' of 6"	12/01/2019	398.29	20.98		8.36
700-00003625-001	Bradford Circle - 697' of 6"	12/01/2019	116.60	20.98		2.45
700-00003626	Danbury Road - 1470' of 6"	12/01/2019	839.99	20.98		17.62
700-00003626-001	Danbury Road - 1470' of 6"	12/01/2019	245.91	20.98		5.16
700-00003671	North Barnstead Road: Barnstead	12/01/2019	1,050.50	20.98		21.62
Subtotal: 331100-7000-001			496,590.42			10,418.47
Asset Type: PEU MAINS 4" & UNDER						
Asset GL Acct #: 331101-7000-001						
700-00003468	Belmont Drive: Barnstead - 40' of 4" PVC	11/01/2019	1,449.00	20.98		30.40
700-00003469	Belmont Drive: Barnstead - 40' of 4" PVC	11/01/2019	215.07	20.98		4.51
700-00003479	Belmont Drive: Barnstead - 40' of 4" PVC	11/01/2019	55.79	20.98		1.17
700-00003480	Bradford Lane: Barnstead - 1,209' of 4"	11/01/2019	1,686.35	20.98		35.38
700-00003551	Bradford Lane: Barnstead - 1,209' of 4"	11/01/2019	48,661.08	20.98		1,020.91
700-00003552	Bradford Lane: Barnstead - 1,209' of 4"	11/01/2019	6,500.62	20.98		136.38
700-00003584	North Barnstead Road: Barnstead - 1,066'	11/01/2019	49,819.42	20.98		1,045.21
700-00003585	North Barnstead Road: Barnstead - 1,066'	11/01/2019	5,553.38	20.98		116.51
700-00003585-001	North Barnstead Road: Barnstead - 1,066'	11/01/2019	178.33	20.98		3.74
700-00003594	North Barnstead Road: Barnstead - 1,066'	11/01/2019	1,486.88	20.98		31.19
700-00003619	Belmont Drive - 40' of 4"	12/01/2019	22.86	20.98		0.48
700-00003619-001	Belmont Drive - 40' of 4"	12/01/2019	6.69	20.98		0.14
700-00003623	Bradford Lane - 1209' of 4"	12/01/2019	690.85	20.98		14.49
700-00003623-001	Bradford Lane - 1209' of 4"	12/01/2019	202.25	20.98		4.24
700-00003670	Kent Lane: Barnstead - 132' of 2" CTS	12/01/2019	7,202.66	20.98		151.11
Subtotal: 331101-7000-001			123,731.23			2,595.88
Asset Type: PEU GATES 4" & UNDER						
Asset GL Acct #: 331250-7000-001						
700-00003463	Belmont Drive: Barnstead - 4" Gate Valve	11/01/2019	742.50	20.98		15.58
700-00003464	Belmont Drive: Barnstead - 2" Air Release	11/01/2019	1,350.00	20.98		28.32
700-00003490	Georgetown Drive: Barnstead - 1" Air Rd	11/01/2019	999.67	20.98		20.97
700-00003501	Georgetown Drive: Barnstead - 1" Air Rd	11/01/2019	999.67	20.98		20.97
700-00003512	Georgetown Drive: Barnstead - 1" Air Rd	11/01/2019	999.67	20.98		20.97
700-00003523	Georgetown Drive: Barnstead - 2" Air Rd	11/01/2019	1,350.00	20.98		28.32
700-00003534	Georgetown Drive: Barnstead - 2" Air Rd	11/01/2019	1,350.00	20.98		28.32
700-00003541	Bradford Lane: Barnstead - 4" Gate Valve	11/01/2019	742.50	20.98		15.58
700-00003542	Georgetown Drive: Barnstead - 2" Air Rd	11/01/2019	1,350.00	20.98		28.32
700-00003543	Bradford Lane: Barnstead - 4" Gate Valve	11/01/2019	742.50	20.98		15.58
700-00003544	Bradford Lane: Barnstead - 4" Gate Valve	11/01/2019	742.50	20.98		15.58
700-00003545	Bradford Lane: Barnstead - 1" Air Release	11/01/2019	1,203.85	20.98		25.26
700-00003546	Bradford Lane: Barnstead - 1" Air Release	11/01/2019	1,203.85	20.98		25.26
700-00003547	Bradford Lane: Barnstead - 2" Air Release	11/01/2019	1,350.00	20.98		28.32
700-00003548	Danbury Road: Barnstead - 2" Air Release	11/01/2019	1,350.00	20.98		28.32
700-00003577	North Barnstead Road: Barnstead - 2" AR	11/01/2019	1,350.00	20.98		28.32
700-00003578	North Barnstead Road: Barnstead - 4" Gate	11/01/2019	742.50	20.98		15.58
700-00003579	North Barnstead Road: Barnstead - 4" Gate	11/01/2019	742.50	20.98		15.58
700-00003580	North Barnstead Road: Barnstead - 4" Gate	11/01/2019	742.50	20.98		15.58
700-00003581	North Barnstead Road: Barnstead - 4" Gate	11/01/2019	742.50	20.98		15.58
700-00003669	Kent Lane: Barnstead - 2" Air Release	12/01/2019	1,350.00	20.98		28.32

Asset ID	Description	Placed In Service	Book Cost	Tax Rate	Local Tax	Property Tax
Subtotal: 331250-7000-001			22,146.71			464.64
Asset Type: PEU GATES 6" & LARGER						
Asset G1, Acct #: 331251-7000-001						
700-00003440	Georgetown Drive: Barnstead - 6" Gate	11/01/2019	855.00	20.98		17.94
700-00003451	Georgetown Drive: Barnstead - 6" Gate	11/01/2019	855.00	20.98		17.94
700-00003465	Belmont Drive: Barnstead - 6" Gate Valve	11/01/2019	855.00	20.98		17.94
700-00003467	Belmont Drive: Barnstead - 6" Gate Valve	11/01/2019	855.00	20.98		17.94
700-00003549	Bradford Lane: Barnstead - 6" Gate Valve	11/01/2019	855.00	20.98		17.94
700-00003550	Bradford Lane: Barnstead - 6" Gate Valve	11/01/2019	855.00	20.98		17.94
700-00003553	Georgetown Drive: Barnstead - 6" Gate	11/01/2019	855.00	20.98		17.94
700-00003558	Georgetown Drive: Barnstead - 6" Gate	11/01/2019	855.00	20.98		17.94
700-00003582	North Barnstead Road: Barnstead - 6" Gate	11/01/2019	855.00	20.98		17.94
700-00003583	North Barnstead Road: Barnstead - 6" Gate	11/01/2019	855.00	20.98		17.94
Subtotal: 331251-7000-001			8,550.00			179.38
Asset Type: PEU RENEWED SERVICES						
Asset G1, Acct #: 333200-7000-001						
700-00003441	Bradford Lane (#91): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003442	Bradford Lane (#95): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003443	Bradford Lane (#96): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003444	Bradford Lane (#99): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003445	Damsite Road (#133): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003446	Danbury Road (#24): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003447	Danbury Road (#26): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003448	Danbury Road (#29): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003449	Danbury Road (#33): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003450	Danbury Road (#37): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003452	Danbury Road (#41): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003453	Danbury Road (#42): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003454	Danbury Road (#45): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003455	Danbury Road (#48): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003456	Danbury Road (#49): Barnstead - 1" CTS	11/01/2019	1,229.18	20.98		25.79
700-00003457	Danbury Road (#52): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003458	Danbury Road (#53): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003459	Danbury Road (#58): Barnstead - 1" CTS	11/01/2019	1,229.19	20.98		25.79
700-00003466	Georgetown Drive (#1): Barnstead - 1" CTS	11/01/2019	999.67	20.98		20.97
700-00003472	Belmont Drive (#10): Barnstead - 1" CTS	11/01/2019	1,389.01	20.98		29.14
700-00003473	Belmont Drive (#11): Barnstead - 1" CTS	11/01/2019	1,389.00	20.98		29.14
700-00003474	Belmont Drive (#15): Barnstead - 1" CTS	11/01/2019	1,389.00	20.98		29.14
700-00003475	Belmont Drive (#18): Barnstead - 1" CTS	11/01/2019	1,389.00	20.98		29.14
700-00003476	Belmont Drive (#19): Barnstead - 1" CTS	11/01/2019	1,389.00	20.98		29.14
700-00003477	Georgetown Drive (#103): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003478	Belmont Drive (#20): Barnstead - 1" CTS	11/01/2019	1,389.01	20.98		29.14
700-00003485	Georgetown Drive (#104): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003487	Georgetown Drive (#107): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003488	Georgetown Drive (#11): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003489	Georgetown Drive (#113): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003491	Georgetown Drive (#114): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003492	Georgetown Drive (#117): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003493	Georgetown Drive (#120): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003494	Georgetown Drive (#121): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003495	Georgetown Drive (#126): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003496	Georgetown Drive (#129): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003497	Georgetown Drive (#130): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003498	Georgetown Drive (#139): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003499	Georgetown Drive (#143): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003500	Georgetown Drive (#147): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003502	Georgetown Drive (#148): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003503	Georgetown Drive (#149): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003504	Georgetown Drive (#153): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003505	Georgetown Drive (#156): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003506	Georgetown Drive (#157): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003507	Georgetown Drive (#160): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003508	Georgetown Drive (#161): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003509	Georgetown Drive (#165): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003510	Georgetown Drive (#168): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003511	Georgetown Drive (#169): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003513	Georgetown Drive (#179): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003514	Georgetown Drive (#181): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003515	Georgetown Drive (#185): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003516	Georgetown Drive (#189): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003517	Georgetown Drive (#19): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003518	Georgetown Drive (#20): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003519	Georgetown Drive (#27): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003520	Georgetown Drive (#35): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003521	Georgetown Drive (#39): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003522	Georgetown Drive (#43): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003524	Georgetown Drive (#51): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003525	Georgetown Drive (#59): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003526	Georgetown Drive (#7): Barnstead - 1" CTS	11/01/2019	999.67	20.98		20.97
700-00003527	Georgetown Drive (#73): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003528	Georgetown Drive (#77): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003529	Georgetown Drive (#78): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003530	Georgetown Drive (#87): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003531	Georgetown Drive (#9): Barnstead - 1" CTS	11/01/2019	999.67	20.98		20.97
700-00003532	Georgetown Drive (#91): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003533	Georgetown Drive (#94): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003535	Georgetown Drive (#95): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003536	Georgetown Drive (#99): Barnstead-1"CTS	11/01/2019	999.67	20.98		20.97
700-00003559	Bradford Lane (#55): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003560	Bradford Lane (#59): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003561	Bradford Lane (#65): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003562	Bradford Lane (#71): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003563	Bradford Lane (#73): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003564	Bradford Lane (#77): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003565	Bradford Lane (#85): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003566	Bradford Lane (#86): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003567	Bradford Lane (#9): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003568	Bradford Lane (#90): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003572	Bradford Circle (#18): Barnstead -1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003573	Bradford Circle (#2): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003574	Bradford Circle (#22): Barnstead -1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003575	Bradford Circle (#8): Barnstead - 1" CTS	11/01/2019	1,203.86	20.98		25.26
700-00003588	N Barnstead Road (#118):Barnstead-1" CTS	11/01/2019	2,485.50	20.98		52.15
700-00003589	N Barnstead Road (#126):Barnstead-1" CTS	11/01/2019	2,485.49	20.98		52.15
700-00003590	N Barnstead Road (#254):Barnstead-1" CTS	11/01/2019	2,485.50	20.98		52.15
700-00003591	N Barnstead Road (#257):Barnstead-1" CTS	11/01/2019	2,485.50	20.98		52.15
700-00003592	N Barnstead Road (#258):Barnstead-1" CTS	11/01/2019	2,485.50	20.98		52.15
700-00003593	N Barnstead Road (#269):Barnstead-1" CTS	11/01/2019	2,485.49	20.98		52.15
700-00003596	N Barnstead Road (#133):Barnstead-1" CTS	11/01/2019	999.67	20.98		20.97
700-00003597	N Barnstead Road (#139):Barnstead-1" CTS	11/01/2019	999.67	20.98		20.97
700-00003598	N Barnstead Road (#151):Barnstead-1" CTS	11/01/2019	999.67	20.98		20.97
700-00003681	N Barnstead Road (#254):Barnstead-1" CTS	12/01/2019	1,227.72	20.98		25.76
Subtotal: 333200-7000-001			114,310.69			2,398.24
Asset Type: PEU DEVELOPER INSTALLED SERVICES - CIAC						
Asset G1, Acct #: 333230-7000-001						
700-00003038	PEU DEV INSTALLED SERV - CIAC	03/01/2019	3,036.51	20.98		63.71
700-00003321	PEU DEV INSTALLED SERV - CIAC	08/01/2019	3,036.51	20.98		63.71
Subtotal: 333230-7000-001			6,073.02			63.71
Subtotal: Barnstead			975,463.66			20,401.52
Town or Department: Bow						
Asset Type: PEU WELL PUMP & PIPING						
Asset G1, Acct #: 307210-7000-001						
700-00003330	White Rock: Bow: Well Pump #2	08/01/2019	3,271.75	24.36		79.70
Subtotal: 307210-7000-001			3,271.75			79.70

Asset ID	Description	Placed In Service	Book Cost	Tax Rate	Local Tax	Property Tax
Asset Type: Developer Installed Services - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00003108	PEU DEV INSTALLED SERV - CIAC	05/01/2019	3,036.51	24.36		73.97
			<u>3,036.51</u>			<u>73.97</u>
Subtotal: 333230-7000-001			<u>6,308.26</u>			<u>153.67</u>
Subtotal: Bow						
Town or Department: Derry						
Asset Type: PEU ELECTRIC PUMPING EQUIP - CHEMICAL PMP						
Asset GL Acct #: 311230-7000-001						
700-00003174	Farmstead Derry: Chem Pumps - Replace	07/01/2019	1,396.88	24.60		34.36
			<u>1,396.88</u>			<u>34.36</u>
Subtotal: 311230-7000-001						
Asset Type: PEU RENEWED SERVICES						
Asset GL Acct #: 333200-7000-001						
700-00003348	Dustin Ave (#3): Derry - Renewed lin.	09/01/2019	7,117.88	24.60		175.10
700-00003378	Dustin Avenue (#3): Derry - Peu Install	10/01/2019	1,253.07	24.60		30.83
			<u>8,370.95</u>			<u>205.93</u>
Subtotal: 333200-7000-001						
Asset Type: Developer Installed Services - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00003107	PEU DEV INSTALLED SERV - CIAC	05/01/2019	3,036.51	24.60		74.70
700-00003612	PEU DEV INSTALLED SERV - CIAC	11/30/2019	2,008.27	24.60		49.40
			<u>5,044.78</u>			<u>49.40</u>
Subtotal: 333230-7000-001			<u>14,812.61</u>			<u>289.69</u>
Subtotal: Derry						
Town or Department: Exeter						
Asset Type: PEU WELL PUMP & PIPING						
Asset GL Acct #: 307210-7000-001						
700-00003161	Forest Ridge - Well #1 Pump Replacement	06/01/2019	2,312.44	21.29		49.23
700-00003165	Forest Ridge - Well #2 Pump Replacement	06/01/2019	5,966.82	21.29		127.03
			<u>8,279.26</u>			<u>176.27</u>
Subtotal: 307210-7000-001						
Asset Type: PEU ELECTRIC PUMPING EQUIP						
Asset GL Acct #: 311200-7000-001						
700-00003333	Replace VFD, Booster #2 - Forest Ridge	08/01/2019	1,742.17	21.29		37.09
			<u>1,742.17</u>			<u>37.09</u>
Subtotal: 311200-7000-001			<u>10,021.43</u>			<u>176.27</u>
Subtotal: Exeter						
Town or Department: Litchfield						
Asset Type: PEU EASEMENTS						
Asset GL Acct #: 303240-7000-001						
700-00003129	Easement for PEU-PWW Interconnection	05/01/2019	18,271.67	21.36		390.28
			<u>18,271.67</u>			<u>390.28</u>
Subtotal: 303240-7000-001						
Asset Type: PEU LAND/WATER RIGHTS - SS AND PUMPING PLANT						
Asset GL Acct #: 303520-7000-001						
700-00003074	Weinstein Well - Rights to use	05/01/2019	15,865.72	21.36		338.89
700-00003075	Weinstein Well - Rights to Use	05/01/2019	6,104.53	21.36		130.39
700-00003076	Weinstein Well - Rights to Use	05/01/2019	38,323.70	21.36		818.59
700-00003077	Weinstein Well - Rights to Use	05/01/2019	37,656.77	21.36		804.35
700-00003078	Weinstein Well - Rights to Use	05/01/2019	4,982.67	21.36		106.43
700-00003136	Weinstein Well - Rights to Use	05/01/2019	1,091.96	21.36		23.32
700-00003285	Weinstein Well - Rights to Use	05/01/2019	4,260.15	21.36		91.00
			<u>108,285.50</u>			<u>2,312.98</u>
Subtotal: 303520-7000-001						
Asset Type: PEU BOOSTER STATION						
Asset GL Acct #: 304550-7000-001						
700-00003282	PWW-PEU Interconnection Station	07/01/2019	6,129.56	21.36		130.93
			<u>6,129.56</u>			<u>130.93</u>
Subtotal: 304550-7000-001						
Asset Type: PEU MAINS 6" & LARGER						
Asset GL Acct #: 331100-7000-001						
700-00003130	PEU-PWW Interconnection	05/01/2019	34,248.36	21.36		731.54
700-00003404	2017 PEU Survey Work - Hillcrest	11/01/2019	2,837.63	21.36		60.61
			<u>37,085.99</u>			<u>792.16</u>
Subtotal: 331100-7000-001						
Asset Type: PEU GATES 6" & LARGER						
Asset GL Acct #: 331251-7000-001						
700-00003396	Albuquerque Avenue (#): Litchfield	11/01/2019	7,996.44	21.36		170.80
700-00003398	Cardinal Lane (#18): Litchfield - Gate	11/01/2019	2,050.06	21.36		43.79
			<u>10,046.50</u>			<u>214.59</u>
Subtotal: 333230-7000-001 (22)						
Asset Type: PEU DEVELOPER INSTALLED DISTRIBUTION MAINS - CIAC						
Asset GL Acct #: 331300-7000-001						
700-00003241	PEU DEV INSTALLED MAINS - CIAC	07/01/2019	113,719.30	21.36		2,429.04
			<u>113,719.30</u>			<u>2,429.04</u>
Subtotal: 331300-7000-001						
Asset Type: PEU SERVICES						
Asset GL Acct #: 333100-7000-001						
700-00003379	Charles Bancroft Hwy (#110): Litchfield	10/01/2019	4,700.00	21.36		100.39
			<u>4,700.00</u>			<u>100.39</u>
Subtotal: 333100-7000-001						
Asset Type: PEU RENEWED SERVICES						
Asset GL Acct #: 333200-7000-001						
700-00003376	Stark Lane (#6): Litchfield - Peu Instal	10/01/2019	1,262.71	21.36		26.97
700-00003377	Stark Lane (#8): Litchfield - Peu Instal	10/01/2019	1,299.14	21.36		27.75
700-00003395	Nightingale Drive (#8): Litchfield - Peu	11/01/2019	3,306.97	21.36		72.56
			<u>5,958.82</u>			<u>127.28</u>
Subtotal: 333200-7000-001						
Asset Type: PEU DEVELOPER INSTALLED SERVICES - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00002968	PEU DEV INSTALLED SERV - CIAC	01/01/2019	2,302.82	21.36		49.19
700-00002978	PEU DEV INSTALLED SERV - CIAC	01/01/2019	23,530.33	21.36		502.61
700-00002982	PEU DEV INSTALLED SERV - CIAC	01/01/2019	2,302.82	21.36		49.19
700-00003015	PEU DEV INSTALLED SERV - CIAC	02/01/2019	2,225.82	21.36		47.54
700-00003034	PEU DEV INSTALLED SERV - CIAC	03/01/2019	2,225.82	21.36		47.54
700-00003071	PEU DEV INSTALLED SERV - CIAC	04/01/2019	2,225.82	21.36		47.54
700-00003085	PEU DEV INSTALLED SERV - CIAC	05/01/2019	2,225.82	21.36		47.54
700-00003146	PEU DEV INSTALLED SERV - CIAC	06/01/2019	2,793.27	21.36		59.66
700-00003147	PEU DEV INSTALLED SERV - CIAC	06/01/2019	2,225.82	21.36		47.54
700-00003162	PEU DEV INSTALLED SERV - CIAC	06/01/2019	2,225.82	21.36		47.54
700-00003301	PEU DEV INSTALLED SERV - CIAC	08/01/2019	16,113.35	21.36		344.18
700-00003302	PEU DEV INSTALLED SERV - CIAC	08/01/2019	2,793.27	21.36		59.66
700-00003337	PEU DEV INSTALLED SERV - CIAC	08/01/2019	3,036.51	21.36		64.86
700-00003352	PEU DEV INSTALLED SERV - CIAC	09/01/2019	2,225.82	21.36		47.54
700-00003365	PEU DEV INSTALLED SERV - CIAC	09/01/2019	2,225.82	21.36		47.54
700-00003384	PEU DEV INSTALLED SERV - CIAC	10/01/2019	2,008.27	21.36		42.90
700-00003386	PEU DEV INSTALLED SERV - CIAC	10/01/2019	1,197.58	21.36		25.58
700-00003615	PEU DEV INSTALLED SERV - CIAC	11/30/2019	1,197.58	21.36		25.58
700-00003635	PEU DEV INSTALLED SERV - CIAC	12/01/2019	1,197.58	21.36		25.58
			<u>76,279.94</u>			<u>1,629.34</u>
Subtotal: 333230-7000-001						
Asset Type: PEU DEVELOPER INSTALLED SERVICES - PAID						
Asset GL Acct #: 333250-7000-001						
700-00002971	PEU DEV INSTALLED SERV - PAID	01/01/2019	733.69	21.36		15.67
700-00002987	PEU DEV INSTALLED SERV - PAID	01/01/2019	733.69	21.36		15.67
700-00003006	PEU DEV INSTALLED SERV - PAID	02/01/2019	810.69	21.36		17.32
700-00003035	PEU DEV INSTALLED SERV - PAID	03/01/2019	810.69	21.36		17.32
700-00003072	PEU DEV INSTALLED SERV - PAID	04/01/2019	810.69	21.36		17.32
700-00003090	PEU DEV INSTALLED SERV - PAID	05/01/2019	810.69	21.36		17.32
700-00003153	PEU DEV INSTALLED SERV - PAID	06/01/2019	810.69	21.36		17.32
700-00003164	PEU DEV INSTALLED SERV - PAID	06/01/2019	810.69	21.36		17.32
700-00003357	PEU DEV INSTALLED SERV - PAID	09/01/2019	810.69	21.36		17.32
700-00003366	PEU DEV INSTALLED SERV - PAID	09/01/2019	810.69	21.36		17.32
700-00003387	PEU DEV INSTALLED SERV - PAID	10/01/2019	810.69	21.36		17.32
700-00003607	PEU DEV INSTALLED SERV - PAID	11/30/2019	810.69	21.36		17.32
700-00003640	PEU DEV INSTALLED SERV - PAID	12/01/2019	810.69	21.36		17.32
			<u>10,384.97</u>			<u>221.82</u>
Subtotal: 333250-7000-001						

Asset ID	Description	Placed In Service	Book Cost	Tax Rate	Local Tax	Property Tax
Asset Type: PEU METERS						
Asset GL Acct #: 334000-7000-001						
700-00002958	3/4in. New Meter: Litchfield	01/01/2019	138.89	21.36		2.97
700-00002962	Install New Meter: 5/8in.	01/01/2019	83.03	21.36		1.77
Subtotal: 334000-7000-001			221.92			4.74
Asset Type: PEU RADIOS FOR METERING EQUIPMENT						
Asset GL Acct #: 334100-7000-001						
700-00002960	Neptune Radios: Litchfield	01/01/2019	96.89	21.36		2.07
700-00002963	Neptune Radio Replacements	01/01/2019	86.88	21.36		2.07
Subtotal: 334100-7000-001			193.77			4.14
Asset Type: PEU HYDRANTS						
Asset GL Acct #: 335000-7000-001						
700-00003400	Cardinal Lane (#18): Litchfield - Peu In	11/01/2019	3,713.27	21.36		79.32
Subtotal: 335000-7000-001			3,713.27			79.32
Subtotal: Litchfield			394,991.21			8,437.01
Town or Department: Londonderry						
Asset Type: PEU DEV INST BOOSTER STATION - CIAC						
Asset GL Acct #: 304550-7000-001						
700-00003049	MacGregor Cut Booster Station Acq.	03/01/2019	180,200.00	19.40		3,495.88
Subtotal: 304550-7000-001			180,200.00			3,495.88
Asset Type: PEU WELL PUMP & PIPING						
Asset GL Acct #: 307210-7000-001						
700-00003032	Pine Haven - Replace Well Pump #1	03/01/2019	1,210.84	19.40		23.49
Subtotal: 307210-7000-001			1,210.84			23.49
Asset Type: PEU DEV INSTALLED ELECTRIC PUMPING EQUIP - CIAC						
Asset GL Acct #: 311200-7000-001						
700-00003051	MacGregor Cut Booster Station Acq.	03/01/2019	100,000.00	19.40		1,940.00
Subtotal: 311200-7000-001			100,000.00			1,940.00
Asset Type: PEU ELECTRIC PUMPING EQUIP - PUMPS						
Asset GL Acct #: 311210-7000-001						
700-00003326	Ministerial Heights: Rebuild Pump #1	08/01/2019	4,074.90	19.40		79.05
700-00003375	Pinchaven: Replace Booster Pump #1	10/01/2019	3,527.32	19.40		68.43
Subtotal: 311210-7000-001			7,602.22			147.48
Asset Type: PEU MAINS 6" & LARGER						
Asset GL Acct #: 331100-7000-001						
700-00003284	Water Main Upsizing - Alexander Road	07/01/2019	1,119.00	19.40		21.71
Subtotal: 331100-7000-001			1,119.00			21.71
Asset Type: PPEU GATES 6" & LARGER						
Asset GL Acct #: 331251-7000-001						
700-00003036	Wiley Hill Rd Gate Valves: Finch HV	03/01/2019	2,998.17	19.40		58.16
Subtotal: 331251-7000-001			2,998.17			58.16
Asset Type: PEU DEVELOPER INSTALLED DISTRIBUTION MAINS - CIAC						
Asset GL Acct #: 331300-7000-001						
700-00003043	MacGregor Cut Booster Station Acq.	03/01/2019	20,000.00	19.40		388.00
700-00003194	PEU DEV INSTALLED MAINS - CIAC	07/01/2019	138,978.80	19.40		2,696.19
700-00003195	PEU DEV INSTALLED MAINS - CIAC	07/01/2019	12,372.00	19.40		240.02
700-00003196	PEU DEV INSTALLED MAINS - CIAC	07/01/2019	199,292.30	19.40		3,866.27
700-00003252	PEU DEV INSTALLED MAINS - CIAC	07/01/2019	246,024.50	19.40		4,790.34
700-00003262	PEU DEV INSTALLED MAINS - CIAC	07/01/2019	46,418.97	19.40		900.53
700-00003267	PEU DEV INSTALLED MAINS - CIAC	07/01/2019	18,463.08	19.40		358.18
700-00003275	PEU DEV INSTALLED MAINS - CIAC	07/01/2019	25,169.01	19.40		488.28
700-00003276	PEU DEV INSTALLED MAINS - CIAC	07/01/2019	40,583.94	19.40		787.33
700-00003644	PEU DEV INSTALLED MAINS - CIAC	12/01/2019	22,875.60	19.40		443.79
700-00003645	PEU DEV INSTALLED MAINS - CIAC	12/01/2019	32,580.40	19.40		632.06
700-00003646	PEU DEV INSTALLED MAINS - CIAC	12/01/2019	106,145.60	19.40		2,059.22
700-00003648	PEU DEV INSTALLED MAINS - CIAC	12/01/2019	70,644.20	19.40		1,370.50
700-00003649	PEU DEV INSTALLED MAINS - CIAC	12/01/2019	43,032.00	19.40		834.82
Subtotal: 331300-7000-001			1,023,480.40			19,855.52
Asset Type: PEU SERVICES						
Asset GL Acct #: 333100-7000-001						
700-00003168	Mammoth Rd (#350): Londonderry - 1in.	07/01/2019	4,029.00	19.40		78.16
Subtotal: 333100-7000-001			4,029.00			78.16
Asset Type: PEU DEVELOPER INSTALLED SERVICES - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00002979	PEU DEV INSTALLED SERV - CIAC	01/01/2019	2,583.95	19.40		50.13
700-00003022	PEU DEV INSTALLED SERV - CIAC	03/01/2019	19,140.09	19.40		371.32
700-00003061	PEU DEV INSTALLED SERV - CIAC	04/01/2019	2,549.04	19.40		49.45
700-00003064	PEU DEV INSTALLED SERV - CIAC	04/01/2019	3,036.51	19.40		58.91
700-00003069	PEU DEV INSTALLED SERV - CIAC	04/01/2019	3,036.51	19.40		58.91
700-00003112	PEU DEV INSTALLED SERV - CIAC	05/01/2019	2,549.04	19.40		49.45
700-00003115	PEU DEV INSTALLED SERV - CIAC	05/01/2019	3,036.51	19.40		58.91
700-00003148	PEU DEV INSTALLED SERV - CIAC	06/01/2019	20,394.35	19.40		395.65
700-00003152	PEU DEV INSTALLED SERV - CIAC	06/01/2019	2,002.88	19.40		38.86
700-00003160	PEU DEV INSTALLED SERV - CIAC	06/01/2019	2,549.04	19.40		49.45
700-00003291	PEU DEV INSTALLED SERV - CIAC	08/01/2019	5,532.93	19.40		107.34
700-00003293	PEU DEV INSTALLED SERV - CIAC	08/01/2019	19,631.04	19.40		380.84
700-00003295	PEU DEV INSTALLED SERV - CIAC	08/01/2019	7,880.88	19.40		152.89
700-00003298	PEU DEV INSTALLED SERV - CIAC	08/01/2019	10,543.72	19.40		204.55
700-00003305	PEU DEV INSTALLED SERV - CIAC	08/01/2019	7,618.14	19.40		147.79
700-00003340	PEU DEV INSTALLED SERV - CIAC	08/01/2019	3,036.51	19.40		58.91
700-00003341	PEU DEV INSTALLED SERV - CIAC	08/01/2019	3,084.31	19.40		59.84
700-00003344	PEU DEV INSTALLED SERV - CIAC	08/01/2019	3,084.31	19.40		59.84
700-00003345	PEU DEV INSTALLED SERV - CIAC	08/01/2019	3,084.31	19.40		59.84
700-00003351	PEU DEV INSTALLED SERV - CIAC	09/01/2019	3,036.51	19.40		58.91
700-00003353	PEU DEV INSTALLED SERV - CIAC	09/01/2019	3,036.51	19.40		58.91
700-00003354	PEU DEV INSTALLED SERV - CIAC	09/01/2019	3,084.34	19.40		59.84
700-00003355	PEU DEV INSTALLED SERV - CIAC	09/01/2019	3,036.51	19.40		58.91
700-00003385	PEU DEV INSTALLED SERV - CIAC	10/01/2019	2,008.27	19.40		38.96
700-00003389	PEU DEV INSTALLED SERV - CIAC	10/01/2019	2,008.27	19.40		38.96
700-00003603	Reverse Duplicate Asset	11/01/2019	(3,036.51)	19.40		(58.91)
700-00003613	PEU DEV INSTALLED SERV - CIAC	11/30/2019	2,008.27	19.40		38.96
700-00003614	PEU DEV INSTALLED SERV - CIAC	11/30/2019	2,008.27	19.40		38.96
700-00003633	PEU DEV INSTALLED SERV - CIAC	12/01/2019	1,555.71	19.40		30.18
700-00003634	PEU DEV INSTALLED SERV - CIAC	12/01/2019	1,555.71	19.40		30.18
700-00003663	PEU DEV INSTALLED SERV - CIAC	12/01/2019	2,383.38	19.40		46.24
Subtotal: 333230-7000-001			147,059.31			2,852.95
Asset Type: PEU DEVELOPER INSTALLED SERVICES - PAID						
Asset GL Acct #: 333250-7000-001						
700-00002985	PEU DEV INSTALLED SERV - PAID	01/01/2019	452.56	19.40		8.78
700-00003065	PEU DEV INSTALLED SERV - PAID	04/01/2019	487.47	19.40		9.46
700-00003117	PEU DEV INSTALLED SERV - PAID	05/01/2019	487.47	19.40		9.46
700-00003155	PEU DEV INSTALLED SERV - PAID	06/01/2019	1,033.63	19.40		20.05
700-00003163	PEU DEV INSTALLED SERV - PAID	06/01/2019	487.47	19.40		9.46
700-00003638	PEU DEV INSTALLED SERV - PAID	12/01/2019	452.56	19.40		8.78
700-00003639	PEU DEV INSTALLED SERV - PAID	12/01/2019	452.56	19.40		14.23
Subtotal: 333250-7000-001			3,853.72			80.21
Asset Type: PEU METERING EQUIPMENT - CIAC						
Asset GL Acct #: 334000-7000-001						
700-00003052	MacGregor Cut Booster Station Acq.	03/01/2019	10,000.00	19.40		194.00
Subtotal: 334000-7000-001			10,000.00			194.00

Asset ID	Description	Placed In Service	Book Cost	Tax Rate	Local Tax	Property Tax
Asset Type: PEU METERS						
Asset GL Acct #: 334000-7000-001						
700-00002965	5/8in. New Meter: Londonderry	03/01/2019	83.04	19.40		1.61
Subtotal: 334000-7000-001			83.04			1.61
Asset Type: PEU RADIOS FOR METERING EQUIPMENT						
Asset GL Acct #: 334100-7000-001						
700-00002956	Neptune Radios: Londonderry	01/01/2019	96.88	19.40		1.88
700-00002967	Neptune Radios: Londonderry	01/01/2019	96.88	19.40		1.88
Subtotal: 334100-7000-001			193.76			3.76
Asset Type: PEU HYDRANTS						
Asset GL Acct #: 335000-7000-001						
700-00003027	Hillcrest Road - Renewed Hydrant	03/01/2019	5,086.05	19.40		98.67
Subtotal: 335000-7000-001			5,086.05			98.67
Asset Type: PEU DEVELOPER INSTALLED HYDRANTS - CIAC						
Asset GL Acct #: 335100-7000-001						
700-00003040	MacGregor Cut Booster Station Acq.	03/01/2019	10,000.00	19.40		194.00
700-00003198	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003199	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003200	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003202	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003203	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003253	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003254	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003255	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003256	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003257	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003258	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003259	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003277	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003278	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003279	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003280	PEU DEV INST - HYDRANTS	07/01/2019	3,984.33	19.40		77.30
700-00003650	PEU DEV INSTALLED HYDRANTS - CIAC	12/01/2019	6,323.61	19.40		122.68
700-00003651	PEU DEV INSTALLED HYDRANTS - CIAC	12/01/2019	6,323.61	19.40		122.68
700-00003652	PEU DEV INSTALLED HYDRANTS - CIAC	12/01/2019	6,323.61	19.40		122.68
700-00003653	PEU DEV INSTALLED HYDRANTS - CIAC	12/01/2019	6,323.61	19.40		122.68
700-00003654	PEU DEV INSTALLED HYDRANTS - CIAC	12/01/2019	6,323.61	19.40		122.68
Subtotal: 335100-7000-001			105,367.33			2,044.13
Asset Type: PEU DEV INST COMMUNICATION EQUIP - CIAC						
Asset GL Acct #: 346000-7000-001						
700-00003050	MacGregor Cut Booster Station Acq.	03/01/2019	7,000.00	19.40		135.80
Subtotal: 3346000-7000-001			7,000.00			135.80
Subtotal: Londonderry			1,599,282.84			31,031.54
Town or Department: Middleton						
Asset Type: PEU ELECTRIC PUMPING EQUIP - PUMPS						
Asset GL Acct #: 311210-7000-001						
700-00003176	Sunrise Estates: Middleton: Rebuild Boos					
70000-008707	Beech Tree Dr (#20): Middleton - 1" Developer Installed Services - CIAC	07/01/2019	1,320.90	24.84		32.81
Subtotal: 311210-7000-001			1,320.90			32.81
Subtotal: Middleton			1,320.90			32.81
Town or Department: North Conway						
Asset Type: PEU DEVELOPER INSTALLED SERVICES - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00003159	PEU DEV INSTALLED SERV - CIAC	06/01/2019	3,036.51	16.87		51.23
Subtotal: 333230-7000-001			3,036.51			51.23
Subtotal: North Conway			3,036.51			51.23
Town or Department: Pelham						
Asset Type: PEU EASEMENTS						
Asset GL Acct #: 303240-7000-001						
700-00003073	Easement - Nashua Rd Main Relocation	04/01/2019	425.00	17.51		7.44
700-00003082	Easement - Nashua Rd 4" Main Relocation	05/01/2019	776.00	17.51		13.59
Subtotal: 303240-7000-001			1,201.00			21.03
Asset Type: PEU WELL PUMP & PIPING						
Asset GL Acct #: 307210-7000-001						
700-00003101	Williamsburg Replace Well Pump #2	05/01/2019	8,823.82	17.51		154.51
Subtotal: 307210-7000-001			8,823.82			154.51
Asset Type: PEU ELECTRIC PUMPING EQUIP - PUMPS						
Asset GL Acct #: 311210-7000-001						
700-00002949	Meadowview - Rebuild Booster Pump #2	01/01/2019	3,575.61	17.51		62.61
700-00002995	Williamsburg - Rebuild Booster Pump #2	02/01/2019	5,094.90	17.51		89.21
700-00003002	Pelham-Booster Pumps-Rebuild-Correction	01/01/2019	(3,575.61)	17.51		(62.61)
700-00003003	Pelham-Booster Pumps-Rebuild-Correction	01/01/2019	3,972.90	17.51		69.57
Subtotal: 311210-7000-001			9,067.80			158.78
Asset Type: PEU ELECTRIC PUMPING EQUIP - CHEMICAL PMP						
Asset GL Acct #: 311230-7000-001						
700-00003025	Williamsburg - Replace Caustic Pump #1	02/01/2019	1,634.33	17.51		28.62
Subtotal: 311230-7000-001			1,634.33			28.62
Asset Type: PEU MAINS 4" & UNDER						
Asset GL Acct #: 331101-7000-001						
700-00002994	Relocate Main Nashua RD	02/01/2019	15,475.00	17.51		270.97
Subtotal: 331101-7000-001			15,475.00			270.97
Asset Type: PEU SERVICES						
Asset GL Acct #: 333100-7000-001						
700-00003137	Nashua Road (#61): Pelham - 1in	06/01/2019	3,281.24	17.51		57.45
700-00003145	Marsh Road (#58): Pelham - 1in	06/01/2019	2,550.00	17.51		44.65
Subtotal: 333100-7000-001			5,831.24			102.11
Asset Type: PEU DEVELOPER INSTALLED SERVICES - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00002969	PEU DEV INSTALLED SERV - CIAC	01/01/2019	2,583.95	17.51		45.24
700-00002977	PEU DEV INSTALLED SERV - CIAC	01/01/2019	2,302.82	17.51		40.32
700-00002981	PEU DEV INSTALLED SERV - CIAC	01/01/2019	2,583.95	17.51		45.24
700-00003023	PEU DEV INSTALLED SERV - CIAC	03/01/2019	2,549.04	17.51		44.63
700-00003062	PEU DEV INSTALLED SERV - CIAC	04/01/2019	2,549.04	17.51		44.63
700-00003086	PEU DEV INSTALLED SERV - CIAC	05/01/2019	2,549.04	17.51		44.63
700-00003106	PEU DEV INSTALLED SERV - CIAC	05/01/2019	2,225.82	17.51		38.97
700-00003110	PEU DEV INSTALLED SERV - CIAC	05/01/2019	3,036.51	17.51		53.17
700-00003111	PEU DEV INSTALLED SERV - CIAC	05/01/2019	3,036.51	17.51		53.17
700-00003113	PEU DEV INSTALLED SERV - CIAC	05/01/2019	1,824.53	17.51		31.95
700-00003114	PEU DEV INSTALLED SERV - CIAC	05/01/2019	2,549.04	17.51		44.63
700-00003126	PEU DEV INSTALLED SERV - CIAC	05/01/2019	1,982.58	17.51		34.71
700-00003149	PEU DEV INSTALLED SERV - CIAC	06/01/2019	3,036.51	17.51		53.17
700-00003150	PEU DEV INSTALLED SERV - CIAC	06/01/2019	3,036.51	17.51		53.17
700-00003151	PEU DEV INSTALLED SERV - CIAC	06/01/2019	2,147.75	17.51		37.61
700-00003363	PEU DEV INSTALLED SERV - CIAC	09/01/2019	2,583.95	17.51		45.24
700-00003364	PEU DEV INSTALLED SERV - CIAC	09/01/2019	2,835.16	17.51		49.64
700-00003599	Reverse Duplicate Asset	11/01/2019	(3,036.51)	17.51		(53.17)
700-00003601	Reverse Duplicate Asset	11/01/2019	(3,036.51)	17.51		(53.17)
700-00003606	PEU DEV INSTALLED SERV - CIAC	11/30/2019	2,008.27	17.51		35.16
700-00003632	PEU DEV INSTALLED SERV - CIAC	12/01/2019	1,654.99	17.51		28.98
700-00003636	PEU DEV INSTALLED SERV - CIAC	12/01/2019	1,555.71	17.51		27.24
Subtotal: 333230-7000-001			42,558.66			745.20
Asset Type: PEU DEVELOPER INSTALLED SERVICES - PAID						
Asset GL Acct #: 333250-7000-001						
700-00002972	PEU DEV INSTALLED SERV - PAID	01/01/2019	452.56	17.51		7.92
700-00002983	PEU DEV INSTALLED SERV - PAID	01/01/2019	733.69	17.51		12.85

Asset ID	Description	Placed In Service	Book Cost	Tax Rate	Local Tax	Property Tax
700-00002986	PEU DEV INSTALLED SERV - PAID	01/01/2019	452.56	17.51		7.92
700-00003019	PEU DEV INSTALLED SERV- PAID	02/01/2019	9,438.56	17.51		165.27
700-00003024	PEU DEV INSTALLED SERV - PAID	03/01/2019	487.47	17.51		8.54
700-00003066	PEU DEV INSTALLED SERV - PAID	04/01/2019	487.47	17.51		8.54
700-00003091	PEU DEV INSTALLED SERV - PAID	05/01/2019	487.47	17.51		8.54
700-00003116	PEU DEV INSTALLED SERV - PAID	05/01/2019	810.69	17.51		14.20
700-00003118	PEU DEV INSTALLED SERV - PAID	05/01/2019	810.69	17.51		14.20
700-00003119	PEU DEV INSTALLED SERV - PAID	05/01/2019	487.47	17.51		8.54
700-00003127	PEU DEV INSTALLED SERV - PAID	05/01/2019	810.69	17.51		14.20
700-00003154	PEU DEV INSTALLED SERV - PAID	09/01/2019	487.47	17.51		8.54
700-00003356	PEU DEV INSTALLED SERV - PAID	09/01/2019	452.56	17.51		7.92
700-00003637	PEU DEV INSTALLED SERV - PAID	12/01/2019	452.56	17.51		7.92
700-00003641	PEU DEV INSTALLED SERV - PAID	12/01/2019	452.56	17.51		7.92
Subtotal: 333250-7000-001			17,304.47			303.00
Asset Type: PEU METERS						
Asset GL Acct #: 334000-7000-001						
700-00002951	1in. New Meter: Williamsburg	01/01/2019	183.78	17.51		3.22
700-00002959	5/8in. New Meter: Skyview Estates	01/01/2019	83.01	17.51		1.45
Subtotal: 334000-7000-001			266.79			4.67
Asset Type: PEU RADIOS FOR METERING EQUIPMENT						
Asset GL Acct #: 334100-7000-001						
700-00002955	Neptune Radios: Williamsburg	01/01/2019	96.89	17.51		1.70
700-00002961	Neptune Radios: Skyview Estates	01/01/2019	96.89	17.51		1.70
Subtotal: 334100-7000-001			193.78			3.39
Subtotal: Pelham			102,356.89			1,792.27
Town or Department: Pennichuck East						
Asset Type: PEU GATES 6" & LARGER						
Asset GL Acct #: 331251-7000-001						
700-00003397	(#): - Gate Valves: 8in. - Peu New Ins	11/01/2019	1,726.32			-
700-00003616	Cardinal at Albuquerque New 8in Gate Vlv	12/01/2019	5,717.50			-
Subtotal: 331251-7000-001			7,463.82			-
Asset Type: PEU METERS						
Asset GL Acct #: 334000-7000-001						
700-00002952	Peu Install New Meter: 5/8in.	01/01/2019	3,559.24			-
700-00002953	Peu Install New Meter: 1in.	01/01/2019	183.99			-
700-00002997	Peu Install New Meter: 5/8in	02/01/2019	4,552.41			-
700-00002998	Peu Install New Meter: 1in.	02/01/2019	367.80			-
700-00002999	Peu Install New Meter: 2in	02/01/2019	550.24			-
700-00003028	Peu Install New Meter: 5/8in.	03/01/2019	1,741.74			-
700-00003029	Peu Install New Meter: 3/4in.	03/01/2019	137.90			-
700-00003030	Peu Install New Meter: 1in.	03/01/2019	1,470.73			-
700-00003059	Peu Install New Meter: 5/8in.	04/01/2019	3,488.44			-
700-00003095	Peu Install New Meter: 3/4in.	05/01/2019	334.49			-
700-00003096	Peu Install New Meter: 1in.	05/01/2019	1,282.28			-
700-00003097	Peu Install New Meter: 2in.	05/01/2019	1,097.17			-
700-00003099	Peu Install New Meter: 3in.	05/01/2019	383.85			-
700-00003124	Peu Install New Meter: 5/8in.	05/01/2019	2,787.82			-
700-00003131	1 in. Meter (2)	06/01/2019	366.21			-
700-00003132	1 1/2 in. Meter (3)	06/01/2019	1,125.85			-
700-00003133	2 in. Meter (2)	06/01/2019	835.35			-
700-00003135	5/8 in. Meter (37)	06/01/2019	3,097.37			-
700-00003166	Peu Install New Meter: 1in	07/01/2019	184.14			-
700-00003175	Peu Install New Meter: 3/4in	07/01/2019	135.22			-
700-00003177	Peu Install New Meter: 5/8in	07/01/2019	5,557.82			-
700-00003327	3/4in New Meter: PEU	08/01/2019	136.15			-
700-00003328	1in New Meter: PEU	08/01/2019	734.65			-
700-00003331	5/8in New Meter: PEU	08/01/2019	10,490.07			-
700-00003346	Peu Install New Meter: 3/4in.	09/01/2019	134.77			-
700-00003349	Peu Install New Meter: 5/8in.	09/01/2019	5,358.15			-
700-00003371	Peu Install New Meter: 5/8in	10/01/2019	3,288.94			-
700-00003372	Peu Install New Meter: 1 1/2in	10/01/2019	771.14			-
700-00003373	Peu Install New Meter: 2in	10/01/2019	273.47			-
700-00003393	Peu Install New Meter: 5/8in.	11/01/2019	3,433.20			-
700-00003402	Peu Install New Meter: 1 1/2in.	11/01/2019	771.14			-
700-00003617	Peu Install New Meter: 5/8in.	12/01/2019	3,027.91			-
Subtotal: 334000-7000-001			61,858.65			-
Asset Type: PEU RADIOS FOR METERING EQUIPMENT						
Asset GL Acct #: 334100-7000-001						
700-00002957	Peu Neptune Radio Replacements	01/01/2019	607.66			-
700-00003000	Peu Neptune Radio Replacements	02/01/2019	675.10			-
700-00003031	Peu Neptune Radio Replacements	03/01/2019	965.18			-
700-00003067	Peu Neptune Radio Replacements	04/01/2019	1,096.35			-
700-00003100	Peu Neptune Radio Replacements	05/01/2019	1,594.30			-
700-00003134	Neptune Radio Replacements (12)	06/01/2019	1,194.50			-
700-00003167	Peu Neptune Radio Replacements	07/01/2019	1,617.75			-
700-00003329	PEU Neptune Radio Replacements	08/01/2019	2,401.81			-
700-00003347	Peu Neptune Radio Replacements	09/01/2019	2,538.99			-
700-00003374	Peu Neptune Radio Replacements	10/01/2019	3,943.51			-
700-00003394	Peu Neptune Radio Replacements	11/01/2019	3,053.31			-
700-00003618	Peu Neptune Radio Replacements	12/01/2019	1,733.90			-
Subtotal: 334100-7000-001 (99)			21,422.36			-
Asset Type: PEU HYDRANTS						
Asset GL Acct #: 335000-7000-001						
700-00003401	Cardinal Lane (#18): Litchfield - Peu In	11/01/2019	120.49			-
Subtotal: 335000-7000-001			120.49			-
Subtotal: Pennichuck East (225)			90,865.32			-
Town or Department: Plaistow						
Asset Type: PEU DISTRIBUTION MAINS - PAVING						
Asset GL Acct #: 331001-7000-001						
700-00003667	Lower Road: Plaistow - Paving	12/01/2019	27,640.00	19.33		534.28
Subtotal: 331001-7000-001			27,640.00			534.28
Asset Type: PEU MAINS 6" & LARGER						
Asset GL Acct #: 331100-7000-001						
700-00003664	Lower Road: Plaistow -794' of 6" DI Zinc	12/01/2019	15,923.42	19.33		307.80
700-00003674	Lower Road: Plaistow -794' of 6" DI Zinc	12/01/2019	107,599.62	19.33		2,079.90
Subtotal: 331100-7000-001			123,523.04			2,387.70
Asset Type: PEU MAINS 4" & UNDER						
Asset GL Acct #: 331101-7000-001						
700-00003673	Lower Road: Plaistow - 2' of 3" PVC	12/01/2019	720.00	19.33		13.92
Subtotal: 331101-7000-001			720.00			13.92
Asset Type: PEU GATES 4" & UNDER						
Asset GL Acct #: 331250-7000-001						
700-00003678	Lower Road: Plaistow - 2" Air Release	12/01/2019	1,350.00	19.33		26.10
700-00003679	Lower Road: Plaistow - 1" Air Release	12/01/2019	1,755.00	19.33		33.92
Subtotal: 331250-7000-001			3,105.00			60.02
Asset Type: PEU GATES 6" & LARGER						
Asset GL Acct #: 331251-7000-001						
700-00003675	Lower Road: Plaistow - 6" Gate Valve	12/01/2019	765.00	19.33		14.79
700-00003676	Lower Road: Plaistow - 6" Gate Valve	12/01/2019	765.00	19.33		14.79
700-00003677	Lower Road: Plaistow - 6" Gate Valve	12/01/2019	765.00	19.33		14.79
Subtotal: 331251-7000-001			2,295.00			44.36
Asset Type: Renewed Services						
Asset GL Acct #: 333200-7000-001						
700-00003665	Lower Road (#7): Plaistow - 1.5" CTS	12/01/2019	4,920.25	19.33		95.11
700-00003666	Lower Road (#5): Plaistow - 1.5" CTS	12/01/2019	4,920.25	19.33		95.11
700-00003680	Lower Road (#9): Plaistow - 1.5" CTS	12/01/2019	4,920.24	19.33		95.11
Subtotal: 333200-7000-001			14,760.74			285.33
Subtotal: Plaistow			172,043.78			3,325.61

Asset ID	Description	Placed In Service	Book Cost	Tax Rate	Local Tax	Property Tax
Town or Department: Raymond						
Asset Type: PEU ELECTRIC PUMPING EQUIP						
Asset GL Acct #: 311200-7000-001						
700-00003178	Replace VFD Booster #3 - Liberty Tree	07/01/2019	1,540.35	24.35		37.51
Subtotal: 311200-7000-001			1,540.35			37.51
Asset Type: PEU ELECTRIC PUMPING EQUIP - PUMPS						
Asset GL Acct #: 311230-7000-001						
700-00002996	Raymond - Booster Pump Pumps - Rebuild	02/01/2019	1,626.90	24.35		39.62
700-00003026	Liberty Tree - Rebuild Booster Pump #3	03/01/2019	1,626.90	24.35		39.62
700-00003094	Liberty Tree Rebuild Booster Pump #2	05/01/2019	1,626.90	24.35		39.62
Subtotal: 311230-7000-001			4,880.70			118.85
Asset Type: PEU ELECTRIC PUMPING EQUIP - PUMPS						
Asset GL Acct #: 311230-7000-001						
700-00003092	Liberty Tree Replace Post Chlorine Pump	05/01/2019	1,409.68	24.35		34.33
700-00003399	Clearwater Raymond: Replace Chem Pump	11/01/2019	1,409.63	24.35		34.32
Subtotal: 311230-7000-001			2,819.31			68.65
Asset Type: PEU GATES 6" & LARGER						
Asset GL Acct #: 331251-7000-001						
700-00003172	Anita Ave: Raymond - Gate Valves	07/01/2019	9,758.75	24.35		237.63
Subtotal: 331251-7000-001			9,758.75			237.63
Asset Type: PEU DEVELOPER INSTALLED SERVICES - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00002970	PEU DEV INSTALLED SERV - CIAC	01/01/2019	3,036.51	21.56		65.47
700-00003087	PEU DEV INSTALLED SERV - CIAC	05/01/2019	3,036.51	21.56		65.47
700-00003088	PEU DEV INSTALLED SERV - CIAC	05/01/2019	3,036.51	21.56		65.47
700-00003312	PEU DEV INSTALLED SERV - CIAC	08/01/2019	3,036.51	21.56		65.47
Subtotal: 333230-7000-001			12,146.04			261.87
Asset Type: PEU METERS						
Asset GL Acct #: 334000-7000-001						
700-00002950	5/8in. Meter: Clearwater 42 Patriots	01/01/2019	83.00	24.35		2.02
Subtotal: 334000-7000-001			83.00			2.02
Asset Type: PEU RADIOS FOR METERING EQUIPMENT						
Asset GL Acct #: 334100-7000-001						
700-00002954	Neptune Radios: Clearwater	01/01/2019	96.89	24.35		2.36
Subtotal: 334100-7000-001			96.89			2.36
Subtotal: Raymond			31,325.04			264.23
Town or Department: Tilton						
Asset Type: PEU DEVELOPER INSTALLED SERVICES - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00003287	PEU DEV INSTALLED SERV - CIAC	07/01/2019	1,982.58	20.22		40.09
700-00003289	PEU DEV INSTALLED SERV - CIAC	08/01/2019	1,748.37	20.22		35.35
700-00003297	PEU DEV INSTALLED SERV - CIAC	08/01/2019	1,602.62	20.22		32.40
700-00003306	PEU DEV INSTALLED SERV - CIAC	08/01/2019	2,225.82	20.22		45.01
700-00003307	PEU DEV INSTALLED SERV - CIAC	08/01/2019	2,225.82	20.22		45.01
700-00003308	PEU DEV INSTALLED SERV - CIAC	08/01/2019	2,225.82	20.22		45.01
700-00003309	PEU DEV INSTALLED SERV - CIAC	08/01/2019	2,225.82	20.22		45.01
700-00003310	PEU DEV INSTALLED SERV - CIAC	08/01/2019	2,225.82	20.22		45.01
700-00003319	PEU DEV INSTALLED SERV - CIAC	08/01/2019	2,225.82	20.22		45.01
Subtotal: 333230-7000-001			18,688.49			377.88
Asset Type: PEU DEVELOPER INSTALLED SERVICES - PAID						
Asset GL Acct #: 333250-7000-001						
700-00003217	PEU DEV INSTALLED SERV - PAID	07/01/2019	810.69	20.22		16.39
700-00003218	PEU DEV INSTALLED SERV - PAID	07/01/2019	810.69	20.22		16.39
700-00003219	PEU DEV INSTALLED SERV - PAID	07/01/2019	810.69	20.22		16.39
700-00003220	PEU DEV INSTALLED SERV - PAID	07/01/2019	810.69	20.22		16.39
700-00003237	PEU DEV INSTALLED SERV - PAID	07/01/2019	810.69	20.22		16.39
700-00003238	PEU DEV INSTALLED SERV - PAID	07/01/2019	810.69	20.22		16.39
700-00003239	PEU DEV INSTALLED SERV - PAID	07/01/2019	810.69	20.22		16.39
Subtotal: 333250-7000-001			5,674.83			114.75
Subtotal: Tilton			24,363.32			492.63
Town or Department: Windham						
Asset Type: PEU WELL PUMP & PIPING						
Asset GL Acct #: 307210-7000-001						
700-00003169	Spruce Pond - Well Pump #1 - Replace	07/01/2019	4,171.39	22.55		94.06
700-00003171	W&E: Windham: Well Pump #3 - Replace	07/01/2019	6,025.45	22.55		137.45
Subtotal: 307210-7000-001			10,266.84			231.52
Asset Type: PEU ELECTRIC PUMPING EQUIP						
Asset GL Acct #: 311200-7000-001						
700-00003334	Spruce Pond: Windham: Repl VFD, Boost #1	08/01/2019	1,939.81	22.55		43.74
700-00003403	Replace 3 Pump Motors, install VFD	11/01/2019	6,027.45	22.55		135.92
Subtotal: 311200-7000-001			7,967.26			179.66
Asset Type: PEU ELECTRIC PUMPING EQUIP - PUMPS						
Asset GL Acct #: 311210-7000-001						
700-00003055	Goldenbrook Rebuild Booster Pump #1	04/01/2019	1,830.90	22.55		41.29
700-00003093	Goldenbrook Rebuild Booster Pump #2	05/01/2019	1,830.90	22.55		41.29
Subtotal: 311210-7000-001			3,661.80			82.57
Asset Type: PEU ELECTRIC PUMPING EQUIP - CHEMICAL PMP						
Asset GL Acct #: 311230-7000-001						
700-00003173	W&E: Windham: Chem Pumps - Replace	07/01/2019	1,478.59	22.55		33.34
Subtotal: 311230-7000-001			1,478.59			33.34
Asset Type: PEU RENEWED SERVICES						
Asset GL Acct #: 333200-7000-001						
700-00003001	Woodvue Road (#13): Windham - 1	02/01/2019	10,149.21	22.55		228.86
700-00003125	Rolling Ridge Rd (#22): Windham - Peu	05/01/2019	2,998.36	22.55		67.61
700-00003332	Woodvue Rd (#19): Windham - Peu instal	08/01/2019	4,764.20	22.55		107.43
Subtotal: 333200-7000-001			17,911.77			403.91
Asset Type: PEU DEVELOPER INSTALLED SERVICES - CIAC						
Asset GL Acct #: 333230-7000-001						
700-00002980	PEU DEV INSTALLED SERV - CIAC	01/01/2019	3,036.51	22.55		68.47
700-00003063	PEU DEV INSTALLED SERV - CIAC	04/01/2019	3,036.51	22.55		68.47
Subtotal: 333230-7000-001			6,073.02			136.95
Asset Type: PEU METERS						
Asset GL Acct #: 334000-7000-001						
700-00002964	3/4in. New Meter: W&E	01/01/2019	138.17	22.55		3.12
Subtotal: 334000-7000-001			138.17			3.12
Asset Type: PEU ELECTRIC PUMPING EQUIP - PUMPS						
Asset GL Acct #: 311210-7000-001						
700-00002966	Neptune Radios: W&E	01/01/2019	96.89	22.55		2.18
700-00002992	PEU Neptune Radios: Whispering Winds	01/01/2019	93.89	22.55		2.12
Subtotal: 311210-7000-001			190.78			4.30
Subtotal: Windham (17)			47,688.23			1,075.37
Yearly Subtotal			3,486,026.04			67,870.96
Grand Total			3,486,026.04			67,870.96

Pennichuck East Utilities, Inc.
Taxable Assets for Asset Dispositions
For the Twelve Months Ended December 31, 2019

Schedule 1A Attachment B

Description	Placed In Service	Disposal Date	Cost	Tax Rate	Local Property Tax
Locke Lake Well #11 Pump Replacement - 1	08/01/2013	09/30/2019	968.40	20.98	20.32
Locke Lake Well #11 Pump Replacement - 4	08/01/2013	09/30/2019	1,327.68	20.98	27.85
Locke Lake Well #11 Pump Replacement - 1	08/01/2013	09/30/2019	1,647.36	20.98	34.56
Locke Lake Well #11 Pump Replacement - 1	08/01/2013	09/30/2019	2,592.00	20.98	54.38
Locke Lake Well #11 Pump Replacement - 1	08/01/2013	09/30/2019	127.81	20.98	2.68
Locke Lake Well #11 Pump Replacement - t	08/01/2013	09/30/2019	49.62	20.98	1.04
Locke Lake Well #11 Pump Replacement - l	08/01/2013	09/30/2019	102.59	20.98	2.15
			6,815.46		142.99
Deer Run: Barnstead - 476' of 2",Field N	12/01/2006	11/30/2019	1,271.89	20.98	26.68
Enfield Lane: Barnstead - 519' of 2",Fi	12/01/2006	11/30/2019	1,386.79	20.98	29.09
Fairfield Run: Barnstead - 344' of 2",Fi	12/01/2006	11/30/2019	919.18	20.98	19.28
Hampshire Court: Barnstead - 1,081' of 2	12/01/2006	11/30/2019	2,888.48	20.98	60.60
Newport Drive: Barnstead - 1,474' of 2",	12/01/2006	11/30/2019	3,938.59	20.98	82.63
North Barnstead Road (Dalton Drive East)	12/01/2006	11/30/2019	2,068.16	20.98	43.39
Nutter Circle & Peacham Road: Barnstead	12/01/2006	11/30/2019	4,128.31	20.98	86.61
Rangeway Road: Barnstead - 569' of 2",Fi	12/01/2006	11/30/2019	1,520.39	20.98	31.90
Westchester Park - Barnstead - 532' of 2	12/01/2006	11/30/2019	1,421.53	20.98	29.82
Bradford Circle - Barnstead - 852' of 3"	12/01/2006	11/30/2019	2,600.34	20.98	54.56
Bradford Lane - Barnstead - 2,638' of 2"	12/01/2006	11/30/2019	8,051.30	20.98	168.92
Bay Drive - Barnstead - 460' of 4" PVC	12/01/2006	11/30/2019	1,498.81	20.98	31.45
Belmont Drive - Barnstead - 489' of 4"	12/01/2006	11/30/2019	1,593.30	20.98	33.43
Danbury Road - Barnstead - 1,469' of 4",	12/01/2006	11/30/2019	4,786.43	20.98	100.42
Georgetown Drive to North Barnstead Road	12/01/2006	11/30/2019	2,199.35	20.98	46.14
Georgetown Drive - Barnstead - 4,644' of	12/01/2006	11/30/2019	15,131.50	20.98	317.46
North Barnstead Road (Dalton Drive West)	12/01/2006	11/30/2019	1,342.42	20.98	28.16
North Barnstead Road (Georgetown to Var	12/01/2006	11/30/2019	3,044.75	20.98	63.88
North Barnstead Road of (Belmont to Geor	12/01/2006	11/30/2019	814.57	20.98	17.09
Varney Road - Barnstead - 1,039' of 4",F	12/01/2006	11/30/2019	3,385.36	20.98	71.02
Varney Road - Barnstead - 1,039' of 4",F	12/01/2006	11/30/2019	3,385.36	20.98	71.02
Varney Road - Barnstead - 1,039' of 4",F	12/01/2006	11/30/2019	3,385.36	20.98	71.02
Varney Road - Barnstead - 1,039' of 4",F	12/01/2006	11/30/2019	3,385.36	20.98	71.02
Varney Road - Barnstead - 1,039' of 4",F	12/01/2006	11/30/2019	3,385.36	20.98	71.02
Varney Road - Barnstead - 1,040' of 4",F	12/01/2006	11/30/2019	3,388.61	20.98	71.09
Georgetown Dr (#103): Barnstead - 4 &	07/01/2012	11/30/2019	7,248.75	20.98	152.08
			91,555.61		1,920.84
Danbury Road: Barnstead - 4 Gate"	04/01/2010	11/30/2019	3,172.20	20.98	66.55
			3,172.20		66.55
Locke Lake Svc Work - Start-up Belmont	10/01/2006	11/30/2019	87.64	20.98	1.84
Locke Lake Svc Work- Start-up Bradford	10/01/2006	11/30/2019	277.53	20.98	5.82
Locke Lake Svc Work- Start-up Danbury	10/01/2006	11/30/2019	189.89	20.98	3.98
Locke Lake Svc Work- Start-up Georgetown	10/01/2006	11/30/2019	744.95	20.98	15.63
Locke Lake Svc Work-Start-up N Barnstead	10/01/2006	11/30/2019	87.64	20.98	1.84
Georgetown Drive (#73): Barnstead - 1 CT	10/01/2007	11/30/2019	1,040.85	20.98	21.84
Georgetown Drive (#35): Barnstead - 1 CT	12/01/2014	11/30/2019	5,200.00	20.98	109.10
			7,628.50		160.05
Ash Drive (#12): Barnstead - 1" CT	11/01/2012	12/31/2019	1,017.35	20.98	21.34
Damsite Road (#133): Barnstead - 1 CT Sc	12/01/2013	12/31/2019	672.31	20.98	14.11
			1,689.66		35.45
Georgetown Drive (#35): Barnstead - 1 CT	04/01/2015	11/30/2019	1,906.72	20.98	40.00
N. Barnstead Road (#257): Barnstead - 1"	09/01/2016	11/30/2019	2,169.16	20.98	45.51
			4,075.88		85.51
1 Meter: Locke Lake: Barnstead - (1)	08/01/2006	10/31/2019	228.12	20.98	4.79
1 Meters: Locke Lake: Barnstead - (1)	08/01/2006	06/30/2019	228.28	20.98	4.79
			456.40		4.79
Neptune Radio Installs: Locke Lake (3)	03/01/2007	09/30/2019	270.13	20.98	5.67
Neptune Radio Installs: Locke Lake (3)	03/01/2007	10/31/2019	270.13	20.98	5.67
Neptune Radio Installs: Locke Lake: Barn	10/01/2007	06/30/2019	111.75	20.98	2.34

Description	Placed In Service	Disposal Date	Cost	Tax Rate	Local Property Tax
Neptune Radio Installs: Locke Lake: Barn	11/01/2007	12/31/2019	194.43	20.98	4.08
Locke Lake: Barnstead - Neptunes Install	12/01/2007	12/31/2019	75.97	20.98	1.59
Locke Lake: Barnstead - Neptunes Install	12/01/2007	12/31/2019	75.97	20.98	1.59
Locke Lake: Barnstead - Neptunes Install	12/01/2007	12/31/2019	75.97	20.98	1.59
Locke Lake: Barnstead - Neptune Installa	04/01/2008	12/31/2019	315.00	20.98	6.61
			1,389.35		29.15
			116,783.06		2,445.32
Well Pump # 2 & Piping Replacement	05/01/2017	09/30/2019	1,739.07	24.36	42.36
White Rock Pump Replacement & Well Asses	12/01/2011	09/30/2019	1,065.52	24.36	25.96
White Rock Pump Replacement & Well Asses	12/01/2011	09/30/2019	3,516.52	24.36	85.66
White Rock Pump Replacement & Well Asses	12/01/2011	09/30/2019	3,213.00	24.36	78.27
White Rock Pump Replacement & Well Asses	12/01/2011	09/30/2019	22,682.51	24.36	552.55
White Rock Pump Replacement & Well Asses	12/01/2011	09/30/2019	3,274.52	24.36	79.77
			35,491.14		864.56
1 Meters: White Rock: Bow - (1) New	07/01/2005	06/30/2019	282.10	24.36	6.87
1 Meter: White Rock: Bow - (1) New	11/01/2005	06/30/2019	280.65	24.36	6.84
1 Meter: White Rock: Bow - (1) New	09/01/2006	10/31/2019	364.16	24.36	8.87
			926.91		22.58
			36,418.05		887.14
Dustin Avenue (#3): Derry - 1 CT Service	04/01/1998	09/30/2019	84.77	24.60	2.09
			84.77		2.09
5/8 METERS: MAPLE HILLS 2-RENEWED	05/01/2004	10/31/2019	220.60	24.60	5.43
			220.60		5.43
			305.37		7.51
Well Pump #2 - 1 hp 230v 3 wire, w/ p&f	06/01/2012	09/30/2019	2,351.52	21.29	50.06
Well Pump #2 - hydro-frac well (w/labor)	06/01/2012	09/30/2019	2,610.00	21.29	55.57
			4,961.52		105.63
			4,961.52		105.63
Springer Road (#10): Hooksett - 1 CT Ser	01/01/2000	03/31/2019	286.80	38.72	11.10
			286.80		11.10
			286.80		11.10
Darrah: Litchfield - Items from Property	04/01/1998	12/31/2019	30.00	21.36	0.64
Darrah: Litchfield - Items from Property	04/01/1998	12/31/2019	395.05	21.36	8.44
Darrah: Litchfield - Items from Property	04/01/1998	12/31/2019	1,707.43	21.36	36.47
Darrah: Litchfield - Items from Property	04/01/1998	12/31/2019	100.00	21.36	2.14
Darrah: Litchfield - Items from Property	04/01/1998	12/31/2019	1,896.63	21.36	40.51
Darrah: Litchfield - Items from Property	04/01/1998	12/31/2019	2,600.00	21.36	55.54
Darrah: Litchfield - Working on Pumping	04/01/1998	12/31/2019	133.67	21.36	2.86
			6,862.78		146.59
Hillcrest Road: Litchfield - 806'	04/01/1998	03/31/2019	12,412.27	21.36	265.13
			12,412.27		265.13
Cardinal Lane (#8): Litchfield - 3/4 CT	04/01/1998	03/31/2019	414.00	21.36	8.84
Nightingale Drive (#8): Litchfield - 1 C	04/01/1998	12/31/2019	433.68	21.36	9.26
Stark Lane (#20): Litchfield - 3/4 CT Se	04/01/1998	03/31/2019	94.62	21.36	2.02
Stark Lane (#18): Litchfield - 3/4 CT Se	04/01/1998	03/31/2019	94.62	21.36	2.02
Stark Lane (#8): Litchfield - 3/4 CT Ser	04/01/1998	12/31/2019	94.62	21.36	2.02
Stark Lane (#6): Litchfield - 3/4 CT Ser	04/01/1998	12/31/2019	94.62	21.36	2.02
Stark Lane (#25): Litchfield - 3/4 CT Se	04/01/1998	03/31/2019	94.62	21.36	2.02
Stark Lane (#27): Litchfield - 3/4 CT Se	04/01/1998	03/31/2019	94.62	21.36	2.02
			1,415.40		30.23
Hillcrest Road: Litchfield - 806'	02/01/2006	03/31/2019	974.88	21.36	20.82
			974.88		20.82

Description	Placed In Service	Disposal Date	Cost	Tax Rate	Local Property Tax
5/8 Meters: Litchfield (7)	12/01/2003	09/30/2019	862.18	21.36	18.42
5/8 Meters: Litchfield (4)	11/01/2003	03/31/2019	510.28	21.36	10.90
5/8 METERS: LITCHFIELD 2 NEW	02/01/2004	06/30/2019	283.92	21.36	6.06
5/8 METERS: LITCHFIELD 7 New	06/01/2004	10/31/2019	956.79	21.36	20.44
5/8 METERS: LITCHFIELD 2 NEW	07/01/2004	12/31/2019	278.43	21.36	5.95
5/8 METERS: LITCHFIELD 6 NEW 3 RENEWED	03/01/2005	09/30/2019	1,245.48	21.36	26.60
5/8 LITCHFIELD 2 NEW	01/01/2006	06/30/2019	301.80	21.36	6.45
1 Meter: Litchfield (1)	10/01/2006	03/31/2019	232.44	21.36	4.96
5/8 Meters: Litchfield - 69	09/01/2003	09/30/2019	4,870.59	21.36	104.04
5/8 Meters: Litchfield - (1)	09/01/2003	10/31/2019	88.20	21.36	1.88
5/8 Meters: Litchfield - (1)	09/01/2003	10/31/2019	88.20	21.36	1.88
5/8 Meters: Litchfield - (1)	09/01/2003	10/31/2019	88.20	21.36	1.88
5/8 Meters: Litchfield - (1)	09/01/2003	10/31/2019	88.20	21.36	1.88
5/8 Meters: Litchfield - (1)	09/01/2003	10/31/2019	88.20	21.36	1.88
5/8 Meters: Litchfield - (1)	09/01/2003	10/31/2019	88.19	21.36	1.88
5/8 Meters: Litchfield - (1)	09/01/2003	10/31/2019	88.19	21.36	1.88
5/8 Meters: Litchfield - (2)	07/01/2003	06/30/2019	233.00	21.36	4.98
5/8 Meters: Litchfield - (2)	07/01/2003	06/30/2019	232.62	21.36	4.97
5/8 Meters: Litchfield - (2)	07/01/2003	06/30/2019	232.00	21.36	4.96
5/8 Meters: Litchfield - (1)	07/01/2003	12/31/2019	99.22	21.36	2.12
			10,956.13		234.02
Albuquerque Avenue@ Talent Road	04/01/1998	12/31/2019	963.88	21.36	20.59
			963.88		20.59
			33,585.34		717.38
Gilcrest: Londonderry - 3/10HP Auto Sump	10/01/1998	12/31/2019	140.91	19.40	2.73
			140.91		2.73
Pine Haven - Replace Booster #1	02/01/2014	12/31/2019	3,426.30	19.40	66.47
			3,426.30		66.47
2in FIRE SRVCS (1) MINISTERIAL HEIGHTS	01/01/1998	09/30/2019	4.14	19.40	0.08
5/8 METERS: LONDONDERRY 2 NEW	02/01/2004	06/30/2019	277.85	19.40	5.39
5/8 METERS: BROOK PARK 2 NEW	01/01/2004	03/31/2019	296.23	19.40	5.75
5/8 METERS: BROOK PARK 2 NEW	06/01/2004	12/31/2019	248.72	19.40	4.83
3/4 Meters: Londonderry - (1) Renewed	09/01/2004	06/30/2019	165.02	19.40	3.20
5/8 METERS: LONDONDERRY 3 NEW	02/01/2006	12/31/2019	401.62	19.40	7.79
5/8 METERS: LONDONDERRY 1 NEW	03/01/2006	09/30/2019	154.35	19.40	2.99
1 NEW METERS: LONDONDERRY	06/01/2006	06/30/2019	220.15	19.40	4.27
5/8 Meters: Londonderry - (20) Renewed	04/01/1998	12/31/2019	47.32	19.40	0.92
5/8 Meters: Londonderry - (53) Renewed	04/01/1998	09/30/2019	125.39	19.40	2.43
5/8 Meters: Londonderry - (22) Renewed	04/01/1998	09/30/2019	52.05	19.40	1.01
5/8 Meters: Londonderry - (26) Renewed	04/01/1998	10/31/2019	61.51	19.40	1.19
5/8 METERS: MINISTERIAL 1 - NEW	09/01/2003	10/31/2019	109.50	19.40	2.12
5/8 Meters: Brook Park: Londonderry - 7	08/01/2003	09/30/2019	471.24	19.40	9.14
5/8 Meters: Brook Park: Londonderry - 7	12/01/2013	03/31/2019	4,780.07	19.40	92.73
5/8 Meters: Avery: Londonderry - 4	07/01/2003	06/30/2019	312.07	19.40	6.05
5/8 Meters: Londonderry - (26) Renewed	04/01/1998	06/30/2019	61.51	19.40	1.19
5/8 Meters: Londonderry - (9) Renewed	04/01/1998	03/31/2019	21.29	19.40	0.41
5/8 Meters: Brook Park: Londonderry (1)	09/01/2003	10/31/2019	98.55	19.40	1.91
5/8 Meters: Brook Park: Londonderry (1)	09/01/2003	10/31/2019	98.55	19.40	1.91
5/8 Meters: Brook Park: Londonderry (1)	09/01/2003	10/31/2019	98.55	19.40	1.91
5/8 Meters: Brook Park: Londonderry (1)	09/01/2003	10/31/2019	98.54	19.40	1.91
5/8 Meters: Springwood Hills: Londonderry	07/01/2003	06/30/2019	294.89	19.40	5.72
5/8 Meter: Brook Park: Londonderry - (1)	09/01/2003	10/31/2019	78.52	19.40	1.52
5/8 Meters: Londonderry - (1)	09/01/2003	10/31/2019	103.02	19.40	2.00
5/8 Meters: Londonderry - (1)	09/01/2003	10/31/2019	104.02	19.40	2.02
5/8 Meters: Londonderry - (1)	09/01/2003	10/31/2019	102.01	19.40	1.98
5/8 Meters: Londonderry - (7)	07/01/2003	06/30/2019	471.24	19.40	9.14
5/8 Meters: Londonderry - (1)	07/01/2003	12/31/2019	102.11	19.40	1.98
5/8 Meters: Londonderry - (1)	07/01/2003	12/31/2019	102.10	19.40	1.98
5/8 Meters: Londonderry - (1)	07/01/2003	12/31/2019	102.10	19.40	1.98
			9,664.23		187.49
			13,231.44		256.69
BIRCH HILL LAND ACQUISITION - Lot #71 We	12/01/2006	01/31/2019	5,562.20	16.87	93.83
			5,562.20		93.83
Meridian Land Services - Site Plan for L	03/01/2008	11/30/2019	102.00	16.87	1.72
			102.00		1.72

Description	Placed In Service	Disposal Date	Cost	Tax Rate	Local Property Tax
5/8 Meters: Birch Hill: North Conway	08/01/2009	09/30/2019	274.26	16.87	4.63
			274.26		4.63
			5,938.46		100.18
Mount Vernon Drive (#25): Pelham - 3/4 S	04/01/1998	03/31/2019	484.19	17.51	8.48
			484.19		8.48
5/8 Meters: Williamsburg (2)	01/01/2004	06/30/2019	257.07	17.51	4.50
5/8 Meters: Williamsburg: Pelham - (1)	10/01/2003	12/31/2019	114.11	17.51	2.00
5/8 Meters: Williamsburg: Pelham - (1)	07/01/2003	06/30/2019	109.51	17.51	1.92
5/8 Meters: Williamsburg: Pelham - (1)	07/01/2003	06/30/2019	109.51	17.51	1.92
5/8 Meters: Williamsburg: Pelham - (1)	07/01/2003	06/30/2019	109.51	17.51	1.92
5/8 Meters: Williamsburg: Pelham - (1)	07/01/2003	06/30/2019	109.51	17.51	1.92
5/8 Meters: Williamsburg: Pelham - (1)	07/01/2003	06/30/2019	109.50	17.51	1.92
5/8 Meters: Williamsburg: Pelham - (1)	09/01/2003	10/31/2019	95.90	17.51	1.68
5/8 Meters: Williamsburg: Pelham - (1)	09/01/2003	09/30/2019	95.89	17.51	1.68
5/8 Meters: Williamsburg: Pelham - (18)	07/01/2003	06/30/2019	2,311.24	17.51	40.47
			3,421.75		59.91
			3,905.94		68.39
5/8 METERS: PEU 3 NEW	01/01/2007	12/31/2019	550.59		-
5/8 METERS: PEU 5 NEW	01/01/2007	06/30/2019	917.66		-
5/8 METERS: PEU 7 RENEWED	04/01/2007	09/30/2019	527.59		-
3/4 Meter: PEU - (1) Renewed	04/01/2007	06/30/2019	164.23		-
5/8 METERS: PEU 1 RENEWED	06/01/2007	03/31/2019	144.47		-
3/4 Meter: PEU - (1) Renewed	08/01/2007	06/30/2019	156.22		-
1 Meters: PEU (1)	01/01/2008	10/31/2019	208.82		-
5/8 METERS: PEU 2 RENEWED	04/01/2008	12/31/2019	210.14		-
1 Meters: PEU (2)	05/01/2008	03/31/2019	619.22		-
5/8 METERS: PEU 1 RENEWED	01/01/2009	06/30/2019	148.22		-
1 Renewed Meter: PEU (1)	06/01/2009	03/31/2019	193.90		-
2in Meter: PEU (1)	12/01/2009	03/31/2019	555.40		-
5/8 Meters: PEU renewed 1M	02/01/2010	06/30/2019	69.00		-
5/8 Meters: PEU 1 renewed	11/01/2011	12/31/2019	117.08		-
5/8 Meters: PEU 1 renewed	05/01/2012	12/31/2019	231.96		-
1in Meter: PEU (1)	06/01/2012	06/30/2019	244.71		-
1in Meter: PEU (1)	10/01/2012	10/31/2019	268.45		-
New Meter Exchanges - 1 1/2 (1)	01/01/2013	06/30/2019	500.71		-
Install New Meter: 5/8, Field Name (1)	01/01/2013	06/30/2019	178.99		-
1in Meter: PEU (1)	02/01/2013	06/30/2019	218.88		-
2in Meter: PEU (1)	02/01/2013	09/30/2019	784.93		-
1in Meter: PEU (1)	08/01/2013	06/30/2019	299.36		-
5/8" Meters: PEU (1)	11/01/2013	03/31/2019	317.33		-
Install New Meter: 5/8, Field Name (1)	01/01/2014	06/30/2019	248.83		-
Install New Meter: 5/8, Field Name	01/01/2014	10/31/2019	248.82		-
1in Meter: PEU (1)	04/01/2014	12/31/2019	296.02		-
Install New Meter: 1 1/2 (1)	05/01/2015	06/30/2019	517.35		-
Install New Meter: 3/4	01/01/2016	06/30/2019	211.72		-
			9,150.60		-
Neptune Radio Installs - 2 Neptunes	03/01/2008	06/30/2019	139.46		-
Neptune Radio Installs - 5 Neptunes	03/01/2008	09/30/2019	348.66		-
Neptune Radio Installs - 3 Neptunes	03/01/2008	10/31/2019	209.19		-
Neptune Radio Installs - 7 Neptunes	01/01/2009	09/30/2019	698.60		-
Neptune Radio Installs - 3 Neptunes	01/01/2009	06/30/2019	299.40		-
Neptune Radio Installs - 17 Neptunes	01/01/2009	09/30/2019	1,696.60		-
Neptune Radio Installs - 17 Neptunes	01/01/2009	10/31/2019	1,696.60		-
Neptune Radio Installs: PEU - (24)	10/01/2009	12/31/2019	2,713.66		-
Neptune Radio Installs: PEU - (1)	01/01/2010	09/30/2019	126.51		-
Neptune Radio Installs: PEU - (1)	01/01/2010	10/31/2019	126.51		-
Neptune Radio Installs: PEU - (1)	01/01/2010	12/31/2019	126.51		-
Neptune Radio Installs:PEU, 1	02/01/2011	10/31/2019	114.15		-

Description	Placed In Service	Disposal Date	Cost	Tax Rate	Local Property Tax
Neptune Radio Installs:PEU, 1	02/01/2011	12/31/2019	114.15		-
Neptune Radio Replacements: PEU, 1	01/01/2012	06/30/2019	146.97		-
Neptune Radio Replacements	01/01/2013	06/30/2019	108.11		-
Neptune Radio Replacements	01/01/2014	03/31/2019	117.72		-
Neptune Radio Installs - 1 Neptunes	10/01/2007	03/31/2019	72.95		-
Neptune Radio Installs - 1 Neptunes	10/01/2007	06/30/2019	72.95		-
Neptune Radio Installs - 1 Neptunes	10/01/2007	06/30/2019	72.95		-
Neptune Radio Installs - 1 Neptunes	10/01/2007	06/30/2019	72.97		-
Neptune Radio Installs - 1 Neptunes	01/01/2009	03/31/2019	77.62		-
Neptune Radio Installs: PEU - (8)	01/01/2009	10/31/2019	422.68		-
Neptune Radio Installs - 1 Neptunes	01/01/2009	09/30/2019	99.80		-
Neptune Radio Installs - 2 Neptunes	01/01/2009	03/31/2019	199.60		-
			9,874.32		-
			19,024.92		-
3/4 Meters: Rolling Hills: Plaistow - 2	03/01/2003	09/30/2019	237.50	19.33	4.59
3/4 Meters: Rolling Hills: Plaistow - 1	03/01/2003	10/31/2019	118.75	19.33	2.30
3/4 Meters: Rolling Hills: Plaistow (3)	03/01/2003	06/30/2019	292.43	19.33	5.65
3/4 Meters: Rolling Hills: Plaistow (1)	03/01/2003	03/31/2019	97.48	19.33	1.88
			746.16		1.88
			746.16		1.88
Liberty Tree Station Replacemnt: Station	03/01/2014	09/30/2019	1,566.31	24.35	38.14
			1,566.31		38.14
Clearwater Booster Station: Raymond - 6	12/01/2006	12/31/2019	1,566.26	24.35	38.14
			1,566.26		38.14
Liberty Tree: .5 GPH 250 PSI Chlorine Pu	03/02/2014	12/31/2019	1,228.56	24.35	29.92
			1,228.56		29.92
5/8 Meters: Green Hills - (1)	05/01/2006	10/31/2019	188.58	24.35	4.59
5/8 METERS: GREEN HILLS 2 - NEW	09/01/2003	10/31/2019	257.58	24.35	6.27
5/8 METERS: GREEN HILLS 5 - RENEWED	10/01/2003	12/31/2019	635.30	24.35	15.47
5/8 Meters: Green Hills - (3)	01/01/2004	06/30/2019	116.94	24.35	2.85
5/8 Meters: Green Hills - (15)	04/01/2004	09/30/2019	1,712.84	24.35	41.71
			2,911.24		70.89
Neptune Radio Installs: Liberty Tree (1)	09/01/2005	06/30/2019	92.09	24.35	2.24
Neptune Radio Installs: Liberty Tree (3)	09/01/2005	09/30/2019	276.27	24.35	6.73
Neptune Radio Installs: Liberty Tree (1)	09/01/2005	10/31/2019	92.09	24.35	2.24
Neptune Radio Installs: Liberty Tree (3)	09/01/2005	12/31/2019	276.27	24.35	6.73
Neptune Radio Installs: Liberty Tree (2)	09/01/2005	03/31/2019	184.18	24.35	4.48
			920.90		22.42
			8,193.27		199.51
W&E: Windham - 400' of Galvanized Pipe a	04/01/1998	09/30/2019	1,380.53	22.55	31.13
			1,380.53		31.13
Well #1 - 2HP	04/01/2008	09/30/2019	2,539.56	22.55	57.27
Upgrading Wells - Leak Repair, Work on W	04/01/1998	12/31/2019	1,023.87	22.55	23.09
Upgrading Wells - Install Temp Feed to W	04/01/1998	12/31/2019	245.14	22.55	5.53
Upgrading Wells - Trench Work @ Well Sit	04/01/1998	12/31/2019	1,876.78	22.55	42.32
Upgrading Wells - Material (Consumers)	04/01/1998	12/31/2019	134.50	22.55	3.03
Upgrading Wells - Labor & Overhead (Cons	04/01/1998	12/31/2019	98.14	22.55	2.21
Upgrading Wells - Complete 3 Well Line t	04/01/1998	12/31/2019	1,554.23	22.55	35.05
Upgrading Wells - Fracture Trace Analys	04/01/1998	12/31/2019	1,200.00	22.55	27.06
Upgrading Wells - Labor & Overhead (Cons	04/01/1998	12/31/2019	189.61	22.55	4.28
Well Improvements - Photos & Evaluation	04/01/1998	12/31/2019	1,243.57	22.55	28.04
Well Improvements - Maps, Plans & Deeds	04/01/1998	12/31/2019	36.25	22.55	0.82
Well Improvements - 3/4 Corp Stop (Consu	04/01/1998	12/31/2019	7.25	22.55	0.16
Well Improvements - Labor, Overhead & Ca	04/01/1998	12/31/2019	4,544.95	22.55	102.49

Description	Placed In Service	Disposal Date	Cost	Tax Rate	Local Property Tax
Well #3 - Deepening of 200' Bedrock Wel	04/01/1998	12/31/2019	10,437.50	22.55	235.37
Upgrading Wells - Legal Fees (Consumers)	04/01/1998	12/31/2019	120.00	22.55	2.71
Upgrading Wells - Labor & Overhead (Con	04/01/1998	12/31/2019	498.89	22.55	11.25
			25,750.24		580.67
Castle Reach - Replace Well Pump #1 - 1	09/01/2001	09/30/2019	3,979.58	22.55	89.74
Castle Reach - Replace Well Pump #1 - 5	09/01/2001	09/30/2019	1,008.72	22.55	22.75
Castle Reach - Replace Well Pump #1 - 25	09/01/2001	09/30/2019	1,016.64	22.55	22.93
Castle Reach - Replace Well Pump #1 - 12	09/01/2001	09/30/2019	873.79	22.55	19.70
Castle Reach - Replace Well Pump #1 - 1	09/01/2001	09/30/2019	5.76	22.55	0.13
Castle Reach - Replace Well Pump #1 - 1	09/01/2001	09/30/2019	133.92	22.55	3.02
Castle Reach - Replace Well Pump #1 - la	09/01/2001	09/30/2019	1,512.00	22.55	34.10
W&E: Replace Well Pump, Discharge Piping	04/01/2014	09/30/2019	8,793.14	22.55	198.29
			17,323.55		390.65
W and E - Replace Permanganate Chemical	12/01/2015	12/31/2019	974.84	22.55	21.98
			974.84		21.98
Labor & Overhead for New Service (Consu	04/01/1998	03/31/2019	63.21	22.55	1.43
Additional Costs to Purchase System (Con	04/01/1998	03/31/2019	1,385.00	22.55	31.23
Services: Oakwood (62) (Consumers)	04/01/1998	03/31/2019	7,162.22	22.55	161.51
Oakwood: Windham - Renewed Services (6)	04/01/1998	03/31/2019	5,669.38	22.55	127.84
Rolling Ridge Road (#22): Windham - 3/4	04/01/1998	06/30/2019	984.08	22.55	22.19
Woodvue Road (#19): Windham - 3/4 CT	04/01/1998	09/30/2019	127.43	22.55	2.87
Woodvue Road (#13): Windham - 3/4 CT	04/01/1998	03/31/2019	127.40	22.55	2.87
Prescott Road (#11): Windham - 1 CT	04/01/1998	09/30/2019	127.30	22.55	2.87
			15,646.02		352.82
5/8 Meters: W&E (1)	05/01/2004	10/31/2019	119.77	22.55	2.70
1.5 Meters: Whispering Winds (2)	04/01/2005	03/31/2019	669.50	22.55	15.10
5/8 Meters: Whispering Winds (4)	03/01/2005	06/30/2019	481.03	22.55	10.85
5/8 Meters: Fletcher's Corner (4)	04/01/2005	10/31/2019	611.24	22.55	13.78
5/8 Meters: Fletcher's Corner (3)	05/01/2005	12/31/2019	494.61	22.55	11.15
5/8 Meters: Whispering Winds (1)	03/01/2006	03/31/2019	230.17	22.55	5.19
5/8 Meters: Oakwood (1)	10/01/2003	10/31/2019	109.19	22.55	2.46
5/8 Meters: W&E (1)	09/01/2003	10/31/2019	129.51	22.55	2.92
5/8 Meters: W&E (1)	09/01/2003	10/31/2019	129.51	22.55	2.92
5/8 Meters: W&E (1)	09/01/2003	10/31/2019	129.51	22.55	2.92
5/8 Meters: Oakwood (5)	08/01/2003	12/31/2019	360.00	22.55	8.12
5/8 Meters: Oakwood (6)	08/01/2003	12/31/2019	390.00	22.55	8.79
5/8 Meters: Goldenbrook: Windham - 2	07/01/2003	06/30/2019	220.00	22.55	4.96
5/8 Meters: Goldenbrook: Windham - 2	07/01/2003	06/30/2019	220.00	22.55	4.96
5/8 Meters: Goldenbrook: Windham - 2	07/01/2003	06/30/2019	223.38	22.55	5.04
5/8 Meters: Goldenbrook: Windham - 2	07/01/2003	06/30/2019	225.00	22.55	5.07
5/8 Meters: Goldenbrook: Windham - 2	07/01/2003	06/30/2019	225.00	22.55	5.07
5/8 Meters: Oakwood (4)	08/01/2003	12/31/2019	259.79	22.55	5.86
			5,227.21		117.87
			66,302.39		508.52
			309,682.72		5,209.09

Pennichuck Water Works, Inc.
Non Union Payroll Summary
PRO FORMA Adjustments
For the Twelve Months Ended December 31, 2019

Schedule 1B

	Twelve Months Ending 12/31/19	Annualized 2020 Non Union Salaries	Total Proformed Twelve Months 12/31/19
Production Non Union Salaries	\$ 846,007	\$ 716,706	\$ (129,301)
Distribution Non Union Salaries	470,415	433,552	\$ (36,863)
Engineering Salaries	547,501	537,918	\$ (9,583)
Admin & General Salaries	3,144,575	3,231,674	\$ 87,099
Total Non Union Salaries	5,008,498	4,919,850	(88,648)

Notes:

- (1) The Company is reflecting the salary changes for 12 months to reflect the Company's full costs on a going forward basis based on the changes to PWW salaries that occurred in April of 2020

PENNICHUCK EAST UTILITY, INC.
PAYROLL SUMMARY
Pro Forma Adjustments
For the Twelve Months Ended December 31, 2019

Schedule Union 1B

	Twelve Months Ending 12/31/19	Wage Increase Effective 1/1/20	Total Proforma for Payroll
Production Labor Expense	\$ 266,774	3.45%	\$ 9,204
Distribution Labor Expense	\$ 495,437	3.45%	\$ 17,093
Total	<u>\$ 762,211</u>		<u>\$ 26,296</u>
Wage Increase			

Notes:

(1) The Company is reflecting salary and wage changes for 12 months TO reflect the Company's full costs on a going forward basis.

Pennichuck East Utility Inc.
Union Payroll
For The Twelve Months Ended
December 31, 2019

Schedule 1B Support Union

2019 Workorder Costs												
Source: 2019 Mgt Fee	PWW Capital	Production 070 WTP Maintenance	Distribution 080 OPS Maintenance	Fleet	PWW Jobbing	PWS Maintenance	PWS Jobbing	PAC Capital	PAC Maintenance	PEU Capital	PEU Maintenance	Total
Labor	58,274.36	894,072.37	1,745,057.06	77,818.68	48,707.59	425,823.36	56,554.82	3,732.23	83,624.18	27,095.30	762,210.60	4,182,970.55
Contractor Clearing	114,695.11	-	-	166,958.84	11,722.11	-	473,888.18	2,696.82	-	100,281.44	-	870,242.50
Inventory: Pipes & Fittings	26,534.47	499.80	74,290.19	-	22,408.08	-	921.42	456.88	723.69	10,361.10	17,887.35	154,159.71
Inventory: Meters	222,176.17	-	2,846.41	-	-	-	2,352.80	1,540.41	320.12	89,738.39	2,923.76	321,898.06
Inventory: Misc T&D	55.17	-	40.56	-	-	-	-	-	-	-	25.97	121.70
Inventory: Chemicals	-	913,828.98	-	-	-	-	10,233.07	-	-	-	66,041.51	990,103.56
Inventory: Fleet	-	-	-	3,220.49	-	-	-	-	-	-	-	3,220.49
Inventory: Backup Gen Fuel	-	-	-	-	-	-	-	-	-	-	-	-
Misc T&D Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Truck	24,529.25	89,684.75	332,620.75	2,024.75	20,294.75	134,802.50	14,904.70	1,345.75	8,863.75	10,028.50	228,599.00	867,698.45
Backhoe	7,582.75	677.50	37,128.00	-	6,201.75	194.75	612.50	433.75	1,058.25	3,250.50	12,870.25	70,010.00
Compressor	-	-	4,189.50	-	-	-	-	-	-	-	1,083.00	5,272.50
Inspection Fees	-	-	-	-	123,612.00	-	-	-	-	-	-	123,612.00
Overhead	9,112.72	-	-	-	39,004.45	-	-	252.98	-	5,054.04	-	53,424.19
Labor Overhead	37,229.44	565,411.37	1,103,574.08	49,212.53	47,320.49	264,601.01	36,260.73	2,439.34	44,507.85	17,366.31	488,205.04	2,656,128.19
Misc General Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Total Costs	500,189.44	2,464,174.77	3,299,746.55	299,235.29	319,271.22	825,498.35	595,728.22	12,898.16	139,097.84	263,175.58	1,579,846.48	10,298,861.90
Total Costs w/o OH & CWIP	376,381.61	2,464,174.77	3,299,746.55	132,276.45	268,544.66	825,498.35	121,840.04	9,948.36	139,097.84	157,840.10	1,579,846.48	9,375,195.21
% of Total	4.86%	23.93%	32.04%	2.91%	3.10%	8.02%	5.78%	0.13%	1.35%	2.56%	15.34%	100.00%
% of Total w/o OH & CWIP	4.01%	26.28%	35.20%	1.41%	2.86%	8.81%	1.30%	0.11%	1.48%	1.68%	16.85%	100.00%
Ovhd Allocable to Work Orders	2,627,831	127,627	628,752	841,955	76,352	81,464	210,632	152,004	3,291	35,492	67,151	2,627,829
Totals by Company:												
PWW	127,627	628,752	841,955	76,352	81,464							1,756,150
PEU										67,151	403,109	470,260
PAC								3,291	35,492			38,783
PWS						210,632	152,004					362,636
Total Overhead	127,627	628,752	841,955	76,352	81,464	210,632	152,004	3,291	35,492	67,151	403,109	2,627,829
% Labor	1.39%	21.37%	41.72%	1.86%	1.16%	10.18%	1.35%	0.09%	2.00%	0.65%	18.22%	100.00%
**070, 080 & Fleet Labor Overhead has been calculated per Charlie.												
												1.00
		Cap Labor	Labor Expense									
Total Union Labor per Synergen	4,282,934											
Total Labor per Schedule	4,182,971		4,182,971									
Spec Projects		99,964										
Union Labor Capitalized												
PWW Capital	58,274											
PAC Capital	3,732											
PEU Capital	27,095	89,102	(89,102)									
Totals												
Totals		189,066	4,093,869	4,282,934								

Pennichuck East Utility Inc.
2019 Test Year Revenues and Pumpage PRO FORMA

Schedule 1C

Revenue Type	2019 Test Year Billed Revenues without QCPAC	2019 Test Year Billed Revenues QCPAC ²	2019 Test Year Total Billed Revenues with QCPAC	2019 TY QCPAC Revenue Proforma	2019 Test Year Pro forma Total Billed Revenues with QCPAC	2019 TY Revenue Pro formas based on Five Yr Ave with QCPAC	Pro forma Rate Case 2019 TY Revenues with QCPAC based on Five Yr Ave ⁴	Pro forma Rate Case 2019 TY Revenues without QCPAC based on Five Yr Ave ⁵
Total PEU Volumetric (w/o NC Surcharge) Charges -	\$ 5,029,053	\$ 63,233	\$ 5,092,286	\$ 86,632	\$ 5,178,919	\$ 178,946	\$ 5,357,865	\$ 5,202,821
Total PEU Meter Charges (Fixed Fee) -	\$ 2,192,482	\$ 27,567	\$ 2,220,050	\$ 37,769	\$ 2,257,818	\$ -	\$ 2,257,818	\$ 2,192,482
Total PEU Municipal Fire Protection Charges (Fixed Fee) -	\$ 852,013	\$ 10,713	\$ 862,726	\$ 14,677	\$ 877,403	\$ -	\$ 877,403	\$ 852,013
Total PEU Private Fire Protection Charges (Fixed Fee) -	\$ 254,028	\$ 3,194	\$ 257,222	\$ 4,376	\$ 261,598	\$ -	\$ 261,598	\$ 254,028
Total PEU Private Hydrant Charges (Fixed Fee) -	\$ 104,864	\$ 1,319	\$ 106,183	\$ 1,806	\$ 107,989	\$ -	\$ 107,989	\$ 104,864
Bow Public Hydrant Charge (Fixed Fee) -	\$ 2,240	\$ 28	\$ 2,268	\$ 39	\$ 2,307	\$ -	\$ 2,307	\$ 2,240
Windham Public Hydrant Charge (Fixed Fee) -	\$ 38,577	\$ 485	\$ 39,063	\$ 665	\$ 39,727	\$ -	\$ 39,727	\$ 38,577
Raymond Public Hydrant Charge (Fixed Fee) -	\$ 6,139	\$ 77	\$ 6,216	\$ 106	\$ 6,322	\$ -	\$ 6,322	\$ 6,139
Lee Public Hydrant Charge (Fixed Fee) -	\$ 4,312	\$ 54	\$ 4,366	\$ 74	\$ 4,440	\$ -	\$ 4,440	\$ 4,312
Exeter Public Hydrant Charge (Fixed Fee) -	\$ 5,604	\$ 70	\$ 5,675	\$ 97	\$ 5,771	\$ -	\$ 5,771	\$ 5,604
Birch Hill Public Hydrant Charge (Fixed Fee) -	\$ 11,103	\$ 140	\$ 11,243	\$ 191	\$ 11,434	\$ -	\$ 11,434	\$ 11,103
Locke Lake Capital Recovery Surcharge (Fixed Fee) -	\$ 137,672	\$ -	\$ 137,672	\$ -	\$ 137,672	\$ -	\$ 137,672	\$ 137,672
Birch Hill Capital Recovery Surcharge (Fixed Fee) -	\$ 33,146	\$ -	\$ 33,146	\$ -	\$ 33,146	\$ -	\$ 33,146	\$ 33,146
Middleton Recovery Surcharge (Fixed Fee) -	\$ 10,785	\$ -	\$ 10,785	\$ -	\$ 10,785	\$ -	\$ 10,785	\$ 10,785
Misc Operating Revenues -	\$ 30,188	\$ -	\$ 30,188	\$ -	\$ 30,188	\$ -	\$ 30,188	\$ 30,188
Total Billed 2019 PEU Revenues -	\$ 8,712,207	\$ 106,881	\$ 8,819,088	\$ 146,431	\$ 8,965,519	\$ 178,946	\$ 9,144,465	\$ 8,885,975

PEU Volumetric Sales and Pumpage in CCF's								
	2015	2016	2017	2018	2019	2019 Volumetric Sales & Pumpage Proforma's (CCF)	Proformed Five Year Average 2019 Volumetric Sales & Pumpage	Actual Five Year Average Volumetric Sales & Pumpage
Total PEU volumetric sales (CCF)	691,344	730,157	661,679	684,279	669,602	17,810	687,412	687,412
Pumpage - PEU Purchased Water (CCF) -	573,175	576,842	586,086	599,421	554,259	23,698	577,957	577,957
Pumpage - PEU CWS Wells (CCF) -	257,480	246,953	248,243	255,885	252,840	(560)	252,280	252,280
Total PEU Pumpage (CCF) -	830,655	823,795	834,329	855,306	807,098	23,138	830,237	830,237
% Unaccounted for PEU systems -	16.8%	11.4%	20.7%	20.0%	17.0%		97.4%	
Increase (reduction) in CCF's production for the year from 5 Year Average -	(418)	6,441	(4,092)	(25,069)	23,138			
Increase (reduction) in CCF's production from for the year Extreme Year -	(24,650)	(31,510)	(20,977)	-	(48,207)			
Percent Increase (reduction) in production for the year from 5 Year Average -	-0.05%	0.78%	-0.49%	-3.02%	2.79%			
Increase (reduction) in CCF's production for the year from Extreme Year -	-2.88%	-3.68%	-2.45%	0.00%	-5.64%			
Increase (reduction) in CCF's purchased water for the year from 5 Year Average -	(4,781)	(1,114)	8,130	21,464	(23,698)			
Increase (reduction) in CCF's purchased water from for the year Extreme Year -	(26,245)	(22,578)	(13,334)	-	(45,162)			
Percent Increase (reduction) in purchased water for the year from 5 Year Average -	-0.83%	-0.19%	1.41%	3.71%	-4.10%			
Increase (reduction) in CCF's purchased Water for the year from Extreme Year -	-4.58%	-3.91%	-2.28%	0.00%	-8.15%			

Notes:

- Revenues proformed to 5 year average consumption for volumetric charges only.
2019 PEU Volumetric Rate - \$ 7.51 per CCF
- QCPAC revenue recoupment was booked in December 2019 reflecting a QCPAC of 2.98% granted for service rendered as of July 22, 2019 per DW 19-035.
QCPAC Surcharge - 2.98% base on surcharge approved in DW19-035

PENNICHUCK EAST UTILITY, INC.
BALANCE SHEET
ASSETS AND DEFERRED CHARGES
For the Twelve Months Ended December 31, 2019

Schedule 2

	Account Number	12/31/2019	13 MONTH TEST YR AVERAGE	12/31/2018	12/31/2017
<u>PLANT ASSETS</u>					
Plant in Service	301 to 348	75,767,052	73,783,265	72,526,329	66,874,964
Work in Process	105	729,035	682,221	413,558	1,141,892
Utility Plant		76,496,087	74,465,487	72,939,887	68,016,856
Accumulated Depreciation	108	15,602,948	15,142,939	14,491,319	13,510,696
Net Plant		60,893,139	59,322,547	58,448,568	54,506,160
Net Acquisition Adjustment	114 & 115	5,087,841	5,187,454	5,295,103	5,571,204
Total Net Utility Plant		55,805,298	54,135,093	53,153,465	48,934,956
<u>CURRENT ASSETS</u>					
Cash & Special Deposits	131 & 133	882,132	1,436,113	1,254,836	40,070
Accounts receivable-billed, net	141 & 143	670,711	597,826	483,568	928,775
Accounts receivable-unbilled, net	173	671,377	986,430	1,131,210	458,100
Accounts receivable-other	142	-	-	-	-
Materials & Supplies	151	-	-	-	-
Prepaid expenses	162	(24,154)	(6,342)	(24,199)	(22,391)
Prepaid property taxes	163 & 236	263,892	142,689	235,525	195,285
Prepaid taxes	162.3	-	-	-	-
		2,463,957	3,156,717	3,080,939	1,599,840
<u>OTHER ASSETS</u>					
Debt issuance expenses	181	236,980	238,143	241,862	237,564
Other & Def Charges	182,184,186	8,071,778	8,268,354	8,434,666	8,611,259
		8,308,758	8,506,497	8,676,528	8,848,823
TOTAL ASSETS		\$ 66,578,014	\$ 65,798,307	\$ 64,910,932	\$ 59,383,619

PENNICHUCK EAST UTILITY, INC.
BALANCE SHEET
EQUITY AND LIABILITIES
For the Twelve Months Ended December 31, 2019

Schedule 2A

	Account Number	12/31/2019	13 MONTH TEST YR AVERAGE	12/31/2018	12/31/2017
STOCKHOLDERS' EQUITY					
Common stock	201	100	100	100	100
Paid in capital	211	11,216,165	11,244,143	11,425,842	12,257,840
Retained earnings	215	(2,156,262)	(1,718,720)	(1,176,457)	(1,088,842)
		9,060,003	9,525,523	10,249,485	11,169,098
LONG TERM DEBT					
Bonds, notes and mortgages	221	21,074,432	20,139,903	19,367,850	16,510,820
Intercompany advances	223	8,169,417	8,720,127	8,758,467	8,405,729
Other Long Term Debt	224	353,393	346,582	262,763	374,204
CURRENT LIABILITIES					
Accounts payable	231	180,025	223,036	270,410	347,057
Accrued property taxes	236	-	20,404	-	-
Accrued interest payable	237	16,334	36,257	37,065	17,024
Other accrued expenses	241	197,573	366,461	309,922	431,203
Income taxes payable	236	-	-	1,493	-
Customer deposits & other	235	242,867	155,906	92,518	55,293
		636,799	802,064	711,409	850,577
OTHER LIABILITIES AND DEFERRED CREDITS					
Deferred Income Tax	282	6,140,672	5,916,796	5,931,441	4,010,974
Customer advances	252	-	-	-	-
CIAC, net	271 & 272	21,143,298	20,345,934	19,629,517	18,062,215
Other long term liabilities		-	-	-	-
		27,283,970	26,262,730	25,560,958	22,073,189
TOTAL EQUITY AND LIABILITIES		\$ 66,578,014	\$ 65,796,929	\$ 64,910,932	\$ 59,383,619

PENNICHUCK WATER WORKS, INC.
ACCUMULATED DEPRECIATION
For The Twelve Months Ended December 31, 2018 - 2019

Schedule 2
Attachment A

ACCOUNT CLASSIFICATION	Asset Account Number	12/31/2019	12/31/2018
Structures	301	\$ 3,617,436	\$ 3,366,630
Land	303	207	\$ 207
Pumping and Distribution Equipment	304 to 310	2,448,368	2,238,143
Transmission and Distribution Mains	311 to 320	9,091,506	8,401,157
Services	331	1,806,377	1,652,080
Meters	333	707,508	653,248
Hydrants	334	311,607	289,920
Intangible Plant	335	300,460	281,683
Other Equipment	339 to 348	577,775	556,035
TOTAL		\$ 18,861,245	\$ 17,439,103
Accumulated Depreciation - Loss		\$ (1,793,537)	(1,610,536)
Accumulated Depreciation - Cost of Removal		\$ (1,464,310)	\$ (1,337,156)
GRAND TOTAL		\$ 15,603,399	\$ 14,491,411

Pennichuck East Utilities
Depreciation Expense [Depreciation]
GAAP
For the Period January 1, 2019 to December 31, 2019
All Assets

Schedule 2
Attachment A Support

Asset GL Acct #	Book Cost	Depr & AFYD This Period	Beginning Accum Depr	Current Depr & AFYD	Net Sec 179/Sec 179A	Net Additions Deletions	Ending Accum Depr
Intangible Plant							
301000-7000-001	386,400.05	15,283.72	242,383.08	15,283.72	0.00	0.00	257,666.80
302100-7000-001	21,445.54	1,072.39	3,777.12	1,072.39	0.00	0.00	4,849.51
302230-7000-001	9,483.81	474.06	6,787.29	474.06	0.00	0.00	7,261.35
302420-7000-001	26,760.82	1,337.76	18,985.55	1,337.76	0.00	0.00	20,323.31
302730-7000-001	12,187.42	609.36	9,749.89	609.36	0.00	0.00	10,359.25
	456,277.64	18,777.29	281,682.93	18,777.29	-	-	300,460.22
Land							
303100-7000-001	505,004.63	0.00	0.00	0.00	0.00	0.00	0.00
303240-7000-001	486,156.66	0.00	206.95	0.00	0.00	0.00	206.95
303510-7000-001	100,335.00	0.00	0.00	0.00	0.00	0.00	0.00
303520-7000-001	108,285.50	0.00	0.00	0.00	0.00	0.00	0.00
303600-7000-001	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00
	1,224,781.79	-	206.95	-	-	-	206.95
Structures							
304100-7000-001	3,659,390.73	97,252.75	1,231,040.42	97,252.75	0.00	0.00	1,328,293.17
304200-7000-001	2,508,137.30	60,677.65	822,556.39	60,677.65	0.00	-5,105.92	878,128.12
304210-7000-001	14,695.12	274.44	1,375.23	274.44	0.00	0.00	1,649.67
304550-7000-001	1,265,051.46	33,015.90	250,315.04	29,095.45	0.00	3,920.45	283,330.94
304800-7000-001	51,800.53	1,107.72	8,398.86	1,107.72	0.00	0.00	9,506.58
307100-7000-001	2,051,846.69	79,367.86	910,667.99	79,367.86	0.00	-19,336.47	970,699.38
307210-7000-001	313,662.73	12,396.14	62,599.05	11,674.45	0.00	-16,740.69	57,532.81
309200-7000-001	562,249.21	8,617.78	79,677.51	8,404.23	0.00	213.55	88,295.29
	10,426,833.77	292,710.24	3,366,630.49	287,854.55	-	(37,049.08)	3,617,435.96
Pump/Dist Equip							
310000-7000-001	759,921.19	39,459.27	312,908.87	38,033.37	0.00	1,425.90	352,368.14
311200-7000-001	1,655,519.00	72,518.91	942,937.17	67,852.35	0.00	3,404.96	1,014,194.48
311210-7000-001	319,973.11	16,978.69	84,727.46	16,248.55	0.00	-427.19	100,548.82
311220-7000-001	18,636.91	1,025.58	9,644.26	1,025.58	0.00	0.00	10,669.84
311230-7000-001	25,206.24	1,185.41	1,069.95	983.73	0.00	201.68	2,255.36
311600-7000-001	4,175.71	155.28	2,661.43	155.28	0.00	0.00	2,816.71
320000-7000-001	834,158.36	43,732.27	564,336.05	43,732.27	0.00	-449.39	607,618.93
320200-7000-001	469,778.30	36,786.12	308,724.30	36,786.12	0.00	0.00	345,510.42
320310-7000-001	17,123.56	1,252.44	11,133.15	1,252.44	0.00	0.00	12,385.59
	4,104,492.38	213,093.97	2,238,142.64	206,069.69	-	4,155.96	2,448,368.29
Trans/Dist Mains							
330000-7000-001	1,992,420.41	37,614.24	490,872.85	37,614.24	0.00	0.00	528,487.09
331001-7000-001	199,096.10	6,607.29	877.10	0.00	0.00	6,607.29	7,484.39
331002-7000-001	1,240,057.76	71,705.72	514,765.57	71,705.72	0.00	0.00	586,471.29
331003-7000-001	4,291.93	291.12	2,451.51	291.12	0.00	0.00	2,742.63
331100-7000-001	17,698,527.56	237,504.80	3,640,858.93	232,664.21	0.00	41.82	3,873,857.12
331101-7000-001	2,670,226.65	38,466.40	307,469.30	37,437.54	0.00	-15,608.26	329,298.58
331102-7000-001	5,161,268.54	70,857.69	1,574,588.17	70,857.69	0.00	0.00	1,645,445.86
331150-7000-001	10,087,250.06	147,751.73	1,259,921.40	147,751.73	0.00	0.00	1,407,673.13
331151-7000-001	924,639.69	13,688.40	188,910.54	13,688.40	0.00	0.00	202,598.94
331152-7000-001	621,926.61	6,964.86	130,031.27	6,964.86	0.00	0.00	136,996.13
331200-7000-001	48,472.79	712.74	5,347.10	712.74	0.00	0.00	6,059.84
331250-7000-001	419,675.36	5,969.14	49,970.99	5,783.44	0.00	-234.23	55,530.07
331251-7000-001	185,939.63	2,424.64	12,493.13	2,122.32	0.00	302.32	14,917.77

Pennichuck East Utilities
Depreciation Expense [Depreciation]
GAAP
For the Period January 1, 2019 to December 31, 2019
All Assets

Schedule 2
Attachment A Support

Asset GL Acct #	Book Cost	Depr & AFYD This Period	Beginning Accum Depr	Current Depr & AFYD	Net Sec 179/Sec 179A	Net Additions Deletions	Ending Accum Depr
331252-7000-001	149,726.91	1,983.24	53,219.68	1,983.24	0.00	0.00	55,202.92
331255-7000-001	35,803.46	526.80	848.08	526.80	0.00	0.00	1,374.88
331256-7000-001	146,920.00	2,162.64	4,107.39	2,162.64	0.00	0.00	6,270.03
331300-7000-001	5,003,199.70	65,230.65	162,262.31	56,868.90	0.00	8,361.75	227,492.96
331400-7000-001	98,000.00	1,441.08	2,161.67	1,441.08		0.00	3,602.75
	46,687,443.16	711,903.18	8,401,156.99	690,576.67	-	(529.31)	9,091,506.38
Services							
333004-7000-001	85,379.57	3,858.61	58,305.40	3,858.61	0.00	0.00	62,164.01
333100-7000-001	2,174,139.70	39,600.42	830,650.17	39,442.54	0.00	-10,213.23	859,879.48
333200-7000-001	1,475,041.98	27,430.27	182,992.63	25,829.29	0.00	1,377.94	210,199.86
333230-7000-001	3,217,009.02	66,536.45	299,572.68	57,673.38	0.00	8,326.81	365,572.87
333250-7000-001	1,431,495.50	28,002.30	280,558.85	27,616.88	0.00	385.42	308,561.15
	8,383,065.77	165,428.05	1,652,079.73	154,420.70	-	(123.06)	1,806,377.37
Meters							
334000-7000-001	1,268,346.27	53,025.91	371,157.42	51,501.56	0.00	-24,406.88	398,252.10
334100-7000-001	787,652.09	32,687.47	282,090.41	32,219.80	0.00	-5,053.82	309,256.39
	2,055,998.36	85,713.38	653,247.83	83,721.36	-	(29,460.70)	707,508.49
Hydrants							
335000-7000-001	614,588.02	8,197.33	164,153.11	8,131.74	0.00	-343.09	171,941.76
335005-7000-001	4,605.74	50.52	1,853.54	50.52	0.00	0.00	1,904.06
335100-7000-001	998,618.25	13,847.54	123,913.52	13,072.71	0.00	774.83	137,761.06
	1,617,812.01	22,095.39	289,920.17	21,254.97	-	431.74	311,606.88
Other Equipment							
339000-7000-001	89,767.42	1,769.02	31,680.50	1,769.02	0.00	0.00	33,449.52
340100-7000-001	2,688.66	0.00	2,688.66	0.00	0.00	0.00	2,688.66
343000-7000-001	72,937.34	210.78	90,141.24	210.78	0.00	-17,785.33	72,566.69
344000-7000-001	9,592.29	479.70	4,761.56	479.70	0.00	0.00	5,241.26
346000-7000-001	528,230.35	27,710.47	380,009.41	26,787.56	0.00	922.91	407,719.88
347110-7000-001	92,317.22	8,412.60	46,048.34	8,412.60	0.00	0.00	54,460.94
348000-7000-001	10,364.16	942.23	705.35	942.23	0.00	0.00	1,647.58
	805,897.44	39,524.80	556,035.06	38,601.89	-	(16,862.42)	577,774.53
	75,762,602.32	1,549,246.30	17,439,102.79	1,501,277.12	-	(79,436.87)	18,861,245.07

PENNICHUCK EAST UTILITY, INC
MATERIAL AND SUPPLIES
For The Twelve Months Ended December 31, 2019

Schedule 2B

		12/31/2019	13 Month Average	12/31/2018	12/31/2017
151000	INVENTORY	-	-	-	-
151101	INVENTORY: METERS - PEU	-	-	-	-
151400	INVENTORY: CHEMICALS	-	-	-	-
		-	-	-	-

Notes:

(1) All inventory is maintained at the PWW level as of 1/1/2015

PENNICHUCK EAST UTILITY, INC.
OTHER DEFERRED CHARGES - OTHER ASSETS
For the Twelve Months Ended December 31, 2019

Schedule 2
Attachment B

ACCOUNT #	DESCRIPTION	12/31/2019	12/31/2018	12/31/2017	EXPLANATION
186000	PHASE II & V WAIVER - NC	-	-	-	
186100	ACQUISITION PREMIUM - MARA	7,366,833	7,580,152	7,788,459	Note 1
186175	CROSS CONNECTION SURVEY-PEU	4	58	112	
186265	ABATEMENT	6,838	14,235	81,693	
186310	W&E WATER SYSTEM SUPPLY STUDY	-	2	2	
186360	W&E WATER SUPPLY STUDY	1,610	1,881	2,153	
186500	MANCHESTER SRCE DEV CHARGE/LY	417,737	465,048	500,969	
186510	MSCD: MAPLE HILLS - DERRY	26,738	30,047	33,357	
186700	N CONWAY WATER INTERCONNECT	48,518	54,019	60,024	
186701	N CONWAY WATER PREC-BUY IN FEE	1,073	1,711	1,844	
186710	SKYVIEW ESTATES - PELHAM	3,309	3,309	3,309	
186720	BOW HIGHLANDS, BOW NH-ACQUISIT	2,397	2,739	3,081	
186730	CO-BANK DEFERRED PATRONAGE	151,206	124,847	104,141	
	TOTAL 186	8,026,263	8,278,048	8,579,144	
184100	CLEARING ACCOUNT	(31,548)	(31,548)	(28,647)	
	Total Deferred Charges & Other Assets	7,994,715	8,246,501	8,550,497	

Notes:

- (1) Order 25,292 (DW 11-026) approved the establishment and amortization of the regulatory asset known as the MARA for the Company. MARA is treated as an Equity-Related Item that is removed for the traditional ratemaking process and is subject to recovery only through the CBFRR.

Pennichuck East Utility, Inc
Net Book Value [Amortization]
For the Period January 1, 2019 to December 31, 2019
Deferred Assets
GAAP

Schedule 2
Attach B Support

Asset ID	Description	ASSET BALANCES				AMORTIZATION					
		Beginning	Additions	Deletions	Ending	Beg. Balance	Amort. Exp	Oth. Additions	Deletions	End. Balance	Net Book Value
Asset GL Acct #: 186175-7000-001	Life Yr Mo: 5 yr 0 mo										
70000-007546	Cross Connection Inspection	267.84	0.00	0.00	267.84	209.97	53.58	0.00	0.00	263.55	4.29
Subtotal: 186175-7000-001		267.84	0.00	0.00	267.84	209.97	53.58	0.00	0.00	263.55	4.29
Asset GL Acct #: 186266-7000-001	Life Yr Mo: 1 yr 9 mo										
700-00002377	Abatement Cost - Litchfield	101,234.15	0.00	0.00	101,234.15	33,744.71	57,848.09	0.00	0.00	91,592.80	9,641.35
700-00002378	Abatement Cost - Londonderry	16,746.42	0.00	0.00	16,746.42	5,582.15	9,569.38	0.00	0.00	15,151.53	1,594.89
Subtotal: 186266-7000-001		117,980.57	0.00	0.00	117,980.57	39,326.86	67,417.47	0.00	0.00	106,744.33	11,236.24
Asset GL Acct #: 186267-7000-001	Life Yr Mo: 20 yr 0 mo										
700-00002854-001	Litchfield Wholesale Water Contract Fees	4,883.16	0.00	0.00	4,883.16	0.00	167.76	59.84	0.00	227.60	4,655.56
Subtotal: 186267-7000-001		4,883.16	0.00	0.00	4,883.16	0.00	167.76	59.84	0.00	227.60	4,655.56
Asset GL Acct #: 186310-7000-001	Life Yr Mo: 5 yr 0 mo										
70000-006205	W&E Water System Supply Study	7,194.73	0.00	0.00	7,194.73	7,194.73	0.00	0.00	0.00	7,194.73	0.00
Subtotal: 186310-7000-001		7,194.73	0.00	0.00	7,194.73	7,194.73	0.00	0.00	0.00	7,194.73	0.00
Asset GL Acct #: 186360-7000-001	Life Yr Mo: 20 yr 0 mo										
28.1	W&E WATER SUPPLY STUDY	-1,534.55	0.00	0.00	-1,534.55	-960.75	-82.92	0.00	0.00	-1,043.67	-739.61
28	W&E WATER SUPPLY STUDY	7,098.85	0.00	0.00	7,098.85	4,643.50	354.84	0.00	0.00	4,998.34	3,164.93
Subtotal: 186360-7000-001		5,564.30	0.00	0.00	5,564.30	3,682.75	271.92	0.00	0.00	3,954.67	2,425.32
Asset GL Acct #: 186370-7000-001	Life Yr Mo: 10 yr 0 mo										
700-00002382	Locke Lake Groundwater Exploration	12,056.37	0.00	0.00	12,056.37	703.29	1,205.64	0.00	0.00	1,908.93	10,147.44
700-00002383	Locke Lake Groundwater Exploration	10,343.93	0.00	0.00	10,343.93	603.40	1,034.40	0.00	0.00	1,637.80	8,706.13
700-00002775	Locke Lake Groundwater Exploration	1,500.00	0.00	0.00	1,500.00	13.27	159.24	0.00	0.00	172.51	1,327.49
Subtotal: 186370-7000-001		23,900.30	0.00	0.00	23,900.30	1,319.96	2,399.28	0.00	0.00	3,719.24	20,181.06
Asset GL Acct #: 186500-7000-001	Life Yr Mo: 25 yr 0 mo										
10	Manchester Source Development Charge: Lo	38,760.00	0.00	0.00	38,760.00	30,993.36	1,369.80	0.00	0.00	32,363.16	6,396.84
10.1	Manchester Source Development Charge: Lo	110,209.61	0.00	0.00	110,209.61	80,193.39	4,002.12	0.00	0.00	84,195.51	26,014.10
10.2	Manchester Source Development Charge: Lo	19,093.89	0.00	0.00	19,093.89	13,420.77	709.14	0.00	0.00	14,129.91	4,963.98
10.3	Manchester Source Development Charge: Lo	50,177.91	0.00	0.00	50,177.91	32,241.00	1,992.96	0.00	0.00	34,233.96	15,943.95
10.4	Manchester Source Development Charge: Lo	227,261.76	0.00	0.00	227,261.76	160,716.88	8,402.16	0.00	0.00	169,119.04	58,142.72
10.6	Manchester Source Development Charge: Lo	122,379.00	0.00	0.00	122,379.00	57,613.30	7,124.94	0.00	0.00	64,738.24	57,640.76
11	Manchester Source Development Charge: Lo	1,392.60	0.00	0.00	1,392.60	0.00	0.00	0.00	0.00	1,392.60	0.00
12	Manchester Source Development Charge: Lo	5,712.00	0.00	0.00	5,712.00	3,541.44	228.48	0.00	0.00	3,769.92	1,942.08
30	Manchester Source Development Charge: Lo	145,920.00	0.00	0.00	145,920.00	88,505.32	6,323.16	0.00	0.00	94,828.48	51,091.52
8	Manchester Source Development Charge: Lo	16,354.00	0.00	0.00	16,354.00	13,431.10	584.58	0.00	0.00	14,015.68	2,338.32
PEU10.07	Manchester Source Development Charge: Lo	230,747.00	0.00	0.00	230,747.00	28,598.49	8,885.64	0.00	0.00	37,484.13	193,262.87
Subtotal: 186500-7000-001		968,007.77	0.00	0.00	968,007.77	510,647.65	39,622.98	0.00	0.00	550,270.63	417,737.14
Asset GL Acct #: 186510-7000-001	Life Yr Mo: 25 yr 0 mo										
70000-004690.1	Manchester Source Development Charge: Maple Hills Booster S	56,240.00	0.00	0.00	56,240.00	26,192.87	3,309.12	0.00	0.00	29,501.99	26,738.01
Subtotal: 186510-7000-001		56,240.00	0.00	0.00	56,240.00	26,192.87	3,309.12	0.00	0.00	29,501.99	26,738.01
Asset GL Acct #: 186700-7000-001	Life Yr Mo: 20 yr 0 mo										
60000-000495.1	North Conway Water Precint - Buy in Fee for Interconnection b	120,060.00	0.00	0.00	120,060.00	65,537.79	6,004.68	0.00	0.00	71,542.47	48,517.53
Subtotal: 186700-7000-001		120,060.00	0.00	0.00	120,060.00	65,537.79	6,004.68	0.00	0.00	71,542.47	48,517.53
Asset GL Acct #: 186701-7000-001	Life Yr Mo: 20 yr 0 mo										
PEU49	North Conway Water Precint Buy-in-fee	1,160.00	0.00	0.00	1,160.00	508.25	71.70	0.00	0.00	579.95	580.05
60000-000495.2	North Conway Water Precint - Buy in Fee	1,160.00	0.00	0.00	1,160.00	605.50	61.08	0.00	0.00	666.58	493.42
Subtotal: 186701-7000-001		2,320.00	0.00	0.00	2,320.00	1,113.75	132.78	0.00	0.00	1,246.53	1,073.47
Asset GL Acct #: 186710-7000-001	Life Yr Mo: 0 yr 0 mo										
47.1	Skyview Estates - Pelham	729.00	0.00	0.00	729.00	0.00	0.00	0.00	0.00	0.00	729.00
47.2	Skyview Estates - Pelham	325.00	0.00	0.00	325.00	0.00	0.00	0.00	0.00	0.00	325.00
47.3	Skyview Estates - Pelham	554.80	0.00	0.00	554.80	0.00	0.00	0.00	0.00	0.00	554.80
PEU47	Skyview Estates - Pelham	1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	1,700.00
Subtotal: 186710-7000-001 (4)		3,308.80	0.00	0.00	3,308.80	0.00	0.00	0.00	0.00	0.00	3,308.80
Asset GL Acct #: 186720-7000-001	Life Yr Mo: 20 yr 0 mo										
33	BOW HIGHLANDS - BOW, NH ACQUISITION	4,319.35	0.00	0.00	4,319.35	2,584.28	216.84	0.00	0.00	2,801.12	1,518.23
33.1	BOW HIGHLANDS - BOW, NH ACQUISITION	640.00	0.00	0.00	640.00	383.06	32.16	0.00	0.00	415.22	224.78
33.2	BOW HIGHLANDS, BOW NH ACQUISITION	680.00	0.00	0.00	680.00	406.88	34.14	0.00	0.00	441.02	238.98
33.3	BOW HIGHLANDS, BOW NH ACQUISITION	140.00	0.00	0.00	140.00	83.84	7.02	0.00	0.00	90.86	49.14
33.4	BOW HIGHLANDS, BOW NH ACQUISITION	571.83	0.00	0.00	571.83	342.04	28.68	0.00	0.00	370.72	201.11
33.5	BOW HIGHLANDS, BOW NH ACQUISITION	470.00	0.00	0.00	470.00	282.06	23.52	0.00	0.00	305.58	164.42
Subtotal: 186720-7000-001 (6)		6,821.18	0.00	0.00	6,821.18	4,082.16	342.36	0.00	0.00	4,424.52	2,396.66
Grand Total		1,316,548.65	0.00	0.00	1,316,548.65	659,308.49	119,721.93	59.84	0.00	779,090.26	538,274.08

PENNICHUCK EAST UTILITY, INC.
CONTRIBUTIONS IN AID OF CONSTRUCTION
For the Twelve Months Ended December 31, 2019

Schedule 2C

		2015	2016	2017	2018	2019
271200	CONTRIBUTIONS IN AID OF CONST	6,710,663	8,604,503	14,855,964	16,184,119	18,098,736
271204	CIAC: MAPLE HILLS GRANT	42,960	52,816	62,674	72,531	82,388
271205	CIAC: BIRCH HILLS GRANT	48,371	66,120	83,869	101,618	119,367
271206	CIAC: LOCKE LAKE GRANT	8,213	10,145	12,041	13,899	15,716
271250	CIAC: LONDONDERRY/MWW CONN	603,000	603,000	603,000	603,000	603,000
271300	CIAC: SEASON LANE, LONDONDERRY	15,400	15,400	15,400	15,400	15,400
271302	CIAC: PELHAM	84,300	84,300	84,300	84,300	84,300
271303	CIAC: LITCHFIELD	150,368	150,368	150,368	150,368	150,368
271304	CIAC: BOW	19,200	19,200	19,200	19,200	19,200
271305	CIAC: LAKEVIEW FARMS - WINDHAM	46,000	46,000	46,000	46,000	46,000
271325	CIAC: MEADOWBROOK PUMP STATION	18,900	18,900	18,900	18,900	18,900
271350	CIAC: OAKWOOD	36,000	36,000	36,000	36,000	36,000
271360	CIAC: SMYTHE WOODS-HOOKSETT	20,690	20,690	20,690	20,690	20,690
271370	CIAC: W&E	32,805	32,805	32,805	32,805	32,805
271380	CIAC: FLETCHERS CORNER:ARSENIC	68,650	68,650	68,650	68,650	68,650
271400	CONTR IN AID OF CONST-DEV INST	4,536,626	4,536,626	4,536,626	4,536,626	4,536,626
	TOTAL CIAC	12,442,146	14,365,524	20,646,487	22,004,106	23,948,147
272101	RESERVE FOR AMORT OF CIAC:PEU	(2,003,331)	(2,262,415)	(2,584,272)	(2,974,589)	(3,404,849)
	TOTAL RESERVE FOR AMORT OF CIAC	(2,003,331)	(2,262,415)	(2,584,272)	(2,974,589)	(3,404,849)
	GRAND TOTAL OF CIAC	10,438,816	12,103,108	18,062,215	19,029,517	20,543,298

TAB 14

1604.08 Rate of Return Schedules

Pennichuck East Utility, Inc.
Overall Rate of Return
For the Twelve Months Ended December 31, 2019

Schedule 1

<u>Capital Component</u>	<u>Amount</u>	<u>Component Ratio</u>	<u>Component Cost Rate</u>	<u>Average Cost Rate</u>
Long-term Debt	22,717,109	72.19%	3.68%	2.66%
Intercompany Debt	8,169,417	25.96%	2.90% (1)	0.75%
Preferred Stock	-	0.00%	0.00%	0.00%
Common Equity	<u>583,814</u>	<u>1.86%</u>	4.85% (2)	<u>0.09%</u>
Overall Rate of Return	\$ <u>31,470,340</u>	<u>100.00%</u>		<u>3.50%</u>

Notes:

(1) The interest reflected is the effective interest rates for 2019 per Schedule F-35 of the Annual Report.

(2) The return on equity based on methodology used in Order 25,292 in DW 11-026 is as follows:

Average prior 12 mos (Aug 2019-Jul	
2020) 30 year Treasury bonds	1.85%
Plus 3.0%	<u>3.00%</u>
Total	<u>4.85%</u>

Pennichuck East Utility, Inc.
Historical Capital Structure
For the Twelve Months Ended December 31, 2015 - 2019

Schedule 3

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Bonds					
Other LTD	21,074,432	19,367,850	15,737,689	16,658,945	13,537,311
Long-term Debt	<u>\$ 21,074,432</u>	<u>\$ 19,367,850</u>	<u>\$ 15,737,689</u>	<u>\$ 16,658,945</u>	<u>\$ 13,537,311</u>
Intercompany Debt	8,169,417	8,758,467	8,405,729	4,038,030	5,799,592
Common Equity:					
Common Stock	100	100	100	100	100
Paid In Capital	11,428,201	11,583,500	12,482,363	13,333,907	13,889,862
Comprehensive Income	(212,036)	(157,658)	(224,522)	(272,011)	(328,900)
Retained Earnings	(1,176,457)	(636,301)	(1,088,842)	(128,250)	128,854
Total Common Equity	<u>\$ 10,039,808</u>	<u>\$ 10,789,641</u>	<u>\$ 11,169,098</u>	<u>\$ 12,933,745</u>	<u>\$ 13,689,917</u>
Total Capital	<u>\$ 39,283,657</u>	<u>\$ 38,915,958</u>	<u>\$ 35,312,517</u>	<u>\$ 33,630,720</u>	<u>\$ 33,026,820</u>

Long-term Debt	53.65%	49.77%	44.57%	49.53%	40.99%
Total Common Equity	25.56%	27.73%	31.63%	38.46%	41.45%
Intercompany Debt	<u>20.80%</u>	<u>22.51%</u>	<u>23.80%</u>	<u>12.01%</u>	<u>17.56%</u>
Total Capital	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Pennichuck East Utility, Inc.
Historical Capitalization Ratios
For the Twelve Months Ended December 31, 2015 - 2019

Schedule 4

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Long-term Debt	53.65%	49.77%	44.57%	49.53%	40.99%
Total Common Equity	25.56%	27.73%	31.63%	38.46%	41.45%
Intercompany Debt	<u>20.80%</u>	<u>22.51%</u>	<u>23.80%</u>	<u>12.01%</u>	<u>17.56%</u>
Total Capital	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Pennichuck East Utility, Inc.
Weighted Average Cost of Long-Term Debt
For the Twelve Months Ended December 31, 2019

Schedule 5

Holder	Term	Maturity	Coupon Rate	Outstanding Balance as of 12/31/19	New Debt Added in 2020	Annual Interest (1)	Annual Amortization Issue Costs	All In Annual Cost	Effective Rate	2019 TY Principal Payments(6)	2019 TY Interest Payments (6)	2019 TY Principal and Interest Payments (6)	2019 Pro Form Adj to 2019 TY Principal	2019 Pro Form Adj to 2019 TY Interest	2019 TY Pro Form Principal and Interest Payments (6)	2020 Principal Payments (6)	2020 Interest Payments (6)	2020 Principal and Interest Payments (6)
CoBank	20	03/01/30	5.950%	2,715,544	-	161,575	1,277	162,852	6.00%	\$ 212,716.10	\$ 120,540.12	\$ 333,256.22	\$ (14,511.62)	\$ 75,489.69	\$ 394,234.29	\$ 198,204.48	\$ 196,029.81	\$ 394,234.29
State of NH SRF (Green Hills) (4)	20	01/01/25	3.728%	113,245	-	4,222	6,854	11,076	9.78%	\$ 17,325.00	\$ 4,688.74	\$ 22,013.74	\$ -	\$ (862.06)	\$ 21,151.68	\$ 17,325.00	\$ 3,826.68	\$ 21,151.68
State of NH SRF (Pelham Tank)	20	01/01/27	3.488%	242,897	-	8,472	247	8,719	3.59%	\$ 30,113.95	\$ 9,044.21	\$ 39,158.16	\$ 1,067.31	\$ (1,067.31)	\$ 39,158.16	\$ 31,181.26	\$ 7,976.90	\$ 39,158.16
State of NH SRF (Maple Hills)	20	06/01/30	2.952%	353,184	-	10,426	483	10,909	3.09%	\$ 28,543.00	\$ 10,884.44	\$ 39,427.44	\$ 857.00	\$ (854.11)	\$ 39,430.33	\$ 29,400.00	\$ 10,030.33	\$ 39,430.33
State of NH SRF (Birch Hill) (3)	20	12/01/31	2.864%	1,193,378	-	34,178	549	34,727	2.91%	\$ 82,858.54	\$ 35,469.37	\$ 118,327.91	\$ (82,858.54)	\$ (35,469.37)	\$ -	\$ 85,262.98	\$ 33,064.91	\$ 118,327.89
State of NH SRF (Locke Lake - 2007) (4)	20	05/01/30	2.952%	151,960	-	4,486	90	4,576	3.01%	\$ 12,325.00	\$ 4,743.25	\$ 17,068.25	\$ 59.00	\$ (475.71)	\$ 16,651.54	\$ 12,384.00	\$ 4,267.54	\$ 16,651.54
State of NH SRF (Locke Lake - 2011) (4)	20	06/01/33	2.864%	227,937	-	6,528	434	6,962	3.05%	\$ 6,427.23	\$ 6,722.64	\$ 13,149.87	\$ 572.19	\$ (364.14)	\$ 13,357.92	\$ 6,999.42	\$ 6,358.50	\$ 13,357.92
State of NH SRF (Liberty Tree) (9)	20	04/01/35	3.104%	334,930	-	10,396	531	10,927	3.26%	\$ 8,013.00	\$ 10,651.04	\$ 18,664.04	\$ 752.00	\$ (477.56)	\$ 18,938.48	\$ 8,765.00	\$ 10,173.48	\$ 18,938.48
State of NH SRF (Locke Lake - 2012)	20	12/1/2033	2.720%	300,407	-	8,171	1,057	9,228	3.07%	\$ 17,522.57	\$ 8,430.29	\$ 25,952.86	\$ 482.62	\$ (482.60)	\$ 25,952.86	\$ 18,005.19	\$ 7,947.69	\$ 25,952.86
CoBank \$1.7M Loan (RX0848T4)	10	06/20/23	3.620%	1,294,541	-	46,862	1,632	48,494	3.75%	\$ 72,802.23	\$ 49,104.29	\$ 121,906.52	\$ 2,584.90	\$ (2,579.31)	\$ 121,912.11	\$ 75,387.13	\$ 46,524.98	\$ 121,912.11
CoBank \$925K Loan (RX0848T3)	20	06/20/33	4.250%	706,244	-	30,015	444	30,459	4.31%	\$ 37,785.18	\$ 31,402.82	\$ 69,188.00	\$ 1,575.36	\$ (1,571.50)	\$ 69,191.86	\$ 39,360.54	\$ 29,831.32	\$ 69,191.86
SRF Loan - Locke Lake Dam Site Phase 2	20	07/01/35	2.720%	327,933	-	8,920	-	8,920	2.72%	\$ 16,784.77	\$ 9,168.10	\$ 25,952.87	\$ 462.28	\$ (462.29)	\$ 25,952.86	\$ 17,247.05	\$ 8,705.81	\$ 25,952.86
SRF Loan - Locke Lake-Winwood & Monroe-Phase I	20	07/01/36	2.720%	333,303	-	9,066	343	9,409	2.82%	\$ 15,794.06	\$ 9,299.52	\$ 25,093.58	\$ 434.98	\$ (435.02)	\$ 25,093.54	\$ 16,229.04	\$ 8,864.50	\$ 25,093.54
SRF Loan - Locke Lake-Winwood & Monroe-Phase II	20	11/01/36	2.464%	349,020	-	8,600	263	8,863	2.54%	\$ 16,530.00	\$ 8,821.30	\$ 25,351.30	\$ 412.00	\$ (411.94)	\$ 25,351.36	\$ 16,942.00	\$ 8,409.36	\$ 25,351.36
SRF Loan - W&E Main Replacement	20	08/01/36	2.616%	882,518	-	23,087	672	23,759	2.69%	\$ 41,965.90	\$ 23,683.68	\$ 65,649.58	\$ 1,111.09	\$ (1,111.06)	\$ 65,649.61	\$ 43,076.99	\$ 22,572.62	\$ 65,649.61
SRF Loan - Hickory & Avery	20	04/01/36	2.720%	359,529	-	9,779	119	9,898	2.75%	\$ 17,528.81	\$ 9,654.68	\$ 27,183.49	\$ 464.07	\$ (464.11)	\$ 27,183.45	\$ 17,992.88	\$ 9,190.57	\$ 27,183.45
SRF Loan - Hardwood Treatment Station	20	07/01/36	2.464%	491,091	-	12,100	349	12,450	2.54%	\$ 23,832.44	\$ 12,419.77	\$ 36,252.21	\$ 594.00	\$ (593.94)	\$ 36,252.27	\$ 24,426.44	\$ 11,825.83	\$ 36,252.30
CoBank 625K Loan	25	03/06/40	4.900%	557,471	-	27,316	1,635	28,951	5.19%	\$ 15,609.72	\$ 28,158.70	\$ 43,768.42	\$ 714.99	\$ (713.68)	\$ 43,769.73	\$ 16,324.71	\$ 27,445.02	\$ 43,769.73
CoBank 1.25M Loan T6(1st tranche)	25	11/01/41	4.200%	1,160,174	-	48,727	489	49,217	4.24%	\$ 31,223.38	\$ 50,197.69	\$ 81,421.07	\$ 1,216.68	\$ (1,214.92)	\$ 81,422.83	\$ 32,440.06	\$ 48,982.77	\$ 81,422.83
CoBank 950K Loan T6(2nd tranche)	25	11/01/41	4.830%	887,255	-	42,854	211	43,066	4.85%	\$ 21,944.94	\$ 44,091.35	\$ 66,036.29	\$ 976.13	\$ (974.35)	\$ 66,038.07	\$ 22,921.07	\$ 43,117.00	\$ 66,038.07
SRF Loan - Locke Lake Varney Road	20	11/01/37	1.960%	1,356,529	-	26,588	691	27,279	2.01%	\$ 63,287.36	\$ 27,261.88	\$ 90,549.24	\$ 1,251.66	\$ (1,251.66)	\$ 90,549.24	\$ 64,539.02	\$ 26,010.22	\$ 90,549.24
Intercompany 2018 PEU - \$1,701,516	30	05/01/48	3.200%	1,646,609	-	52,691	-	52,691	3.20%	\$ 35,000.76	\$ 53,301.12	\$ 88,301.88	\$ 1,136.58	\$ (1,136.58)	\$ 88,301.88	\$ 36,137.34	\$ 52,164.54	\$ 88,301.88
Intercompany 2018 PEU (North Country)- \$1,157,403 (5)	30	05/01/48	3.200%	1,120,054	-	35,842	-	35,842	3.20%	\$ 23,806.14	\$ 36,256.42	\$ 60,064.56	\$ (23,806.14)	\$ (36,256.42)	\$ -	\$ 24,581.29	\$ 35,483.27	\$ 60,064.56
SRF Loan 2017 - Brady Ave (Derry)	30	TBD	1.960%	563,319	-	11,041	63	11,104	1.97%	\$ 5,633.11	\$ 16,196.16	\$ 21,829.27	\$ 5,871.92	\$ (5,276.75)	\$ 22,424.44	\$ 11,505.03	\$ 10,919.41	\$ 22,424.44
SRF Loan 2017 Hillcrest Road (Litchfield)	20	TBD	1.960%	238,741	-	4,679	-	4,679	1.96%	\$ 3,306.31	\$ 5,482.03	\$ 8,788.34	\$ 6,743.12	\$ (892.66)	\$ 14,638.80	\$ 10,049.43	\$ 4,589.37	\$ 14,638.80
Co-Bank	25	05/20/43	5.330%	339,168	-	18,078	402	18,480	5.45%	\$ 7,034.31	\$ 18,555.81	\$ 25,590.12	\$ 337.59	\$ (336.95)	\$ 25,590.76	\$ 7,371.90	\$ 18,218.86	\$ 25,590.76
Merrimack River Crossing SRF	20	09/01/39	1.960%	2,367,217	-	46,397	238	46,636	1.97%	\$ 32,783.37	\$ 64,446.05	\$ 97,229.42	\$ 66,860.63	\$ (18,940.57)	\$ 145,149.48	\$ 99,644.00	\$ 45,505.48	\$ 145,149.48
Locke Lake Georgetown Main Replacement (7)	30	TBD	2.704%	950,333	-	25,913	-	25,913	2.70%	\$ 7,078.33	\$ 25,913.31	\$ 32,991.64	\$ 821,128.03	\$ (825,913.31)	\$ 47,041.34	\$ 221,128.03	\$ 25,913.31	\$ 47,041.34
CoBank 1.153M Loan T9 (8)	25	06/01/44	4.380%	1,144,579	-	50,133	-	50,133	4.38%	\$ 8,421.40	\$ 18,326.07	\$ 26,747.47	\$ 17,606.13	\$ 32,176.77	\$ 76,530.37	\$ 26,027.53	\$ 50,502.84	\$ 76,530.37
2020 CoBank 800K Loan (2)	25	2045	3.700%	-	800,122	29,605	-	29,605	3.70%	\$ -	\$ -	\$ -	\$ 20,001.72	\$ 29,604.51	\$ 49,606.23	\$ 20,002.00	\$ 29,605.23	\$ 49,606.23
TOTAL				22,717,109	800,122	816,749	19,073	835,822	3.68%	\$ 800,253.90	\$ 655,275.75	\$ 1,455,529.65	\$ 140,762.36	\$ 120,233.51	\$ 1,716,525.52	\$ 941,016.26	\$ 775,509.26	\$ 1,716,525.55

Notes:
(1) The annual interest expense is calculated based on the outstanding balance at year end multiplied by the stated interest rate. The calculated interest expense will differ from interest expense recorded in the test year due to loan repayments made during the year.
(2) Projected terms for CoBank 2020 loan
Reimburse CoBank FALOC to pay for PEU 2019 OCP's \$ 800,122.00 \$ 20,001.72 \$29,604.51 Loan approved via PUC Order #26,418 in response to DW20-081. Loan expected to be closed on during two weeks of December 2020
Loan Term 25 Year
Loan Interest Rate 3.70%
(3) The Long Term Debt related to the SRF Loan for the Birch Hill assets associated with Capital Recovery Surcharge Related Property. The amount of this debt is proformed out in Schedule 1 and 2 and will be included in intercompany debt. The annual interest and amortization issue costs have also been removed on this schedule.
(4) Principal payment shown is net of debt principal forgiveness
(5) The Long Term Debt related to the intercompany Loan for the Locke Lake assets associated with Capital Recovery Surcharge Related Property. The amount of this debt is proformed out in Schedule 1 and 2 and will be included in intercompany debt. The annual interest and amortization issue costs have also been removed on this schedule.
(6) 2019 P&I payments associated with NCCRS debt is not included in these totals
(7) Portion of \$4.24 million NHDES SRF loan approved in Order #26,159 in response to DW 18-132 associated with the Georgetown water main replacement work that was completed in 2019.
(8) CoBank Loan approved in Order #26,253 in response to DW 19-069 associated with OCP's completed in 2018.

Pennichuck East Utility, Inc.
Short-Term and Long-Term Intercompany Debt
For the Thirteen Months Ended December 31, 2019

Schedule 6

	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	13 Month Average
NOTE PAYABLE- PCP-2015 3M LOAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CURR PORT LTD: 3M PCP NP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CURR PORT LTD: 1M PCP NP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ST NOTE PAYABLE - PCP 2018 1.7M LOAN	(35,001)	(35,094)	(35,188)	(35,282)	(35,376)	(35,470)	(35,565)	(35,659)	(35,754)	(35,850)	(35,945)	(36,041)	(36,137)	(35,566)
ST NOTE PAYABLE - PCP 2018 1.1M LOAN	(23,808)	(23,872)	(23,935)	(23,999)	(24,063)	(24,127)	(24,192)	(24,256)	(24,321)	(24,386)	(24,451)	(24,516)	(24,581)	(24,193)
INTERCOMPANY SHORT TERM DEBT	(58,809)	(58,966)	(59,123)	(59,281)	(59,439)	(59,597)	(59,756)	(59,915)	(60,075)	(60,235)	(60,396)	(60,557)	(60,719)	(59,759)
NOTE PAYABLE- PCP-2015 3M LOAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NOTE PAYABLE- PCP 2018 1.7M LOAN	(1,646,609)	(1,643,641)	(1,640,666)	(1,637,682)	(1,634,691)	(1,631,692)	(1,628,684)	(1,625,669)	(1,622,646)	(1,619,614)	(1,616,575)	(1,613,527)	(1,610,471)	(1,628,628)
NOTE PAYABLE - PCP 2018 1.1M LOAN	(1,120,054)	(1,118,036)	(1,116,012)	(1,113,982)	(1,111,947)	(1,109,907)	(1,107,862)	(1,105,811)	(1,103,754)	(1,101,692)	(1,099,624)	(1,097,551)	(1,095,473)	(1,107,823)
INTERCO LOAN NC-INTEGRATED	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/TSC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/PWS	-	-	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(4)
INTERCO PAY/REC: PEU/PAC	-	0	1	2	3	4	1,006	1,003	1,014	1,027	1,070	1,091	-	478
INTERCO PAY/REC: PEU/PWW	-	(367,609)	(704,784)	(1,252,016)	(1,650,223)	(2,046,211)	(2,426,112)	(1,649,555)	(2,049,873)	(969,290)	(1,111,053)	(1,507,078)	-	(1,210,293)
AP INTERCO PAY/REC: PEU/PAC	-	335	335	335	335	335	335	3,099	4,699	4,460	6,674	12,977	-	2,609
INTERCO PAY/REC: PEU/PCP	(5,932,995)	(5,594,894)	(4,964,447)	(4,887,092)	(4,462,009)	(4,399,090)	(4,342,002)	(4,721,582)	(4,691,169)	(4,543,594)	(4,067,725)	(3,307,824)	(5,402,754)	(4,716,706)
INTERCOMPANY LONG TERM DEBT	(8,699,658)	(8,723,845)	(8,425,579)	(8,890,442)	(8,858,539)	(9,186,568)	(9,503,326)	(9,098,520)	(9,461,735)	(8,228,709)	(7,887,239)	(7,511,918)	(8,108,698)	(8,660,367)
TOTAL INTERCOMPANY DEBT	(8,758,467)	(8,782,811)	(8,484,702)	(8,949,723)	(8,917,977)	(9,246,165)	(9,563,082)	(9,158,436)	(9,521,810)	(8,288,944)	(7,947,635)	(7,572,476)	(8,169,417)	(8,720,127)

Pennichuck East Utility, Inc.
Weighted Average Cost of Preferred Stock
For the Twelve Months Ended December 31, 2019

Schedule 7

Security	Term	Maturity	Rate	Outstanding Balance	Annual Dividends	Annual Amortization	All In Annual Cost	Effective Rate
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NOT APPLICABLE

Pennichuck East Utility, Inc.
Return on Common Equity
For the Twelve Months Ended December 31, 2019

Schedule 8

Source: 30 yr treasury rates used by S&P

Date	Open	High	Low	Close
Aug 2019				2.1200%
Sept 2019				2.1600%
Oct 2019				2.1900%
Nov 2019				2.2800%
Dec 2019				2.3000%
Jan 2020				2.2200%
Feb 2020				1.9700%
Mar 2020				1.4600%
April 2020				1.2700%
May 2020				1.3800%
Jun 2020				1.4900%
Jul 2020				1.3100%
30 year Treasury bonds				1.8458%
Average				3.0000%
Plus				
Cost of Equity				4.8458%

TAB 15

Permanent Rate Tariff Pages

RATE SCHEDULE
GENERAL SERVICE - METERED
SCHEDULE G-M

Availability:

The rate is available for metered water service in the franchised area subject to the terms and conditions of this tariff.

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of New Hampshire Public Utilities Commission for Water Service.

Rate:

A minimum customer charge shall be made for each customer to whom service is rendered under this tariff, based on the meter size shown below:

<u>Meter Size</u>	<u>Current Rate</u>
5/8"	\$20.70 24.17
3/4"	44.03 31.13
1"	62.32 55.01
1" meter with private residential fire service ¹	30.44 31.32
1 1/2"	135.68 105.35
2"	201.30 130.47
3"	427.09 478.91
4"	670.55 1,042.79
6"	1,341.07 1,539.26
8"	1,674.93 3,055.48
10"	1,674.93 3,055.48

1. This rate is grandfathered to single-family residential homes that have a single service with a single curb stop and a 1" meter to allow the passage of fire flows for a single-family residential sprinkler system. The rate for this class will be the tariffed rate for a 5/8" meter and a private 1-1/2" fire service. This rate is grandfathered to homes that had this type of service on or before 12/31/2018.

Volumetric Rate:

In addition to the standard customer charge, the monthly volumetric charge based on usage will be as follows:

Volumetric Charge: \$ ~~7.54~~ **9.42** per 100 cu. ft.

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: ~~February 22, 2019~~ **November 23, 2020**

Issued By: Donald L. Ware

Effective: ~~February 24, 2019~~ **December 24, 2020**

Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Twelfth~~ **Thirteenth** Revised Page 40

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Eleventh~~ **Twelfth** Revised Page 40
and Original Page 49**RATE SCHEDULE****GENERAL SERVICE – NON-METERED**

Pennichuck East Utility, Inc. (PEU) will charge current unmetered customers a monthly rate as specified below based on the average single family residential usage as specified below until such time as meters are installed.

Commercial, Industrial and Private Fire Protection customers will be charged an average rate as calculated for a similar customer in PEU.

PEU will make every effort to install meters in a timely manner and in no such case should these rates remain in force more than a twelve month period.

	<u>Customer Charge</u>
5/8 inch Meter Charge	\$20.70 24.17
Volumetric Charge	\$ 7.51 9.42
Average Single Family Residential Usage	\$ 7.29 6.50* CCF
	\$54.75 61.23
Total Monthly Charge	\$75.45 85.40

For the Towns of Barnstead, Conway and Middleton:

	<u>Customer Charge</u>		
	<u>Barnstead</u>	<u>North Conway</u>	<u>Middleton</u>
5/8 inch Meter Charge	\$ 20.70 24.17	\$ 20.70 24.17	\$ 20.70 24.17
Volumetric Charge	\$ 7.51 9.42	\$ 7.51 9.42	\$ 7.51 9.42
Average Single Family Residential Usage**	\$ 3.50 32.50	\$ 3.50 32.50	\$ 3.50 32.50
	\$ 26.29 66.67	\$ 26.29 66.67	\$ 26.29 66.67
Capital Recovery Surcharge	\$ 12.81 58	\$ 12.81 69	\$ 10.74 36
Total Monthly Charge	\$ 59.80 69.25	\$ 59.80 69.36	\$ 57.73 67.03

*Average consumption is based on single family residential 5/8" metered customers' average 5-year annual usage divided by 12.

**Average consumption for Towns of Barnstead, Conway, and Middleton is based on single family residential 5/8" metered customers' average 5-year annual usage of 41.4 CCF divided by 12.

Issued: ~~October 10, 2018~~ **November 23, 2020** Issued by Donald L. Ware

Effective: ~~November 16, 2018~~ **December 24, 2020** Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Seventh~~^{Eighth} Revised Page 42

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Sixth~~^{Seventh} Revised Page 42**RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
LONDONDERRY

Availability:

The rate is applicable to all municipal fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

~~\$16.07~~^{\$34.99}

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

~~\$0.14767~~^{\$15351} per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~^{November 23, 2020}

Issued by Donald L. Ware

~~Donald L. Ware~~

Effective: ~~November 16, 2018~~^{December 24, 2020} Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Third~~Fourth Revised Page 42A

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Third~~Second Revised Page 42A**RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
DERRY

Availability:

The rate is applicable to all municipal fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

~~\$16.07~~ **\$34.49**

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

~~\$0.14767~~ **\$15351** per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ **November 23, 2020** Issued by Donald L. Ware

Effective: ~~November 16, 2018~~ **December 24, 2020** Title: Chief Operating Officer

NHPUC NO. 1 WATER

FourthFifth Revised Page 43A

PENNICHUCK EAST UTILITY, INC.

Superseding ThirdFourth Revised Page 43A

RATE SCHEDULE**PUBLIC FIRE PROTECTION SERVICE****TOWN OF BOW, PINES OF BOW WATER SYSTEM**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
~~\$7.18~~7.96

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~November 23, 2020 Issued by: Donald L. Ware
Donald L. Ware
Effective: ~~November 16, 2018~~December 24, 2020 Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Fifth~~Sixth Revised Page 43B

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Fourth~~Fifth Revised Page 43B**RATE SCHEDULE****PUBLIC FIRE PROTECTION SERVICE****TOWN OF RAYMOND, GREEN HILLS WATER SYSTEM**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
~~\$2.18~~3.04

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~November 23, 2020 Issued by: ~~Donald L. Ware~~
Donald L. Ware
Effective: ~~November 16, 2018~~December 24, 2020 Title: Chief Operating Officer

RATE SCHEDULE

PUBLIC FIRE PROTECTION SERVICE
TOWN OF WINDHAM CASTLE REACH, FLETCHERS CORNER, OAKWOOD,
W&E AND WHISPERING WINDS WATER SYSTEMS

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current

Rate

~~\$9.07~~ 10.02

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ November 23, 2020 Issued by Donald L. Ware

Effective: ~~November 16, 2018~~ December 24, 2020 Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Fourth~~^{Fifth} Revised Page 43D

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Third~~^{Fourth} Revised Page 43D**RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
 SCHEDULE FIRE PROTECTION - UNMETERED
 TOWN OF RAYMOND, GREEN HILLS WATER SYSTEM

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, payable in advance, from the month of installation

Current

Rate~~\$60.21~~^{62.82}**Terms of Payment:**

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~^{November 23, 2020} Issued by Donald L. Ware

Effective: ~~November 16, 2018~~^{December 24, 2020} Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Third~~Fourth Revised Page 43E

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Second~~Third Revised Page 43E**RATE SCHEDULE****PUBLIC FIRE PROTECTION SERVICE
EXETER**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
~~\$8.98~~11.38

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~November 23, 2020 Issued by: Donald L. Ware

Effective: ~~November 16, 2018~~December 24, 2020 Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Third~~Fourth Revised Page 43F

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Second~~Third Revised Page 43F**RATE SCHEDULE****PUBLIC FIRE PROTECTION SERVICE
LEE**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
~~\$10.56~~ 14.61

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ November 23, 2020 Issued by: Donald L. Ware

Effective: ~~November 16, 2018~~ December 24, 2020 Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Third~~Fourth Revised Page 43GPENNICHUCK EAST UTILITY, INC.
43GSuperseding ~~Third~~Second Revised Page**RATE SCHEDULE****PUBLIC FIRE PROTECTION SERVICE
BIRCH HILL**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
~~\$4.31~~4.89

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~November 23, 2020 Issued by Donald L. Ware

Effective: ~~November 16, 2018~~December 24, 2020 Title: Chief Operating Officer

NHPUC NO. 1 WATER

~~Eighth~~^{Ninth} Revised Page 44

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Seventh~~^{Eighth} Revised Page 44**RATE SCHEDULE**

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
PELHAM

Availability:

This rate is applicable to all municipal fire protection service rendered in the Company's service area for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each hydrant installed, payable in advance, from the month of installation.

Current

Rate

~~\$16.07~~^{\$34.49}

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (4" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year, and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

~~\$0.14767~~^{\$15351} per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~^{November 23, 2020} Issued by Donald L. Ware

Effective: ~~November 16, 2018~~^{December 24, 2020} Title: Chief Operating Officer

NHPUC NO. 1 WATER

FourthFifth Revised Page 44A

PENNICHUCK EAST UTILITY, INC.

Superseding ThirdFourth Page 44A

RATE SCHEDULE

**MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
LITCHFIELD**

Availability:

This rate is applicable to all municipal fire protection service rendered in the Company's service area for the purpose of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

~~\$16.07~~ **\$34.49**

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (4" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

~~\$0.44767~~ **\$1.5351** per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: ~~October 10, 2018~~ **November 23, 2020** Issued by Donald L. Ware

Effective: ~~November 16, 2018~~ **December 24, 2020** Title: Chief Operating Officer

RATE SCHEDULE
PRIVATE FIRE PROTECTION SERVICE
SCHEDULE FP-NM

Availability:

This schedule is applicable to all private fire protection service within a structure or on private property, to include sprinkler systems and privately owned non-municipal hydrants, rendered by the Company in any service area not served under any other private fire protection rate schedule of the Company.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or waste or unlawful use of water.

Rate:

The charge shall be determined by the size of the fire service tap to the property as follows:

<u>Connection or Service</u>	<u>Current Rate</u>
1 1/2"	\$ 9.74 7.15
2"	17.25 10.96
3"	38.82 24.63
4"	69.02 48.21
6"	155.33 132.83
8"	276.10 278.79
10"	455.26 498.34
12"	733.22 802.62

For each private hydrant, whether connected directly to the Company's mains, or to mains, or to the customer's private fire protection distribution system:

~~\$121.37~~ **132.83**

Terms of Payment:

Bills under this rate are net; will be rendered monthly and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: ~~February 22, 2019~~ **November 23, 2020** Issued by: Donald L. Ware

Effective: ~~February 24, 2019~~ **December 24, 2020** Title: Chief Operating Officer

Authorized by NHPUC Order No. 26,213 Docket No. DW 18-090 dated January 24, 2019.

NHPUC NO. 1 WATER

~~Fifth~~^{Sixth} Revised Page 48

PENNICHUCK EAST UTILITY, INC.

Superseding ~~Fourth~~^{Fifth} Revised Page 48

RATE SCHEDULE
CAPITAL RECOVERY SURCHARGE

Availability:

This rate is applicable to all metered water service in the Company's following service areas:

Barnstead: Locke Lake
North Conway: Birch Hill
Middleton: Sunrise Lake Estates

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of the New Hampshire Public Utilities Commission for Water Service.

Capital Recovery Surcharge:

A capital recovery surcharge shall be made for each customer to whom service is rendered under this tariff as shown below:

<u>Service Area</u>	<u>Monthly Charge</u>
Barnstead: Locke Lake	\$ 12.84 58
North Conway: Birch Hill	\$ 12.84 69
Middleton: Sunrise Lake Estates	\$ 10.74 36

The surcharge will be charged monthly over a period of 30 years to the record holder where the existing service is provided. The surcharge will be calculated in each general rate case to reflect the current number of customers in each system.

Terms of Payments:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: ~~October 10, 2018~~^{November 23, 2020} Issued by Donald L. Ware

Effective: ~~November 16, 2018~~^{December 24, 2020} Title: Chief Operating Officer

RATE SCHEDULE
GENERAL SERVICE - METERED
SCHEDULE G-M

Availability:

The rate is available for metered water service in the franchised area subject to the terms and conditions of this tariff.

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of New Hampshire Public Utilities Commission for Water Service.

Rate:

A minimum customer charge shall be made for each customer to whom service is rendered under this tariff, based on the meter size shown below:

<u>Meter Size</u>	<u>Current Rate</u>
5/8"	\$ 24.17
3/4"	31.13
1"	55.01
1" meter with private residential fire service ¹	31.32
1 1/2"	105.35
2"	130.47
3"	478.91
4"	1,042.79
6"	1,539.26
8"	3,055.48
10"	3,055.48

1. This rate is grandfathered to single-family residential homes that have a single service with a single curb stop and a 1" meter to allow the passage of fire flows for a single-family residential sprinkler system. The rate for this class will be the tariffed rate for a 5/8" meter and a private 1-1/2" fire service. This rate is grandfathered to homes that had this type of service on or before 12/31/2018.

Volumetric Rate:

In addition to the standard customer charge, the monthly volumetric charge based on usage will be as follows:

Volumetric Charge: \$ 9.42 per 100 cu. ft.

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 23, 2020

Issued By: Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

NHPUC NO. 1 WATER

Thirteenth Revised Page 40

PENNICHUCK EAST UTILITY, INC.

Superseding Twelfth Revised Page 40
and Original Page 49**RATE SCHEDULE****GENERAL SERVICE – NON-METERED**

Pennichuck East Utility, Inc. (PEU) will charge current unmetered customers a monthly rate as specified below based on the average single family residential usage as specified below until such time as meters are installed.

Commercial, Industrial and Private Fire Protection customers will be charged an average rate as calculated for a similar customer in PEU.

PEU will make every effort to install meters in a timely manner and in no such case should these rates remain in force more than a twelve month period.

	<u>Customer Charge</u>
5/8 inch Meter Charge	<u>\$24.17</u>
Volumetric Charge	\$ 9.42
Average Single Family Residential Usage	6.50* CCF
	<u>\$61.23</u>
Total Monthly Charge	<u>\$85.40</u>

For the Towns of Barnstead, Conway and Middleton:

	<u>Customer Charge</u>		
	<u>Barnstead</u>	<u>North Conway</u>	<u>Middleton</u>
5/8 inch Meter Charge	\$ 24.17	\$ 24.17	\$ 24.17
Volumetric Charge	\$ 9.42	\$ 9.42	\$ 9.42
Average Single Family Residential Usage**	\$ 32.50	\$ 32.50	\$ 32.50
Capital Recovery Surcharge	\$ 12.58	\$ 12.69	\$ 10.36
Total Monthly Charge	<u>\$ 69.25</u>	<u>\$ 69.36</u>	<u>\$ 67.03</u>

*Average consumption is based on single family residential 5/8" metered customers' average 5-year annual usage divided by 12.

**Average consumption for Towns of Barnstead, Conway, and Middleton is based on single family residential 5/8" metered customers' average 5-year annual usage of 41.4 CCF divided by 12.

Issued: November 23, 2020Issued by: Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

NHPUC NO. 1 WATER

Eighth Revised Page 42

PENNICHUCK EAST UTILITY, INC.

Superseding Seventh Revised Page 42

RATE SCHEDULE

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
LONDONDERRY

Availability:

The rate is applicable to all municipal fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

\$34.99

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

\$0.15351 per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

NHPUC NO. 1 WATER

Fourth Revised Page 42A

PENNICHUCK EAST UTILITY, INC.

Superseding Third Revised Page 42A

RATE SCHEDULE

**MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
DERRY**

Availability:

The rate is applicable to all municipal fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current

Rate

\$34.49

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

\$0.15351 per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

NHPUC NO. 1 WATER

Fifth Revised Page 43A

PENNICHUCK EAST UTILITY, INC.

Superseding Fourth Revised Page 43A

RATE SCHEDULE**PUBLIC FIRE PROTECTION SERVICE****TOWN OF BOW, PINES OF BOW WATER SYSTEM**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$7.96

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

NHPUC NO. 1 WATER

Sixth Revised Page 43B

PENNICHUCK EAST UTILITY, INC.

Superseding Fifth Revised Page 43B

RATE SCHEDULE**PUBLIC FIRE PROTECTION SERVICE****TOWN OF RAYMOND, GREEN HILLS WATER SYSTEM**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current

Rate

\$3.04

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

RATE SCHEDULE**PUBLIC FIRE PROTECTION SERVICE
TOWN OF WINDHAM CASTLE REACH, FLETCHERS CORNER, OAKWOOD,
W&E AND WHISPERING WINDS WATER SYSTEMS****Availability:**

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current

Rate

\$10.02

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

NHPUC NO. 1 WATER

Fifth Revised Page 43D

PENNICHUCK EAST UTILITY, INC.

Superseding Fourth Revised Page 43D

RATE SCHEDULE

MUNICIPAL FIRE PROTECTION SERVICE
 SCHEDULE FIRE PROTECTION - UNMETERED
 TOWN OF RAYMOND, GREEN HILLS WATER SYSTEM

Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, payable in advance, from the month of installation

Current

Rate

\$62.82

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

NHPUC NO. 1 WATER

Fourth Revised Page 43E

PENNICHUCK EAST UTILITY, INC.

Superseding Third Revised Page 43E

RATE SCHEDULE**PUBLIC FIRE PROTECTION SERVICE
EXETER**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$11.38

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

NHPUC NO. 1 WATER

Fourth Revised Page 43F

PENNICHUCK EAST UTILITY, INC.

Superseding Third Revised Page 43F

RATE SCHEDULE**PUBLIC FIRE PROTECTION SERVICE
LEE**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$14.61

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020Issued by Donald L. WareEffective: December 24, 2020Title: Chief Operating Officer

NHPUC NO. 1 WATER

Fourth Revised Page 43G

PENNICHUCK EAST UTILITY, INC.

Superseding Third Revised Page 43G

RATE SCHEDULE**PUBLIC FIRE PROTECTION SERVICE
BIRCH HILL**Availability:

The rate is applicable to all public fire protection service rendered in the Company's service areas for purposes of public safety, where such service is paid for by customers located in the respective town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1) Monthly Hydrant Charge

For each hydrant installed, there shall be a Customer Hydrant Charge as follows:

Current
Rate
\$4.89

Terms of Payment:

Bills under this rate are net, will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on the water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

NHPUC NO. 1 WATER

Ninth Revised Page 44

PENNICHUCK EAST UTILITY, INC.

Superseding Eighth Revised Page 44

RATE SCHEDULE

MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
PELHAM

Availability:

This rate is applicable to all municipal fire protection service rendered in the Company's service area for purposes of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Town shall notify the Company, in writing, of an appropriate vote by the governing body of the city, town, village or other political subdivision stating where hydrants are to be placed. Such notification must be received by the Company before the installation of any hydrant affected has begun. The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or the waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each hydrant installed, payable in advance, from the month of installation.

Current

Rate

\$34.49

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (4" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year, and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each quarter or one-twelfth to be billed each month.

Charge for each "inch-foot" unit to be

Current

Rate

\$0.15351 per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

NHPUC NO. 1 WATER

Fifth Revised Page 44A

PENNICHUCK EAST UTILITY, INC.

Superseding Fourth Page 44A

RATE SCHEDULE

**MUNICIPAL FIRE PROTECTION SERVICE
SCHEDULE FIRE PROTECTION – METERED
LITCHFIELD**

Availability:

This rate is applicable to all municipal fire protection service rendered in the Company's service area for the purpose of public safety, where such service is paid for from tax revenues by and of the Town.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or waste or unlawful use of water. The installation and maintenance of fire hydrants, and the supplying of water through such hydrants, is for the sole use of authorized fire fighting personnel for the control and extinguishment of any fire, or for any other use authorized by the Company.

Rate:

The charge shall be made up of the following by town:

1. Monthly Hydrant Charge

For each fire hydrant installed, payable in advance, from the month of installation.

Current
Rate
\$34.49

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (4" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year and will be the base for computing the "inch-foot" charge for the entire year with one-fourth to be billed each month.

Charge for each "inch-foot" unit to be

Current
Rate
\$0.15351 per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Special Provisions:

All hydrants, lead valves, branches and other appurtenances shall be and remain the property of the Company.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

RATE SCHEDULE
PRIVATE FIRE PROTECTION SERVICE
SCHEDULE FP-NM

Availability:

This schedule is applicable to all private fire protection service within a structure or on private property, to include sprinkler systems and privately owned non-municipal hydrants, rendered by the Company in any service area not served under any other private fire protection rate schedule of the Company.

Character of Service:

The Company will make every effort to maintain normal pressures at all times on the distribution system, but shall not be held liable for the failure of either the supply or distribution division of its system to adequately furnish its normal quantity of water when such failure is due to the elements, natural causes, breaks, leaks, unusual or concurrent droughts, or waste or unlawful use of water.

Rate:

The charge shall be determined by the size of the fire service tap to the property as follows:

<u>Connection or Service</u>	<u>Current Rate</u>
1 ½"	\$ 7.15
2"	10.96
3"	24.63
4"	48.21
6"	132.83
8"	278.79
10"	498.34
12"	802.62

For each private hydrant, whether connected directly to the Company's mains, or to mains, or to the customer's private fire protection distribution system:

\$132.83

Terms of Payment:

Bills under this rate are net; will be rendered monthly and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 23, 2020

Issued by: Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

NHPUC NO. 1 WATER

Sixth Revised Page 48

PENNICHUCK EAST UTILITY, INC.

Superseding Fifth Revised Page 48

RATE SCHEDULE
CAPITAL RECOVERY SURCHARGE

Availability:

This rate is applicable to all metered water service in the Company's following service areas:

Barnstead: Locke Lake

North Conway: Birch Hill

Middleton: Sunrise Lake Estates

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of the New Hampshire Public Utilities Commission for Water Service.

Capital Recovery Surcharge:

A capital recovery surcharge shall be made for each customer to whom service is rendered under this tariff as shown below:

<u>Service Area</u>	<u>Monthly Charge</u>
Barnstead: Locke Lake	\$ 12.58
North Conway: Birch Hill	\$ 12.69
Middleton: Sunrise Lake Estates	\$ 10.36

The surcharge will be charged monthly over a period of 30 years to the record holder where the existing service is provided. The surcharge will be calculated in each general rate case to reflect the current number of customers in each system.

Terms of Payments:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 23, 2020

Issued by Donald L. Ware

Effective: December 24, 2020

Title: Chief Operating Officer

TAB 16

Summary of Puc 1604.01(a) 'Contents of a Full Rate Case' Documents

Summary (Index) of Full Rate Case Schedules per Puc 1604.01(a)

TAB	Document	Authority	Notes
17	Internal Financial Reports	Puc 1604.01(a)(1)	
18	Annual Reports to Stockholders	Puc 1604.01(a)(2)	Data Not Exist
19	Federal Income Tax Reconciliation	Puc 1604.01(a)(3)	
20	Detailed NH and Federal Tax Factor Computation	Puc 1604.01(a)(4)	
21	Detailed Charitable Contribution	Puc 1604.01(a)(5)	Data Not Exist
22	List of Advertising	Puc 1604.01(a)(6)	Data Not Exist
23	Most Recent Cost of Service Study	Puc 1604.01(a)(7)	
24	Most Recent Construction Budget	Puc 1604.01(a)(8)	
25	Chart of Accounts if Different than NHPUC	Puc 1604.01(a)(9)	Data Not Exist
26	Securities and Exchange Commission 10K and 10Q	Puc 1604.01(a)(10)	Data Not Exist
27	Membership Fees, Dues and Lobbying Expenses	Puc 1604.01(a)(11)	
28	Depreciation Study	Puc 1604.01(a)(12)	
29	Management and Financial Audits if not previously filed	Puc 1604.01(a)(13)	
30	Officer and Director Compensation	Puc 1604.01(a)(14)	Data Not Exist
31	Officer and Executive Incentive Plans	Puc 1604.01(a)(15)	Data Not Exist
32	List of Amount of Voting Stock	Puc 1604.01(a)(16)	Data Not Exist
33	Payments for Contractual Services in Excess of \$50,000	Puc 1604.01(a)(17)	
34	Amount of Assets and Costs Allocated to Non-Utility Operations	Puc 1604.01(a)(18)	
35	Balance Sheets and Income Statements for Previous Two Years	Puc 1604.01(a)(19)	
36	Quarterly Income Statements for Previous Two Years	Puc 1604.01(a)(20)	
37	Quarterly Sales Volumes	Puc 1604.01(a)(21)	
38	Projected Need for External Capital	Puc 1604.01(a)(22)	
39	Capital Budget - Sources and Uses	Puc 1604.01(a)(23)	
40	Outstanding Short-Term Debt on Monthly Basis for Each Indebtedness	Puc 1604.01(a)(24)	See Tab 14 for schedule 1604.08 Schedule 6 Cost of Short Term Debt.
41	Certificate of Details of Management Fee Information	Puc 1604.01(a)(25)	See Tabs 4 and 34

TAB 17

1604.01(a)(1) Internal Financial Reports for the first and last month of the test year; for the entire test year; and for the 12 months or 5 quarters prior to the test year.

PENNICHUCK EAST UTILITIES
Profit and Loss Statement
January - December 2018

DW 20-156 Exhibit 1
Provided pursuant to NHPUC Rule 1604.01(a)(1)

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Total 2018
WATER SALES	519,079.37	427,066.58	432,389.72	492,970.57	533,621.56	847,934.83	929,677.20	689,919.87	641,875.47	1,156,414.45	516,030.66	602,622.95	7,789,603.23
CBFRR REVENUES	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	898,863.00
MISC OPERATING REVENUE	2,579.00	1,907.00	2,962.00	2,160.00	3,637.00	4,787.00	2,393.00	2,898.00	3,353.00	2,298.00	3,512.00	3,503.00	35,989.00
TOTAL REVENUES	596,563.62	503,878.83	510,256.97	570,035.82	612,163.81	927,627.08	1,006,975.45	767,723.12	720,133.72	1,233,617.70	594,447.91	681,031.20	8,724,455.23
PRODUCTION EXPENSES	189,127.79	194,621.19	212,953.59	160,265.97	183,579.33	195,374.30	229,944.14	211,426.14	188,153.94	197,715.44	155,978.96	171,284.57	2,290,425.36
TRANSMISSION AND DISTRIB EXP	58,949.36	47,239.31	62,554.29	84,437.72	67,461.49	48,001.09	44,623.62	53,215.24	64,902.73	62,139.30	66,024.79	78,035.41	737,584.35
CUSTOMER ACCT & COLLECTION EXP	14,943.18	13,764.42	10,561.14	16,433.04	16,828.54	20,781.88	23,014.46	12,559.94	19,530.36	12,158.10	23,039.77	16,537.14	200,151.97
ADMINISTRATIVE & GENERAL EXP	12,671.22	16,611.51	14,730.15	13,966.03	21,818.47	19,561.08	12,188.22	11,798.64	13,582.23	17,552.48	12,971.69	17,085.17	184,536.89
INTERCO MGMT FEE: PWV	187,325.00	172,578.00	192,288.00	191,296.00	201,717.00	185,162.00	199,615.00	186,173.00	182,631.00	209,460.00	205,101.00	186,166.00	2,299,512.00
INTERCOMPANY MGMT FEE: PCP	5,174.00	3,877.00	5,884.00	4,303.00	4,224.00	4,765.00	4,317.00	6,350.00	5,381.00	7,309.00	7,744.00	(1,884.00)	57,444.00
TOTAL OPERATING EXPENSES	468,190.55	448,691.43	498,971.17	470,701.76	495,628.83	473,645.35	513,702.44	481,522.96	474,181.26	506,334.32	470,860.21	467,224.29	5,769,654.57
DEP EXP/ACQ ADJ EXPENSE	100,596.53	98,718.46	100,107.37	100,124.47	100,290.67	101,067.41	100,333.94	100,791.71	100,886.08	101,635.77	103,409.30	146,288.62	1,254,250.33
AMORTIZATION EXPENSE: CIAC	(30,957.52)	(31,204.13)	(31,226.35)	(31,283.18)	(31,453.81)	(31,509.10)	(31,569.50)	(31,592.69)	(32,493.70)	(33,478.33)	(34,896.01)	(40,557.92)	(392,222.24)
AMORT: ACQUISITION PREMIUM	17,017.81	17,389.93	17,389.93	17,389.93	17,389.93	17,390.02	17,389.93	17,389.93	17,389.92	17,389.93	17,389.93	17,389.93	208,307.12
AMORT EXP - DEFERRED CHARGES	3,405.32	3,404.33	3,404.34	3,404.32	3,404.31	9,949.60	9,949.58	9,949.58	9,949.61	9,949.56	9,949.56	9,962.87	86,682.98
LOCAL PROPERTY TAXES	77,141.25	77,141.25	77,141.24	113,280.23	79,119.17	78,130.24	41,991.21	78,130.21	78,130.20	78,130.21	100,869.43	142,201.52	1,021,406.16
NH BET TAX	-	-	-	-	-	-	-	-	-	-	-	18,778.69	18,778.69
GAIN FROM FORGIVENESS SRF DEBT	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(22,613.28)
INCOME TAXES	(23,137.59)	(41,807.89)	(31,881.82)	(40,903.99)	(24,072.86)	63,343.92	83,440.62	15,627.93	11,992.10	143,042.20	(549.13)	615,916.51	771,010.00
TOTAL OPERATING DEDUCTIONS	610,371.91	570,448.94	632,021.44	630,829.10	638,421.80	710,133.00	733,353.78	669,935.19	658,151.03	821,119.22	665,148.85	1,375,320.07	8,715,254.33
NET OPERATING INCOME	(13,808.29)	(66,570.11)	(121,764.47)	(60,793.28)	(26,257.99)	217,494.08	273,621.67	97,787.93	61,982.69	412,498.48	(70,700.94)	(694,288.87)	9,200.90
MISC NON-UTILITY INCOME	-	-	-	-	-	-	-	-	-	-	114,867.55	-	114,867.55
OTHER INCOME (EXPENSE)	-	-	-	-	-	-	-	-	-	-	114,867.55	-	114,867.55
AFUDC-INTEREST(DEBT) COMPONENT	900.00	1,017.00	1,038.00	1,096.00	1,119.00	3,179.00	3,217.00	6,191.00	22,530.00	11,987.00	10,440.00	11,772.00	74,486.00
AFUDC - EQUITY COMPONENT	211.00	239.00	244.00	193.00	182.00	518.00	524.00	1,008.00	3,976.00	1,951.00	1,989.00	2,242.00	13,277.00
TOTAL AFUDC	1,111.00	1,256.00	1,282.00	1,289.00	1,301.00	3,697.00	3,741.00	7,199.00	26,506.00	13,938.00	12,429.00	14,014.00	87,763.00
INTEREST EXPENSE													
INTEREST EXP: BONDS & NOTES	(51,580.35)	(50,036.74)	33,599.06	(50,328.63)	(50,445.39)	(50,124.86)	(51,169.44)	(59,724.27)	(53,143.69)	(41,076.99)	(54,255.76)	(56,519.03)	(534,806.09)
LINE OF CREDIT INTEREST	-	-	-	-	-	-	-	-	-	-	-	(3,659.88)	(3,659.88)
AMORTIZATION OF DEBT EXPENSE	(1,497.31)	(1,497.31)	(1,497.31)	(1,497.31)	(1,497.31)	(2,108.61)	(2,046.93)	(1,929.34)	(1,929.34)	(2,004.02)	(1,944.28)	(1,944.28)	(21,393.35)
INTERCOMPANY INTEREST	(13,041.90)	(12,208.01)	(14,163.57)	(15,311.69)	(4,787.33)	(17,160.00)	(18,671.57)	(18,982.06)	(18,775.42)	(18,688.68)	(19,252.18)	(21,085.47)	(192,127.88)
TOTAL INTEREST EXPENSE, NET	(66,119.56)	(63,742.06)	17,938.18	(67,137.63)	(56,730.03)	(69,393.47)	(71,887.94)	(80,635.67)	(73,848.45)	(61,769.69)	(75,452.22)	(83,208.66)	(751,987.20)
NET INCOME (OR LOSS)	(78,816.85)	(129,056.17)	(102,544.29)	(126,641.91)	(81,687.02)	151,797.61	205,474.73	24,351.26	14,640.24	364,666.79	(18,856.61)	(763,483.53)	(540,155.75)

PENNICHUCK EAST UTILITY
THIRTEEN MONTH BALANCE SHEET

Provided Pursuant to NRC Order No. EP-16-041(a)(1)
DW 20-156 Exhibit 1

	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	13 Month Average
ASSETS														
LAND	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,087,381.00	1,086,881.00	1,102,687.82	1,069,289.22
PROPERTY HELD FUTURE USE STRUCTURES	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76
EQUIPMENT	10,016,897.33	10,016,897.33	10,016,897.33	10,016,897.33	10,016,897.33	10,016,897.33	10,021,057.42	10,033,785.36	10,044,247.48	10,044,247.48	10,044,247.48	10,047,251.18	10,275,320.64	10,047,041.62
TRANSMISSION & DISTRIBUTION	3,988,653.86	3,992,712.73	4,010,619.46	4,010,619.46	4,028,156.99	4,028,156.99	3,993,472.58	3,987,481.58	3,995,224.75	4,003,100.12	4,008,903.92	4,010,200.05	3,919,601.98	3,998,223.42
MISCELLANEOUS EQUIPMENT	45,037,235.02	45,045,441.68	45,111,484.65	45,159,321.90	45,187,457.73	45,328,002.22	45,347,672.79	45,508,308.47	45,736,483.97	45,810,256.89	46,055,658.65	46,470,353.44	50,751,501.84	45,888,398.40
INTANGIBLE PLANT	737,866.01	737,866.01	744,853.77	744,853.77	744,853.77	744,853.77	744,853.77	754,849.93	754,849.93	693,302.21	693,302.21	693,302.21	721,385.92	731,614.87
TOTAL PLANT IN SERVICE	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64
ACCUMULATED DEPRECIATION	61,303,760.62	61,316,026.15	61,406,963.61	61,454,800.86	61,500,474.22	61,641,018.71	61,630,164.96	61,807,533.74	62,053,914.53	62,074,015.10	62,350,220.66	62,768,715.28	67,231,225.60	62,195,294.93
NET PLANT IN SERVICE	13,510,696.31	13,627,197.43	13,744,271.13	13,858,571.04	13,975,117.52	14,092,241.55	14,099,895.53	14,206,737.77	14,269,223.88	14,346,573.86	14,447,508.11	14,567,629.98	14,491,318.82	14,095,152.53
CWIP: CONTRACTOR CLEARING	47,793,064.31	47,688,828.72	47,662,692.48	47,596,229.82	47,525,356.70	47,548,777.16	47,530,269.43	47,600,795.97	47,784,690.65	47,727,441.24	47,902,712.55	48,201,085.30	52,739,906.78	48,100,142.39
TOTAL PLANT	1,141,891.59	1,025,550.94	1,035,186.40	1,055,295.34	1,126,379.22	1,905,398.53	1,855,728.25	2,902,823.03	3,296,936.24	3,781,224.93	4,026,676.83	4,471,372.10	413,558.03	2,156,770.88
CURRENT ASSETS	48,934,955.90	48,714,379.66	48,697,878.88	48,651,525.16	48,651,735.92	49,454,175.69	49,385,997.68	50,503,619.00	51,081,626.89	51,508,666.17	51,929,389.38	52,672,457.40	53,153,464.81	50,256,913.27
CASH	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
RESTRICTED CASH - TD BANK - RSF	-	-	-	-	-	-	-	-	-	-	-	200.00	28,347.90	2,195.99
DSRR 1.0 RSF	-	-	-	-	-	-	-	-	-	-	-	200.00	47,100.04	3,638.46
MOERR RSF	-	-	-	-	-	-	-	-	-	-	-	200.00	771,068.94	59,328.38
MOERR	-	-	-	-	-	-	-	-	-	-	-	200.00	240,362.61	18,504.82
DSRR 1.0	-	-	-	-	-	-	-	-	-	-	-	200.00	116,725.18	8,994.24
DSRR 0.1	-	-	-	-	-	-	-	-	-	-	-	200.00	11,161.29	873.95
OTHER SPECIAL DEPOSITS	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00
ACCOUNTS RECEIVABLE, NET	928,775.40	446,224.78	428,436.93	498,905.82	407,797.08	379,639.91	751,675.40	708,191.32	499,364.84	663,798.56	465,152.72	590,975.96	483,568.02	557,885.13
PREPAID EXPENSES AND OTHER	201,541.40	157,321.97	89,799.95	23,354.58	23,404.29	37,511.99	233,265.32	168,051.98	104,748.64	37,565.32	36,465.86	343,180.85	242,872.88	130,698.85
A/R: UNBILLED WATER REV-RECOUP 2017	-	-	-	-	-	-	-	-	-	-	577,594.00	577,594.00	577,594.00	133,290.92
A/R: UNBILLED WATER REVENUE	458,100.00	511,305.00	490,830.00	421,214.00	471,614.00	542,902.00	656,060.00	801,569.00	766,767.00	633,130.00	603,883.00	490,317.00	553,616.00	569,331.31
TOTAL CURRENT ASSETS	1,628,486.80	1,154,921.75	1,049,136.88	983,544.40	942,885.37	1,000,123.90	1,681,070.72	1,717,882.30	1,410,950.48	1,374,563.88	1,723,165.58	2,043,337.81	3,112,486.86	1,524,812.06
OTHER ASSETS	237,564.05	236,066.74	234,569.43	233,072.12	237,154.81	243,873.50	242,142.98	243,491.55	241,562.21	242,524.12	245,000.56	243,393.78	241,862.00	240,175.22
UNAMORTIZED DEBT EXPENSE	822,800.43	821,701.11	872,755.09	890,338.63	888,353.31	889,315.00	903,749.70	897,823.24	894,166.66	885,427.05	871,389.03	861,439.47	854,514.10	873,367.14
DEFERRED CHARGES	7,788,458.63	7,771,440.82	7,754,050.89	7,736,660.96	7,719,271.03	7,701,881.10	7,684,491.08	7,667,101.15	7,649,711.22	7,632,321.30	7,614,931.37	7,597,541.44	7,580,151.51	7,684,462.50
ACQUISITION PREMIUM - MARA	8,848,823.11	8,829,208.67	8,861,375.41	8,860,071.71	8,844,779.15	8,835,069.60	8,830,383.76	8,808,415.94	8,785,440.09	8,760,272.47	8,731,320.96	8,702,374.69	8,676,527.61	8,798,004.86
TOTAL OTHER ASSETS	59,412,265.81	58,698,510.08	58,608,391.17	58,495,141.27	58,439,400.44	59,289,369.19	59,897,452.16	61,029,917.24	61,278,017.46	61,643,502.52	62,383,875.92	63,418,169.90	64,942,479.28	60,579,730.19
EQUITY AND LIABILITIES														
COMMON STOCK	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
OTHER COMPREHENSIVE INCOME	(224,522.40)	(185,592.60)	(170,405.40)	(167,942.40)	(147,041.40)	(157,302.60)	(143,465.40)	(135,130.20)	(146,889.00)	(119,278.80)	(112,659.00)	(130,643.40)	(157,657.80)	(153,733.11)
ADDITIONAL PAID IN CAPITAL	12,482,362.87	12,482,362.87	12,482,362.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,790,929.79
RETAINED EARNINGS BEG - PEU	(128,250.46)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(597,220.23)
NET PROFIT (OR LOSS)	(508,050.58)	(78,816.85)	(207,873.02)	(310,417.31)	(437,059.22)	(518,746.24)	(636,948.63)	(161,473.90)	(137,122.64)	(122,482.40)	242,184.39	223,327.78	(540,155.75)	(224,894.95)
TOTAL EQUITY	11,621,639.43	11,581,752.38	11,467,883.41	10,468,939.12	10,363,198.21	10,271,249.99	10,436,884.80	10,650,694.73	10,663,287.19	10,705,537.63	11,076,824.22	11,039,983.21	10,249,485.28	10,815,181.51
LONG TERM DEBT: SRF LOANS	17,818,046.17	17,749,532.35	17,662,948.93	17,525,647.61	17,790,017.37	18,596,230.17	19,269,230.52	19,826,924.83	19,769,638.55	20,439,304.37	20,707,936.63	20,726,128.40	20,586,416.84	19,112,923.29
TOTAL LONG TERM DEBT	17,818,046.17	17,749,532.35	17,662,948.93	17,525,647.61	17,790,017.37	18,596,230.17	19,269,230.52	19,826,924.83	19,769,638.55	20,439,304.37	20,707,936.63	20,726,128.40	20,586,416.84	19,112,923.29
CURRENT LIABILITIES														
CURRENT PORTION OF LONG TERM DEBT	1,072,265.48	1,072,265.48	1,078,589.32	1,082,021.27	1,086,646.80	806,052.30	807,590.06	809,112.69	761,193.41	814,079.18	815,613.57	819,038.60	856,670.45	913,933.74
OTHER LIABILITY: DERIVATIVE	374,204.00	309,321.00	284,009.00	279,904.00	245,069.00	262,171.00	239,109.00	225,217.00	244,815.00	198,798.00	187,765.00	217,739.00	262,763.00	256,221.85
FIXED ASSET LINE OF CREDIT	-	-	-	-	-	-	-	-	14,160.52	18,263.92	101,504.57	534,788.18	691,425.14	104,626.33
ST NOTE PAYABLE: PCP-2014 1M LOAN	94,890.84	94,890.84	94,890.84	95,532.80	95,963.38	-	-	-	-	-	-	-	-	36,628.36
ST NOTE PAYABLE: PCP-2018 1.7M LOAN	-	-	-	-	-	34,354.32	34,445.94	34,537.79	34,629.89	34,722.24	34,814.83	34,907.67	35,000.76	21,339.50
ST NOTE PAYABLE: PCP-2018 1.1M LOAN	-	-	-	-	-	23,368.41	23,430.73	23,493.21	23,555.86	23,618.68	23,681.67	23,744.82	23,808.14	14,515.50
INTERCO PAY/REC: PEU/PCP	4,785,714.23	3,870,269.72	3,772,518.89	4,613,549.46	3,856,867.08	2,967,304.85	3,370,740.85	2,713,244.92	2,853,881.28	1,800,692.03	1,169,771.41	1,322,519.35	5,932,995.42	3,310,005.35
INTERCO PAY/REC: PEU/PWS	-	-	-	(3,493.88)	(3,497.16)	(3,500.44)	(3,503.72)	(3,507.37)	(3,514.68)	(3,522.00)	(3,530.07)	(3,538.16)	-	(2,431.34)
INTERCO PAY/REC: PEU/PAC	-	-	-	-	-	58.56	(41.42)	(1,266.61)	(1,603.19)	(5,198.15)	(5,210.06)	(10,227.73)	-	(1,806.82)
INTERCO PAY/REC: PEU/PWW</														

PENNICHUCK EAST UTILITIES
Profit and Loss Statement
January - December 2019

DW 20-156 Exhibit 1
Provided pursuant to NHPUC Rule 1604.01(a)(1)

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total 2019
WATER SALES	567,148.18	513,534.61	569,914.45	574,347.21	610,893.07	707,767.74	873,335.20	853,496.32	751,654.96	646,873.02	495,305.99	698,320.08	7,862,590.83
CBFRR REVENUES	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	926,309.16
MISC OPERATING REVENUE	1,937.00	1,706.00	1,786.00	1,035.00	2,328.00	2,809.00	3,346.00	3,096.00	3,201.00	3,377.00	2,686.00	2,881.00	30,188.00
TOTAL REVENUES	646,277.61	592,433.04	648,892.88	652,574.64	690,413.50	787,769.17	953,873.63	933,784.75	832,048.39	727,442.45	575,184.42	778,393.51	8,819,087.99
PRODUCTION EXPENSES	190,295.71	177,945.39	201,356.57	182,745.80	181,421.49	179,728.04	226,855.95	145,289.80	228,631.16	193,476.22	163,494.82	185,957.72	2,257,198.67
TRANSMISSION AND DISTRIB EXP	95,622.07	56,771.70	53,230.65	139,291.99	69,558.40	91,608.02	56,048.20	105,079.48	92,464.77	96,316.59	93,500.79	56,738.12	1,006,230.78
CUSTOMER ACCT & COLLECTION EXP	14,025.23	12,909.33	16,265.12	11,975.21	15,783.60	23,180.34	25,862.23	17,462.01	15,219.59	16,847.09	15,566.44	19,621.38	204,717.57
ADMINISTRATIVE & GENERAL EXP	13,533.45	14,856.40	14,154.60	15,149.01	18,182.93	17,095.22	19,701.68	13,067.43	13,230.32	12,868.83	16,253.04	13,368.45	181,461.36
INTERCO MGMT FEE: PWV	168,733.00	139,458.00	288,030.00	203,259.00	198,601.00	179,188.00	189,984.00	191,362.00	178,415.00	201,559.00	185,416.00	214,897.00	2,338,902.00
INTERCOMPANY MGMT FEE: PCP	4,740.00	4,818.00	5,935.00	4,763.00	5,159.00	4,929.00	4,784.00	4,998.00	4,188.00	4,390.00	4,531.00	5,124.00	58,359.00
TOTAL OPERATING EXPENSES	486,949.46	406,758.82	578,971.94	557,184.01	488,706.42	495,728.62	523,236.06	477,258.72	532,148.84	525,457.73	478,762.09	495,706.67	6,046,869.38
DEP EXP/ACQ ADJ EXPENSE	109,206.84	110,350.45	110,506.93	110,716.64	110,826.18	110,984.59	112,125.12	117,600.88	111,073.47	111,608.82	117,107.35	121,469.83	1,353,577.10
AMORTIZATION EXPENSE: CIAC	(34,297.84)	(34,310.47)	(34,601.38)	(34,796.61)	(34,863.18)	(34,927.61)	(35,962.90)	(41,418.32)	(35,935.68)	(35,957.18)	(36,008.39)	(38,155.71)	(431,235.27)
AMORT: ACQUISITION PREMIUM	17,389.93	17,811.71	17,811.62	17,811.63	17,811.71	17,811.62	17,811.71	17,811.63	17,811.71	17,811.62	17,811.62	17,811.71	213,318.22
AMORT EXP - DEFERRED CHARGES	9,962.84	9,962.85	9,962.87	9,962.83	10,013.74	9,983.84	9,983.81	9,983.82	9,983.84	9,983.80	17,672.06	9,983.83	127,440.13
LOCAL PROPERTY TAXES	94,858.43	94,858.43	94,858.40	94,858.43	93,241.41	93,412.25	93,412.25	93,412.25	91,883.85	104,997.24	105,460.52	118,790.63	1,174,044.09
NH BET TAX	-	-	-	-	-	-	-	-	-	-	-	3,775.00	3,775.00
GAIN FROM FORGIVENESS SRF DEBT	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(2,059.04)	(2,059.04)	(2,059.04)	(2,059.04)	(2,059.04)	(2,059.04)	(23,660.88)
INCOME TAXES	(24,379.31)	(4,084.97)	78,526.57	(44,871.69)	(2,571.55)	19,098.23	308,985.49	57,219.74	17,203.82	(18,741.96)	(46,437.38)	75,412.59	415,359.58
TOTAL OPERATING DEDUCTIONS	657,805.91	599,462.38	854,152.51	708,980.80	681,280.29	710,207.10	1,027,532.50	729,809.68	742,110.81	713,101.03	652,308.83	802,735.51	8,879,487.35
NET OPERATING INCOME	(11,528.30)	(7,029.34)	(205,259.63)	(56,406.16)	9,133.21	77,562.07	(73,658.87)	203,975.07	89,937.58	14,341.42	(77,124.41)	(24,342.00)	(60,399.36)
MISC NON-UTILITY INCOME	17,435.86	-	-	-	-	-	-	-	-	-	-	-	17,435.86
OTHER INCOME (EXPENSE)	17,435.86	-	-	-	-	-	-	-	-	-	-	-	17,435.86
AFUDC-INTEREST(DEBT) COMPONENT	252.00	281.00	373.00	627.00	717.00	1,014.00	1,052.00	1,335.00	1,335.00	(6,986.00)	-	-	-
AFUDC - EQUITY COMPONENT	38.00	38.00	46.00	78.00	80.00	113.00	117.00	132.00	132.00	(774.00)	-	-	-
TOTAL AFUDC	290.00	319.00	419.00	705.00	797.00	1,127.00	1,169.00	1,467.00	1,467.00	(7,760.00)	-	-	-
INTEREST EXPENSE													
INTEREST EXP: BONDS & NOTES	(61,414.36)	(54,316.75)	23,891.60	(73,572.83)	(42,483.26)	(55,846.98)	(55,633.40)	(57,452.28)	(58,714.00)	(58,481.99)	(58,936.70)	(50,276.46)	(603,237.41)
LINE OF CREDIT INTEREST	(2,931.74)	(1,025.19)	(2,180.99)	78.30	(18,956.41)	(6,801.33)	(7,221.12)	(2,743.20)	(2,871.01)	(2,956.72)	(2,728.05)	(3,235.92)	(53,573.38)
AMORTIZATION OF DEBT EXPENSE	(1,941.59)	(1,941.59)	(1,941.59)	(1,941.59)	(1,941.59)	(1,941.59)	(1,941.59)	(1,954.17)	(1,954.17)	(2,087.94)	(2,087.94)	(2,087.94)	(23,763.29)
INTERCOMPANY INTEREST	(22,415.42)	(22,047.51)	(22,151.94)	(22,846.11)	(23,162.57)	(23,940.07)	(23,467.84)	(22,374.19)	(21,422.99)	(18,548.75)	(16,787.63)	(17,102.30)	(256,267.32)
TOTAL INTEREST EXPENSE, NET	(88,703.11)	(79,331.04)	(2,382.92)	(98,282.23)	(86,543.83)	(88,529.97)	(88,263.95)	(84,523.84)	(84,962.17)	(82,075.40)	(80,540.32)	(72,702.62)	(936,841.40)
NET INCOME (OR LOSS)	(82,505.55)	(86,041.38)	(207,223.55)	(153,983.39)	(76,613.62)	(9,840.90)	(160,753.82)	120,918.23	6,442.41	(75,493.98)	(157,664.73)	(97,044.62)	(979,804.90)

DW 20-156 Exhibit 1
Provided pursuant to NHPUC Rule 1604.01(a)(1)

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TAB 18

1604.01(a)(2) Annual Reports to Stockholders and statistical supplements, if any, for the most recent 2 years.

This data does not exist for PEU

TAB 19

1604.01(a)(3) Federal Income Tax Reconciliation for the test year

Pennichuck East Utilities, Inc.
Federal Income Tax Reconciliation
For the Twelve Months Ended December 31, 2019

Provided pursuant to NHPUC Rule 1604.01(a)(3)

Net income per books for the test year	\$ (979,805)
Addback provision for Federal and State income taxes	415,360
Pretax Book Income before permanent items	<u>(564,445)</u>
Permanent Items:	
50% meals & entertainment expenses	-
Amortization of Municipal Acquisition Regulatory Asset (MARA	213,318
Disqualifying Dispositions (ISO's)	-
	<u>213,318</u>
Taxable Income	<u>(351,127)</u>
NHBPT	90,059
Federal Income Tax	325,301
Amortization of Investment Tax Credit	-
Total Income Taxes	<u><u>\$ 415,360</u></u>

Note: The following are temporary differences (Schedule M-1 items) that are recorded in Deferred Income Taxes:

Accelerated depreciation/Amortization of CIAC	(646,553)
Book/Tax Difference on disposal of assets	(248,451)
Prior Year's Charitable Contributions	-
Prepaid Expenses	-
A/R Reserve	-
Deferred Debits	4,460
	<u>(890,544)</u>

TAB 20

1604.01(a)(4) Detailed NH and Fed Tax Factor Computations on the incremenet of revenue needed to produce a given increment of net operating income.

**Computation of Detailed Tax Factor
Pennichuck East Utility, Inc.
December 31, 2019**

Provided pursuant to NHPUC Rule 1604.01(4)

Taxable Income	100.00%
Less: NH Business Profits Tax	<u>7.70%</u>
Federal Taxable Income	92.30%
Federal Income Tax Rate	<u>21.00%</u>
Effective Federal Income Tax Rate	19.38%
Add: NH Business Profits Tax	<u>7.70%</u>
Effective Tax Rate	<u><u>27.08%</u></u>
Percent of Income Available if No Tax	100.00%
Effective Tax Rate	<u>27.08%</u>
Percent Used as a Divisor in Determining the Revenue Requirement	<u><u>72.92%</u></u>

TAB 21

1604.01(a)(5) Detailed Charitable Contributions charged in the test year above the line showing the donee, amount, and account charged. (contributions of \$50 or more)

This data does not exist for PAC

TAB 22

1604.01(a)(6) List of Advertising charges in the test year above the line showing expenditures by media, subject matter, and account charged. (expenditures of \$50 or more)

This data does not exist for PAC

TAB 23

1604.01(a)(7) Most Recent Cost of Service Study if not previously filed in an adjudicative proceeding.

See Tab 11

TAB 24

1604.01(a)(8) Most Recent Construction Budget

Pennichuck East Utilities, Inc.
Capital and Construction Budget 2020

Provided pursuant to NHPUC Rule 1604.01(a)(8)
DW 20-156 Exhibit 1

		Total 2020 incl	
		Project Description	O/H
<u>2019 Carryover/Multi-year Projects</u>			
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		1,545.00
Airstrip alternative arsenic treatment	Raw Water Pipeline from Air Strip well to Peacham Road WTP		540.00
Georgetown Drive water main replacement	Replace 4600 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC		10.00
Bradford Lane water main replacement	Replace 1825 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC		10.00
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		239.00
Belmont Drive water main replacement	Replace 500 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC		5.00
Route 28 Replacement			80.00
Rolling Hills Water Main Replacement - Site Restoration from 2019 Project	Replace substandard 2 inch diameter pipe with 4 inch C900 PVC		32.00
			-
Subtotal 2019 Carryover/Multi-year Projects			2,461.00
<u>New 2020 Projects</u>			
Locke Lake Surface Water Treatment	Intake & Treatment Facility Construction		835.00
Pelham Main Replacement/Addition	Replace 1600 LF of 3 inch PE with 12 in C-900 and add 775 LF of 12 in C-90 Monticello & Lane		285.00
1x revenue investments Normal Run Rate with two months of PFOA in Litchfield	Per Tariff		100.00
Sunrise Estates	Station Replacement (design)		40.00
Londonderry Core Re-Chloramination	Re-chloramination Evalution and Preliminary Design		35.00
			-
			-
			-
Subtotal New 2020 Projects			1,295.00
Total 2020 Capital Projects Budget			3,756.00

		Total 2020 incl	
		Project Description	O/H
<u>2019 Carryover/Multi-year Projects</u>			
Water Supply	Atkinson Booster pump station design	Atkinson Booster pump station design	30.00
Subtotal 2019 Carryover/Multi-year Projects			30.00
<u>New 2020 Projects</u>			
Water Supply	Booster Pump replacement/rebuild	Booster Pump replacement/rebuild	40.00
Water Supply	Well Pump replacements	Well Pump replacements	40.00
Water Supply	Chemical Feed pump replacements	Chemical Feed pump replacements	10.00
Water Supply	Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS	25.00
Water Supply	Misc. Structural Improvements	Misc. Structural Improvements	20.00
Water Supply	Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects	10.00
Water Supply	Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical	30.00
Water Supply	Well Rehabilitation	Well Rehabilitation	60.00
Water Supply	Atkinson Station Rebuild	Station cannot provide requirede fire flow. Hydropneumatic tank is in need of replacement	500.00
Water Supply	Install web based communication equipment, 4 locations	Install web based communication equipment, 4 locations	20.00
			-
			-
			-
Subtotal New 2020 Projects			755.00

		Project Description	Total 2020 incl O/H
		Total 2020 Capital Projects Budget	785.00
		Project Description	Total 2020 incl O/H
T&D	<u>2019 Carryover/Multi-year Projects</u>		-
		Subtotal 2019 Carryover/Multi-year Projects	-
		<u>New 2020 Projects</u>	
T&D	New Services (5)	Single Family, Owner Build, New Homes	25.00
T&D	Renewed Services (10)	Replacement of failed services	55.00
T&D	Hydrants (5)	Replacement of non functional hydrants	30.00
T&D	Gates (8)	Replacement of Failed Gate Valves	32.00
T&D	Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading	31.50
T&D	Meters (Growth) 5/8"-2" - PEU (220)	New meters for new customers (220)	22.00
T&D	Meters 5/8"-6" Lead Meter Exchange - PEU (0)	Replace High lead brass meter with new no lead brass meter	-
		Subtotal New 2020 Projects	195.50
		Total 2020 Capital Projects Budget	195.50
		2019 Carryover/Multi-year Projects - Total PEU	2,491.00
		New 2020 Projects - Total PEU	2,245.50
		Total Capital Budget - PEU	4,736.50

<u>Breakout</u>	
Land	0.00
Buildings	2,930.00
Equipment & software	1,806.50
	4,736.50

TAB 25

1604.01(a)(9) Chart of Accounts if Different than NHPUC

The information does not exist

TAB 26

1604.01(a)(10) Securities and Exchange Commission 10K and 10Q

This data does not exist. See Order No. 25,292

TAB 27

1604.01(a)(11) Membership Fees, Dues and Lobbying Expenses

All memberships are through PWW

TAB 28

1604.01(a)(12) Depreciation Study if not previously filed in an adjudicative proceeding

Depreciation Study was filed in DW 05-072 and is attached



25 MANCHESTER STREET
MERRIMACK, NH 03054
(603) 882-5191
FAX (603) 913-2305
WWW.PENNICHUCK.COM

SENT VIA FEDERAL EXPRESS

July 15, 2005



Debra A. Howland
Executive Director and Secretary
N. H. Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

Re: Pennichuck East Utility, Inc. Rate Case DW 05-072

Dear Ms. Howland:

Please find enclosed an original and 4 copies of the Pennichuck East Utility Depreciation Study as of December 31, 2004.

I trust you will find this satisfactory and if you have any questions, please feel free to call.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Bonalyn J. Hartley'.

Bonalyn J. Hartley
Vice President, Administration

cc: Sarah B. Knowlton, Esq., McLane, Graf, Raulerson & Middleton
F. Anne Ross, Office of Consumer Advocate
R. Descoteau, Pennichuck

Enclosures

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PENNICHUCK

Pennichuck East Utility

Depreciation Study
as of
December 31, 2004



AUS CONSULTANTS

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Earl M. Robinson, CDP
President & CEO

July 12, 2005

Mrs. Bonnie Hartley, Vice President - Controller
Pennichuck Water Works
25 Manchester Street
Merrimack, NY 03054

RE: Pennichuck East Utility.

Dear Mrs Hartley:

In accordance with your authorization, we have prepared a depreciation study related to the utility plant in service of the Pennichuck East Utility as of December 31, 2004. Our findings and recommendations, together with supporting schedules and exhibits, are set forth in the accompanying report.

Summary schedules have been prepared to illustrate the impact of instituting the recommended annual depreciation rates as a basis for the Company's annual depreciation expense as compared to the rates presented utilized. The application of the present rates to the Company's total depreciable plant in service as of December 31, 2004 results in an annual depreciation expense of \$604,810. In comparison, the application of the proposed depreciation rates to the Company's total depreciable plant in service at December 31, 2004 results in an annual depreciation expense of \$799,088, a depreciation expense increase of \$194,278. The composite annual depreciation rate under present rates is 2.07 percent, while the proposed composite depreciation rate is 2.74 percent.

Section 2 of our report contains the summary schedules showing the results of our service life and salvage studies and summarizes of presently utilized depreciation rates. The subsequent sections of the report present a detailed outline of the methodology and procedures used in the study together with supporting calculations and analyses used in the development of the results. A detailed table of contents follows this letter.

Respectfully submitted,

A handwritten signature in cursive script that reads "Earl M. Robinson".

EARL M. ROBINSON

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Pennichuck East Utility

Executive Summary

Table 1 on pages 2-1 and 2-2 is a comparative summary which illustrates the effect on instituting the revised proposed depreciation rates. The schedule includes a comparison of the annual depreciation rates and annual depreciation expense under both present and proposed rates for each plant account related to the Company's plant in service as of December 31, 2004. The proposed depreciation rates are based upon the Broad Group / Average Remaining Life procedure and technique.

Table 2 on pages 2-3 and 2-4 provides a summary of the detailed life estimated, service life parameters (Iowa Curves), and salvage factors utilized in preparing the proposed Average Remaining Life depreciation rates for each property group. The schedule provides a summary of the detailed data and narrative of study results set forth in Section 4 of this report.

Table 3 on pages 2-5 and 2-6, reconciles the December 31, 2004 account level plant in service balances per books versus the balances utilized in the performance of the depreciation study.

Likewise, Table 4, on pages 2-7 to 2-8, reconciles the December 31, 2004 book depreciation reserve balances per books versus the balances utilized in preparing the depreciation rates per this study. Furthermore, the table contains the allocation of the Company's functional book depreciation reserve to the applicable individual property categories within the functional categories.

The depreciation rates developed per this study were determined by studying the Company's investment and retirement data together with the interpretation of future expectancies which have a bearing on the overall service life of the Company's property. The proposed average remaining life-based depreciation rates, which reflect the analysis of past experience as well as present interpretations of future expectancies, will provide the Company with a better opportunity to recover the cost of its plant in service over the property's current estimate of remaining useful life than afforded under present rates. In order to develop ARL-based depreciation rates for each of the Company's depreciable property groups, it was necessary to obtain the Company's present accrued book depreciation reserve on an individual plant account level.

The depreciation rate for each individual account changed as a result of reflecting estimates obtained through the in-depth analysis and the Company's most recent data and interpretation of current and future events. Some of the revisions were not significant and typically reflect only fine tuning of previously utilized depreciation rates while others were more substantial in nature. Several of the accounts did reflect marked changes (as outlined in Section 4 of this report) from the previously utilized depreciation rates. The most notable changes are in Account 331 - Mains, and Account 334 - Meters.

The proposed implicit composite depreciation rate for Account 331 - Mains increased from 1.36 percent to 1.88 percent. The proposed depreciation rate incorporates the current estimates of average service life and future net salvage parameters developed through the review and analysis of the content of the account and the Company's available historical data relative to this property group. The proposed depreciation rates also give

recognition of the level of depreciation recovery that the Company has achieved to date. Accordingly, the proposed depreciation rate is being impacted by the fact that the level of the book depreciation reserve is proportionately lower versus the applicable theoretical reserve for the property group.

The implicit composite annual depreciation rate for Account 334 - Meters increase from 4.75 percent to 6.91 percent as a result of the impact of the Company's in the investment for Auto Meter Reading Devices into the property group's investment. The useful service life estimated for the Meter-Datamatic Readers is reflective of the maximum useful service life that is anticipated by the new sub-category of property within the overall property group.

While various of the property accounts experienced only modest increases or decreases in depreciation expense several of the accounts, as noted, did experience larger depreciation expense changes. The net change under the proposed depreciation rates, results in an aggregate net increase in annual depreciation expense of \$194,278 over current rates when applied to the Company's plant in service investment as of December 31, 2004. This change in annual depreciation expense is the result of both changes in the estimated service lives and salvage factors, as compared to those underlying the current depreciation.

The Composite Depreciation Rate should not be applied to the total plant investment. The non-proportional change in plant investment, as a result of property additions or retirements, would render the composite rate inappropriate. That is, the Company's historical experience, etc. was studied in detail for each depreciable group in

the process of this study, thus, the resultant proposed depreciation rates should be applied on a similar basis. Accordingly, the following composite summary is provided for illustrative purposes only as a means to compare the present and proposed composite depreciation rates.

Present Depreciation Rates

Depreciable Plant in Service at December 31, 2004	\$29,213,916
Annual Depreciation Expense	604,810
Composite Annual Depreciation Rate	2.07%

Proposed Depreciation Rates

Depreciable Plant in Service at December 31, 2004	\$29,213,916
Annual Depreciation Expense	799,088
Composite Annual Depreciation Rate	2.74%

TABLE 1

Pennichuck East Utility, Inc.**Summary of Original Cost of Utility Plant in Service as of December 31, 2004
and Related Annual Depreciation Expenses Under Present and Proposed Depreciation Rates**

Acct. No.	Account Description	Original Cost 12-31-2004	Present Rates		Proposed Rates		Net Change Depreciation Expense
			Rates %	Annual Accrual	Rates %	Annual Accrual	
(a)	(b)	(c)	(d)	(e)=(c)*(d)	(f)	(g)=(c)*(f)	(i)=(g)-(e)
DEPRECIABLE PLANT							
Source of Supply							
304.10	Structures & Improvements	726,265.89	2.00%	14,525.00	3.05%	22,151.00	7,626.00
307.10	Wells & Springs	651,630.00	2.00%	13,033.00	4.05%	26,391.00	13,358.00
	TOTAL Source of Supply	1,377,895.89	2.00%	27,558.00	3.52%	48,542.00	20,984.00
Pumping Plant							
304.20	Structures & Improvements	1,601,378.99	2.62%	41,956.00	3.01%	48,202.00	6,246.00
311.20	Electric Pumping Equipment	932,642.61	6.11%	56,984.00	6.16%	57,451.00	467.00
311.60	Other Power Pumping Equipment	4,175.71	2.86%	119.00	3.47%	145.00	26.00
	TOTAL Pumping Plant	2,538,197.31	3.90%	99,059.00	4.17%	105,798.00	6,739.00
Water Treatment Plant							
Water Treatment Equipment							
320.00	Purification System Equipment	305,717.33	6.67%	20,391.00	12.39%	37,878.00	17,487.00
320.10	Other Production Equipment	19,382.52	6.67%	1,293.00	5.63%	1,091.00	-202.00
320.20	Water Treatment Equipment	1,014.32	2.91%	30.00	12.42%	126.00	96.00
	TOTAL Water Treatment	326,114.17	6.66%	21,714.00	11.99%	39,095.00	17,381.00
Transmission & Distribution Plant							
304.50	Distr Reservoir & Standpipe Structures	7,360.00	2.59%	191.00	2.77%	204.00	13.00
304.55	Booster Station Structure	338,462.42	2.59%	8,766.00	2.72%	9,206.00	440.00
330.00	Distribution Reservoirs & Standpipes	811,800.00	2.44%	19,808.00	1.96%	15,911.00	-3,897.00
Transmission & Distribution Mains							
331.01	Pavements-Transmission Mains	877.10	1.27%	11.00	7.52%	66.00	55.00
331.02	Pavements-Distribution Mains	2,783.72	1.27%	35.00	6.95%	192.00	157.00
331.04	Pavements	2,808.61	1.27%	36.00	6.73%	189.00	153.00
331.10	Transmission Mains-New	1,299,944.83	1.19%	15,469.00	1.21%	15,729.00	260.00
331.15	Transmission Mains-Developer Installed	215,050.15	1.19%	2,559.00	1.21%	2,602.00	43.00
331.20	Distribution Mains-New	13,579,181.23	1.38%	187,393.00	1.96%	266,152.00	78,759.00
331.25	Distribution Mains-Gate Valves	14,520.56	1.38%	200.00	1.85%	269.00	69.00
331.30	Distribution Mains-Developer Installed	3,486,300.02	1.38%	48,111.00	1.86%	64,845.00	16,734.00
	Total Account 331	18,601,446.22	1.36%	253,814.00	1.88%	350,044.00	96,230.00
Services							
333.04	New Services-Pavement	28,021.39	2.44%	684.00	6.91%	1,936.00	1,252.00
333.10	Services-New	1,642,949.10	2.48%	40,745.00	2.60%	42,717.00	1,972.00
333.20	Services-Renewed	133,779.27	2.48%	3,318.00	2.46%	3,291.00	-27.00
333.23	Services-Developer Installed (CIAC)	359,239.84	2.48%	8,909.00	2.48%	8,909.00	0.00
333.25	Services-Developer Installed (PAID)	475,900.08	2.48%	11,802.00	2.49%	11,850.00	48.00
	Total Account 333	2,639,889.68	2.48%	65,458.00	2.60%	68,703.00	3,245.00
Meters & Meter Installs							
334.10	Meters & Meter Installs	943,348.54	4.75%	44,809.00	4.72%	44,526.00	-283.00
334.11	Meters-Digamatic Readers	602,589.16	4.75%	28,623.00	10.33%	62,247.00	33,624.00
	Total Account 334	1,545,937.70	4.75%	73,432.00	6.91%	106,773.00	33,341.00
335.00	Hydrants	327,613.53	2.00%	6,552.00	1.55%	5,078.00	-1,474.00
335.10	Hydrants-Developer Installed	313,535.62	2.00%	6,271.00	1.48%	4,640.00	-1,631.00
	Total Account 335	641,149.15	2.00%	12,823.00	1.52%	9,718.00	-3,105.00
339.00	Other Plant & Misc Equip	71,542.00	2.50%	1,789.00	2.04%	1,459.00	-330.00
	TOTAL Transmission & Distribution	24,657,587.17	1.77%	436,081.00	2.28%	562,018.00	125,937.00

Pennichuck East Utility, Inc.

TABLE 1

**Summary of Original Cost of Utility Plant in Service as of December 31, 2004
and Related Annual Depreciation Expenses Under Present and Proposed Depreciation Rates**

Acct. No.	Account Description	Original Cost 12-31-2004	Present Rates		Proposed Rates		Net Change Depreciation Expense
			Rates %	Annual Accrual (e)=(c)*(d)	Rates %	Annual Accrual (g)=(c)*(f)	
(a)	(b)	(c)	(d)	(e)=(c)*(d)	(f)	(g)=(c)*(f)	(h)=(g)-(e)
<u>General Plant</u>							
343.00	Shop Equipment	83,373.00	6.67%	5,561.00	15.28%	12,739.00	7,178.00
346.00	Communication Equipment	185,264.00	5.00%	9,263.00	12.49%	23,139.00	13,876.00
347.11	Computer Equipment-Hardware/Software	36,484.00	14.29%	5,214.00	18.73%	6,833.00	1,619.00
348.00	Miscellaneous General Equipment	9,000.00	4.00%	360.00	10.27%	924.00	564.00
	TOTAL General	314,121.00	6.49%	20,398.00	13.89%	43,635.00	23,237.00
	TOTAL Depreciable Plant	29,213,915.54	2.07%	604,810.00	2.74%	799,088.00	194,278.00
<u>NON-DEPRECIABLE PLANT</u>							
301.00	Organization	58,478.00					
302.00	Franchise	36,457.00					
303.10	Land	221,980.92					
303.24	Easements	1,330.88					
303.25	Easements-Gage Hill	2,548.85					
303.26	Easements-Oakwood	11,693.67					
303.27	Easements-Gilcreast Road	387.29					
303.50	Distr Reservoir & Standpipe Land	190,707.74					
303.60	Distr System Land & ROW	69,584.26					
	TOTAL Non-Depreciable Plant	593,168.61					
	TOTAL Utility Plant In Service	29,807,084.15					

Pennichuck East Utility, Inc.

TABLE 2

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Depreciation Reserve and Average Remaining Lives of Utility Plant in Service as of December 31, 2004

Acct. No.	Account Description	Original Cost	Estimated Future Net Salvage		Original Cost	Book Depreciation	Net Original Cost Less Book Reserve	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation	Annual Depreciation
		12-31-2004	%	Amount	Less Salvage	Reserve	Book Reserve			Accrual	Rate
(a)	(b)	(c)	(d)	(e)=(c)*(d)	(f)=(c)-(e)	(g)	(h)=(f)-(g)	(i)	(j)	(k)=(h)/(j)	(l)=(k)/(c)
DEPRECIABLE PLANT											
Source of Supply											
304.10	Structures & Improvements	726,265.89	-5%	-36,313.00	762,578.89	56,287.78	706,291.11 (1)	50-L0.5	31.9	22,141.00	3.05%
307.10	Wells & Springs	651,630.00	-10%	-65,163.00	716,793.00	144,480.56	572,312.44	29-L3	21.7	26,374.00	4.05%
	TOTAL Source of Supply	1,377,895.89		-101,476.00	1,479,371.89	200,768.34	1,278,603.55		26.4	48,515.00	3.52%
Pumping Plant											
304.20	Structures & Improvements	1,601,378.99	-5%	-80,069.00	1,681,447.99	293,119.58	1,388,328.41 (1)	48-L1	28.8	48,206.00	3.01%
311.20	Electric Pumping Equipment	932,642.61	-15%	-139,896.00	1,072,538.61	228,249.62	844,288.79	20-L0.5	14.7	57,435.00	6.16%
311.60	Other Power Pumping Equipment	4,175.71	0%	0.00	4,175.71	568.66	3,607.05	30-R3	24.9	145.00	3.47%
	TOTAL Pumping Equipment	2,538,197.31		-219,965.00	2,758,162.31	521,938.06	2,236,224.25		21.1	105,786.00	4.17%
Water Treatment Plant											
Water Treatment Equipment											
320.00	Purification System Equipment	305,717.33	-15%	-45,858.00	351,575.33	105,417.58	246,157.75	12-R2.5	6.5	37,870.00	12.39%
320.10	Other Production Equipment	19,382.52	0%	0.00	19,382.52	3,322.99	16,059.53	20-R3	14.7	1,092.00	5.63%
320.20	Water Treatment Equipment	1,014.32	-15%	-152.00	1,166.32	357.21	809.11	12-R2.5	6.4	126.00	12.42%
	TOTAL Water Treatment	326,114.17		-46,010.00	372,124.17	109,097.78	263,026.39		6.7	39,088.00	11.99%
Transmission & Distribution Plant											
304.50	Distr Reservoir & Standpipe Structures	7,360.00	-5%	-368.00	7,728.00	642.85	7,085.15 (1)	60-L1	34.8	204.00	2.77%
304.55	Booster Station Structure	338,462.42	-5%	-16,923.00	355,385.42	10,174.74	345,210.68 (1)	60-L1	37.5	9,206.00	2.72%
330.00	Distribution Reservoirs & Standpipes	811,800.00	-10%	-81,180.00	892,980.00	17,708.02	875,271.98 (1)	85-R2.5	55.1	15,885.00	1.96%
Transmission & Distribution Mains											
331.01	Pavements-Transmission Mains	877.10	0%	0.00	877.10	231.39	645.71	15-R3	9.8	66.00	7.52%
331.02	Pavements-Distribution Mains	2,763.72	0%	0.00	2,763.72	340.29	2,423.43	15-R3	12.6	192.00	6.95%
331.04	Pavements	2,808.61	0%	0.00	2,808.61	69.92	2,738.69	15-R3	14.5	189.00	6.73%
331.10	Transmission Mains-New	1,299,944.83	-20%	-259,989.00	1,559,933.83	50,605.78	1,509,328.05	100-R3	95.7	15,771.00	1.21%
331.15	Transmission Mains-Developer Installed	215,050.15	-20%	-43,010.00	258,060.15	6,745.30	251,314.85	100-R3	96.6	2,602.00	1.21%
331.20	Distribution Mains-New	13,579,181.23	-20%	-2,715,836.00	16,295,017.23	2,429,432.31	13,865,584.92	65-R2.5	52.2	265,624.00	1.96%
331.25	Distribution Mains-Gate Valves	14,520.56	-20%	-2,904.00	17,424.56	312.85	17,111.71	65-R2.5	63.5	269.00	1.85%
331.30	Distribution Mains-Developer Installed	3,486,300.02	-20%	-697,260.00	4,183,560.02	126,431.71	4,057,128.31	65-R2.5	62.4	65,018.00	1.86%
	Total Account 331	18,601,446.22		-3,718,999.00	22,320,445.22	2,614,169.55	19,706,275.67		56.3	349,731.00	1.88%

TABLE 2

Pennichuck East Utility, Inc.

**Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation
Rates and Depreciation Expense Based Upon Utilization of Book Depreciation Reserve
and Average Remaining Lives of Utility Plant in Service as of December 31, 2004**

Acct. No.	Account Description	Original Cost 12-31-2004	Estimated Future Net Salvage % Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Book Reserve	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
(a)	(b)	(c)	(d) (e)=(c)*(d)	(f)=(c)-(e)	(g)	(h)=(f)-(g)	(i)	(j)	(k)=(h)/(j)	(l)=(k)/(c)
Services										
333.04	New Services-Pavement	28,021.39	0%	0.00	28,021.39	3,033.97	15-R3	12.9	1,937.00	6.91%
333.10	Services-New	1,642,949.10	-35%	-575,032.00	2,217,981.10	329,528.10	55-R2	44.2	42,725.00	2.60%
333.20	Services-Renewed	133,779.27	-35%	-46,823.00	180,602.27	1,514.30	55-R2	54.4	3,292.00	2.46%
333.23	Services-Developer Installed (CIAC)	359,239.84	-35%	-125,734.00	484,973.84	18,964.51	55-R2	52.2	8,927.00	2.48%
333.25	Services-Developer Installed (PAID)	475,900.08	-35%	-166,565.00	642,465.08	26,284.90	55-R2	52.0	11,850.00	2.49%
	Total Account 333	2,639,889.68		-914,154.00	3,554,043.68	379,325.79		46.2	68,731.00	2.60%
Meters & Meter Installs										
334.10	Meters & Meter Installs	943,348.54	-5%	-47,167.00	990,515.54	251,974.59	25-R2.5	16.6	44,490.00	4.72%
334.11	Meters-Digamatic Readers	602,589.16	0%	0.00	602,589.16	60,898.14	10-R2	8.7	62,263.00	10.33%
	Total Account 334	1,545,937.70		-47,167.00	1,593,104.70	312,872.73		12.0	106,753.00	6.91%
335.00	Hydrants	327,613.53	-10%	-32,761.00	360,374.53	54,341.62	75-R3	60.1	5,092.00	1.55%
335.10	Hydrants-Developer Installed	313,535.62	-10%	-31,354.00	344,889.62	7,461.63	75-R3	72.9	4,629.00	1.48%
	Total Account 335	641,149.15		-64,115.00	705,264.15	61,803.25		66.2	9,721.00	1.52%
339.00	Other Trans/Distr Equip	71,542.00	0%	0.00	71,542.00	4,322.60	50-R3	46.0	1,461.00	2.04%
	TOTAL Transmission & Distribution	24,657,587.17		-4,842,906.00	29,500,493.17	3,401,019.53		46.5	561,692.00	2.28%
General Plant										
343.00	Shop Equipment	83,373.00	0%	0.00	83,373.00	45,151.92	12-L4	3.0	12,740.00	15.28%
346.00	Communication Equipment	185,264.00	0%	0.00	185,264.00	41,772.64	9-L2	6.2	23,144.00	12.49%
347.11	Computer Equipment-Hardware/Software	36,484.00	0%	0.00	36,484.00	16,670.92	8-R4	2.9	6,832.00	18.73%
348.00	Miscellaneous General Equipment	9,000.00	0%	0.00	9,000.00	2,067.82	11-L5	7.5	924.00	10.27%
	TOTAL General	314,121.00		0.00	314,121.00	105,663.30		4.8	43,640.00	13.89%
	TOTAL Depreciable Plant	29,213,915.54		-5,210,357.00	34,424,272.54	4,338,487.00			798,721.00	2.73%
NON-DEPRECIABLE PLANT										
301.00	Organization	58,478.00								
302.00	Franchise	36,457.00								
303.10	Land	221,980.92								
303.24	Easements	1,330.88								
303.25	Easements-Gage Hill	2,548.85								
303.26	Easements-Oakwood	11,693.67								
303.27	Easements-Gilcrest Road	387.29								
303.50	Distr Reservoir & Standpipe Land	190,707.74								
303.60	Distr System Land & ROW	69,584.26								
	TOTAL Non-Depreciable Plant	593,168.61								
	TOTAL Utility Plant in Service	29,807,084.15								

(1) Interim Retirement Rate. Life Span Method Utilized. Service Lives Vary

TABLE 3

Pennichuck East Utility, Inc.

**Summary of Original Cost as of December 31, 2004, Study Adjustments,
Plant In Service Per Depr Study By Account As Of December 31, 2004**

Acct. No. (a)	Account Description (b)	Original Cost 12-31-2004 (c)	Adjustments Per Depr Study (d)	Original Cost Per Depr. Study 12-31-2004 (h)=c+(d)
<u>DEPRECIABLE PLANT</u>				
<u>Source of Supply</u>				
304.10	Structures & Improvements	1,524,992.89	-798,727.00 (1)	726,265.89
307.10	Wells & Springs	651,630.00		651,630.00
	TOTAL Source of Supply	2,176,622.89	-798,727.00	1,377,895.89
<u>Pumping Plant</u>				
304.20	Structures & Improvements	1,601,378.99		1,601,378.99
311.20	Electric Pumping Equipment	932,642.61		932,642.61
311.60	Other Power Pumping Equipment	4,175.71		4,175.71
	TOTAL Pumping Plant	2,538,197.31	0.00	2,538,197.31
<u>Water Treatment Plant</u>				
<u>Water Treatment Equipment</u>				
320.00	Purification System Equipment	305,717.33		305,717.33
320.10	Other Production Equipment	19,382.52		19,382.52
320.20	Water Treatment Equipment	1,014.32		1,014.32
	TOTAL Water Treatment	326,114.17	0.00	326,114.17
<u>Transmission & Distribution Plant</u>				
304.50	Distr Reservoir & Standpipe Structures	7,360.00		7,360.00
304.55	Booster Station Structure	338,462.42		338,462.42
330.00	Distribution Reservoirs & Standpipes	13,073.00	798,727.00 (1)	811,800.00
<u>Transmission & Distribution Mains</u>				
331.01	Pavements-Transmission Mains	877.10		877.10
331.02	Pavements-Distribution Mains	2,763.72		2,763.72
331.04	Pavements	2,808.61		2,808.61
331.10	Transmission Mains-New	1,299,944.83		1,299,944.83
331.15	Transmission Mains-Developer Installed	215,050.15		215,050.15
331.20	Distribution Mains-New	13,579,181.23		13,579,181.23
331.25	Distribution Mains-Gate Valves	14,520.56		14,520.56
331.30	Distribution Mains-Developer Installed	3,486,300.02		3,486,300.02
	Total Account 331	18,601,446.22	0.00	18,601,446.22
<u>Services</u>				
333.04	New Services-Pavement	28,021.39		28,021.39
333.10	Services-New	1,642,949.10		1,642,949.10
333.20	Services-Renewed	133,779.27		133,779.27
333.23	Services-Developer Installed (CIAC)	359,239.84		359,239.84
333.25	Services-Developer Installed (PAID)	475,900.08		475,900.08
	Total Account 333	2,639,889.68	0.00	2,639,889.68
<u>Meters & Meter Installs</u>				
334.10	Meters & Meter Installs	943,348.54		943,348.54

TABLE 3

Pennichuck East Utility, Inc.

**Summary of Original Cost as of December 31, 2004, Study Adjustments,
Plant In Service Per Depr Study By Account As Of December 31, 2004**

Acct. No.	Account Description	Original Cost 12-31-2004	Adjustments Per Depr Study	Original Cost Per Depr. Study 12-31-2004
(a)	(b)	(c)	(d)	(h)=c+(d)
334.11	Meters-Digamatic Readers	602,589.16		602,589.16
	Total Account 334	1,545,937.70	0.00	1,545,937.70
335.00	Hydrants	327,613.53		327,613.53
335.10	Hydrants-Developer Installed	313,535.62		313,535.62
	Total Account 335	641,149.15	0.00	641,149.15
339.00	Other Plant & Misc Equip	71,542.00		71,542.00
	TOTAL Transmission & Distribution	23,858,860.17	798,727.00	24,657,587.17
<u>General Plant</u>				
343.00	Shop Equipment	83,373.00		83,373.00
346.00	Communication Equipment	185,264.00		185,264.00
347.11	Computer Equipment-Hardware/Software	36,484.00		36,484.00
348.00	Miscellaneous General Equipment	9,000.00		9,000.00
	TOTAL General	314,121.00	0.00	314,121.00
	TOTAL Depreciable Plant	29,213,915.54	0.00	29,213,915.54
<u>NON-DEPRECIABLE PLANT</u>				
301.00	Organization	58,478.00		58,478.00
302.00	Franchise	36,457.00		36,457.00
303.10	Land	221,980.92		221,980.92
303.24	Easements	1,330.88		1,330.88
303.25	Easements-Gage Hill	2,548.85		2,548.85
303.26	Easements-Oakwood	11,693.67		11,693.67
303.27	Easements-Gilcreast Road	387.29		387.29
303.50	Distr Reservoir & Standpipe Land	190,707.74	0.00	190,707.74
303.60	Distr System Land & ROW	69,584.26		69,584.26
	TOTAL Non-Depreciable Plant	593,168.61	0.00	593,168.61
	TOTAL Utility Plant in Service	29,807,084.15	0.00	29,807,084.15

(1) Litchfield Storage Tank

TABLE 4

Summary of Book Depreciation Reserve as of December 31, 2004, Allocation of Book Depreciation Reserve (And Gains and Loss Balance) Over Theoretical Depreciation Reserve As Of December 31, 2004 And Book Depreciation Reserve Per Dep'r Study By Account As Of December 31, 2004											
Acct	No.	(a)									
DEPRECIABLE PLANT											
(b)											
Account Description											
Original Cost	Per Dep'r. Study	12-31-2004	Salvage %	Future Net	A.S.L/	Book Dep'r	12-31-2004	Theoretical	Allocation of	Gains and Loss	Allocation of
(c)											
50-L0.5	-5%	29-L3	-10%	181,775.47	70,817.40	57,324.24	-1,036.46	56,287.78	144,480.56	-2,660.40	-3,696.86
TOTAL Source of Supply											
307.10	Structures & Improvements	726,265.89	-5%	651,630.00	1,377,895.89						
307.10	Wells & Springs										
304.10	Structures & Improvements	1,601,378.99	-5%	48-L1	368,782.82	298,516.95	-5,397.38	293,119.58	228,249.82	-4,202.89	-10.47
311.20	Electric Pumping Equipment	932,642.61	-15%	20-L0.5	287,168.17	232,452.71	579.13				
311.60	Other Power Pumping Equipment	4,175.71	0%	30-R3	715.45						
TOTAL Pumping Plant											
320.00	Other Production Equipment	19,382.52	0%	20-R3	5,117.98	3,397.89	-74.90	3,322.99	357.21	-8.05	
320.10	Purification System Equipment	305,717.33	-15%	12-R2.5	162,361.38	107,793.85	-2,376.26	105,417.58			
320.20	Water Treatment Equipment	1,014.32	-15%	12-R2.5	550.16	365.26					
TOTAL Water Treatment											
326.11	Water Treatment	326,114.17			168,029.52	111,557.00					
330.00	Booster Station Structure	7,360.00	-5%	60-L1	846.17	13,392.84	-196.01	10,174.74	642.85	-12.38	
330.00	Distribution Reservoirs & Standpipes	811,600.00	-10%	85-R2.5	23,308.76	18,049.16	-341.14	17,708.02			
TOTAL Transmission & Distribution Plant											
334.50	Distr Reservoir & Standpipe Structures	7,360.00	-5%	60-L1	846.17	13,392.84	-196.01	10,174.74	642.85	-12.38	
334.55	Booster Station Structure	338,462.42	-5%	60-L1	13,392.84	10,370.76	-196.01	10,174.74	642.85	-12.38	
330.00	Distribution Reservoirs & Standpipes	811,600.00	-10%	85-R2.5	23,308.76	18,049.16	-341.14	17,708.02			
TOTAL Transmission & Distribution Mains											
331.01	Pavements-Transmission Mains	877.10	0%	15-R3	304.57	235.84	-4.46	231.39			
331.02	Pavements-Distribution Mains	2,763.72	0%	15-R3	447.92	346.85	-6.56	340.29			
331.04	Pavements	2,808.61	0%	15-R3	92.04	71.27	-1.35	69.92			
331.10	Transmission Mains-New	1,299,944.83	-20%	100-R3	66,611.51	51,580.68	-974.90	50,605.78			
331.15	Transmission Mains-Developer Installed	215,050.15	-20%	100-R3	8,878.72	6,875.24	-129.85	6,745.30			
331.20	Distribution Mains-New	13,579,181.23	-20%	65-R2.5	3,197,819.58	2,476,234.49	-48,802.18	2,429,432.31			
331.25	Distribution Mains-Gate Valves	14,520.56	-20%	65-R2.5	411.80	318.88	-6.03	312.85			
331.30	Distribution Mains-Developer Installed	3,486,300.02	-20%	65-R2.5	166,419.86	128,867.37	-2,435.66	126,431.71			
TOTAL Account 331											
333.04	New Services-Pavement	28,021.39	0%	15-R3	3,993.56	3,092.42	-58.45	3,033.97			
333.10	Services-New	1,642,949.10	-35%	55-R2	433,752.12	335,876.35	-8,348.25	329,528.10			
333.20	Services-Renewed	133,779.27	-35%	55-R2	1,993.25	1,543.47	-29.17	1,514.30			

Pennichuck East Utility, Inc.

Pennichuck East Utility, Inc.

Summary of Book Depreciation Reserve as of December 31, 2004, Allocation of Book Depreciation Reserve (And Gains and Loss Balance) Over Theoretical Depreciation Reserve As Of December 31, 2004 And Book Depreciation Reserve Per Depr Study By Account As Of December 31, 2004

Acct No.	Account Description	Original Cost	Est'd Future Net Salvage %	A.S.L./ Survivor Curve	Book Depr Reserve	Theoretical Depr. Reserv	Allocation of Depr Reserve	Gains and Loss	Allocation of Gains and Loss Balance	Per Depr. Study
333.23	Services-Developer Installed (CIAC)	359,239.84	-35%	55-R2	24,962.66	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
333.25	Services-Developer Installed (PAID)	475,900.08	-35%	55-R2	34,598.36	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
Total Account 333										
Meters & Meter Installs										
334.10	Meters & Meter Installs	943,348.54	-5%	25-R2.5	331,669.78	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
334.11	Meters-Diagnostic Readers	602,589.18	0%	10-R2	80,159.16	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
Total Account 334										
335.00	Hydrants	327,613.53	-10%	75-R3	71,528.93	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
335.10	Hydrants-Developer Installed	313,535.62	-10%	75-R3	9,821.82	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
Total Account 335										
Other Plant & Misc Equip										
339.00	Other Plant & Misc Equip	71,542.00	0%	50-R3	5,689.76	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
TOTAL Transmission & Distribution										
General Plant										
343.00	Shop Equipment	83,373.00	0%	12-L4	62,531.50	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
346.00	Communication Equipment	185,264.00	0%	9-L2	57,851.50	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
347.11	Computer Equipment-Hardware/Software	38,484.00	0%	8-R4	23,087.78	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
348.00	Miscellaneous General Equipment	8,000.00	0%	11-L5	2,863.75	12-31-2004	12-31-2004	12-31-2004	12-31-2004	12-31-2004
TOTAL General										
TOTAL Depreciable Plant										
NON-DEPRECIABLE PLANT										
301.00	Organization	58,478.00								
302.00	Franchise	36,457.00								
303.10	Land	221,980.92								
303.24	Easements	1,330.88								
303.25	Easements-Gage Hill	2,548.85								
303.26	Easements-Oakwood	11,893.67								
303.27	Easements-Gilcrest Road	387.29								
303.50	Distr Reservoir & Standpipe Land	190,707.74								
303.60	Distr System Land & ROW	89,564.26								
TOTAL Non-Depreciable Plant										
TOTAL Utility Plant in Service										

TABLE 4

Pennichuck East Utility

General

This report sets forth the results of our study of the depreciable property of Pennichuck East Utility (the Company) as of December 31, 2004 and contains the basic parameters (recommended average service lives and life characteristics) for the proposed average remaining life depreciation rates until a subsequent service life study is completed. All average service lives set forth in this report are developed based upon plant in service as of December 31, 2004.

The scope of the study included an analysis of Company historical data through December 31, 2004, discussions with Company management and staff to identify prior and prospective factors affecting the Company's plant in service, as well as interpretation of past service life data experience and future life expectancies to determine the appropriate average service lives of the Company's surviving plant. The service lives and life characteristics resulting from the in-depth study were utilized together with the Company's plant in service and book depreciation reserve to determine the recommended Average Remaining Life (ARL) depreciation rates related to the Company's plant in service as of December 31, 2004.

In preparing the study, the Company's historical investment data were studied using various service life analysis techniques. Further, discussions were held with the Company's management to obtain an overview of the Company's facilities and to discuss the general scope of operations together with other factors which could have a bearing on the service lives of the Company's property. Finally, the study results were tempered by

information gathered during plant inspection tours of a representative portion of the Company's property.

The Company maintains property records containing a summary of its fixed capital investments by property account. This investment data was analyzed and summarized by property group and/or sub group and vintage then utilized as a basis for the various depreciation calculations.

Depreciation Study Overview

There are numerous methods utilized to recover property investment depending upon the goal. For example, accelerated methods such as double declining balance and sum of years digits are methods used in tax accounting to motivate additional investments. Broad Group (BG) and Equal Life Group (ELG) are both Straight Line Grouping Procedures recognized and utilized by various regulatory jurisdictions depending upon the policy of the specific agency.

The Straight Line Group Method of depreciation utilized in this study to develop the recommended depreciation rates is the Broad Group Procedure together with the Average Remaining Life Technique. The use of this procedure and technique is based upon recovering the net book cost (original cost less book reserve) of the surviving plant in service over its estimated remaining useful life. Any variance between the book reserve and an implied theoretical calculated reserve is compensated for under this procedure. That is, as the Company's book reserve increases above or declines below the theoretical reserve at a specific point in time, the Company's average remaining life depreciation rate in subsequent years will be increased or decreased to compensate for the variance, thereby, assuring full recovery of the Company's investment by the end of the property's

life.

The Company, like any other business, includes as an annual operating expense an amount which reflects a portion of the capital investment which was consumed in providing service during the accounting period. The annual depreciation amount to be recognized is based upon the remaining productive life over which the undepreciated capital investment needs to be recovered. The determination of the productive remaining life for each property group usually includes an in-depth study of past experience in addition to estimates of future expectations.

Annual Depreciation Accrual

Through the utilization of the Average Remaining Life Technique, the Company will recover the undepreciated fixed capital investment in the appropriate amounts as annual depreciation expense in each year throughout the remaining life of the property. The procedure incorporates the future life expectancy of the property, the vintaged surviving plant in service, and estimated net salvage, together with the book depreciation reserve balance to develop the annual depreciation rate for each property account. Accordingly, the ARL technique meets the objective of providing a straight line recovery of the undepreciated fixed capital property investment.

As indicated, the use of the Average Remaining Life Technique results in charging the appropriate annual depreciation amounts over the remaining life of the property to insure full recovery by the end of the life of the property. The annual expense is calculated on a Straight Line Method rather than by the previously mentioned, "sum of the years digits" or "double declining balance" methods, etc. The "group" refers to the method of calculating annual depreciation on the summation of the investment in any one depreciable

group or plant account rather than calculating depreciation for each individual unit.

Under Broad Group Depreciation some units may be over depreciated and other units may be under depreciated at the time when they are retired from service, but overall, the account is fully depreciated when average service life is attained. By comparison, Equal Life Group depreciation rates are designed to fully accrue the cost of the asset group by the time of retirement. For both the Broad Group and Equal Life Group Procedures the full cost of the investment is credited to plant in service when the retirement occurs and likewise the depreciation reserve is debited with an equal retirement cost. No gain or loss is recognized at the time of property retirement because of the assumption that the retired property was at average service life.

Group Depreciation Procedures

Group depreciation procedures are utilized to depreciate property when more than one item of property is being depreciated. Such a procedure is appropriate because all of the items within a specific group typically do not have identical service lives, but have lives which are dispersed over a range of time. Utilizing a group depreciation procedure allows for a condensed application of depreciation rates to groups of similar property in lieu of extensive depreciation calculations on an item by item basis. The two more common group depreciation procedures are the Broad Group (BG) and Equal Life Group (ELG) approach.

In developing depreciation rates using the Broad Group procedure, the annual depreciation rate is based on the average life of the overall property group, which is then applied to the group's surviving original cost investment. A characteristic of this procedure is that retirements of individual units occurring prior to average service life will be under

depreciated, while individual units retired after average service life will be over depreciated when removed from service, but overall, the group investment will achieve full recovery by the end of the life of the total property group. That is, the under recovery occurring early in the life of the account is balanced by the over recovery occurring subsequent to average service life. In summary, the cost of the investment is complete at the end of the property's life cycle, but the rate of recovery does not match the consumption pattern which was used to provide service to the company's customers.

Under the average service life procedure, the annual depreciation rate is calculated by the following formula:

$$\text{Annual Accrual Rate, Percent} = \frac{100\% - \text{Salvage}}{\text{Average Service Life}} \times 100$$

The application of the broad group procedure to life span groups results in each vintage investment having a different average service life. This circumstance exists because the concurrent retirement of all vintages at the anticipated retirement year results in truncating and, therefore, restricting the life of each successive years vintage investment. An average service life is calculated for each vintage investment in accordance with the above formula. Subsequently, a composite service life and depreciation rate is calculated relative to all vintages within the property group by weighting the life for each vintage by the related surviving vintage investment within the group.

In the Equal Life Group, the property group is subdivided, through the use of plant life tables, into equal life groups. In each equal life group, portions of the overall property group includes that portion which experiences the life of the specific sub-group. The relative size of each sub-group is determined from the overall group life characteristic (property dispersion curve). This procedure both overcomes the disadvantage of

voluminous record requirements of unit depreciation, as well as eliminates the need to base depreciation on overall lives as required under the broad group procedure. The application of this procedure results in each sub-group of the property having a single life. In this procedure, the full cost of short lived units is accrued during their lives leaving no under accruals to be recovered by over accruals on long lived plant. The annual depreciation for the group is the summation of the depreciation accruals based on the service life of each Equal Life Group.

The ELG Procedure is superior to the BG Procedure because it allocates the capital cost of a group property to annual expense in accordance with the consumption of the property group providing service to customers. In this regard, the company's customers are more appropriately charged with the cost of the property consumed in providing them service during the applicable service period. The more timely return of plant cost is accomplished by fully accruing each unit's cost during its service life, thereby not only reducing the risk of incomplete cost recovery, but also resulting in less return on rate base over the life of a depreciable group. The total depreciation expense over the life of the property is the same for all procedures which allocate the full capital cost to expense, but at any specific point in time, the depreciated original cost is less under the ELG procedure than under the BG procedure. This circumstance exists because under the equal life group procedure, the rate base is not maintained at a level of greater than the future service value of the surviving plant as is the case when using the average service life procedure. Consequently, the total return required from the ratepayers is less under the ELG procedure.

While the Equal Life Group procedure has been known to depreciation experts for

many years, widespread interest in applying the procedure developed only after high speed electronic computers became available to perform the large volume of arithmetic computations required in developing ELG based depreciation lives and rates. The table on the following page illustrates the procedure for calculating equal life group depreciation accrual rates and summarizes the results of the underlying calculations. Depreciation rates are determined for each age interval (one year increment) during the life of a group of property which was installed in a given year or vintage group. The age of the vintage group is shown in column (A) of the ELG table. The percent surviving at the beginning of each age interval is determined from the Iowa 10-R3 survivor curve which is set forth in column (B). The percent retired during each age interval, as shown in column (C), is the difference between the percent surviving at successive age intervals. Accordingly, the percentage amount of the vintage group retired defines the size of each equal life group. For example, during the interval 3 1/2 to 4 1/2, 1.93690 percent of the vintage group is retired at an average age of four years. In this case, the 1.93690 percent of the group experiences an equal life of four years. Likewise, 3.00339 percent is retired during the interval 4 1/2 to 5 1/2 and experiences a service life of five years. Furthermore, 4.42969 percent experiences a six-year life; etc. Calculations are made for each age interval from the zero age interval through the end of the life of the vintage group. The average service life for each age interval's equal life group is shown in column (E) of the table.

The amount to be accrued annually for each equal life group is equal to the percentage retired in the equal life group divided by its service life. In as much as additions and retirements are assumed, for calculation purposes, to occur at midyear only one-half of the equal life group's annual accrual is allocated to expense during its first and last years

XYZ UTILITY COMPANY
CALCULATION OF ASL, ARL AND ACCRUED DEPRECIATION FACTORS
BASED UPON AN IOWA 10-R8 CURVE USING THE EQUAL LIFE GROUP (ELG) PROCEDURE

AGE AT BEGIN OF INTERVAL	LIFE TABLE BEGIN OF INTERVAL	RETIREMENT DURING INTERVAL	AVERAGE SURVIVING	AGE OF AMOUNT RETIRED	AMOUNT FOR EACH LIFE GROUP	AMOUNT FOR REMAINING LIFE GROUPS	EQUAL LIFE GROUP PROCEDURE			
							AVERAGE SERVICE LIFE	AVERAGE REMAINING LIFE	ELG/ARL DEPR RATE	ACCRUED DEPR RES FACTOR
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
0.0	1.0000000	0.0009198	0.9995401	0.25	0.0009198	0.0583036	8.57	8.57	11.67	0.0000000
0.5	0.9990802	0.0033314	0.9974145	1.0	0.0033314	0.1131019	8.82	8.32	11.34	0.0566975
1.5	0.9957488	0.0065393	0.9924792	2.0	0.0032697	0.1098013	9.04	7.54	11.06	0.1659501
2.5	0.9892095	0.0117037	0.9833577	3.0	0.0039012	0.1062159	9.26	6.76	10.80	0.2700337
3.5	0.9775058	0.0193690	0.9678213	4.0	0.0048422	0.1018442	9.50	6.00	10.52	0.3683062
4.5	0.9581368	0.0300339	0.9431199	5.0	0.0060068	0.0964196	9.78	5.28	10.22	0.4600565
5.5	0.9281029	0.0442969	0.9059545	6.0	0.0073828	0.0897248	10.10	4.60	9.90	0.5447146
6.5	0.8838060	0.0631367	0.8522377	7.0	0.0090195	0.0815237	10.45	3.95	9.57	0.6217794
7.5	0.8206893	0.0876232	0.7768577	8.0	0.0109529	0.0715375	10.86	3.36	9.21	0.6906424
8.5	0.7330461	0.1166879	0.6747022	9.0	0.0129653	0.0595783	11.32	2.82	8.83	0.7505770
9.5	0.6163582	0.1431836	0.5447664	10.0	0.0143184	0.0459365	11.86	2.36	8.43	0.8010714
10.5	0.4731746	0.1533568	0.3964962	11.0	0.0139415	0.0318066	12.47	1.97	8.02	0.8423003
11.5	0.3198178	0.1363216	0.2516570	12.0	0.0113601	0.0191557	13.14	1.64	7.61	0.8753616
12.5	0.1834962	0.0975199	0.1347363	13.0	0.0075015	0.0097249	13.85	1.35	7.22	0.9022159
13.5	0.0859763	0.0559043	0.0580242	14.0	0.0039932	0.0039775	14.59	1.09	6.85	0.9254232
14.5	0.0300720	0.0244398	0.0178521	15.0	0.0016293	0.0011663	15.31	0.81	6.53	0.9473077
15.5	0.0056322	0.0055324	0.0028660	16.0	0.0003458	0.0001788	16.03	0.53	6.24	0.9667657
16.5	0.0000998	0.0000998	0.0000499	17.0	0.0000059	0.0000029	17.00	0.50	5.88	0.9705882
17.5	0.0000000	0.0000000	0.0000000	18.0	0.0000000	0.0000000				
		1.0000000				1.0000000				

of service life. The accrual amount for the property retired during age interval 0 to .5 must be equal to the amount retired to insure full recovery of that component during that period. The accruals for each equal life group during the age intervals of the vintage group's life cycle are shown in column (F). The total accrual for a given year is the summation of the equal life group accruals for that year. For example, the total accrual for the second year, as shown in column (G), is 11.31019 percent and is the sum of all succeeding years remaining equal life group accruals plus one half of the current years life group accrual listed in column (F). For the zero age interval year, the total accrual is equal to one half of the sum of all succeeding years remaining equal life accruals plus the amount for the zero interval equal life group accrual. The one half year accrual for the zero age interval is consistent with the half year convention relative to property during its installation year. The sum of the annual accruals for each age interval contained in column (G) total to 1.000 demonstrating that the developed rates will recover 100% of plant no more and no less. The annual accrual rate which will result in the accrual amount is the ratio of the accrual amount (11.31019 percent) to the average percent surviving during the interval, column (D), (99.74145 percent), which is a rate of 11.34% (column J). Column (J) contains a summary of the accrual rates for each age interval of the property groups life cycle based upon an Iowa 10-R3 survivor curve.

Remaining Life Technique

In the Average Remaining Life depreciation technique, the annual accrual is calculated according to the following formula where, (A) the annual depreciation for each group equals, (D) the depreciable cost of plant less (U) the accumulated provision for depreciation less (S) the estimated future net salvage, divided by (R) the composite

remaining life of the group:

$$A = \frac{D - U - S}{R}$$

The annual accrual rate (a) is expressed as a percentage of the depreciable plant balance by dividing the equation by (D) the depreciable cost of plant times 100:

$$(a) = \frac{D - U - S}{R} \times \frac{1}{D} \times 100$$

As further indicated by the equation, the accumulated provision for depreciation by vintage is required in order to calculate the remaining life depreciation rate for each property group. In practice, most often such detail is not available; therefore, composite remaining lives are determined for each depreciable group, (i.e., property account).

The remaining life for a depreciable group is calculated by first determining the remaining life for each vintage year in which there is surviving investment. This is accomplished by solving the area under the survivor curve selected to represent the average life and life characteristic of the property account. The remaining life for each vintage is determined by dividing (D) the depreciable cost of each vintage, by (L) its average service life, and multiplying this ratio by its average remaining life (E). The composite remaining life of the group (R) equals the sums of products divided by the sum of the quotients:

$$R \text{ Group} = \frac{\sum \frac{D/L \times E}{D/L}}{\sum \frac{D/L \times E}{D/L}}$$

The functional level accumulated provision for depreciation, which was the basis for developing the composite average remaining life accrual and annual depreciation rate for each property account as per this report, was obtained from the Company's books and records. The functional level depreciation reserve was further allocated to each property

account and sub-account based upon a detailed theoretical depreciation reserve calculation as of December 31, 2003.

Salvage

Net salvage is the difference between gross salvage, or what is received when an asset is disposed of, and the cost of removing it from service. Salvage experience is normally included with the depreciation rate so that current accounting periods reflect a proportional share of the ultimate abandonment and removal cost or salvage received at the end of the property service life. Net salvage is said to be positive if gross salvage exceeds the cost of removal, but if cost of removal exceeds gross salvage the result is then negative salvage.

The cost of removal includes such costs as demolishing, dismantling, tearing down, disconnecting or otherwise removing plant, as well as normal environmental clean up costs associated with the property. Salvage includes proceeds received for the sale of plant and materials or the return of equipment to stores for reuse.

Net salvage experience is studied for a period of years to determine the trends which have occurred in the past. These trends are considered together with any changes that are anticipated in the future to determine the future net salvage factor for remaining life depreciation purposes. The net salvage percentage is determined by relating the total net positive or negative salvage to the book cost of the property investment.

Many retired assets generate little, if any, positive salvage. Conversely, many of the Company's asset property groups generate negative net salvage at end of their life as a result of the cost of removal (retirement).

The method used to estimate the retirement cost is a standard analysis approach

which is used to identify a company's historical experience with regard to what the end of life cost will be relative to the cost of the plant when first placed into service. This information, along with knowledge about the average age of the historical retirements that have occurred to date, enables the depreciation professional to estimate the level of retirement cost that will be experienced by the Company at the end of each property group's useful life. The study methodology utilized has been extensively set forth in depreciation textbooks and has been the accepted practice by depreciation professionals for many decades. Furthermore, the cost of removal analysis approach is the current standard practice used for mass assets by essentially all depreciation professionals in estimating future net salvage for the purpose of identifying the applicable depreciation for a property group. There is a direct relationship to the installation of specific plant in service and its corresponding removal in that the installation is its beginning of life cost while the removal is its end of life cost. Also, it is important to note that average remaining life based depreciation rates incorporate future net salvage which is routinely more representative of recent versus long-term past average net salvage.

The Company's historical net salvage experience was analyzed to identify the historical net salvage factor for each applicable property group. This analysis routinely identifies that historical retirements have occurred at average ages significantly prior to the property group's average service life. This occurrence of historical retirements, at an age which is significantly younger than the average service life of the property category, clearly demonstrates that the historical data does not appropriately recognize the true level of retirement cost at the end of the property's useful life. An additional level of cost to retire will occur due to the passage of time until all the current in service plant is retired at end

of life. That is, the level of retirement costs will increase over time until the average service life is attained. The estimated additional inflation, within the estimate of retirement cost, is related to those additional year's cost increases (primarily higher labor costs over time) that will occur prior to the end of the property group's average life.

To provide an additional explanation of the issue, several general principles surrounding property retirements and related net salvage need to be highlighted. Those are that as property continues to age, the retirement of assets, if generating positive salvage when retired, will typically generate a lower percent of positive salvage. By comparison, if the class of property is one that typically generates negative net salvage (cost of removal), with increasing age at retirement the negative percentage as related to original cost will typically be greater. This situation is routinely driven by the higher labor cost with the passage of time.

Next, a simple example will aid in a better understanding of the above discussed net salvage analysis and the required adjustment to the historical analysis results. Assume the following scenario. A company has two (2) cars, Car #1 and Car #2, each purchased for \$20,000. Car #1 is retired after 2 years and Car #2, is retired after 10 years. Accordingly, the average life of the two cars is six (6) years (2 Yrs. Plus 10 Yrs./2). Car #1 generates 75% salvage or \$15,000 when retired and Car #2 generates 5% salvage or \$1,000 when retired.

<u>Unit</u>	<u>Cost</u>	<u>Ret. Age (Yrs)</u>	<u>% Salv.</u>	<u>Salvage Amount</u>
Car # 1	\$20,000	2	75%	\$15,000
<u>Car # 2</u>	<u>20,000</u>	<u>10</u>	<u>5%</u>	<u>1,000</u>
Total	40,000	6	40%	16,000

Assume an analysis of the experienced net salvage at year three (3). Based upon the Car #1 retirement, which was retired at a young age (2 Yrs.) as compared to the average six (6) year life of the property group, the analysis indicates that the property group would generate 75% salvage. This analysis indication is incorrect and is the result of basing the estimate on incomplete data. That is, the estimate is based upon the salvage generated from a retirement that occurred at an average age which is far less than the average service life of the property group. The actual total net salvage, that occurred over the average life of the assets (which experienced a six (6) year average life for the property group) is 40% as opposed to the initial incorrect estimate of 75%.

This is exactly the situation with the majority of the Company's historical net salvage data except that most of the Company's plant property groups routinely experience negative net salvage (cost of removal) as opposed to positive salvage.

The total end of life net salvage amount must be incorporated in the development of annual depreciation rates to enable the Company to fully recover its total plant life costs. Otherwise, upon retirement of the plant, the Company will incur end of life costs without having recovered those plant related costs from the customers who benefitted from the use of the expired plant.

With regard to location type properties (e.g. generation facilities, etc.) a company will routinely experience both interim and terminal net salvage. Interim net salvage occurs in conjunction with interim retirements that occur throughout the life of the asset group. This net salvage activity (routinely and largely cost of removal) is attributable to the removal of components within the Company's facilities to enable the placement of a new asset

component. Interim net salvage is routinely negative given the care required in removing the defective component so as not to damage the remaining plant in service. Interim net salvage is applicable to the estimated interim retirement assets.

The terminal net salvage component is attributable to the end of life costs incurred (less any gross salvage received) to disconnect, remove, demolish and/or dispose of the operating asset. Terminal net salvage is attributable to those assets remaining in service subsequent to the occurrence of interim retirements.

The total net salvage incorporated into the depreciation rate for location type plant account investments is the sum of interim and terminal net salvage. Both of the items must be incorporated in the development of annual depreciation rates to enable the Company to fully recover its total plant life costs. Otherwise, upon retirement of the plant, the Company will incur end of life costs without having recovered those plant related costs from the customers who benefitted from the use of the expired facility.

Service Lives

Several factors contribute to the length of time or average service life which the property achieves. The three (3) major categories under which these factors fall are: (1) physical; (2) functional, and; (3) contingent casualties.

The physical category includes such things as deterioration, wear and tear and the action of the natural elements. The functional category includes inadequacy, obsolescence and requirements of governmental authorities. Obsolescence occurs when it is no longer economically feasible to use the property to provide service to customers or when technological advances have provided a substitute of superior performance. The remaining factor of contingent casualties relates to retirements caused by accidental

damage or construction activity of one type or another.

In performing the life analysis for any property being studied, both past experience and future expectations must be considered in order to fully evaluate the circumstances which may have a bearing on the remaining life of the property. This ensures the selection of an average service life which best represents the expected life of each property investment.

Survivor Curves

The preparation of a depreciation study or theoretical depreciation reserve typically incorporates smooth curves to represent the experienced or estimated survival characteristics of the property. The "smoothed" or standard survivor curves generally used are the family of curves developed at Iowa State University which are widely used and accepted throughout the utility industry.

The shape of the curves within the Iowa family are dependent upon whether the maximum rate of retirement occurs before, during or after the average service life. If the maximum retirement rate occurs earlier in life, it is a left (L) mode curve; if occurring at average life, it is a symmetrical (S) mode curve; if it occurs after average life, it is a right (R) mode curve. In addition, there is the origin (O) mode curve for plant which has heavy retirements at the beginning of life.

Many times, actual Company data has not completed its life cycle, therefore, the survivor table generated from the Company data is not extended to zero percent surviving. This situation requires an estimate be made with regard to the remaining segment of the property group's life experience. Furthermore, actual Company experience is often erratic, making its utilization for average service life estimating difficult. Accordingly, the Iowa

curves are used to both extend Company experience to zero percent surviving as well as to smooth actual Company data.

Study Procedures

Several study procedures were used to determine the prospective service lives recommended for the Company's plant in service. These include the review and analysis of historical retirements, current and future construction, historical experience and future expectations of salvage and cost of removal as related to plant investment. Service lives are affected by many different factors, some of which can be obtained from studying plant experience, others which may rely heavily on future expectations. When physical aspects are the controlling factor in determining the service life of property, historical experience is a valuable tool in selecting service lives. In the case where changing technology or a less costly alternative develops, then historical experience is of lesser value.

While various methods are available to study historical data, the principal methods utilized to determine average service lives for a Company's property are the Retirement Rate Method, the Simulated Plant Record Method, the Life Span Method, and the Judgement Method.

Retirement Rate Method - The Retirement Rate Method uses actual Company retirement experience to develop a survivor curve (Observed Life Table) which is used to determine the average service life being experienced in the account under study. Computer processing provides the opportunity to review various experience bands throughout the life of the account to observe trends and changes. For each experience band studied, the "observed life table" is constructed based on retirement experience within the band of years. In some cases, the total life of the account has not been

achieved and the experienced life table, when plotted, results in a "stub curve." It is this "stub curve" or total life curve, if achieved, which is matched or fitted to a standard Survivor curve. The matching process is performed both by computer analysis, using a least squares technique, and by manually plotting observed life tables to which smooth curves are fitted. The fitted smooth curve provides the basis to determine the average service life of the property group under study.

Simulated Balances Method - In this method of analysis, simulated surviving balances are determined for each balance included in the test band by multiplying each proceeding year's original gross additions installed by the Company by the appropriate factor of each Standard Survivor Curve, summing the products, and comparing the results with the related year end plant balance to determine the "best fitting" curve and life within the test period. Various test bands are reviewed to determine trends or changes to indicated service lives in various bands of years. By definition, the curve with the "best fit" is the curve which produces simulated plant balances that most closely matches the actual plant balances as determined by the sum of the "least squares". The sum of the "least squares" is arrived at by starting with the difference between the simulated balances and the actual balance for a given year, squaring the difference, and the curve which produces the smallest sum (of squared difference) is judged to be the "best fit".

Period Retirements Method - The application of the Period Retirements Method is similar to the "Simulated Plant Balances" Method, except the procedure utilizes a Standard Survivor Curve and service life to simulate annual retirements instead of balances in performing the "least squares" fitting process during the test period. This procedure does tend to experience wider fluctuations due to the greater variations in level of experienced

retirements versus additions and balances thereby producing greater variation in the study results.

Life Span Method - The Life Span or Forecast Method is a method utilized to study various accounts in which the expected retirement dates of specific property or locations can be reasonably estimated. In the Life Span Method, an estimated probable retirement year is determined for each location of the property group. An example of this would be a structure account, in which the various segments of the account are "life spanned" to a probable retirement date which is determined after considering a number of factors, such as management plans, industry standards, the original construction date, subsequent additions, resultant average age and the current - as well as the overall - expected service life of the property being studied. If, in the past, the property has experienced interim retirements, these are studied to determine an interim retirement rate. Otherwise, interim retirement rate parameters are estimated for properties which are anticipated to experience such retirements. The selected interim service life parameters (Iowa curve and life) are then used with the vintage investment and probable retirement year of the property to determine the average remaining life as of the study date.

Judgement Method - Standard quantitative methods such as the Retirement Rate Method, Simulated Plant Record Method, etc. are normally utilized to analyze a Company's available historical service life data. The results of the analysis together with information provided by management as well as judgement are utilized in estimating the prospective recommended average service lives. However, there are some circumstances where sufficient retirements have not occurred, or where prospective plans or guidelines are unavailable. In these circumstances, judgement alone is utilized to estimate service

lives based upon service lives used by other utilities for this class of plant as well as what is considered to be a reasonable life for this plant giving consideration to the current age and use of the facilities.

Pennichuck East Utility**Study Results****Account 304.10 - Source of Supply Structures & Improvements**

The Company's investment in this account totals \$726,266, has attained an average age of 3.9 years and the current depreciation rate is 2.00 percent. The investment in this account is attributable to the Company's current investment for facilities located at its water source locations.

The Life Span Method is routinely utilized to define the applicable life for this type property. Based upon the general characteristic of the property contained in the account a forty-five (45) year life span was utilized to develop the applicable probable retirement year for each of the structure locations. In addition, an analysis was completed on the Company's historical retirement data totaling \$2,771 and which occurred at an average age of 8.6 years, via the retirement rate method. Based upon the study analysis of the available data and general experience an Iowa 50-L0.5 life and curve was selected as the applicable life interim retirement rate for this property group. Application of the estimated service life parameters to the current surviving investment produces an average remaining life of 31.9 years

Due to the relatively short time since the Company acquired this property net salvage data is not available. Nevertheless, it can be anticipated that negative net salvage will be incurred in conjunction with the ultimate retirement of the existing facilities. Accordingly, future net salvage of negative five (5) percent was utilized in developing the applicable annual depreciation. The resulting proposed annual depreciation rate is 3.05

percent.

Account 304.20 - Structures and Improvements - Pumping Plant

The current investment in this account totals only \$1,601,379 has attained a current average age of 9.6 years, and is currently based upon an annual depreciation rate of 2.62 percent. These facilities vary in size depending upon the specific requirements, but in most circumstances, the few structures are generally modest sized industrial steel buildings. Most of the Company's well sites include site improvements such as driveways, fences, security lights, etc.

The Life Span Method is routinely utilized to define the applicable life for this type property. Based upon the general characteristic of the property contained in the account a forty-five (45) year life span was utilized to develop the applicable probable retirement year for each of the structure locations. In addition, interim retirements totaling \$168,766 occurred from this property group at an average age of 15.6 years. Based upon an analysis of the Company's data via the retirement rate method an Iowa 48-L1 life and curve was estimated as the applicable interim retirement rate. Application of the recommended service life parameters to the Company's investment produces an average remaining life of 28.8 years.

The Company has not experience any net salvage to date, however, it is anticipated that the Company will need to expend future funds to dismantle and/or dispose of existing facilities when no longer utilized. Based upon the expectation of future costs of removal, net salvage is currently estimated at negative five (5) percent. The resulting recommended annual depreciation rate for this asset category is 3.01 percent.

Account 304.50 - Distr Reservoir and Standpipe Structures

The investment in this account totals only \$7,360 and is related to the structures located at the Company's standpipe. The current surviving investment has achieved a current average age of 4.5 years and is presently being depreciated based upon an annual depreciation rate of 2.59 percent. The useful service life and resulting depreciation rates for this property group were developed using the Life Span Method. The facility was life spanned forty-five (45) years from its principal construction date to an estimated probable retirement year.

Given the young age of the property, no changes have occurred in conjunction with this facility. However, as the property ages it is anticipated ongoing changes will occur during future years. Accordingly, based upon the content of the account and judgement and interim retirement rate reflective of an Iowa 60-L1 life and curve is estimated for the property. The result of applying the recommended service life parameters to the account investment produced an average remaining life of 34.8 years.

While no net salvage was experienced to date, a modest level of cost is anticipated at the end of the property's useful life. Accordingly, net salvage is estimated at negative five (5) percent. The resulting recommended annual depreciation rate for this property class is 2.77 percent.

Account 304.55 - Booster Station Structures

The investment in this account totals \$338,462 and is related to the structures located at the Company's booster stations. The current surviving investment has achieved a current average age of 1.5 years and is presently being depreciated based upon an annual depreciation rate of 2.59 percent. The useful service life and resulting depreciation

rates for this property group were developed using the Life Span Method. The facility was life spanned forty-five (45) years from its principal construction date to an estimated probable retirement year.

Given the young age of the property, no changes have occurred to date. However, as the property ages it is anticipated ongoing changes will occur during future years. Accordingly, based upon the content of the account and judgement an interim retirement rate reflective of an Iowa 60-L1 life and curve is estimated for the property. The result of applying the recommended service life parameters to the account investment produced an average remaining life of 37.5 years.

No net salvage has been experienced to date, however, a modest level of cost is anticipated at the end of the property's useful life. Accordingly, net salvage is estimated at negative five (5) percent. The resulting recommended annual depreciation rate for this property class is 2.72 percent.

Account 307.10 - Wells and Springs

The Company's investment in this account totals \$651,630, has attained an average age of 7.9 years, and the current annual depreciation rate is 2.00 percent. The Company's shallow wells generally range in depth from 35 to 50 feet, while it has several 200 foot plus or minus bedrock wells, its deeper bedrock wells range between 400 and 900 plus feet in depth. The majority of the wells are typically six (6) diameter. The Company monitors its production capabilities closely and makes adjustments or changes to its well facilities, as required.

Historical retirements totaling \$27,135, which occurred at an average age of 15.0 years during the period 2002 to present, were analyzed via the Retirement Rate Method.

The analysis indicates that the property group had experienced an average service life of twenty-nine (29) years. Based upon the completed analysis, an Iowa 29-L3 life and curve is estimated as the applicable service life parameters for the Company's property group investment. Application of the estimated service life parameters to the Company's surviving investment produces an average remaining life of 21.7 years.

The Company's has not booked net salvage during the time since acquiring the property. Nevertheless, in conjunction with the future retirement of property cost will be incurred to property close facilities. Experience of other companies within the industry has routinely indicated levels of negative net salvage. Given the fact that the Company will continue to experience increasing regulations relative to water supplies, plus will be required to provide protection of aquifers, it is anticipated that such costs will likely increase in future years. Accordingly, based upon the recent experience, a modest level of negative ten (10) percent net salvage is estimated for this property class. The resulting annual depreciation rate relative to this property class is 4.05 percent.

Account 311.20 - Electric Pumping Equipment

The investment in this account currently totals \$932,643, has attained a current average age of 9.33 years, and is being depreciated based upon an annual depreciation rate of 6.11 percent. The majority of the Company's well pumps are submersible pumps with a few jet pumps used in conjunction with the shallow wells. Conversely, the booster and distribution facilities are equipped with centrifugal pumps. While they have lower initial cost, the submersible and jet pumps often tend to be less durable and repairable plus are often susceptible to lightning strikes and/or other voltage surges plus are subject to far greater levels of replacement than vertical turbine pumps used by others in the industry.

The fact is that the Company has, at a relatively young age, replaced sizable segments of its electric pumping equipment. The analysis of the Company's overall historical data during the period 1987-2002 utilizing the Retirement Rate Method identifies that the Company has experienced retirements totaling \$85,770, which occurred at an average age of 10.5 years. Based upon an analysis of the Company's historical investment data within this property group during the most recent five year period (2000-2004), via the use of the retirement rate method, an Iowa 20-L0.5 life and curve is indicated as the applicable average service life anticipated to be experienced by this property class in coming years. Application of the Iowa 20-L0.5 life and curve to the current surviving investment produces an average remaining life of 14.7 years.

Based upon the expectation that the Company will incur cost of removal in conjunction with future retirements, future net salvage is estimated at negative fifteen (15) percent. The resulting recommended annual depreciation rate for this asset group is 6.16 percent.

Account 311.60 - Other Power Pumping Equipment

The investment in this account currently totals \$4,176, has attained a current average age of 5.3 years, and is being depreciated based upon an annual depreciation rate of 2.86 percent. Based upon a general review of the Company's historical investment data within this property group and typically service life parameters for this property class an Iowa 30-R3 life and curve is estimated for the property category investment, current surviving investment produces an average remaining life of 24.9 years.

Future net salvage for the property group is estimated at zero (0) percent and the resulting recommended annual depreciation rate for this asset group is 3.47 percent.

Account 320.00 - Purification System

The investment in this account totals \$305,717, has achieved a current average age of 6.9 years, and is currently being depreciated based upon an annual depreciation rate of 6.67 percent.

Historically, the Company has experienced retirements totaling \$213,800, which occurred at an average age of 8.3 years. An analysis of the Company's historical data relative to this equipment category, via the Retirement Rate Method, provided the basis for an estimated twelve (12) year average service life for this category. Furthermore, ever increasing water standards and ongoing modernization of the facilities will likely impact the future useful life of this property. Application of the recommended service life parameters, an Iowa 12-R2.5 life and curve to the Company's current surviving investment produces an average remaining life of 6.5 years. Future net salvage relative to this property class is estimated at negative fifteen (15) percent and when incorporated with the current remaining life of the property results in an annual depreciation rate of 12.39 percent.

Account 320.10 - Other Production Equipment

The investment in this account totals \$106,576, has achieved a current average age of 5.1 years, and is currently being depreciated based upon an annual depreciation rate of 6.67 percent.

Based upon the general content of the account a twenty (20) year average service life is estimated for this category. Increasing water standards and ongoing modernization of the facilities may impact the future useful life of this property. Application of the recommended Iowa 20-R3 service life parameters to the current surviving investment produces an average remaining life of 14.7 years. Future net salvage relative to this

property class is estimated at zero (0) percent and when incorporated with the current remaining life of the property results in an annual depreciation rate of 5.63 percent.

Account 320.20 - Water Treatment Equipment

The investment in this account totals only \$106,576, has achieved a current average age of 5.1 years, and is currently being depreciated based upon an annual depreciation rate of 2.91 percent.

Based upon the analysis results of Account 320.00 Purification System Equipment, an Iowa 12-R2.5 life and curve is recommended for this property group. Application of the recommended service life parameters produces an average remaining life of 6.4 years. Future net salvage relative to this property class is estimated at negative fifteen (15) percent and when incorporated with the current remaining life of the property results in an annual depreciation rate of 12.42 percent.

Account 330 - Distribution Reservoirs and Standpipes

The Company's investment for storage reservoirs totals \$811,800 has attained a current average age of 1.53 years, and is being depreciated based upon an annual depreciation rate of 2.44 percent. . The facilities include a new 940,000 gallon concrete storage tank in Litchfield and a small tank located at the Windham W&E station. To develop the overall useful service life for the property group, each of the Company's investment locations were life spanned sixty (60) years from there principal construction date to an estimated probable retirement year. In addition, an interim retirement rate of an Iowa 85-R2.5 life and curve is estimated for this property class. Application of the recommended service life parameters to the plant in service investment via the Life Span Method produces an average remaining life of 55.1 years.

No net salvage has been experienced to date. Based upon general experience future net salvage relative to this property class is estimated at a modest negative ten (10) percent. Incorporating the account's investment, related average remaining life, and estimated negative ten (10) percent net salvage together produces a recommended annual depreciation rate of 1.96 percent.

Account 331- Transmission and Distribution Mains

The Company's investment in this account totals \$18,601,446 and contains approximately sixty-four (64) percent of the Company's current depreciable plant in service. This property class is presently depreciated based upon a composite implicit annual depreciation rate of 1.36 percent. The Company T & D Main's investment is comprised various individual sub-categories (property groups) including Pavements, Transmission Mains (New and Developer Installed) plus Distribution Mains (New, Gate Valves, and Developer Installed). The Transmission Mains included the larger diameter Ductile Iron and PVC and PE Plastic pipe included in the system, while the Distribution Mains generally includes far small diameter Ductile Iron, PVC, and PE pipe ranging from one (1) inch to eight (8) inch diameter.

The investment in Mains-Pavements currently totals \$6,449, has attained a current average age of only 2.0 years, and is being depreciated based upon an annual depreciation rate of 1.27 percent. This category of property will experience a far shorter average service life than the Mains, Due to the very young age of the property investment no retirements have been experienced to date. Considering the content of the property group an Iowa 15-R3 life and curve is estimated for the property category investment. Application of the recommended service life parameters to the Company's investment

produces an average remaining life of 13.0 years.

The Company's current investment in Transmissions Mains totals \$1,514,995, has attained a current average age of 4.2 years and is being depreciated using an annual depreciation rate of 1.19 percent. Given the limited range of experience, and the generally longer service life experienced by the Transmission Mains, the Company has not experienced any retirements from this property category to date. Accordingly, considering the general content of the property group along with the limited size, growth, and potential changes within the various service areas, average service life parameters reflective of an Iowa 100-R3 life and curve are estimated for this property class. Application of the recommended service life parameters to the Company's investment produces an average remaining life of 95.9 years.

The Company's investment in Distribution Mains totals \$17,080,002, and has achieved a current average age of 11.6 years. The asset classes includes various smaller diameter pipe (including PVC and Asbestos Cement pipe, fittings, etc. ranging from one (1) inch to four (4) inch in diameter). These smaller sizes of pipe comprise more than twenty-five (25) percent of the footages of Distribution Mains in service. The remaining portion of the Distribution Mains are comprised of six (6) and eight (8) inch PVC, PE, and Ductile Iron pipe, fittings, etc. This property group, for which a modest amount of historical accounting data was available, was analyzed utilizing the Retirement Rate Method during the period in which the Company has owned the operating systems. The retirement rate analysis of the retirement activity totaling \$241,031, which occurred at an average age of 14.2 years, generally indicates that the property group is experiencing an average service life of approximately fifty-five (55) years, however, various of the recent changes were the

product of the Company's updating/replacing increased amount of Mains to bring the systems up to the Company's operating standard, just subsequent to the Company's acquisition of the various operating system. Accordingly, a life more reflect of the property contained in this asset group, an Iowa 65-R2.5 life and curve is estimated for each of the segments of the Company's Distribution Main investments. Furthermore, considering the limited size of the various of the facilities serving some of the service areas, and the potential for ongoing upgrades, and/or changes the proposed service life parameters are considered appropriate of these property groups. Application of the recommended service life parameters to the Company's investment produces an average remaining life of 54.3 years.

Based upon the general historical investment's analysis as well as a review and analysis of the investments of mains included in the asset account, weighted annual depreciation rate was developed as summarized below:

Pennichuck East Utility
Account 331 - Mains
Weighting of Average Service Lives for Mains
Based upon December 31, 2004 Surviving Investments

<u>Category</u>	<u>Plant In Service</u>	<u>Net Salv - %</u>	<u>ASL/ Curve</u>	<u>ARL/ (Yrs.)</u>	<u>Ann. Depr. Rate %</u>
Pavements-Trans Mains	887	0%	15-R3	9.8	7.52%
Pavements-Distr Mains	2,763	0%	15-R3	12.6	6.95%
Pavements	2,808	0%	15-R3	14.5	6.73%
Trans Mains-New	1,299,945	-20%	100-R3	95.7	1.21%
Trans Mains-Dev Installed	215,050	-20%	100-R3	96.6	1.21%
Distr Mains-New	13,579,181	-20%	65-R2.5	52.2	1.96%
Distr Mains Gate Valves	14,520	-20%	65-R2.5	63.5	1.85%
Distr Mains-Dev Installed	3,486,300	-20%	65-R2.5	62.4	1.86%
Grand Total	18,601,446			56.4	1.88%

Due to the relatively short time since the Company acquired this property net salvage data is not available. Nevertheless, it can be anticipated that negative net salvage

will be incurred in conjunction with the ultimate retirement of the existing facilities. Accordingly, a modest future net salvage of negative twenty (20) percent (relative to the Mains Piping, etc) was utilized in developing the annual depreciation rates for each of the applicable property groups. An additional factor which is anticipated to further impact the level of negative net salvage for this property group is the probable inclusion of even greater levels of cost of removal (cost to retire) above the amount presently estimated. The increased level of future cost of removal is expected to be driven by the increasing end of life costs as a result of the ever increasing costs.

The resulting proposed composite annual depreciation rate for the total account is 1.88 percent. Proposed individual depreciation rates for the applicable sub-categories of mains are contained above and on Table 1, page 2-1 of this report.

Account 333 - Services

The Company's investment in this account totals \$2,639,8980, has attained a current average age of 8.8 years, and is presently depreciated based upon a composite implicit annual depreciation rate of 2.48 percent. The Company Service's investment category is comprised various individual sub-categories (property groups) including Pavements, Services-New, Services-Renew, Services-Developer Installed-CIAC, and Services-Developer Installed-PAID. Given the limited size of the Company's service areas and there general custom base, the Services for a large part are generally of smaller 5/8 and 3/4 inch diameter service pipes and serving mostly residential customers.

The investment in Services-Pavements currently totals \$28,021, has attained a current average age of only 2.2 years, and is being depreciated based upon an annual depreciation rate of 2.44 percent. This category of property will experience a far shorter

average service life than the Mains, The Company's investment in Services-Pavements, for which a modest amount of historical accounting data was available, was analyzed utilizing the Retirement Rate Method during the period in which the Company has owned the operating systems. The retirement rate analysis of the retirement activity totaling \$422, which occurred at an average age of 1.5 years, provides a general indication that the property group is experiencing an average service life reflective of an Iowa 15-R3 life and curve. Considering the content of the property group an Iowa 15-R3 life and curve is estimated for the property category investment. Application of the recommended service life parameters to the Company's investment produces an average remaining life of 12.9 years.

The overall average service life parameters for each of the Service piping sub-categories were estimated based upon the aggregate of the Service piping investment. The Company's investment in Services, for which a modest amount of historical accounting data was available, was analyzed utilizing the Retirement Rate Method during the period in which the Company has owned the operating systems. The retirement rate analysis of the retirement activity totaling \$73,845, which occurred at an average age of 5.2 years, generally indicates that the property group is experiencing an average service life of forty (40) years, however various of the recent changes were the product of the Company updating replacing increased amount of Services to bring the systems up to the Company's operating standard, just subsequent to the Company's acquisition of the various operating system. Accordingly, a life more reflect of the property contained in this asset group, an Iowa 55-R2 life and curve is estimated for each of the segments of the Company's service investments. Furthermore, considering the limited size of the facilities serving the various

service areas, and the potential for ongoing upgrades, and/or changes the proposed service life parameters are considered appropriate of these property groups.

The Company's current investment in Services-New totals \$1,642,949, has attained a current average age of 12.4 years and is being depreciated using an annual depreciation rate of 2.48 percent. Application of the account level Service piping average service life parameters of an Iowa 55-R2 life and curve to the property groups vintage investment produces an average remaining life of 44.2 years.

The Company's current investment in Services-Renewed totals \$133,780, has attained a current average age of 0.7 years and is being depreciated using an annual depreciation rate of 2.48 percent. Application of the account level Service piping average service life parameters of an Iowa 55-R2 life and curve to the property groups vintage investment produces an average remaining life of 54.4 years.

The Company's current investment in Services-Developer Installed-CIAC totals \$359,240, has attained a current average age of 3.2 years and is being depreciated using an annual depreciation rate of 2.48 percent. Application of the account level Service piping average service life parameters of an Iowa 55-R2 life and curve to the property groups vintage investment produces an average remaining life of 52.2 years.

The Company's current investment in Services-Developer Installed-PAID totals \$479,900 has attained a current average age of 3.3 years and is being depreciated using an annual depreciation rate of 2.48 percent. Application of the account level Service piping average service life parameters of an Iowa 55-R2 life and curve to the property groups vintage investment produces an average remaining life of 52.0 years.

As previously noted, the overall average service life parameters for each of the

Service piping sub-categories were estimated based upon the aggregate of the Service piping investment. The average service life parameters for Pavements was estimated independently of the service piping investments. Subsequently, the service life parameters were applied to the vintage level investments within the individual investment categories and then composited to an overall average annual depreciation rate for the account by weighting each type of service property group investments on Table 2 of this report and as summarized below. The result of this weighting process is a proposed overall account level annual depreciation rate of 2.60 percent.

Pennichuck East Utility
Account 333 - Service
Weighting of Average Service Lives for Mains
Based upon December 31, 2004 Surviving Investments

<u>Category</u>	<u>Plant In Service</u>	<u>Net Salv - %</u>	<u>ASL/ Curve</u>	<u>ARL/ (Yrs.)</u>	<u>Ann. Depr. Rate %</u>
New Services-Pavements	28,021	0%	15-R3	12.9	6.91%
Pavements-Distr Mains	1,642,949	-35%	55-R2	44.2	2.60%
Pavements	133,579,181	-35%	55-R2	54.4	2.46%
Trans Mains-New	359,240	-35%	55-R2	52.2	2.48%
Trans Mains-Dev Installed	475,900	-35%	55-R2	52.0	2.49%
Grand Total	2,639,890			46.2	2.60%

Due to the relatively short time since the Company acquired this property net salvage data is not available. Nevertheless, it can be anticipated that negative net salvage will be incurred in conjunction with the ultimate retirement of the existing facilities. Accordingly, a modest future net salvage of negative thirty-five (35) percent (relative to the Service Piping) was utilized in developing the annual depreciation rates for each of the applicable property groups. The increased level of future cost of removal is expected to be driven by the increasing end of life costs as a result of the ever increasing costs. That is, in future years it is anticipated that the Company will be required expended considerable

funds in relationship Service retirements. Such cost of removal (cost to retire) routinely includes any required material, but more importantly, the ever increasing labor costs to disconnect customer services. In addition, cost of removal also includes such items as permits, street safety, paving costs, and overheads associated with completing the tasks.

The resulting proposed composite annual depreciation rate for the total account is 2.60 percent. Proposed individual depreciation rates for the applicable sub-categories of mains are contained above and on Table 1, page 2-1 of this report.

Account 334.10 - Meters & Meter Install

The Company's investment in this account totals \$943,349 and is currently being depreciated based upon an annual depreciation rate of 4.75 percent. The Company's meters in service range from smaller to larger diameters; however, as with most operating companies, the overwhelming majority of the meters are smaller diameter units utilized to serve residential and smaller commercial customers. Only a limited quantity of meters are over 1-Inch in diameter.

Retirements totaling \$175,656 during the period 1989-2002 were analyzed via the Simulated Plant Record Method. The result of this analysis identifies that the retirement levels have occurred at varying levels during the retirement band and it is anticipated that such levels will continue to occur in future years as the Company maintains its current meter policy. The analysis of the Company's historical data indicates that the property group's investment has been experiencing an average service life of eighteen (18) years. However, subsequent to the Company's acquisition of the operating property, it replaced much of the non-standard and/or sub-standard meters with current technology based facilities. Accordingly, giving consideration to the current Meters in service an Iowa 25-R2

life and curve is estimated at the applicable depreciation parameters for developing the current proposed depreciation rate for this account investment. Application of the proposed depreciation parameters to the Company's current surviving investment produces an average remaining life of 16.6 years for the property group's investment.

The Company's historical net salvage experience was analyzed for the years 1988-2002. This analysis identifies that past property retirements have experienced net salvage ranging from approximately seven (7) percent to negative six (6) percent net salvage during the study period and have averaged five (5) percent overall. Based upon the content of the account and future expectations, future net salvage is estimated at negative five (5) percent. The resulting proposed annual depreciation rate is 4.72 percent.

Account 334.11 - Meters-Digital Readers

The Company's investment in this component of the Meter account totals \$602,589 and is currently being depreciated based upon an annual depreciation rate of 4.75 percent. The Company initiated an AMR program during 2003 and chose Datamatic as its vendor to provide AMR devices for its meters. After a short duration of time it became apparent that failure rates were far higher than originally anticipated. Typically, the batteries within the units are anticipated to have a ten year life at which time it is expected that the facilities will be replaced. While the longer term solution to the unit failures have yet to be resolved, it is estimated that the maximum probable life for the units is likely to be ten (10) years with increasing amounts of property being replaced at younger ages. Accordingly, an Iowa 10-R2 life and curve is currently estimated for the property class. Application of the recommended service life parameters produces an average remaining life of 8.7 years. Future net salvage relative to this property class is estimated at zero (0) percent and when

incorporated with the current remaining life of the property results in an annual depreciation rate of 10.33 percent.

Account 335.00 - Hydrants

The Company's present investment in this property category totals \$327,614, has achieved a current average age of 15.4 years, and is being depreciated utilizing an annual depreciation rate of 2.00 percent

Retirements have totaled only \$934 and occurred at an average age of 6.5 years during the period 2000-2004, The limited available historical data was analyzed via the Retirement Rate Method.

Based upon the Company's upon the content of the account, and the general life often associated with this property class plus expectation that future change outs will occur, an Iowa 75-R3 life and curve is recommended for this property group. Applying the recommended service life parameters to the surviving investments result in a composite average remaining life of 60.1 years relative to the Company's current surviving vintage investment.

Due to the relatively short time since the Company acquired this property net salvage data is not available. Nevertheless, it can be anticipated that negative net salvage will be incurred in conjunction with the ultimate retirement of the existing facilities. Accordingly, future net salvage of negative ten (10) percent was utilized in developing the applicable annual depreciation. The resulting proposed depreciation rate for this property group is 1.55 percent.

Account 335.10 - Hydrants-Developer Installed

The Company's investment in this account totals \$313,536, has attained a current

average age of 2.17 years, and is depreciated using a present annual depreciation rate of 2.00 percent. No retirements have been experienced to date (since the Company acquired these operating properties) relative to this property class.

Based upon the Company's upon the content of the account, and the general life often associated with this property class plus expectation that future change outs will occur, an Iowa 75-R3 life and curve is recommended for this property group. Applying the recommended service life parameters to the surviving investments result in a composite average remaining life of 72.9 years relative to the Company's current surviving vintage investment.

Future net salvage relative to this property class is estimated at negative ten (10) percent and the resulting recommended annual depreciation rate is 1.48 percent.

Account 339 - Other Plant & Misc Equipment

The Company's investment in this account totals only \$71,542, has achieved a current average age of 4.06 years, and is depreciated based upon an annual depreciation rate of 2.50 percent.

Since no retirements have occurred to date an Iowa 50-R3 life and curve, based upon judgement, is estimated for this property class. Application of the estimated service life parameters to the Company's surviving investment produced an average remaining life of 46.0 years. Future net salvage is estimated at zero (0) percent and the resulting annual depreciation rate for this account is 2.04 percent

Account 343 - Tools, Shop, and Garage Equipment

The Company's investment in this account totals only \$83,373, has achieved a current average age of 11.1 years, and is depreciated based upon an annual depreciation

rate of 6.67 percent.

Retirements totaling \$75,910 were analyzed via the Retirement Rate Method and produced a service life indication of an Iowa 12-L4 life and curve. Application of the estimated service life parameters to the Company's surviving investment produced an average remaining life of 3.0 years. Future net salvage is estimated at zero (0) percent and the resulting annual depreciation rate for this account is 15.28 percent.

Account 346 - Communication Equipment

The current surviving investment in this account totals \$185,264, has attained a current average age of 3.91 years, and is presently depreciated using depreciation rates which composite to 5.00 percent.

Retirements totaling \$34,204, which occurred at an average age of eleven (11) years were analyzed via the Retirement Rate Method and produced a service life indication of an Iowa 9-L2 life and curve. Given the Company experience and the rapid changes in technology, the indicated useful service life of nine (9) years is deemed appropriate for this property group. Application of the estimated Iowa 9-L2 life and curve to the Company's current investment produces an average remaining life of 6.2 years for this property group. Net salvage is estimated at zero (0) percent. The resulting annual depreciation rate is 12.49 percent.

Account 347.11 - Computer Equipment

The current investment in this account totals \$36,484, has achieved a current average age of 5.37 years, and is presently being depreciated based upon a depreciation rate of 14.29 percent. Based upon the content of the account and the ongoing rapid changes in technology an Iowa 8-R4 life and curve is recommended for this property group.

Application of the service life parameters results in an average remaining life of 2.9 years. Future net salvage is estimated at zero (0) percent and the resulting annual depreciation rate is 18.73 percent.

Account 348 - Misc. General Equipment

The investment in this account totals only \$9,000, and the current annual depreciation rate is 4.0 percent. Retirements totaling \$2,160, which occurred at an average age of 11.9 years, were analyzed via the Retirement Rate Method and produced a service life indication of an Iowa 11-L5 life and curve. The resulting composite average remaining life is 7.5 years. Future net salvage relative to the property class is estimated at zero (0) percent and the resulting annual depreciation rate is 10.27 percent.

Pennichuck East Utility
Total Company
348.00 MISCELLANEOUS GENERAL EQUIPMENT

Observed Life Table
Retirement Expr. 1999 TO 2004
Placement Years 1984 TO 2001

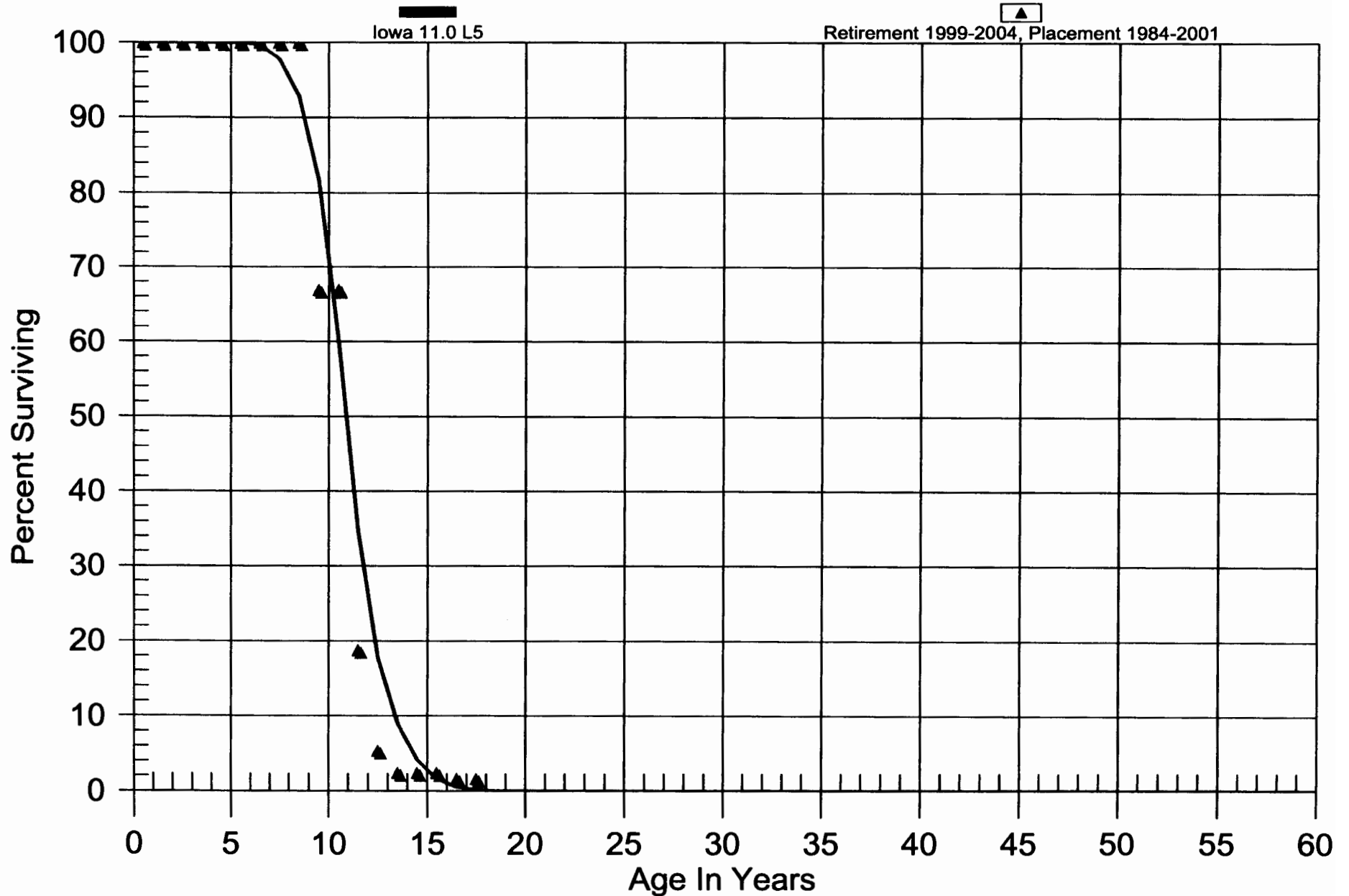
<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$8,999.46	\$0.00	0.00000	100.00
0.5 - 1.5	\$8,999.46	\$0.00	0.00000	100.00
1.5 - 2.5	\$8,999.46	\$0.00	0.00000	100.00
2.5 - 3.5	\$8,999.46	\$0.00	0.00000	100.00
3.5 - 4.5	\$0.00	\$0.00	0.00000	100.00
4.5 - 5.5	\$0.00	\$0.00	0.00000	100.00
5.5 - 6.5	\$595.00	\$0.00	0.00000	100.00
6.5 - 7.5	\$595.00	\$0.00	0.00000	100.00
7.5 - 8.5	\$1,534.98	\$0.00	0.00000	100.00
8.5 - 9.5	\$1,796.87	\$595.00	0.33113	100.00
9.5 - 10.5	\$1,306.31	\$0.00	0.00000	66.89
10.5 - 11.5	\$1,306.31	\$939.98	0.71957	66.89
11.5 - 12.5	\$366.33	\$261.89	0.71490	18.76
12.5 - 13.5	\$188.44	\$104.44	0.55423	5.35
13.5 - 14.5	\$84.00	\$0.00	0.00000	2.38
14.5 - 15.5	\$259.00	\$0.00	0.00000	2.38
15.5 - 16.5	\$259.00	\$84.00	0.32432	2.38
16.5 - 17.5	\$175.00	\$0.00	0.00000	1.61

Pennichuck East Utility

Total Company

348.00 MISCELLANEOUS GENERAL EQUIPMENT

Original And Smooth Survivor Curves

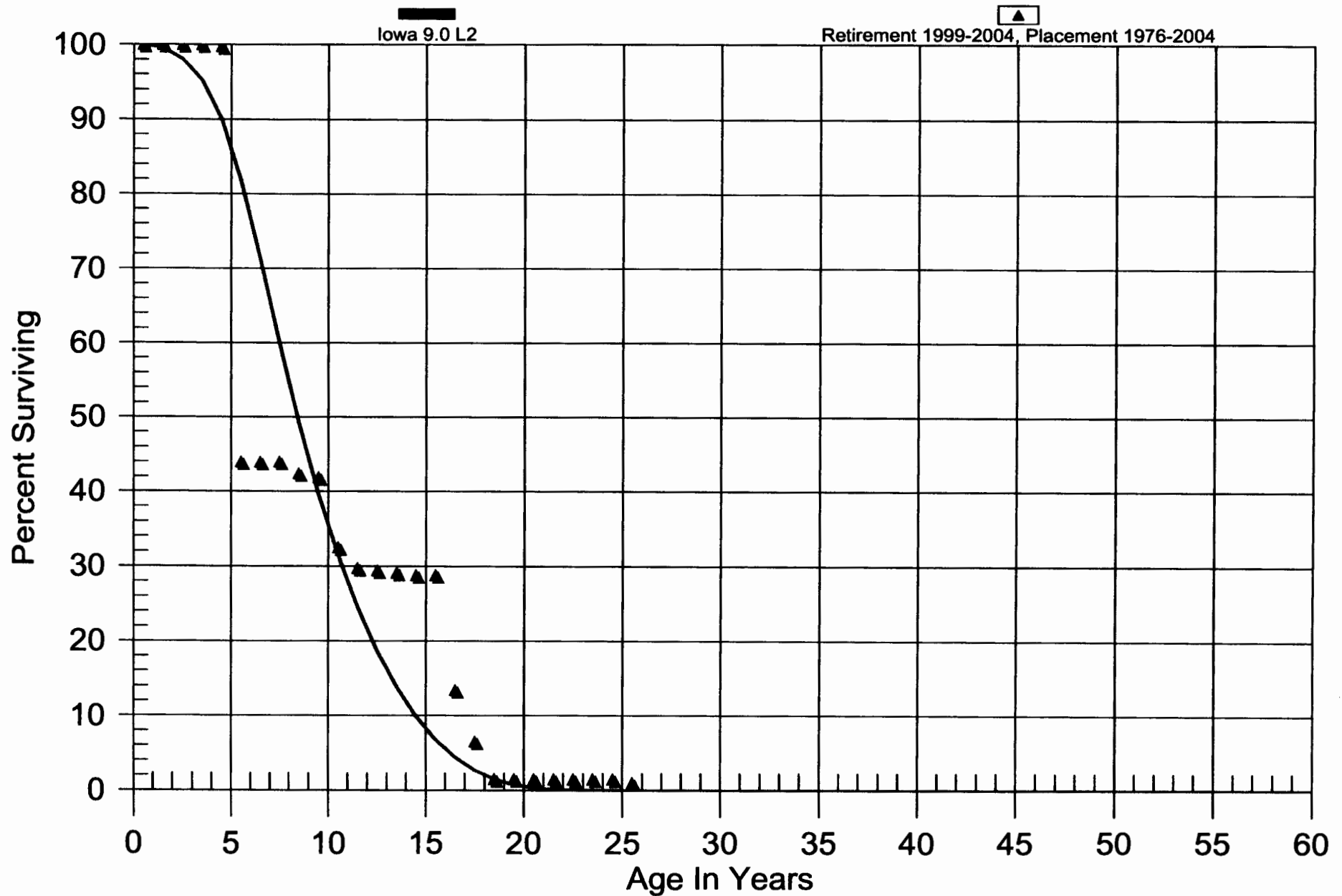


Pennichuck East Utility
Total Company
346.00 COMMUNICATION EQUIPMENT

Observed Life Table
Retirement Expr. 1999 TO 2004
Placement Years 1976 TO 2004

Age Interval	\$ Surviving At Beginning of Age Interval	\$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	\$157,055.43	\$0.00	0.00000	100.00
0.5 - 1.5	\$137,184.59	\$0.00	0.00000	100.00
1.5 - 2.5	\$126,254.88	\$0.00	0.00000	100.00
2.5 - 3.5	\$43,378.13	\$0.00	0.00000	100.00
3.5 - 4.5	\$20,976.54	\$49.61	0.00237	100.00
4.5 - 5.5	\$20,365.81	\$11,386.12	0.55908	99.76
5.5 - 6.5	\$4,794.84	\$0.00	0.00000	43.99
6.5 - 7.5	\$31,856.10	\$0.00	0.00000	43.99
7.5 - 8.5	\$31,433.60	\$1,128.71	0.03591	43.99
8.5 - 9.5	\$30,574.84	\$359.96	0.01177	42.41
9.5 - 10.5	\$34,791.14	\$7,784.48	0.22375	41.91
10.5 - 11.5	\$27,166.65	\$2,308.67	0.08498	32.53
11.5 - 12.5	\$24,857.98	\$269.95	0.01086	29.77
12.5 - 13.5	\$11,723.06	\$108.05	0.00922	29.44
13.5 - 14.5	\$14,235.20	\$159.99	0.01124	29.17
14.5 - 15.5	\$15,969.45	\$0.00	0.00000	28.84
15.5 - 16.5	\$10,926.24	\$5,828.77	0.53347	28.84
16.5 - 17.5	\$5,097.47	\$2,620.19	0.51402	13.46
17.5 - 18.5	\$2,477.28	\$1,894.24	0.76465	6.54
18.5 - 19.5	\$0.00	\$0.00	0.00000	1.54
19.5 - 20.5	\$0.00	\$0.00	0.00000	1.54
20.5 - 21.5	\$0.00	\$0.00	0.00000	1.54
21.5 - 22.5	\$96.63	\$0.00	0.00000	1.54
22.5 - 23.5	\$305.63	\$0.00	0.00000	1.54
23.5 - 24.5	\$305.63	\$0.00	0.00000	1.54
24.5 - 25.5	\$305.63	\$96.63	0.31617	1.54

Pennichuck East Utility
Total Company
346.00 COMMUNICATION EQUIPMENT
Original And Smooth Survivor Curves

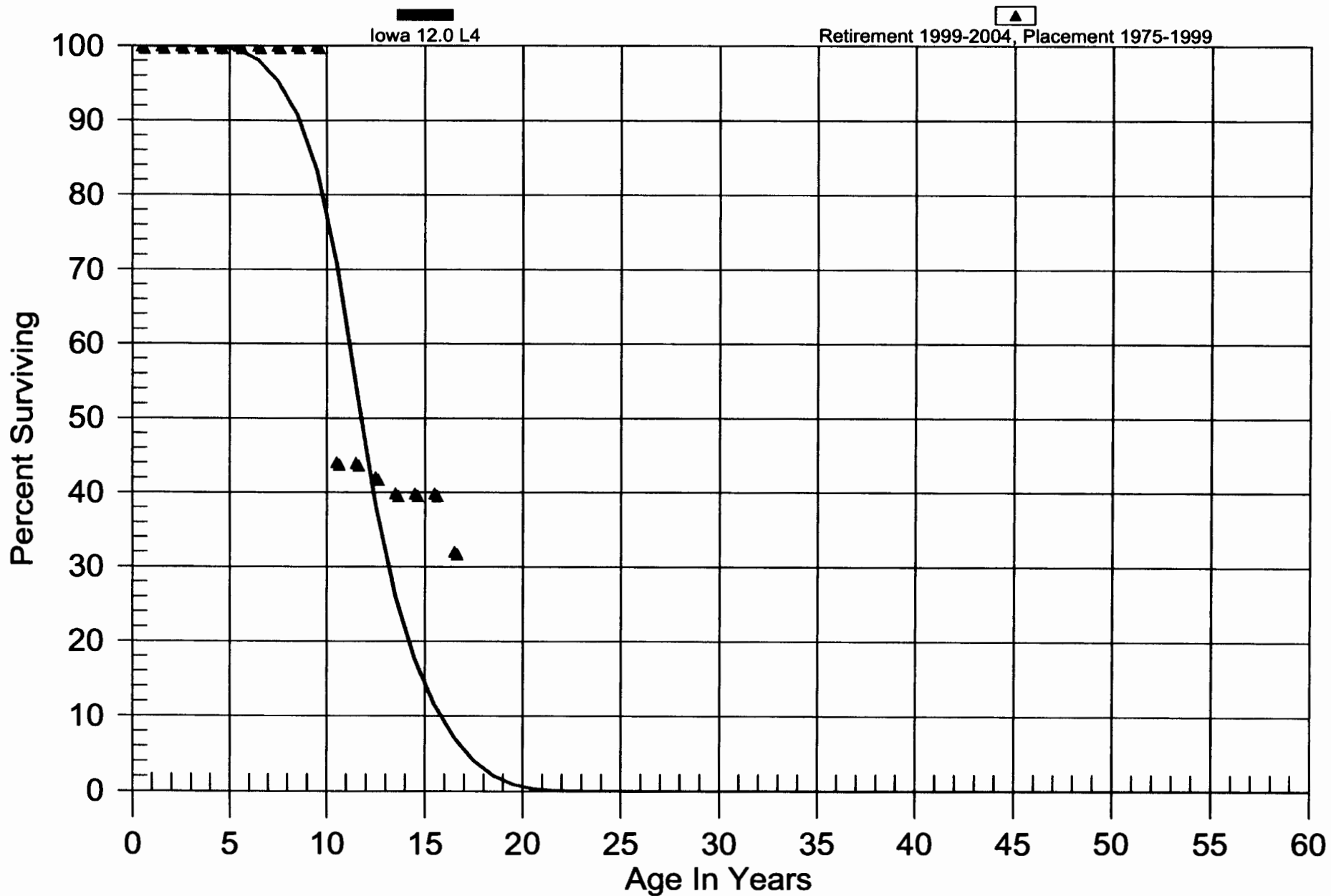


***Pennichuck East Utility
Total Company
343.00 SHOP EQUIPMENT***

***Observed Life Table
Retirement Expr. 1999 TO 2004
Placement Years 1975 TO 1999***

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$0.00	\$0.00	0.00000	100.00
0.5 - 1.5	\$0.00	\$0.00	0.00000	100.00
1.5 - 2.5	\$12,052.30	\$0.00	0.00000	100.00
2.5 - 3.5	\$29,136.44	\$0.00	0.00000	100.00
3.5 - 4.5	\$29,136.44	\$0.00	0.00000	100.00
4.5 - 5.5	\$35,827.29	\$0.00	0.00000	100.00
5.5 - 6.5	\$50,193.16	\$0.00	0.00000	100.00
6.5 - 7.5	\$139,308.97	\$0.00	0.00000	100.00
7.5 - 8.5	\$129,168.07	\$0.00	0.00000	100.00
8.5 - 9.5	\$119,625.23	\$0.00	0.00000	100.00
9.5 - 10.5	\$128,899.75	\$72,110.77	0.55943	100.00
10.5 - 11.5	\$50,098.13	\$86.40	0.00172	44.06
11.5 - 12.5	\$35,645.86	\$1,561.42	0.04380	43.98
12.5 - 13.5	\$17,215.08	\$904.52	0.05254	42.05
13.5 - 14.5	\$15,043.48	\$0.00	0.00000	39.84
14.5 - 15.5	\$9,063.60	\$0.00	0.00000	39.84
15.5 - 16.5	\$693.60	\$135.68	0.19562	39.84

Pennichuck East Utility
Total Company
343.00 SHOP EQUIPMENT
Original And Smooth Survivor Curves



Pennichuck East Utility
Total Company
334.10 METERING EQUIPMENT

Simulated Plant Record Analysis Calculated As Of 12/31/2004

Simulated Balances Method

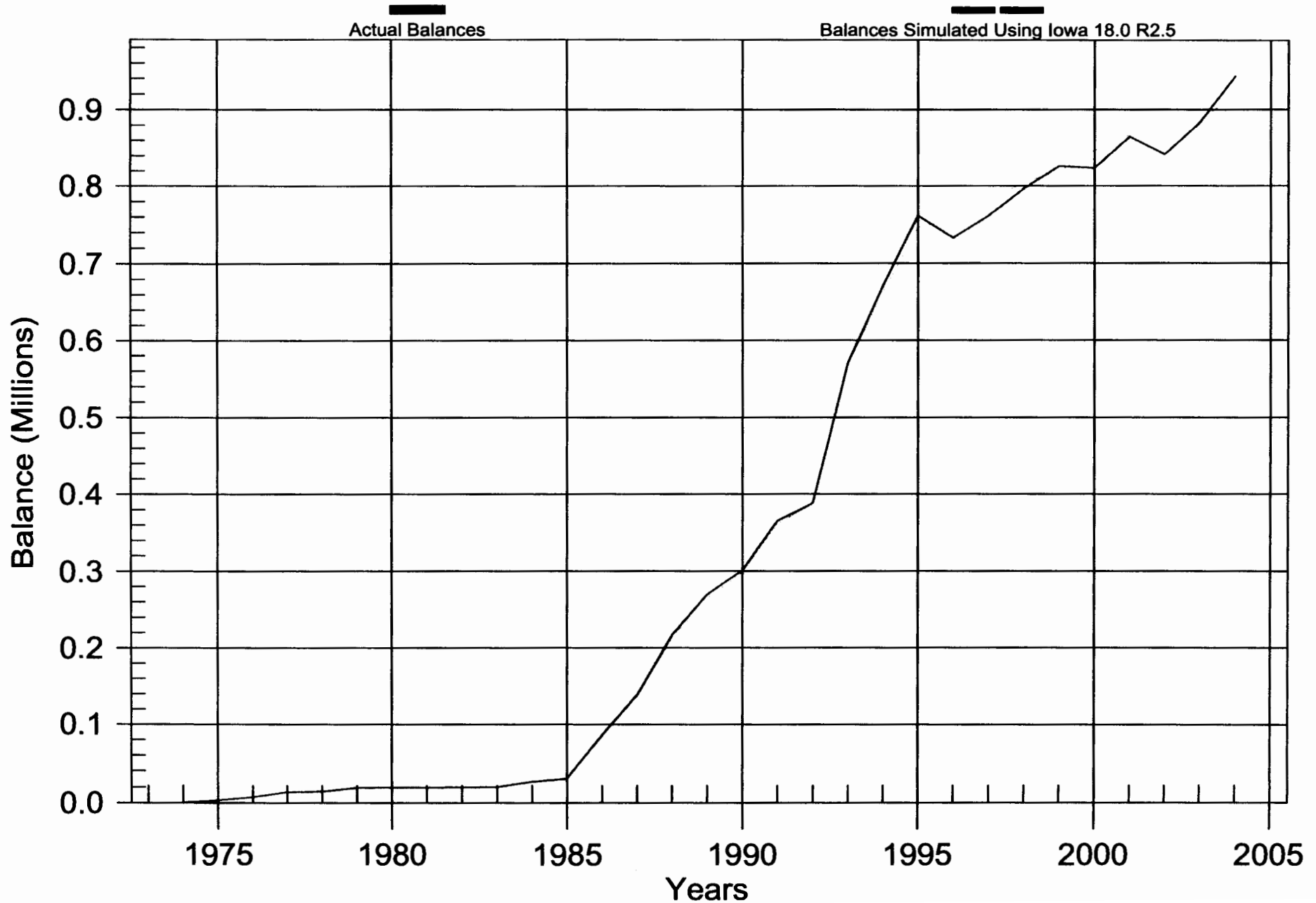
No. Of Test Points - 31
Interval Between Test Points - 1
First Test Point - 1974
Last Test Point - 2004

<i>Curve Type</i>	<i>Average Service Life</i>	<i>Sum Of Squares Difference</i>	<i>Conformance Index</i>	<i>Index Of Variation</i>	<i>Ret Exp Index</i>
S0	23.25 Yrs.	2.8322E+09	38.59	25.91	71.15
L1	23.66 Yrs.	2.8612E+09	38.40	26.04	71.84
S0.5	21.09 Yrs.	2.8971E+09	38.16	26.21	82.64
L0.5	26.88 Yrs.	2.9912E+09	37.55	26.63	62.65
R2	19.06 Yrs.	3.1244E+09	36.74	27.22	96.89
L1.5	21.41 Yrs.	3.2860E+09	35.83	27.91	80.77
R1.5	21.16 Yrs.	3.3108E+09	35.69	28.02	84.90
L0	31.16 Yrs.	3.4177E+09	35.13	28.47	54.02
S1	19.41 Yrs.	3.5697E+09	34.37	29.09	92.42
R2.5	17.81 Yrs.	3.7062E+09	33.74	29.64	99.67
S.5	27.81 Yrs.	3.9213E+09	32.80	30.49	55.77
R1	24.06 Yrs.	3.9458E+09	32.70	30.59	67.77
S1.5	18.31 Yrs.	4.4863E+09	30.66	32.61	97.42
L2	19.66 Yrs.	4.5439E+09	30.47	32.82	88.09
R0.5	28.88 Yrs.	4.7542E+09	29.79	33.57	52.07
O2	39.25 Yrs.	5.2470E+09	28.35	35.27	43.67
SC	34.91 Yrs.	5.2513E+09	28.34	35.28	43.69
O1	34.91 Yrs.	5.2513E+09	28.34	35.28	43.69
R3	16.84 Yrs.	5.3024E+09	28.20	35.46	100.00
O3	56.88 Yrs.	5.3963E+09	27.96	35.77	40.85
O4	78.91 Yrs.	5.4632E+09	27.79	35.99	39.81
S2	17.41 Yrs.	6.0970E+09	26.30	38.02	99.69
L3	17.47 Yrs.	7.6362E+09	23.50	42.55	97.29
S3	16.31 Yrs.	9.4008E+09	21.18	47.21	100.00
R4	15.91 Yrs.	1.0068E+10	20.47	48.86	100.00
L4	16.13 Yrs.	1.1656E+10	19.02	52.57	99.98
S4	15.59 Yrs.	1.4127E+10	17.28	57.87	100.00
L5	15.50 Yrs.	1.6272E+10	16.10	62.11	100.00
R5	15.34 Yrs.	1.7364E+10	15.59	64.16	100.00
S5	15.25 Yrs.	1.9080E+10	14.87	67.26	100.00
S6	15.09 Yrs.	2.3941E+10	13.27	75.34	100.00
SQ	15.00 Yrs.	3.1374E+10	11.59	86.24	100.00

Tuesday, July 05, 2005

Page 1 of 1

Pennichuck East Utility
Total Company
334.10 METERING EQUIPMENT
Actual And Simulated Balances 1974-2004



Pennichuck East Utility***Total Company******333.10, 333.20, 333.23, 333.25******Observed Life Table******Retirement Expr. 1998 TO 2004******Placement Years 1974 TO 2004***

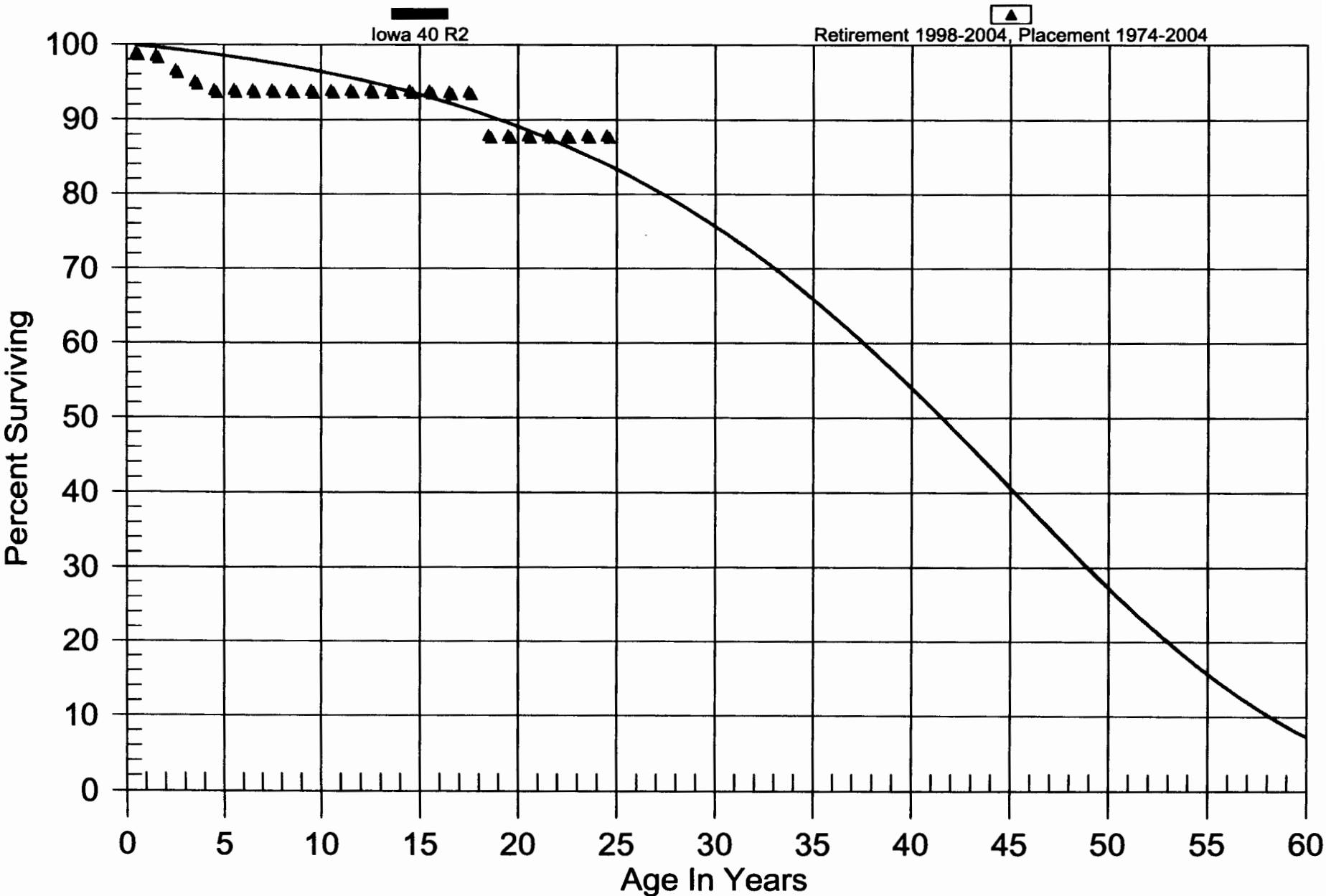
<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$1,220,858.73	\$11,969.93	0.00980	100.00
0.5 - 1.5	\$1,017,915.12	\$4,152.79	0.00408	99.02
1.5 - 2.5	\$1,013,281.49	\$20,422.01	0.02015	98.62
2.5 - 3.5	\$932,104.10	\$14,287.04	0.01533	96.63
3.5 - 4.5	\$930,618.06	\$10,746.00	0.01155	95.15
4.5 - 5.5	\$876,108.36	\$0.00	0.00000	94.05
5.5 - 6.5	\$857,351.58	\$0.00	0.00000	94.05
6.5 - 7.5	\$810,262.15	\$278.98	0.00034	94.05
7.5 - 8.5	\$753,165.39	\$39.37	0.00005	94.02
8.5 - 9.5	\$861,493.36	\$0.00	0.00000	94.01
9.5 - 10.5	\$828,209.47	\$0.00	0.00000	94.01
10.5 - 11.5	\$762,760.49	\$8.40	0.00001	94.01
11.5 - 12.5	\$769,826.27	\$0.00	0.00000	94.01
12.5 - 13.5	\$689,632.58	\$292.96	0.00042	94.01
13.5 - 14.5	\$608,336.06	\$80.00	0.00013	93.97
14.5 - 15.5	\$545,678.89	\$395.00	0.00072	93.96
15.5 - 16.5	\$325,388.46	\$429.29	0.00132	93.89
16.5 - 17.5	\$227,544.33	\$0.00	0.00000	93.77
17.5 - 18.5	\$174,161.12	\$10,743.65	0.06169	93.77
18.5 - 19.5	\$66,188.25	\$0.00	0.00000	87.98
19.5 - 20.5	\$37,947.32	\$0.00	0.00000	87.98
20.5 - 21.5	\$33,826.25	\$0.00	0.00000	87.98
21.5 - 22.5	\$39,498.10	\$0.00	0.00000	87.98
22.5 - 23.5	\$35,163.66	\$0.00	0.00000	87.98
23.5 - 24.5	\$34,886.19	\$0.00	0.00000	87.98
24.5 - 25.5	\$34,886.19	\$0.00	0.00000	87.98
25.5 - 26.5	\$34,694.00	\$0.00	0.00000	87.98
26.5 - 27.5	\$33,020.17	\$0.00	0.00000	87.98
27.5 - 28.5	\$12,137.56	\$0.00	0.00000	87.98
28.5 - 29.5	\$4,468.40	\$0.00	0.00000	87.98
29.5 - 30.5	\$383.40	\$0.00	0.00000	87.98

Pennichuck East Utility

Total Company

333.10, 333.20, 333.23, 333.25

Original And Smooth Survivor Curves

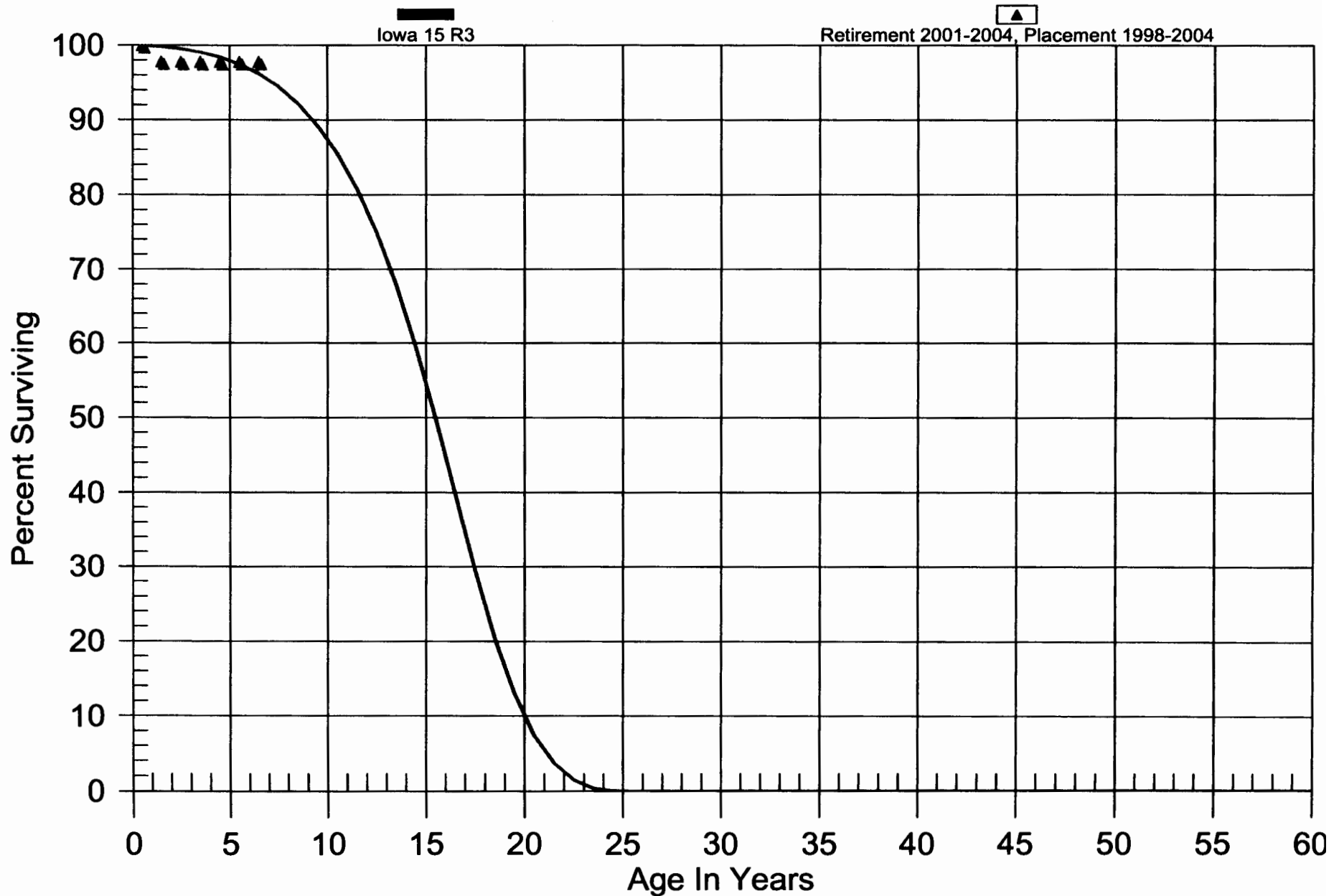


Pennichuck East Utility
Total Company
333.04 PAVEMENTS-NEW SERVICES

Observed Life Table
Retirement Expr. 2001 TO 2004
Placement Years 1998 TO 2004

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$23,805.28	\$0.00	0.00000	100.00
0.5 - 1.5	\$20,086.22	\$442.75	0.02204	100.00
1.5 - 2.5	\$8,195.54	\$0.00	0.00000	97.80
2.5 - 3.5	\$7,884.28	\$0.00	0.00000	97.80
3.5 - 4.5	\$4,658.86	\$0.00	0.00000	97.80
4.5 - 5.5	\$3,521.26	\$0.00	0.00000	97.80
5.5 - 6.5	\$357.39	\$0.00	0.00000	97.80

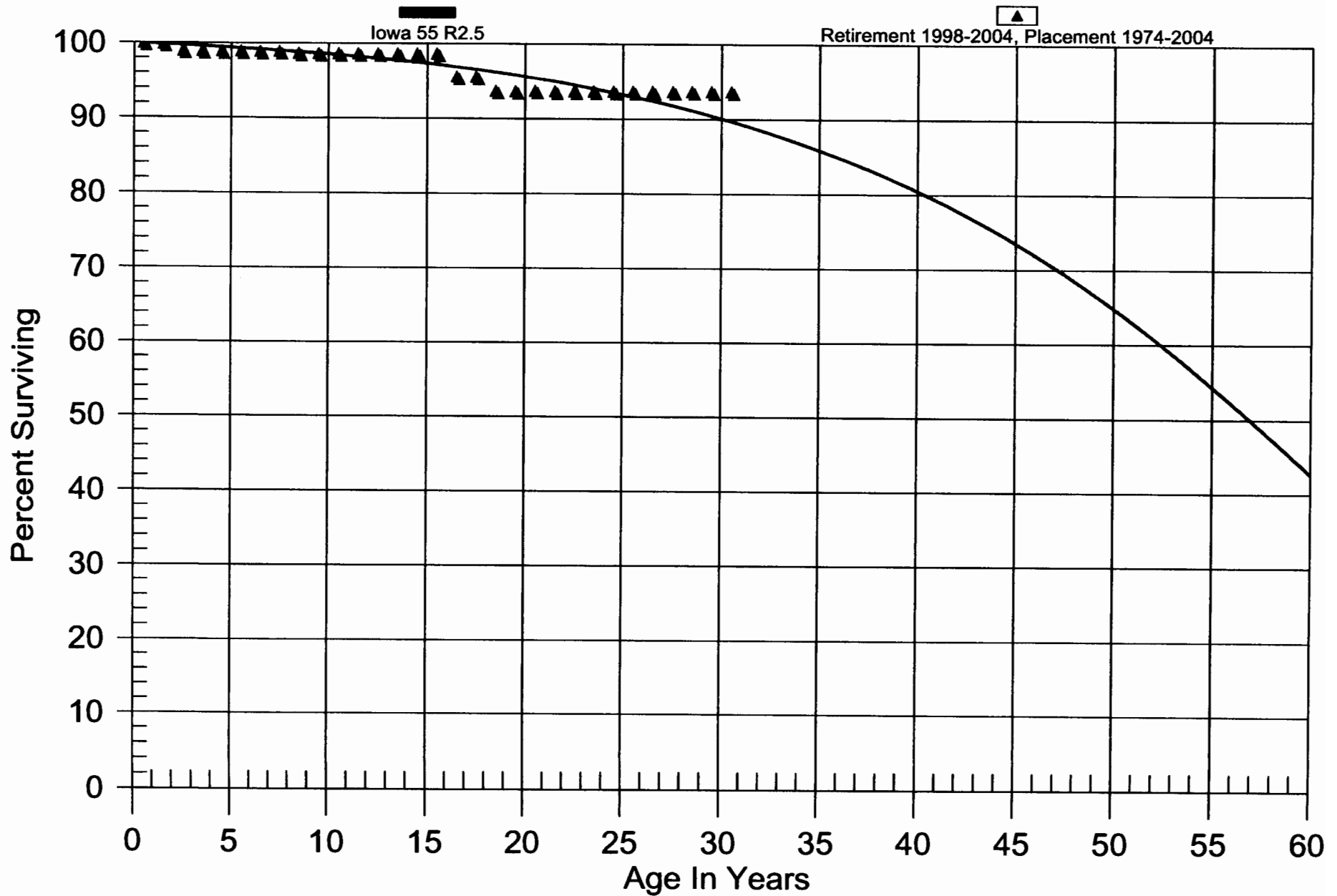
Pennichuck East Utility
Total Company
333.04 PAVEMENTS-NEW SERVICES
Original And Smooth Survivor Curves



Pennichuck East Utility***Total Company******331.20, 331.25, 331.30******Observed Life Table******Retirement Expr. 1998 TO 2004******Placement Years 1974 TO 2004***

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$5,919,503.38	\$99.74	0.00002	100.00
0.5 - 1.5	\$5,009,249.40	\$6,722.00	0.00134	100.00
1.5 - 2.5	\$3,696,709.53	\$32,935.71	0.00891	99.86
2.5 - 3.5	\$3,248,802.33	\$0.00	0.00000	98.97
3.5 - 4.5	\$2,803,239.16	\$1,136.50	0.00041	98.97
4.5 - 5.5	\$1,778,212.57	\$0.00	0.00000	98.93
5.5 - 6.5	\$1,755,939.19	\$242.36	0.00014	98.93
6.5 - 7.5	\$998,937.74	\$0.00	0.00000	98.92
7.5 - 8.5	\$1,557,056.89	\$3,857.35	0.00248	98.92
8.5 - 9.5	\$5,588,892.48	\$499.15	0.00009	98.68
9.5 - 10.5	\$8,565,260.95	\$141.24	0.00002	98.67
10.5 - 11.5	\$8,958,708.61	\$183.43	0.00002	98.67
11.5 - 12.5	\$9,547,592.86	\$56.18	0.00001	98.66
12.5 - 13.5	\$10,050,620.26	\$928.22	0.00009	98.66
13.5 - 14.5	\$10,046,536.77	\$149.53	0.00001	98.65
14.5 - 15.5	\$9,372,160.58	\$314.95	0.00003	98.65
15.5 - 16.5	\$5,327,808.70	\$164,295.92	0.03084	98.65
16.5 - 17.5	\$1,927,924.91	\$0.00	0.00000	95.61
17.5 - 18.5	\$1,469,202.22	\$29,468.37	0.02006	95.61
18.5 - 19.5	\$774,943.11	\$0.00	0.00000	93.69
19.5 - 20.5	\$184,123.84	\$0.00	0.00000	93.69
20.5 - 21.5	\$281,690.30	\$0.00	0.00000	93.69
21.5 - 22.5	\$272,301.01	\$0.00	0.00000	93.69
22.5 - 23.5	\$273,204.75	\$0.00	0.00000	93.69
23.5 - 24.5	\$275,843.54	\$0.00	0.00000	93.69
24.5 - 25.5	\$275,843.54	\$0.00	0.00000	93.69
25.5 - 26.5	\$275,843.54	\$0.00	0.00000	93.69
26.5 - 27.5	\$273,614.61	\$0.00	0.00000	93.69
27.5 - 28.5	\$73,137.51	\$0.00	0.00000	93.69
28.5 - 29.5	\$25,994.66	\$0.00	0.00000	93.69
29.5 - 30.5	\$2,638.79	\$0.00	0.00000	93.69

Pennichuck East Utility
Total Company
331.20, 331.25, 331.30
Original And Smooth Survivor Curves



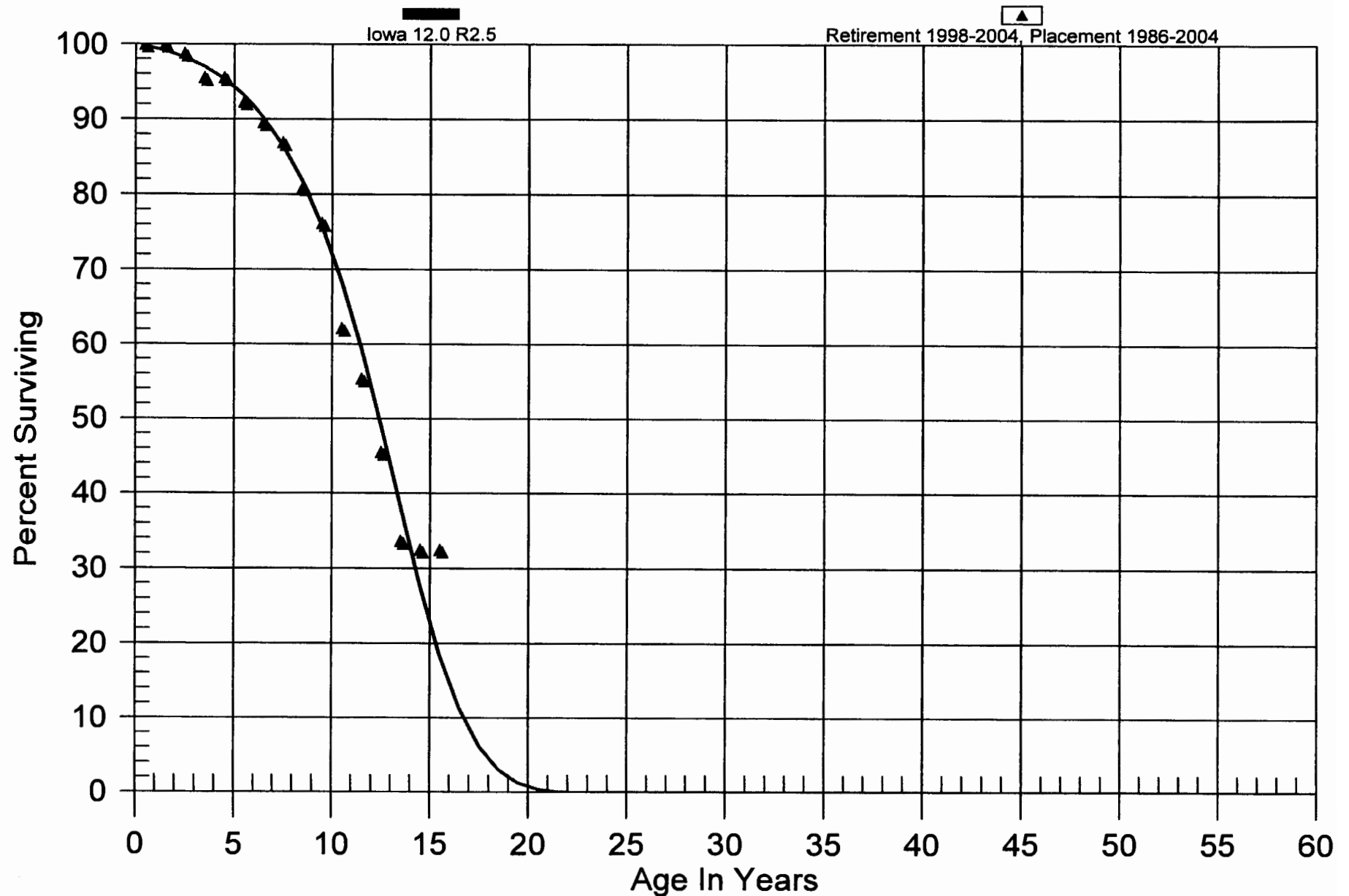
***Pennichuck East Utility
Total Company
320.00, 320.20***

***Observed Life Table
Retirement Expr. 1998 TO 2004
Placement Years 1986 TO 2004***

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$191,045.12	\$0.00	0.00000	100.00
0.5 - 1.5	\$180,595.97	\$0.00	0.00000	100.00
1.5 - 2.5	\$209,573.52	\$2,538.30	0.01211	100.00
2.5 - 3.5	\$206,780.52	\$6,700.54	0.03240	98.79
3.5 - 4.5	\$161,754.81	\$0.00	0.00000	95.59
4.5 - 5.5	\$159,860.53	\$5,450.85	0.03410	95.59
5.5 - 6.5	\$179,945.12	\$5,257.94	0.02922	92.33
6.5 - 7.5	\$168,202.14	\$5,010.97	0.02979	89.63
7.5 - 8.5	\$199,852.57	\$13,794.47	0.06902	86.96
8.5 - 9.5	\$145,127.40	\$8,532.79	0.05880	80.96
9.5 - 10.5	\$137,317.78	\$25,289.74	0.18417	76.20
10.5 - 11.5	\$103,635.95	\$11,273.48	0.10878	62.16
11.5 - 12.5	\$90,013.48	\$16,036.72	0.17816	55.40
12.5 - 13.5	\$45,612.29	\$11,861.33	0.26005	45.53
13.5 - 14.5	\$22,198.15	\$787.89	0.03549	33.69
14.5 - 15.5	\$1,884.22	\$0.00	0.00000	32.50

Pennichuck East Utility

Total Company
320.00, 320.20
Original And Smooth Survivor Curves

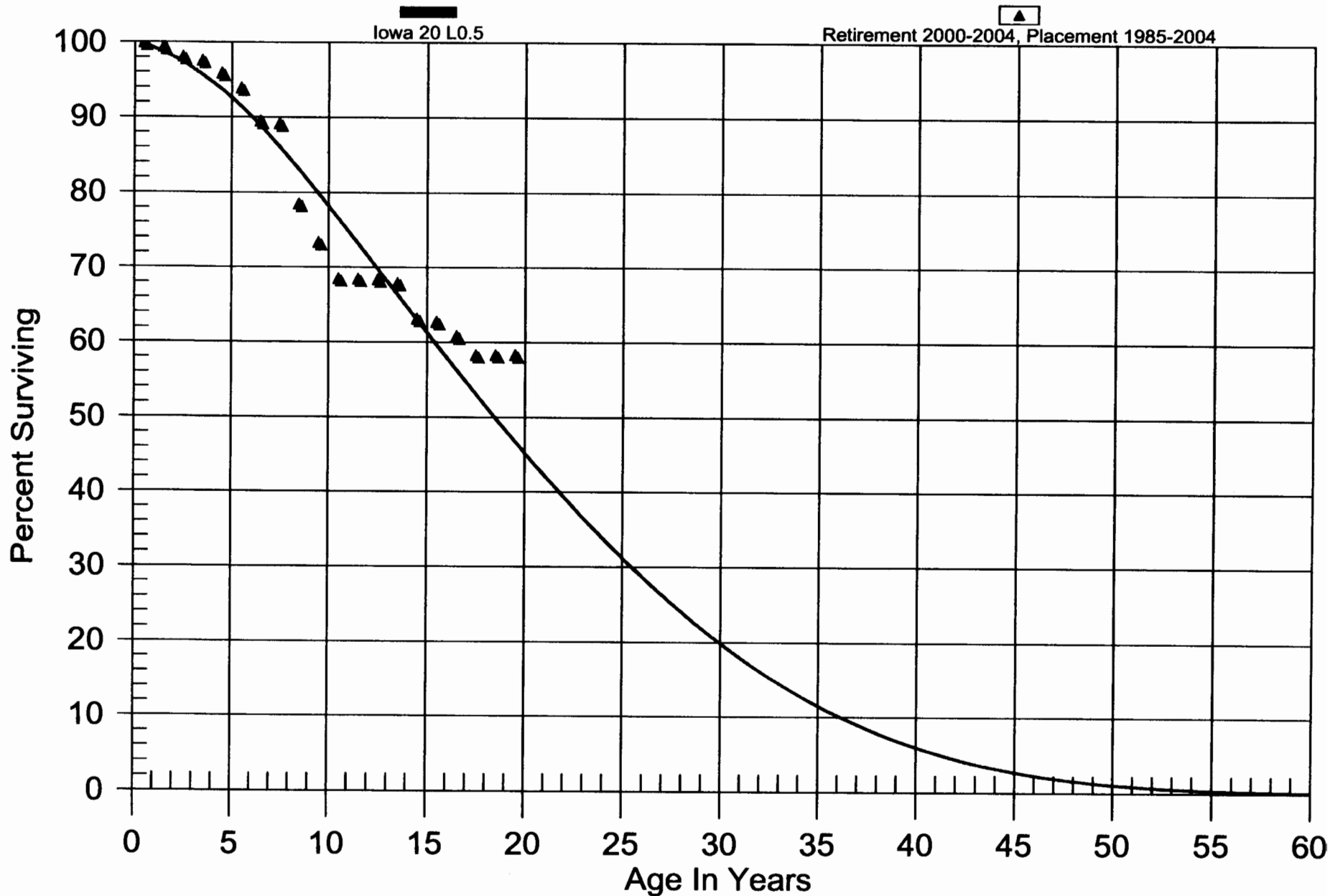


Pennichuck East Utility
Total Company
311.20 ELECTRIC PUMPING EQUIPMENT

Observed Life Table
Retirement Expr. 2000 TO 2004
Placement Years 1985 TO 2004

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$313,884.25	\$0.00	0.00000	100.00
0.5 - 1.5	\$342,398.31	\$1,950.97	0.00570	100.00
1.5 - 2.5	\$349,031.80	\$4,617.85	0.01323	99.43
2.5 - 3.5	\$357,677.41	\$1,754.80	0.00491	98.11
3.5 - 4.5	\$264,161.67	\$4,668.45	0.01767	97.63
4.5 - 5.5	\$231,481.52	\$4,763.50	0.02058	95.91
5.5 - 6.5	\$181,976.86	\$8,563.05	0.04706	93.93
6.5 - 7.5	\$167,646.57	\$537.46	0.00321	89.51
7.5 - 8.5	\$88,895.26	\$10,635.85	0.11964	89.23
8.5 - 9.5	\$70,597.42	\$4,644.90	0.06579	78.55
9.5 - 10.5	\$62,549.86	\$4,163.62	0.06656	73.38
10.5 - 11.5	\$253,249.60	\$101.96	0.00040	68.50
11.5 - 12.5	\$290,707.37	\$175.49	0.00060	68.47
12.5 - 13.5	\$294,040.82	\$2,113.64	0.00719	68.43
13.5 - 14.5	\$384,934.99	\$27,042.45	0.07025	67.94
14.5 - 15.5	\$357,143.68	\$2,381.50	0.00667	63.17
15.5 - 16.5	\$140,260.18	\$4,205.84	0.02999	62.74
16.5 - 17.5	\$83,422.64	\$3,448.49	0.04134	60.86
17.5 - 18.5	\$66,891.37	\$0.00	0.00000	58.35
18.5 - 19.5	\$0.00	\$0.00	0.00000	58.35

Pennichuck East Utility
Total Company
311.20 ELECTRIC PUMPING EQUIPMENT
Original And Smooth Survivor Curves

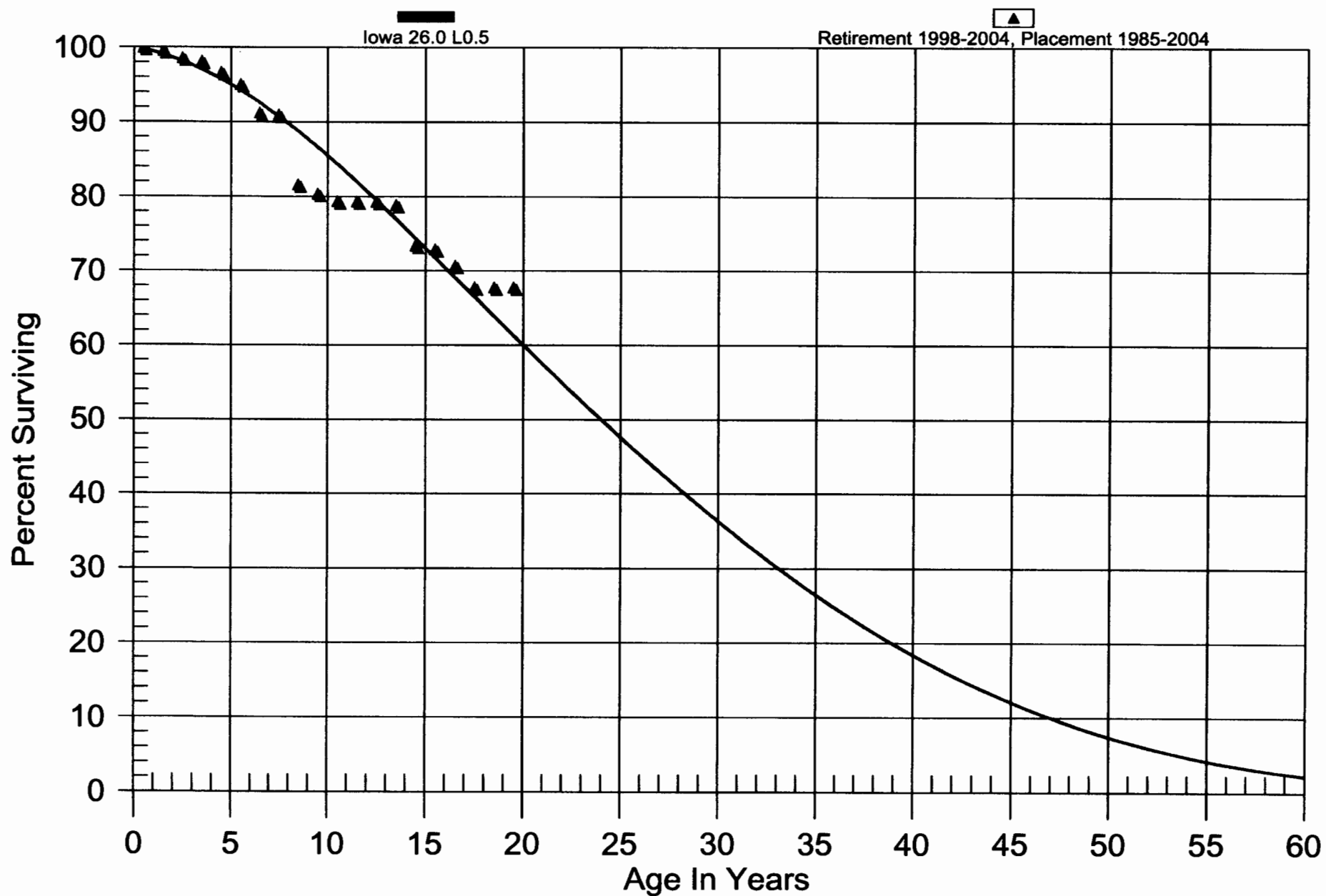


Pennichuck East Utility
Total Company
311.20 ELECTRIC PUMPING EQUIPMENT

Observed Life Table
Retirement Expr. 1998 TO 2004
Placement Years 1985 TO 2004

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$418,205.60	\$0.00	0.00000	100.00
0.5 - 1.5	\$463,635.71	\$1,950.97	0.00421	100.00
1.5 - 2.5	\$467,744.55	\$4,617.85	0.00987	99.58
2.5 - 3.5	\$397,897.57	\$1,754.80	0.00441	98.60
3.5 - 4.5	\$312,459.74	\$4,668.45	0.01494	98.16
4.5 - 5.5	\$283,545.07	\$4,763.50	0.01680	96.69
5.5 - 6.5	\$213,789.25	\$8,563.05	0.04005	95.07
6.5 - 7.5	\$186,121.42	\$537.46	0.00289	91.26
7.5 - 8.5	\$103,803.62	\$10,635.85	0.10246	91.00
8.5 - 9.5	\$294,328.60	\$4,644.90	0.01578	81.67
9.5 - 10.5	\$332,164.35	\$4,163.62	0.01253	80.39
10.5 - 11.5	\$321,007.16	\$101.96	0.00032	79.38
11.5 - 12.5	\$404,119.65	\$175.49	0.00043	79.35
12.5 - 13.5	\$396,915.74	\$2,113.64	0.00533	79.32
13.5 - 14.5	\$388,383.48	\$27,042.45	0.06963	78.90
14.5 - 15.5	\$357,143.68	\$2,381.50	0.00667	73.40
15.5 - 16.5	\$140,260.18	\$4,205.84	0.02999	72.91
16.5 - 17.5	\$83,422.64	\$3,448.49	0.04134	70.73
17.5 - 18.5	\$66,891.37	\$0.00	0.00000	67.80
18.5 - 19.5	\$0.00	\$0.00	0.00000	67.80

Pennichuck East Utility
Total Company
311.20 ELECTRIC PUMPING EQUIPMENT
Original And Smooth Survivor Curves

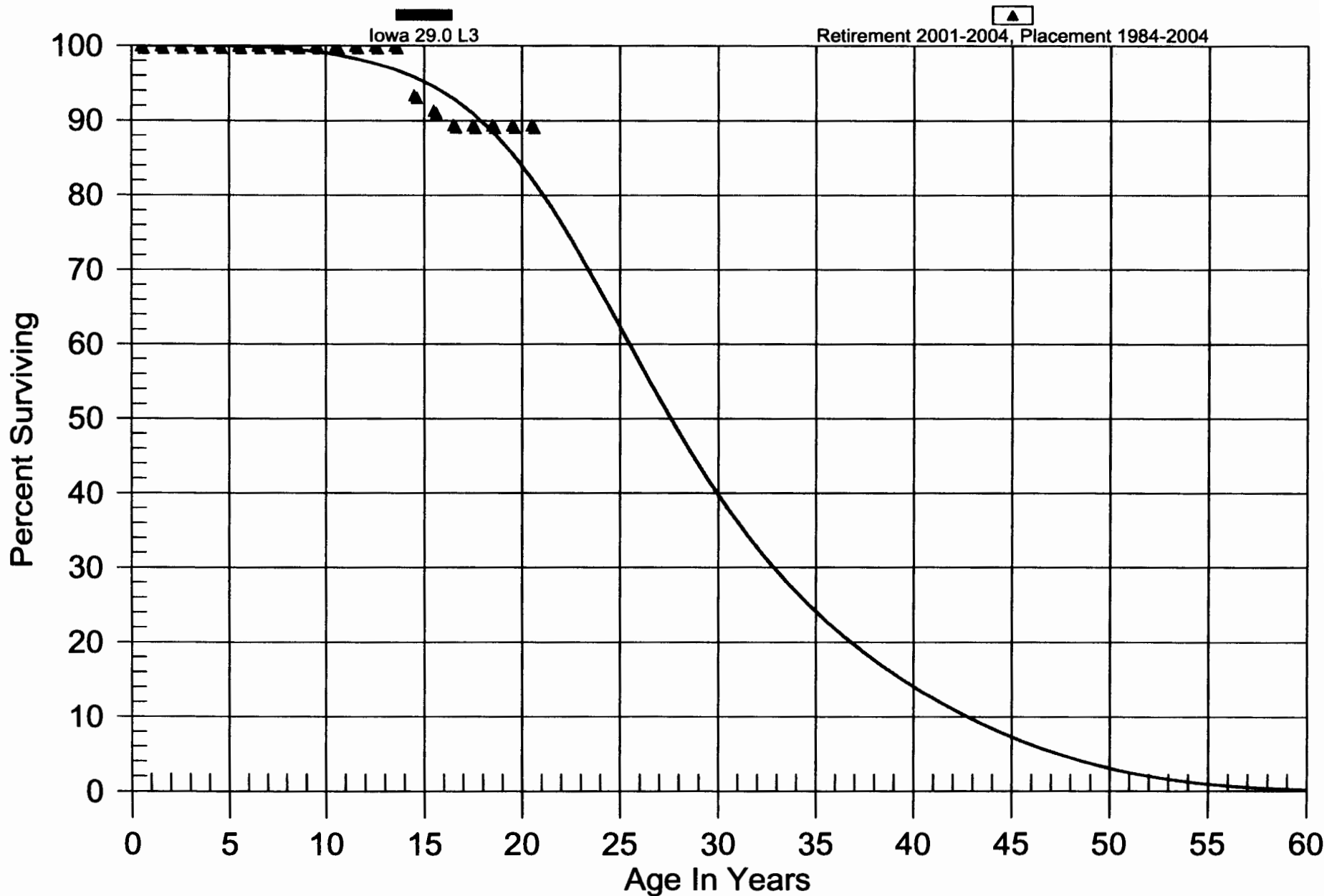


***Pennichuck East Utility
Total Company
307.10 WELLS & SPRINGS***

***Observed Life Table
Retirement Expr. 2001 TO 2004
Placement Years 1984 TO 2004***

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$357,834.00	\$0.00	0.00000	100.00
0.5 - 1.5	\$124,993.34	\$0.00	0.00000	100.00
1.5 - 2.5	\$121,716.54	\$0.00	0.00000	100.00
2.5 - 3.5	\$62,821.40	\$0.00	0.00000	100.00
3.5 - 4.5	\$11,032.70	\$0.00	0.00000	100.00
4.5 - 5.5	\$11,032.70	\$0.00	0.00000	100.00
5.5 - 6.5	\$10,437.50	\$0.00	0.00000	100.00
6.5 - 7.5	\$1,777.34	\$0.00	0.00000	100.00
7.5 - 8.5	\$12,940.34	\$0.00	0.00000	100.00
8.5 - 9.5	\$12,940.34	\$0.00	0.00000	100.00
9.5 - 10.5	\$18,772.36	\$0.00	0.00000	100.00
10.5 - 11.5	\$20,195.02	\$0.00	0.00000	100.00
11.5 - 12.5	\$74,880.89	\$0.00	0.00000	100.00
12.5 - 13.5	\$264,407.27	\$0.00	0.00000	100.00
13.5 - 14.5	\$264,239.34	\$17,420.07	0.06593	100.00
14.5 - 15.5	\$258,433.79	\$5,664.09	0.02192	93.41
15.5 - 16.5	\$193,363.21	\$4,041.52	0.02090	91.36
16.5 - 17.5	\$22,845.45	\$9.62	0.00042	89.45
17.5 - 18.5	\$22,835.83	\$0.00	0.00000	89.41
18.5 - 19.5	\$12,062.83	\$0.00	0.00000	89.41
19.5 - 20.5	\$5,630.07	\$0.00	0.00000	89.41

Pennichuck East Utility
Total Company
307.10 WELLS & SPRINGS
Original And Smooth Survivor Curves



Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES

Observed Life Table
Retirement Expr. 1998 TO 2004
Placement Years 1974 TO 2002

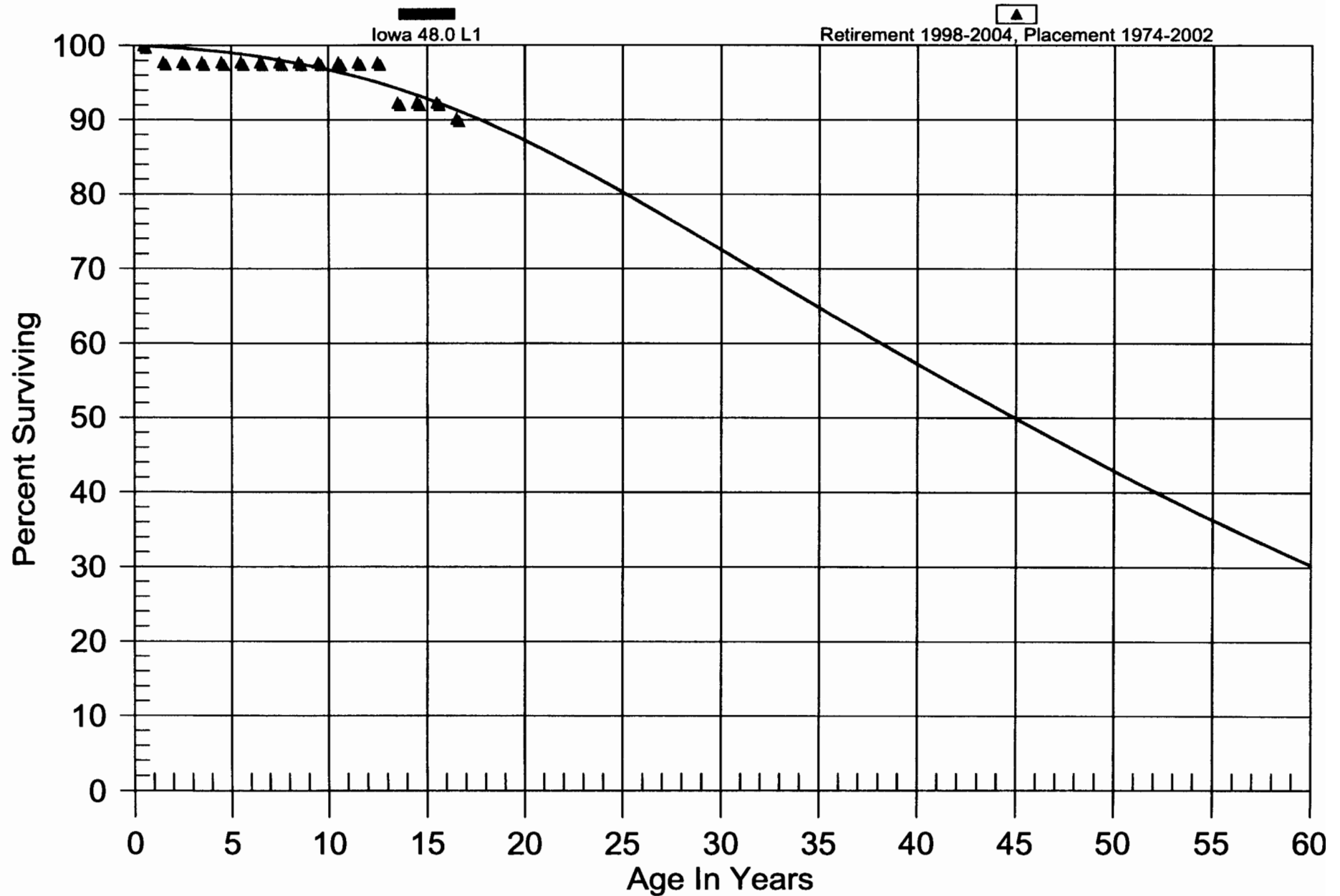
<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$747,415.26	\$0.00	0.00000	100.00
0.5 - 1.5	\$843,175.39	\$18,494.10	0.02193	100.00
1.5 - 2.5	\$825,212.00	\$0.00	0.00000	97.81
2.5 - 3.5	\$770,417.71	\$253.75	0.00033	97.81
3.5 - 4.5	\$329,701.51	\$0.00	0.00000	97.77
4.5 - 5.5	\$351,007.43	\$0.00	0.00000	97.77
5.5 - 6.5	\$355,473.69	\$125.60	0.00035	97.77
6.5 - 7.5	\$330,998.92	\$0.00	0.00000	97.74
7.5 - 8.5	\$262,575.65	\$0.00	0.00000	97.74
8.5 - 9.5	\$356,346.45	\$0.00	0.00000	97.74
9.5 - 10.5	\$609,304.71	\$0.00	0.00000	97.74
10.5 - 11.5	\$468,475.84	\$121.45	0.00026	97.74
11.5 - 12.5	\$505,344.00	\$0.00	0.00000	97.71
12.5 - 13.5	\$505,023.93	\$27,714.22	0.05488	97.71
13.5 - 14.5	\$642,580.22	\$0.00	0.00000	92.35
14.5 - 15.5	\$615,243.36	\$132.73	0.00022	92.35
15.5 - 16.5	\$548,648.94	\$12,924.17	0.02356	92.33
16.5 - 17.5	\$247,242.85	\$0.00	0.00000	90.16
17.5 - 18.5	\$239,716.69	\$108,761.54	0.45371	90.16
18.5 - 19.5	\$76,180.79	\$0.00	0.00000	49.25
19.5 - 20.5	\$72,034.60	\$0.00	0.00000	49.25
20.5 - 21.5	\$12,124.36	\$0.00	0.00000	49.25
21.5 - 22.5	\$12,124.36	\$238.28	0.01965	49.25
22.5 - 23.5	\$19,626.96	\$0.00	0.00000	48.28
23.5 - 24.5	\$21,072.33	\$0.00	0.00000	48.28
24.5 - 25.5	\$21,072.33	\$0.00	0.00000	48.28
25.5 - 26.5	\$21,072.33	\$0.00	0.00000	48.28
26.5 - 27.5	\$21,072.33	\$0.00	0.00000	48.28
27.5 - 28.5	\$9,186.25	\$0.00	0.00000	48.28
28.5 - 29.5	\$9,186.25	\$0.00	0.00000	48.28
29.5 - 30.5	\$1,445.37	\$0.00	0.00000	48.28

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original And Smooth Survivor Curves

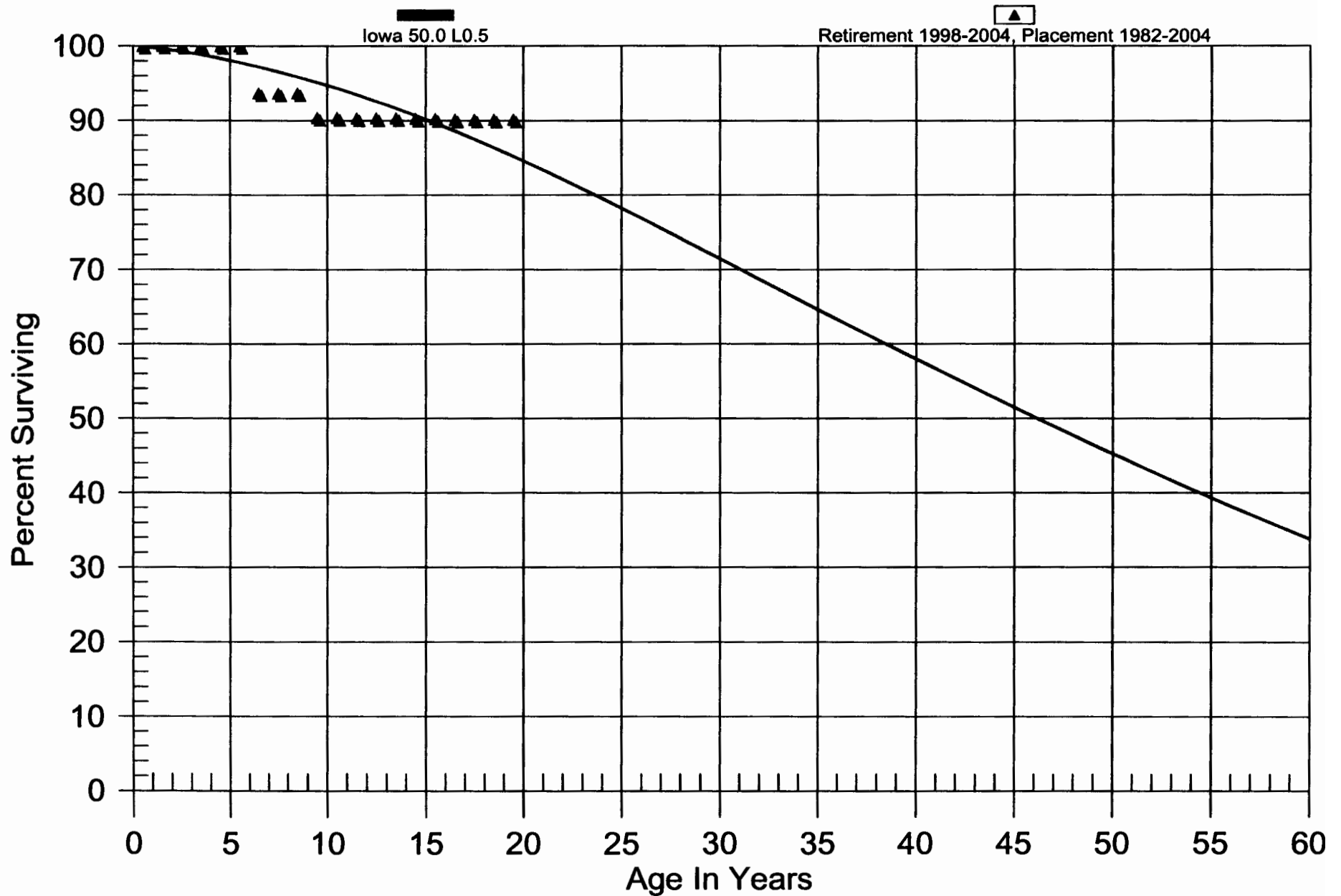


Pennichuck East Utility
Total Company
304.10 SOURCE OF SUPPLY STRUCTURES

Observed Life Table
Retirement Expr. 1998 TO 2004
Placement Years 1982 TO 2004

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$650,807.63	\$0.00	0.00000	100.00
0.5 - 1.5	\$487,481.90	\$0.00	0.00000	100.00
1.5 - 2.5	\$487,481.90	\$0.00	0.00000	100.00
2.5 - 3.5	\$279,678.20	\$0.00	0.00000	100.00
3.5 - 4.5	\$37,909.97	\$0.00	0.00000	100.00
4.5 - 5.5	\$34,668.19	\$0.00	0.00000	100.00
5.5 - 6.5	\$22,344.84	\$1,404.31	0.06285	100.00
6.5 - 7.5	\$21,659.60	\$0.00	0.00000	93.72
7.5 - 8.5	\$21,659.60	\$0.00	0.00000	93.72
8.5 - 9.5	\$32,733.32	\$1,152.04	0.03519	93.72
9.5 - 10.5	\$42,436.48	\$0.00	0.00000	90.42
10.5 - 11.5	\$30,089.33	\$21.00	0.00070	90.42
11.5 - 12.5	\$57,803.15	\$0.00	0.00000	90.35
12.5 - 13.5	\$57,803.15	\$0.00	0.00000	90.35
13.5 - 14.5	\$55,077.56	\$26.87	0.00049	90.35
14.5 - 15.5	\$55,050.69	\$17.65	0.00032	90.31
15.5 - 16.5	\$44,047.44	\$61.34	0.00139	90.28
16.5 - 17.5	\$33,157.77	\$0.00	0.00000	90.16
17.5 - 18.5	\$33,157.77	\$0.00	0.00000	90.16
18.5 - 19.5	\$88.12	\$0.00	0.00000	90.16

Pennichuck East Utility
Total Company
304.10 SOURCE OF SUPPLY STRUCTURES
Original And Smooth Survivor Curves



Pennichuck East Utility**Total Company****304.10 SOURCE OF SUPPLY STRUCTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)

Bow_White Rock**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2049**

2004	162,000.00	35.80	4,524.63	35.34	159,885.89
Total	162,000.00	35.80	4,524.63	35.34	159,885.89

Derry_East DerryFarmstead**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2045**

2000	1,990.00	35.80	55.58	31.86	1,770.95
Total	1,990.00	35.80	55.58	31.86	1,770.95

Derry_Maple Hills**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2031**

1986	12,977.77	35.80	362.47	21.19	7,679.97
Total	12,977.77	35.80	362.47	21.19	7,679.97

Londonderry_Avery**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2043**

1993	1,225.13	38.22	32.05	28.91	926.65
1994	2,364.80	37.76	62.62	29.16	1,826.17
Total	3,589.93	37.92	94.68	29.08	2,752.82

Pennichuck East Utility***Total Company******304.10 SOURCE OF SUPPLY STRUCTURES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Londonderry_Harvest Village***Interim Survivor Curve: Iowa 50 L0.5******Probable Retirement Year: 2043***

1998	2,027.52	35.80	56.63	30.23	1,711.60
Total	2,027.52	35.80	56.63	30.23	1,711.60

Londonderry_Londonderry***Interim Survivor Curve: Iowa 50 L0.5******Probable Retirement Year: 2046***

1988	4,947.81	41.46	119.33	29.01	3,462.23
2004	1,325.73	34.20	38.76	33.73	1,307.56
Total	6,273.54	39.68	158.10	30.17	4,769.80

Londonderry_Nesenkeag***Interim Survivor Curve: Iowa 50 L0.5******Probable Retirement Year: 2031***

1986	15,687.92	35.80	438.16	21.19	9,283.78
1993	1,269.66	31.88	39.82	22.13	881.25
Total	16,957.58	35.48	477.98	21.27	10,165.03

Londonderry_Pine Haven***Interim Survivor Curve: Iowa 50 L0.5******Probable Retirement Year: 2042***

1994	10,000.00	37.29	268.16	28.66	7,685.95
Total	10,000.00	37.29	268.16	28.66	7,685.95

Pennichuck East Utility**Total Company****304.10 SOURCE OF SUPPLY STRUCTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique**

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Pelham_Gage Hill**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2031**

1986	644.74	35.80	18.01	21.19	381.54
Total	644.74	35.80	18.01	21.19	381.54

Pelham_Meadowview**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2047**

2002	152,834.86	35.80	4,268.65	33.56	143,249.70
Total	152,834.86	35.80	4,268.65	33.56	143,249.70

Pelham_Williamsburg**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2033**

2002	37,748.39	27.31	1,382.27	25.00	34,557.67
Total	37,748.39	27.31	1,382.27	25.00	34,557.67

Raymond_Liberty Tree**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2033**

1988	5,880.52	35.80	164.24	22.63	3,716.48
1993	972.89	33.07	29.42	23.40	688.37
Total	6,853.41	35.39	193.66	22.75	4,404.85

Pennichuck East Utility**Total Company****304.10 SOURCE OF SUPPLY STRUCTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique**

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Sandown_Beaver Hollow**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2034**

1986	3,759.22	37.29	100.81	22.91	2,309.48
1993	1,026.30	33.64	30.51	24.01	732.49
1999	12,323.35	30.00	410.73	25.11	10,312.11
2000	1,590.00	29.35	54.17	25.30	1,370.62
Total	18,698.87	31.36	596.21	24.70	14,724.70

Windham_Goldenbrook**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2034**

1989	3,553.72	35.80	99.25	23.35	2,318.07
2000	6,209.99	29.35	211.58	25.30	5,353.16
Total	9,763.71	31.41	310.84	24.68	7,671.24

Windham_Hardwood**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2036**

1991	2,725.59	35.80	76.13	24.83	1,889.84
1993	902.19	34.75	25.96	25.20	654.15
Total	3,627.78	35.54	102.09	24.92	2,543.99

Windham_W&E**Interim Survivor Curve: Iowa 50 L0.5****Probable Retirement Year: 2046**

Pennichuck East Utility***Total Company******304.10 SOURCE OF SUPPLY STRUCTURES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1989	7,520.00	41.10	182.98	29.26	5,353.54
2001	255,537.34	35.80	7,137.12	32.70	233,401.74
2002	17,220.45	35.28	488.07	33.03	16,122.62
<i>Total</i>	280,277.79	35.90	7,808.17	32.64	254,877.90
<i>Account</i>					
<i>Total</i>	726,265.89	35.12	20,678.12	31.86	658,833.61

Composite Average Remaining Life ... 31.86 Years

Pennichuck East Utility***Total Company******304.20 POWER AND PUMPING STRUCTURES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Atkinson_Atkinson***Interim Survivor Curve: Iowa 48 L1******Probable Retirement Year: 2038***

1990	1,194.63	37.74	31.65	25.26	799.72
1993	24,671.00	36.31	679.50	26.09	17,726.94
Total	25,865.63	36.37	711.16	26.05	18,526.66

Derry_East DerryFarmstead***Interim Survivor Curve: Iowa 48 L1******Probable Retirement Year: 2045***

1991	843.83	40.24	20.97	28.67	601.30
1994	479.03	39.05	12.27	29.74	364.90
1995	866.00	38.63	22.42	30.12	675.32
2001	4,443.50	35.80	124.12	32.51	4,034.47
Total	6,632.36	36.89	179.78	31.57	5,675.97

Derry_Maple Hills***Interim Survivor Curve: Iowa 48 L1******Probable Retirement Year: 2031***

1986	6,325.98	36.31	174.23	20.76	3,616.46
1987	4,764.16	35.80	133.07	20.92	2,784.42
1988	13,063.99	35.28	370.29	21.10	7,812.23
1989	9,165.00	34.75	263.78	21.28	5,612.78
1990	9,219.06	34.20	269.60	21.47	5,787.33
1995	2,396.41	31.22	76.76	22.49	1,726.32
Total	44,934.60	34.89	1,287.72	21.23	27,339.53

Pennichuck East Utility***Total Company******304.20 POWER AND PUMPING STRUCTURES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Hooksett_Wesco***Interim Survivor Curve: Iowa 48 L1******Probable Retirement Year: 2045***

2000	9,403.00	36.31	258.98	32.10	8,313.40
Total	9,403.00	36.31	258.98	32.10	8,313.40

Litchfield_Litchfield***Interim Survivor Curve: Iowa 48 L1******Probable Retirement Year: 2039***

1974	1,445.37	43.64	33.12	22.49	744.68
1975	7,740.88	43.39	178.40	22.65	4,041.47
1977	11,886.08	42.85	277.37	22.99	6,376.54
1994	146,433.08	36.31	4,033.14	26.90	108,502.50
1995	1,358.80	35.80	37.95	27.21	1,032.75
Total	168,864.21	37.03	4,559.98	26.47	120,697.94

Londonderry_Avery***Interim Survivor Curve: Iowa 48 L1******Probable Retirement Year: 2043***

1988	66,192.44	40.61	1,630.15	26.93	43,893.83
1989	561.48	40.24	13.95	27.22	379.87
1990	1,063.79	39.85	26.69	27.53	734.80
1994	439.56	38.19	11.51	28.85	332.11
Total	68,257.27	40.57	1,682.31	26.95	45,340.61

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Londonderry_Londonderry

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2046

1984	71,796.32	42.85	1,675.43	26.89	45,045.13
1985	4,146.19	42.57	97.40	27.16	2,645.58
1986	28,520.41	42.27	674.73	27.45	18,519.45
1990	1,212.46	40.96	29.60	28.72	850.00
2001	546,530.20	36.31	15,052.83	33.01	496,968.10
2002	63,353.88	35.80	1,769.59	33.43	59,164.40
<i>Total</i>	715,559.46	37.08	19,299.59	32.29	623,192.65

Londonderry_Nesenkeag

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2031

1986	5,073.42	36.31	139.73	20.76	2,900.39
1988	10,251.99	35.28	290.58	21.10	6,130.66
1989	530.79	34.75	15.28	21.28	325.06
1993	613.80	32.46	18.91	22.07	417.32
<i>Total</i>	16,470.00	35.46	464.51	21.04	9,773.43

Londonderry_Pine Haven

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2042

1997	21,311.24	36.31	586.97	29.44	17,277.46
<i>Total</i>	21,311.24	36.31	586.97	29.44	17,277.46

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Londonderry_R&B

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1988	1,356.53	40.61	33.41	26.93	899.55
Total	1,356.53	40.61	33.41	26.93	899.55

Londonderry_Springwood Hills

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2042

1997	74,448.89	36.31	2,050.51	29.44	60,357.24
Total	74,448.89	36.31	2,050.51	29.44	60,357.24

Pelham_Gage Hill

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2031

1986	4,693.46	36.31	129.27	20.76	2,683.18
1990	2,886.36	34.20	84.41	21.47	1,811.93
1993	1,672.00	32.46	51.52	22.07	1,136.78
Total	9,251.82	34.89	265.19	21.24	5,631.89

Pelham_Pelham

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1987	3,000.28	40.96	73.24	26.64	1,951.40
1989	14,599.74	40.24	362.86	27.22	9,877.57
1990	7,493.00	39.85	188.02	27.53	5,175.71

Pennichuck East Utility**Total Company****304.20 POWER AND PUMPING STRUCTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique**

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
Total	25,093.02	40.21	624.12	27.25	17,004.67

Pelham_Stonegate**Interim Survivor Curve: Iowa 48 LI****Probable Retirement Year: 2047**

1990	1,261.09	41.31	30.53	29.09	887.99
1991	2,441.58	40.96	59.61	29.44	1,754.94
1992	2,613.00	40.61	64.35	29.81	1,918.35
1993	2,211.00	40.24	54.95	30.19	1,658.96
1995	879.49	39.46	22.29	30.98	690.48
2002	25,393.44	36.31	699.40	33.94	23,738.99
Total	34,799.60	37.37	931.13	32.92	30,649.70

Pelham_Williamsburg**Interim Survivor Curve: Iowa 48 LI****Probable Retirement Year: 2033**

1988	152,590.29	36.31	4,202.72	22.22	93,391.74
1993	900.00	33.63	26.76	23.29	623.35
1994	900.00	33.05	27.23	23.53	640.63
Total	154,390.29	36.27	4,256.72	22.24	94,655.73

Plaistow_Rolling Hills**Interim Survivor Curve: Iowa 48 LI****Probable Retirement Year: 2031**

1986	7,126.10	36.31	196.27	20.76	4,073.88
1992	1,041.37	33.05	31.51	21.86	688.80
1998	550.00	29.25	18.80	23.15	435.17

Pennichuck East Utility**Total Company****304.20 POWER AND PUMPING STRUCTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique**

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
(1)	(2)	(3)	(4)	(5)	(6)
Total	8,717.47	35.35	246.58	21.08	5,197.85

Raymond_Liberty Tree**Interim Survivor Curve: Iowa 48 L1****Probable Retirement Year: 2033**

1988	43,727.18	36.31	1,204.36	22.22	26,762.89
1989	1,128.30	35.80	31.52	22.42	706.63
Total	44,855.48	36.29	1,235.87	22.23	27,469.52

Sandown_Beaver Hollow**Interim Survivor Curve: Iowa 48 L1****Probable Retirement Year: 2034**

1986	3,034.99	37.74	80.42	22.36	1,798.50
1988	1,299.50	36.80	35.31	22.76	803.73
1989	6,060.24	36.31	166.91	22.97	3,833.95
1990	1,918.62	35.80	53.59	23.19	1,242.61
Total	12,313.35	36.62	336.24	22.84	7,678.78

Windham_Goldenbrook**Interim Survivor Curve: Iowa 48 L1****Probable Retirement Year: 2034**

1989	17,460.57	36.31	480.91	22.97	11,046.24
1993	641.12	34.20	18.75	23.88	447.77
Total	18,101.69	36.23	499.66	23.00	11,494.01

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Windham_Hardwood

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2036

1989	1,133.21	37.28	30.40	24.02	730.17
1990	1,087.85	36.80	29.56	24.26	717.06
1991	12,001.94	36.31	330.56	24.50	8,099.44
1992	811.89	35.80	22.68	24.76	561.39
1994	474.37	34.75	13.65	25.28	345.18
1995	2,900.60	34.20	84.82	25.56	2,167.75
1996	405.11	33.63	12.05	25.83	311.18
1998	39,207.97	32.46	1,208.03	26.40	31,889.44
Total	58,022.94	33.51	1,731.76	25.88	44,821.63

Windham_Shadybrook

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2034

1989	2,149.83	36.31	59.21	22.97	1,360.07
Total	2,149.83	36.31	59.21	22.97	1,360.07

Windham_W&E

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2046

1989	13,672.53	41.31	331.00	28.38	9,394.28
1995	27,122.36	39.05	694.59	30.56	21,223.88
Total	40,794.89	39.78	1,025.59	29.85	30,618.16

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

WindhamDerry_Oakwood

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2046

2001	38,214.79	36.31	1,052.53	33.01	34,749.28
2002	1,570.63	35.80	43.87	33.43	1,466.77
<i>Total</i>	39,785.42	36.29	1,096.40	33.03	36,216.05

Account

<i>Total</i>	1,601,378.99	36.88	43,423.36	28.79	1,250,192.50
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Composite Average Remaining Life ... 28.79 Years

Pennichuck East Utility***Total Company******304.50 DISTRIBUTION RESERVOIR & STANDPIPE BLDGS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Hooksett_Wesco

Interim Survivor Curve: Iowa 60 L1***Probable Retirement Year: 2045***

2000	7,360.00	39.03	188.59	34.76	6,554.60
<i>Total</i>	7,360.00	39.03	188.59	34.76	6,554.60
<i>Account</i>					
<i>Total</i>	7,360.00	39.03	188.59	34.76	6,554.60

Composite Average Remaining Life ... 34.76 Years

Pennichuck East Utility
Total Company
304.55 BOOSTER STATION STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Litchfield_Litchfield

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2048

2003	118,529.98	39.03	3,037.15	37.59	114,154.53
2004	26,088.60	38.39	679.61	37.91	25,761.03
Total	144,618.58	38.91	3,716.76	37.64	139,915.55

Londonderry_South Road

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2043

1998	36,623.62	39.03	938.42	32.91	30,880.88
Total	36,623.62	39.03	938.42	32.91	30,880.88

Londonderry_Springwood Hills

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2048

2003	14,852.66	39.03	380.58	37.59	14,304.38
2004	2,346.08	38.39	61.12	37.91	2,316.62
Total	17,198.74	38.94	441.69	37.63	16,621.01

Windham_Castle Reach

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2049

2004	112,500.00	39.03	2,882.64	38.55	111,111.43
Total	112,500.00	39.03	2,882.64	38.55	111,111.43

Pennichuck East Utility**Total Company****304.55 BOOSTER STATION STRUCTURES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)

Windham_W&E

Interim Survivor Curve: Iowa 60 L1**Probable Retirement Year: 2049**

2004	27,521.48	39.03	705.20	38.55	27,181.79
Total	27,521.48	39.03	705.20	38.55	27,181.79
Account					
Total	338,462.42	38.97	8,684.71	37.50	325,710.67

Composite Average Remaining Life ... 37.50 Years

Pennichuck East Utility***Total Company******307.10 WELLS & SPRINGS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 29******Survivor Curve: L3***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1984	5,630.07	29.00	194.14	11.19	2,172.63
1985	6,432.76	29.00	221.82	11.73	2,601.44
1986	10,773.00	29.00	371.49	12.32	4,578.24
1988	172,106.31	29.00	5,934.80	13.69	81,276.62
1989	65,848.87	29.00	2,270.69	14.46	32,827.37
1990	3,200.00	29.00	110.35	15.26	1,683.75
1991	5,832.02	29.00	201.11	16.09	3,236.56
1993	11,163.00	29.00	384.94	17.84	6,868.31
1994	1,777.34	29.00	61.29	18.75	1,149.05
1998	10,437.50	29.00	359.92	22.53	8,110.24
1999	595.20	29.00	20.52	23.51	482.61
2001	51,788.70	29.00	1,785.85	25.50	45,539.44
2002	69,332.64	29.00	2,390.82	26.50	63,355.56
2003	3,872.00	29.00	133.52	27.50	3,671.72
2004	232,840.66	29.00	8,029.13	28.50	228,826.10
<i>Total</i>	651,630.07	29.00	22,470.39	21.65	486,379.64

Composite Average Remaining Life ... 21.65 Years

Pennichuck East Utility***Total Company******311.20 ELECTRIC PUMPING EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 20******Survivor Curve: L0.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	66,891.37	20.00	3,344.42	10.88	36,387.57
1987	13,082.78	20.00	654.11	11.20	7,323.40
1988	52,631.70	20.00	2,631.47	11.52	30,317.93
1989	214,502.00	20.00	10,724.63	11.86	127,144.09
1990	4,197.35	20.00	209.86	12.20	2,560.10
1991	6,418.62	20.00	320.92	12.55	4,028.32
1992	10,476.91	20.00	523.82	12.92	6,765.75
1993	16,211.98	20.00	810.56	13.29	10,772.52
1994	20,979.42	20.00	1,048.93	13.68	14,348.04
1995	11,291.06	20.00	564.53	14.09	7,954.12
1996	14,681.95	20.00	734.07	14.53	10,664.86
1997	89,668.74	20.00	4,483.24	15.00	67,260.59
1998	26,124.74	20.00	1,306.18	15.51	20,264.28
1999	76,447.21	20.00	3,822.19	16.07	61,416.63
2000	44,603.72	20.00	2,230.09	16.67	37,168.72
2001	115,389.08	20.00	5,769.20	17.31	99,879.20
2002	81,821.15	20.00	4,090.88	18.00	73,652.05
2003	17,568.33	20.00	878.38	18.75	16,469.72
2004	49,654.50	20.00	2,482.62	19.56	48,553.25
<i>Total</i>	932,642.61	20.00	46,630.11	14.65	682,931.16

Composite Average Remaining Life ... 14.65 Years

Pennichuck East Utility***Total Company******311.60 OTHER POWER PUMPING EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 30******Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	3,888.00	30.00	129.60	24.66	3,196.04
2002	287.71	30.00	9.59	27.55	264.22
<i>Total</i>	<i>4,175.71</i>	<i>30.00</i>	<i>139.19</i>	<i>24.86</i>	<i>3,460.26</i>

Composite Average Remaining Life ... 24.86 Years

Pennichuck East Utility***Total Company******320.00 PURIFICATION SYSTEM EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 12******Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1990	19,526.04	12.00	1,627.11	1.97	3,199.28
1991	11,552.81	12.00	962.70	2.28	2,198.17
1992	28,364.47	12.00	2,363.62	2.66	6,298.97
1993	4,297.93	12.00	358.15	3.12	1,117.13
1994	8,392.09	12.00	699.32	3.65	2,549.90
1996	52,792.03	12.00	4,399.18	4.89	21,517.42
1998	29,276.81	12.00	2,439.65	6.34	15,468.64
1999	36,005.90	12.00	3,000.38	7.13	21,384.46
2000	17,476.41	12.00	1,456.31	7.95	11,578.62
2001	56,783.90	12.00	4,731.82	8.81	41,670.71
2002	1,534.46	12.00	127.87	9.69	1,239.16
2003	23,814.48	12.00	1,984.47	10.60	21,035.18
2004	15,900.00	12.00	1,324.95	11.53	15,275.88
<i>Total</i>	305,717.33	12.00	25,475.52	6.46	164,533.52

Composite Average Remaining Life ... 6.46 Years

Pennichuck East Utility***Total Company******320.10 OTHER PRODUCTION EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 20******Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	19,382.52	20.00	969.13	14.72	14,264.54
<i>Total</i>	19,382.52	20.00	969.13	14.72	14,264.54

Composite Average Remaining Life ... 14.72 Years

Pennichuck East Utility***Total Company******320.20 WATER TREATMENT EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 12******Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	1,014.32	12.00	84.52	6.34	535.92
<i>Total</i>	1,014.32	12.00	84.52	6.34	535.92

Composite Average Remaining Life ... 6.34 Years

Pennichuck East Utility**Total Company****330.00 DISTRIBUTION RESERVOIRS & STANDPIPES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique**

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Litchfield_Litchfield**Interim Survivor Curve: Iowa 85 R2.5****Probable Retirement Year: 2063**

2003	798,727.00	56.55	14,125.21	55.10	778,316.52
Total	798,727.00	56.55	14,125.21	55.10	778,316.52

Windham_W&E**Interim Survivor Curve: Iowa 85 R2.5****Probable Retirement Year: 2061**

2001	13,072.97	56.55	231.19	53.18	12,294.57
Total	13,072.97	56.55	231.19	53.18	12,294.57

Account

Total	811,799.97	56.55	14,356.41	55.07	790,611.09
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Composite Average Remaining Life ... 55.07 Years

Pennichuck East Utility**Total Company****331.01 PAVEMENTS-TRANSMISSION MAINS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 15****Survivor Curve: R3**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
1999	877.10	15.00	58.47	9.79	572.53
Total	877.10	15.00	58.47	9.79	572.53

Composite Average Remaining Life ... 9.79 Years

Pennichuck East Utility***Total Company******331.02 PAVEMENTS-DISTRIBUTION MAINS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 15******Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2002	2,763.72	15.00	184.25	12.57	2,315.80
<i>Total</i>	2,763.72	15.00	184.25	12.57	2,315.80

Composite Average Remaining Life ... 12.57 Years

Pennichuck East Utility**Total Company****331.04 PAVEMENTS****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 15****Survivor Curve: R3**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
2004	2,808.61	15.00	187.24	14.51	2,716.57
Total	2,808.61	15.00	187.24	14.51	2,716.57

Composite Average Remaining Life ... 14.51 Years

Pennichuck East Utility***Total Company******331.10 TRANSMISSION MAINS-NEW******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 100******Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2000	1,161,240.27	100.00	11,612.45	95.58	1,109,895.81
2001	76,802.97	100.00	768.03	96.56	74,160.52
2002	61,901.59	100.00	619.02	97.54	60,378.92
<i>Total</i>	1,299,944.83	100.00	12,999.50	95.73	1,244,435.24

Composite Average Remaining Life ... 95.73 Years

Pennichuck East Utility**Total Company****331.15 TRANSMISSION MAINS-DEVELOPER INSTALLED****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 100****Survivor Curve: R3**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
2001	215,050.15	100.00	2,150.51	96.56	207,651.22
Total	215,050.15	100.00	2,150.51	96.56	207,651.22

Composite Average Remaining Life ... 96.56 Years

Pennichuck East Utility
Total Company
331.20 DISTRIBUTION MAINS-NEW
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 65

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1974	2,638.79	65.00	40.60	38.02	1,543.68
1975	23,355.87	65.00	359.32	38.83	13,952.54
1976	47,142.85	65.00	725.27	39.64	28,750.61
1977	200,477.10	65.00	3,084.26	40.46	124,788.80
1978	2,228.93	65.00	34.29	41.28	1,415.66
1982	22,452.13	65.00	345.42	44.64	15,420.29
1983	56,532.14	65.00	869.72	45.50	39,570.89
1984	102,910.64	65.00	1,583.24	46.36	73,394.57
1985	593,048.20	65.00	9,123.81	47.22	430,863.39
1986	664,790.74	65.00	10,227.54	48.10	491,898.88
1987	458,722.69	65.00	7,057.26	48.97	345,603.54
1988	3,235,587.87	65.00	49,778.21	49.85	2,481,600.73
1989	4,066,489.06	65.00	62,561.29	50.74	3,174,288.38
1990	730,758.80	65.00	11,242.43	51.63	580,451.70
1991	106,217.76	65.00	1,634.12	52.53	85,832.83
1992	89,964.62	65.00	1,384.07	53.43	73,945.69
1993	105,264.14	65.00	1,619.45	54.33	87,984.75
1994	65,448.74	65.00	1,006.90	55.24	55,620.81
1995	422,941.14	65.00	6,506.78	56.15	365,366.00
1996	31,724.34	65.00	488.07	57.07	27,853.44
1997	172,695.83	65.00	2,656.86	57.99	154,067.71
1998	861,710.28	65.00	13,257.06	58.91	781,021.17
2000	102,778.97	65.00	1,581.21	60.77	96,093.74
2001	52,773.06	65.00	811.89	61.71	50,099.19
2002	212,500.28	65.00	3,269.23	62.64	204,796.79
2003	797,574.20	65.00	12,270.36	63.58	780,203.14
2004	350,452.06	65.00	5,391.56	64.53	347,902.64

Pennichuck East Utility**Total Company****331.20 DISTRIBUTION MAINS-NEW****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 65****Survivor Curve: R2.5**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
Total	13,579,181.23	65.00	208,910.20	52.24	10,914,331.58

Composite Average Remaining Life ... 52.24 Years

Pennichuck East Utility***Total Company******331.25 DISTR MAINS-GATE VALVES******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 65******Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	1,450.00	65.00	22.31	58.91	1,314.22
2000	1,944.07	65.00	29.91	60.77	1,817.62
2004	11,126.49	65.00	171.18	64.53	11,045.55
<i>Total</i>	14,520.56	65.00	223.39	63.46	14,177.39

Composite Average Remaining Life ... 63.46 Years

Pennichuck East Utility***Total Company******331.30 DISTR MAINS-DEVELOPER INSTALLED******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 65******Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	112,379.24	65.00	1,728.91	59.84	103,460.45
2000	1,024,930.34	65.00	15,768.14	60.77	958,264.05
2001	462,096.20	65.00	7,109.16	61.71	438,683.03
2002	625,412.35	65.00	9,621.72	62.64	602,740.10
2003	540,210.37	65.00	8,310.92	63.58	528,444.66
2004	721,271.52	65.00	11,096.47	64.53	716,024.52
<i>Total</i>	3,486,300.02	65.00	53,635.31	62.41	3,347,616.80

Composite Average Remaining Life ... 62.41 Years

Pennichuck East Utility**Total Company****333.04 PAVEMENTS-NEW SERVICES****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 15****Survivor Curve: R3**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
1998	357.39	15.00	23.83	8.92	212.43
1999	3,163.87	15.00	210.92	9.79	2,065.24
2000	1,137.60	15.00	75.84	10.69	811.08
2001	3,225.42	15.00	215.03	11.62	2,499.02
2002	668.65	15.00	44.58	12.57	560.28
2003	14,611.80	15.00	974.11	13.53	13,182.28
2004	4,856.66	15.00	323.78	14.51	4,697.51
Total	28,021.39	15.00	1,868.08	12.86	24,027.83

Composite Average Remaining Life ... 12.86 Years

Pennichuck East Utility***Total Company******333.10 SERVICES-NEW******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 55******Survivor Curve: R2***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1974	383.40	55.00	6.97	29.96	208.88
1975	4,085.00	55.00	74.27	30.68	2,278.94
1976	7,669.16	55.00	139.44	31.41	4,380.10
1977	20,882.61	55.00	379.68	32.15	12,206.41
1978	1,673.83	55.00	30.43	32.89	1,001.05
1979	192.19	55.00	3.49	33.64	117.57
1981	660.87	55.00	12.02	35.17	422.59
1982	8,419.44	55.00	153.08	35.94	5,502.23
1983	1,997.31	55.00	36.31	36.72	1,333.63
1984	25,003.68	55.00	454.61	37.51	17,053.51
1985	29,914.76	55.00	543.90	38.31	20,835.24
1986	97,421.41	55.00	1,771.29	39.11	69,270.04
1987	53,383.21	55.00	970.60	39.92	38,741.88
1988	98,075.71	55.00	1,783.19	40.73	72,629.34
1989	228,314.87	55.00	4,151.17	41.55	172,484.93
1990	64,574.48	55.00	1,174.08	42.38	49,755.12
1991	106,007.24	55.00	1,927.40	43.21	83,282.90
1992	110,108.45	55.00	2,001.97	44.05	88,185.80
1993	101,915.17	55.00	1,853.00	44.90	83,190.33
1994	118,832.19	55.00	2,160.58	45.75	98,838.02
1995	131,439.60	55.00	2,389.80	46.60	111,371.44
1996	120,240.49	55.00	2,186.18	47.46	103,767.01
1997	121,392.26	55.00	2,207.12	48.33	106,673.92
1998	57,031.12	55.00	1,036.93	49.20	51,021.76
1999	14,355.42	55.00	261.01	50.08	13,072.04
2000	22,659.52	55.00	411.99	50.97	20,997.66
2001	13,242.93	55.00	240.78	51.85	12,485.54

Pennichuck East Utility**Total Company****333.10 SERVICES-NEW****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 55****Survivor Curve: R2**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
2002	52,231.26	55.00	949.66	52.75	50,091.26
2003	8,254.27	55.00	150.08	53.64	8,050.85
2004	22,587.25	55.00	410.68	54.55	22,401.25
Total	1,642,949.10	55.00	29,871.70	44.24	1,321,651.23

Composite Average Remaining Life ... 44.24 Years

Pennichuck East Utility***Total Company******333.20 SERVICES-RENEWED******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 55******Survivor Curve: R2***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	3,172.94	55.00	57.69	50.08	2,889.28
2000	306.45	55.00	5.57	50.97	283.97
2002	1,590.51	55.00	28.92	52.75	1,525.34
2003	2,759.37	55.00	50.17	53.64	2,691.37
2004	125,950.00	55.00	2,289.99	54.55	124,912.83
<i>Total</i>	<i>133,779.27</i>	<i>55.00</i>	<i>2,432.34</i>	<i>54.39</i>	<i>132,302.79</i>

Composite Average Remaining Life ... 54.39 Years

Pennichuck East Utility**Total Company****333.23 SERVICES-DEVELOPER INSTALLED (CIAC)****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 55****Survivor Curve: R2**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
1998	48,424.00	55.00	880.43	49.20	43,321.57
1999	55,841.00	55.00	1,015.29	50.08	50,848.78
2000	38,284.00	55.00	696.07	50.97	35,476.23
2002	83,418.63	55.00	1,516.70	52.75	80,000.83
2003	65,399.18	55.00	1,189.07	53.64	63,787.46
2004	67,873.03	55.00	1,234.05	54.55	67,314.11
Total	359,239.84	55.00	6,531.61	52.17	340,748.98

Composite Average Remaining Life ... 52.17 Years

Pennichuck East Utility***Total Company******333.25 SERVICES-DEVELOPER INSTALLED (PAID)******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 55******Survivor Curve: R2***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	47,649.95	55.00	866.36	49.20	42,629.08
1999	55,495.87	55.00	1,009.01	50.08	50,534.50
2000	84,428.90	55.00	1,535.07	50.97	78,236.83
2001	92,827.63	55.00	1,687.77	51.85	87,518.66
2002	55,233.56	55.00	1,004.24	52.75	52,970.55
2003	44,308.51	55.00	805.61	53.64	43,216.56
2004	95,955.66	55.00	1,744.64	54.55	95,165.48
<i>Total</i>	475,900.08	55.00	8,652.70	52.04	450,271.67

Composite Average Remaining Life ... 52.04 Years

***Pennichuck East Utility
Total Company
334.10 METERING EQUIPMENT***

***Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Average Service Life: 25

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1978	17,043.90	25.00	681.75	5.33	3,636.08
1979	2,825.13	25.00	113.00	5.76	650.49
1980	8.99	25.00	0.36	6.21	2.23
1981	29.19	25.00	1.17	6.71	7.83
1982	46.28	25.00	1.85	7.23	13.39
1983	95.29	25.00	3.81	7.79	29.71
1984	94.94	25.00	3.80	8.38	31.84
1985	774.89	25.00	31.00	9.00	279.10
1986	3,307.63	25.00	132.30	9.65	1,276.93
1987	16,189.01	25.00	647.56	10.32	6,685.22
1988	61,340.53	25.00	2,453.60	11.02	27,038.09
1989	17,250.72	25.00	690.02	11.74	8,099.47
1990	34,902.10	25.00	1,396.07	12.48	17,419.10
1991	64,667.71	25.00	2,586.69	13.24	34,238.60
1992	28,116.51	25.00	1,124.65	14.01	15,761.77
1993	170,028.50	25.00	6,801.08	14.81	100,733.51
1994	98,372.47	25.00	3,934.87	15.63	61,483.89
1995	74,794.75	25.00	2,991.77	16.46	49,232.59
1996	27,891.88	25.00	1,115.67	17.30	19,303.71
1997	32,808.60	25.00	1,312.33	18.16	23,836.75
1998	33,438.02	25.00	1,337.51	19.04	25,464.57
1999	40,774.14	25.00	1,630.95	19.93	32,499.84
2000	40,024.25	25.00	1,600.96	20.83	33,343.16
2001	40,804.15	25.00	1,632.15	21.74	35,479.96
2002	35,328.10	25.00	1,413.11	22.66	32,020.15
2003	41,363.73	25.00	1,654.54	23.59	39,029.83
2004	61,027.13	25.00	2,441.06	24.53	59,874.73

Pennichuck East Utility
Total Company
334.10 METERING EQUIPMENT

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 25

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
Total	943,348.54	25.00	37,733.63	16.63	627,472.55

Composite Average Remaining Life ... 16.63 Years

Pennichuck East Utility***Total Company******334.11 METERS-DIGAMATIC READERS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 10******Survivor Curve: R2***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2003	602,589.16	10.00	60,253.44	8.67	522,430.00
<i>Total</i>	602,589.16	10.00	60,253.44	8.67	522,430.00

Composite Average Remaining Life ... 8.67 Years

Pennichuck East Utility***Total Company******335.00 HYDRANTS******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 75******Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1975	1,677.09	75.00	22.36	47.18	1,055.10
1976	3,346.06	75.00	44.61	48.07	2,144.42
1977	18,518.42	75.00	246.91	48.95	12,087.00
1978	828.77	75.00	11.05	49.85	550.82
1979	8,480.80	75.00	113.08	50.74	5,738.09
1984	21,266.87	75.00	283.56	55.31	15,684.24
1985	20,679.92	75.00	275.73	56.24	15,507.00
1986	23,299.25	75.00	310.66	57.17	17,760.39
1987	19,873.40	75.00	264.98	58.11	15,397.23
1988	28,190.88	75.00	375.88	59.05	22,194.53
1989	67,060.64	75.00	894.14	59.99	53,639.90
1990	6,968.37	75.00	92.91	60.94	5,661.92
1993	3,932.50	75.00	52.43	63.80	3,345.36
1994	16,345.44	75.00	217.94	64.76	14,114.32
1995	33,027.29	75.00	440.36	65.73	28,943.35
1996	22,946.37	75.00	305.95	66.69	20,404.86
1997	24,849.60	75.00	331.33	67.66	22,418.33
1998	1,816.02	75.00	24.21	68.63	1,661.86
2000	3,051.23	75.00	40.68	70.58	2,871.56
2002	1,454.61	75.00	19.39	72.54	1,406.94
<i>Total</i>	327,613.53	75.00	4,368.18	60.11	262,587.23

Composite Average Remaining Life ... 60.11 Years

Pennichuck East Utility***Total Company******335.10 HYDRANTS-DEVELOPER INSTALLED******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 75******Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	10,453.68	75.00	139.38	69.61	9,702.10
2000	60,372.49	75.00	804.97	70.58	56,817.55
2001	34,756.44	75.00	463.42	71.56	33,163.05
2002	32,110.21	75.00	428.14	72.54	31,057.94
2003	62,659.00	75.00	835.45	73.52	61,425.87
2004	113,183.80	75.00	1,509.12	74.51	112,440.37
<i>Total</i>	313,535.62	75.00	4,180.47	72.86	304,606.87

Composite Average Remaining Life ... 72.86 Years

Pennichuck East Utility**Total Company****339.00 OTHER TRANS/DISTR EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 50****Survivor Curve: R3**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
1999	14,442.26	50.00	288.85	44.62	12,889.23
2000	30,373.80	50.00	607.48	45.59	27,697.08
2001	7,557.57	50.00	151.15	46.57	7,038.76
2002	19,167.71	50.00	383.35	47.54	18,226.50
Total	71,541.34	50.00	1,430.83	46.02	65,851.58

Composite Average Remaining Life ... 46.02 Years

Pennichuck East Utility**Total Company****343.00 SHOP EQUIPMENT****Original Cost Of Utility Plant In Service****And Development Of Composite Remaining Life as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Average Service Life: 12****Survivor Curve: L4**

Year	Original Cost	Avg. Service Life	Avg. Annual Accrual	Avg. Remaining Life	Future Annual Accruals
(1)	(2)	(3)	(4)	(5)	(6)
1989	8,370.00	12.00	697.51	1.78	1,241.99
1990	5,979.88	12.00	498.33	2.00	994.66
1991	1,825.00	12.00	152.09	2.18	331.60
1992	17,005.04	12.00	1,417.11	2.32	3,284.76
1993	14,365.87	12.00	1,197.18	2.48	2,974.79
1994	6,690.85	12.00	557.58	2.79	1,553.29
1996	17,084.14	12.00	1,423.70	3.98	5,669.80
1997	12,052.30	12.00	1,004.38	4.77	4,790.69
Total	83,373.08	12.00	6,947.88	3.00	20,841.58

Composite Average Remaining Life ... 3.00 Years

Pennichuck East Utility***Total Company******346.00 COMMUNICATION EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 9******Survivor Curve: L2***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	583.04	9.00	64.78	1.35	87.26
1989	5,043.21	9.00	560.35	1.96	1,095.96
1992	19,276.78	9.00	2,141.85	2.66	5,703.62
1995	575.00	9.00	63.89	3.40	217.32
1997	2,731.17	9.00	303.46	3.90	1,182.33
1999	4,544.81	9.00	504.98	4.60	2,321.36
2000	1,689.83	9.00	187.76	5.13	963.26
2001	22,976.59	9.00	2,552.94	5.82	14,870.76
2002	82,876.75	9.00	9,208.47	6.64	61,175.43
2003	25,047.00	9.00	2,782.98	7.54	20,978.49
2004	19,920.45	9.00	2,213.37	8.50	18,817.34
<i>Total</i>	185,264.63	9.00	20,584.82	6.19	127,413.13

Composite Average Remaining Life ... 6.19 Years

Pennichuck East Utility***Total Company******347.11 COMPUTER EQUIPMENT-HARDWARE/SOFTWARE******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 8******Survivor Curve: R4***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	2,470.42	8.00	308.80	2.08	643.64
1999	26,695.90	8.00	3,336.96	2.82	9,412.44
2000	7,318.01	8.00	914.74	3.65	3,340.46
<i>Total</i>	36,484.33	8.00	4,560.50	2.94	13,396.55

Composite Average Remaining Life ... 2.94 Years

Pennichuck East Utility***Total Company******348.00 MISCELLANEOUS GENERAL EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Composite Remaining Life as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Average Service Life: 11******Survivor Curve: L5***

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2001	8,999.46	11.00	818.21	7.50	6,135.71
<i>Total</i>	8,999.46	11.00	818.21	7.50	6,135.71

Composite Average Remaining Life ... 7.50 Years

Pennichuck East Utility**Total Company****304.10 SOURCE OF SUPPLY STRUCTURES****Original Cost Of Utility Plant In Service**

And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)

Bow_White Rock

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2049

2004	162,000.00	35.34	35.80	0.01370	2,220
Total	162,000.00				2,220

Derry_East DerryFarmstead

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2045

2000	1,990.00	31.86	35.80	0.11558	230
Total	1,990.00				230

Derry_Maple Hills

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2031

1986	12,977.77	21.19	35.80	0.42863	5,563
Total	12,977.77				5,563

Londonderry_Avery

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2043

1993	1,225.13	28.91	38.22	0.25581	314
1994	2,364.80	29.16	37.76	0.23916	566

Pennichuck East Utility
Total Company
304.10 SOURCE OF SUPPLY STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
Total	3,589.93				880

Londonderry_Harvest Village

Interim Survivor Curve: Iowa 50 L0.5
Probable Retirement Year: 2043

1998	2,027.52	30.23	35.80	0.16360	332
Total	2,027.52				332

Londonderry_Londonderry

Interim Survivor Curve: Iowa 50 L0.5
Probable Retirement Year: 2046

1988	4,947.81	29.01	41.46	0.31526	1,560
2004	1,325.73	33.73	34.20	0.01439	20
Total	6,273.54				1,580

Londonderry_Nesenkeag

Interim Survivor Curve: Iowa 50 L0.5
Probable Retirement Year: 2031

1986	15,687.92	21.19	35.80	0.42863	6,725
1993	1,269.66	22.13	31.88	0.32121	408
Total	16,957.58				7,133

Pennichuck East Utility**Total Company****304.10 SOURCE OF SUPPLY STRUCTURES****Original Cost Of Utility Plant In Service****And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique****Salvage Value: -5 %**

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
Londonderry_Pine Haven					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2042					
1994	10,000.00	28.66	37.29	0.24297	2,430
Total	10,000.00				2,430
Pelham_Gage Hill					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2031					
1986	644.74	21.19	35.80	0.42863	277
Total	644.74				277
Pelham_Meadowview					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2047					
2002	152,834.86	33.56	35.80	0.06585	10,065
Total	152,834.86				10,065
Pelham_Williamsburg					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2033					
2002	37,748.39	25.00	27.31	0.08875	3,351
Total	37,748.39				3,351

Pennichuck East Utility***Total Company******304.10 SOURCE OF SUPPLY STRUCTURES******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -5 %***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Raymond_Liberty Tree***Interim Survivor Curve: Iowa 50 L0.5******Probable Retirement Year: 2033***

1988	5,880.52	22.63	35.80	0.38640	2,273
1993	972.89	23.40	33.07	0.30707	299
<i>Total</i>	6,853.41				2,572

Sandown_Beaver Hollow***Interim Survivor Curve: Iowa 50 L0.5******Probable Retirement Year: 2034***

1986	3,759.22	22.91	37.29	0.40493	1,523
1993	1,026.30	24.01	33.64	0.30059	309
1999	12,323.35	25.11	30.00	0.17137	2,112
2000	1,590.00	25.30	29.35	0.14487	231
<i>Total</i>	18,698.87				4,175

Windham_Goldenbrook***Interim Survivor Curve: Iowa 50 L0.5******Probable Retirement Year: 2034***

1989	3,553.72	23.35	35.80	0.36509	1,298
2000	6,209.99	25.30	29.35	0.14487	900
<i>Total</i>	9,763.71				2,198

***Pennichuck East Utility
Total Company
304.10 SOURCE OF SUPPLY STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
Windham_Hardwood					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2036					
1991	2,725.59	24.83	35.80	0.32196	878
1993	902.19	25.20	34.75	0.28868	261
Total	3,627.78				1,139
Windham_W&B					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2046					
1989	7,520.00	29.26	41.10	0.30250	2,275
2001	255,537.34	32.70	35.80	0.09095	23,243
2002	17,220.45	33.03	35.28	0.06694	1,153
Total	280,277.79				26,671
Account					
Total	726,265.89				70,817.40

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Atkinson_Atkinson

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2038

1990	1,194.63	25.26	37.74	0.34710	415
1993	24,671.00	26.09	36.31	0.29554	7,292
Total	25,865.63				7,707

Derry_East DerryFarmstead

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2045

1991	843.83	28.67	40.24	0.30179	255
1994	479.03	29.74	39.05	0.25018	120
1995	866.00	30.12	38.63	0.23120	201
2001	4,443.50	32.51	35.80	0.09666	430
Total	6,632.36				1,006

Derry_Maple Hills

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2031

1986	6,325.98	20.76	36.31	0.44973	2,845
1987	4,764.16	20.92	35.80	0.43633	2,079
1988	13,063.99	21.10	35.28	0.42210	5,515
1989	9,165.00	21.28	34.75	0.40696	3,730
1990	9,219.06	21.47	34.20	0.39086	3,604
1995	2,396.41	22.49	31.22	0.29360	704

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
Total	44,934.60				18,478

Hooksett_Wesco

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2045

2000	9,403.00	32.10	36.31	0.12167	1,145
Total	9,403.00				1,145

Litchfield_Litchfield

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2039

1974	1,445.37	22.49	43.64	0.50902	736
1975	7,740.88	22.65	43.39	0.50180	3,885
1977	11,886.08	22.99	42.85	0.48671	5,786
1994	146,433.08	26.90	36.31	0.27198	39,828
1995	1,358.80	27.21	35.80	0.25195	343
Total	168,864.21				50,577

Londonderry_Avery

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2043

1988	66,192.44	26.93	40.61	0.35372	23,414
1989	561.48	27.22	40.24	0.33961	191
1990	1,063.79	27.53	39.85	0.32472	346
1994	439.56	28.85	38.19	0.25667	113

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
<hr/>					
Total	68,257.27				24,064

Londonderry_Londonderry

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2046

1984	71,796.32	26.89	42.85	0.39123	28,089
1985	4,146.19	27.16	42.57	0.38002	1,576
1986	28,520.41	27.45	42.27	0.36819	10,502
1990	1,212.46	28.72	40.96	0.31389	381
2001	546,530.20	33.01	36.31	0.09522	52,041
2002	63,353.88	33.43	35.80	0.06943	4,399
Total	715,559.46				96,988

Londonderry_Neseneag

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2031

1986	5,073.42	20.76	36.31	0.44973	2,282
1988	10,251.99	21.10	35.28	0.42210	4,328
1989	530.79	21.28	34.75	0.40696	217
1993	613.80	22.07	32.46	0.33611	207
Total	16,470.00				7,033

Londonderry_Pine Haven

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2042

Pennichuck East Utility**Total Company****304.20 POWER AND PUMPING STRUCTURES****Original Cost Of Utility Plant In Service**

**And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique**

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
1997	21,311.24	29.44	36.31	0.19874	4,236
Total	21,311.24				4,236

Londonderry_R&B

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1988	1,356.53	26.93	40.61	0.35372	480
Total	1,356.53				480

Londonderry_Springwood Hills

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2042

1997	74,448.89	29.44	36.31	0.19874	14,797
Total	74,448.89				14,797

Pelham_Gage Hill

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2031

1986	4,693.46	20.76	36.31	0.44973	2,111
1990	2,886.36	21.47	34.20	0.39086	1,129
1993	1,672.00	22.07	32.46	0.33611	562
Total	9,251.82				3,802

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)

Pelham_Pelham

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1987	3,000.28	26.64	40.96	0.36707	1,102
1989	14,599.74	27.22	40.24	0.33961	4,959
1990	7,493.00	27.53	39.85	0.32472	2,434
Total	25,093.02				8,494

Pelham_Stonegate

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2047

1990	1,261.09	29.09	41.31	0.31065	392
1991	2,441.58	29.44	40.96	0.29529	721
1992	2,613.00	29.81	40.61	0.27914	730
1993	2,211.00	30.19	40.24	0.26216	580
1995	879.49	30.98	39.46	0.22565	199
2002	25,393.44	33.94	36.31	0.06841	1,738
Total	34,799.60				4,360

Pelham_Williamsburg

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2033

1988	152,590.29	22.22	36.31	0.40736	62,159
1993	900.00	23.29	33.63	0.32275	291
1994	900.00	23.53	33.05	0.30260	273

Pennichuck East Utility**Total Company****304.20 POWER AND PUMPING STRUCTURES****Original Cost Of Utility Plant In Service**

And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
Total	154,390.29				62,723

Plaistow_Rolling Hills**Interim Survivor Curve: Iowa 48 L1****Probable Retirement Year: 2031**

1986	7,126.10	20.76	36.31	0.44973	3,205
1992	1,041.37	21.86	33.05	0.35549	371
1998	550.00	23.15	29.25	0.21923	121
Total	8,717.47				3,697

Raymond_Liberty Tree**Interim Survivor Curve: Iowa 48 L1****Probable Retirement Year: 2033**

1988	43,727.18	22.22	36.31	0.40736	17,813
1989	1,128.30	22.42	35.80	0.39241	443
Total	44,855.48				18,256

Sandown_Beaver Hollow**Interim Survivor Curve: Iowa 48 L1****Probable Retirement Year: 2034**

1986	3,034.99	22.36	37.74	0.42778	1,299
1988	1,299.50	22.76	36.80	0.40058	521
1989	6,060.24	22.97	36.31	0.38573	2,338
1990	1,918.62	23.19	35.80	0.36996	710

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<i>Total</i>	12,313.35				4,868

Windham_Goldenbrook

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2034

1989	17,460.57	22.97	36.31	0.38573	6,736
1993	641.12	23.88	34.20	0.31666	204
<i>Total</i>	18,101.69				6,939

Windham_Hardwood

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2036

1989	1,133.21	24.02	37.28	0.37345	424
1990	1,087.85	24.26	36.80	0.35789	390
1991	12,001.94	24.50	36.31	0.34141	4,098
1992	811.89	24.76	35.80	0.32396	264
1994	474.37	25.28	34.75	0.28595	136
1995	2,900.60	25.56	34.20	0.26529	770
1996	405.11	25.83	33.63	0.24345	99
1998	39,207.97	26.40	32.46	0.19599	7,685
<i>Total</i>	58,022.94				13,865

Windham_Shadybrook

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2034

Pennichuck East Utility***Total Company******304.20 POWER AND PUMPING STRUCTURES******Original Cost Of Utility Plant In Service***

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1989	2,149.83	22.97	36.31	0.38573	830
<i>Total</i>	2,149.83				830

Windham_W&E

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2046

1989	13,672.53	28.38	41.31	0.32855	4,493
1995	27,122.36	30.56	39.05	0.22835	6,194
<i>Total</i>	40,794.89				10,687

WindhamDerry_Oakwood

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2046

2001	38,214.79	33.01	36.31	0.09522	3,639
2002	1,570.63	33.43	35.80	0.06943	110
<i>Total</i>	39,785.42				3,749

Account

<i>Total</i>	1,601,378.99				368,782.82
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Pennichuck East Utility***Total Company******304.50 DISTRIBUTION RESERVOIR & STANDPIPE BLDGS******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -5 %***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<i>Hooksett_Wesco</i>					
<i>Interim Survivor Curve: Iowa 60 L1</i>					
<i>Probable Retirement Year: 2045</i>					
2000	7,360.00	34.76	39.03	0.11490	846
<i>Total</i>	7,360.00				846
<i>Account</i>					
<i>Total</i>	7,360.00				846.17

***Pennichuck East Utility
Total Company
304.55 BOOSTER STATION STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<i>Litchfield_Litchfield</i>					
<i>Interim Survivor Curve: Iowa 60 L1</i>					
<i>Probable Retirement Year: 2048</i>					
2003	118,529.98	37.59	39.03	0.03876	4,595
2004	26,088.60	37.91	38.39	0.01318	344
<i>Total</i>	144,618.58				4,939
<i>Londonderry_South Road</i>					
<i>Interim Survivor Curve: Iowa 60 L1</i>					
<i>Probable Retirement Year: 2043</i>					
1998	36,623.62	32.91	39.03	0.16464	6,030
<i>Total</i>	36,623.62				6,030
<i>Londonderry_Springwood Hills</i>					
<i>Interim Survivor Curve: Iowa 60 L1</i>					
<i>Probable Retirement Year: 2048</i>					
2003	14,852.66	37.59	39.03	0.03876	576
2004	2,346.08	37.91	38.39	0.01318	31
<i>Total</i>	17,198.74				608
<i>Windham_Castle Reach</i>					
<i>Interim Survivor Curve: Iowa 60 L1</i>					
<i>Probable Retirement Year: 2049</i>					
2004	112,500.00	38.55	39.03	0.01296	1,458

Pennichuck East Utility**Total Company****304.55 BOOSTER STATION STRUCTURES****Original Cost Of Utility Plant In Service**

And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
<hr/>					
Total	112,500.00				1,458
Windham_W&E					
Interim Survivor Curve: Iowa 60 L1					
Probable Retirement Year: 2049					
2004	27,521.48	38.55	39.03	0.01296	357
Total	27,521.48				357
Account					
Total	338,462.42				13,392.84

Pennichuck East Utility***Total Company******307.10 WELLS & SPRINGS******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -10 % Average Service Life: 29 Survivor Curve: L3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1984	5,630.07	11.19	29.00	0.67551	3,803
1985	6,432.76	11.73	29.00	0.65515	4,214
1986	10,773.00	12.32	29.00	0.63253	6,814
1988	172,106.31	13.69	29.00	0.58053	99,913
1989	65,848.87	14.46	29.00	0.55162	36,324
1990	3,200.00	15.26	29.00	0.52121	1,668
1991	5,832.02	16.09	29.00	0.48954	2,855
1993	11,163.00	17.84	29.00	0.42320	4,724
1994	1,777.34	18.75	29.00	0.38885	691
1998	10,437.50	22.53	29.00	0.24527	2,560
1999	595.20	23.51	29.00	0.20808	124
2001	51,788.70	25.50	29.00	0.13274	6,874
2002	69,332.64	26.50	29.00	0.09483	6,575
2003	3,872.00	27.50	29.00	0.05690	220
2004	232,840.66	28.50	29.00	0.01897	4,416
<i>Total</i>	<i>651,630.07</i>				<i>181,775.47</i>

Pennichuck East Utility***Total Company******311.20 ELECTRIC PUMPING EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -15 % Average Service Life: 20 Survivor Curve: L0.5***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	66,891.37	10.88	20.00	0.52442	35,079
1987	13,082.78	11.20	20.00	0.50626	6,623
1988	52,631.70	11.52	20.00	0.48755	25,661
1989	214,502.00	11.86	20.00	0.46835	100,462
1990	4,197.35	12.20	20.00	0.44858	1,883
1991	6,418.62	12.55	20.00	0.42826	2,749
1992	10,476.91	12.92	20.00	0.40736	4,268
1993	16,211.98	13.29	20.00	0.38585	6,255
1994	20,979.42	13.68	20.00	0.36350	7,626
1995	11,291.06	14.09	20.00	0.33987	3,837
1996	14,681.95	14.53	20.00	0.31465	4,620
1997	89,668.74	15.00	20.00	0.28738	25,769
1998	26,124.74	15.51	20.00	0.25797	6,740
1999	76,447.21	16.07	20.00	0.22611	17,285
2000	44,603.72	16.67	20.00	0.19169	8,550
2001	115,389.08	17.31	20.00	0.15458	17,836
2002	81,821.15	18.00	20.00	0.11482	9,394
2003	17,568.33	18.75	20.00	0.07191	1,263
2004	49,654.50	19.56	20.00	0.02550	1,266
<i>Total</i>	932,642.61				287,168.17

Pennichuck East Utility***Total Company******311.60 OTHER POWER PUMPING EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: 0 % Average Service Life: 30 Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	3,888.00	24.66	30.00	0.17797	692
2002	287.71	27.55	30.00	0.08164	23
<i>Total</i>	<i>4,175.71</i>				<i>715.45</i>

Pennichuck East Utility***Total Company******320.00 PURIFICATION SYSTEM EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -15 % Average Service Life: 12 Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1990	19,526.04	1.97	12.00	0.96158	18,776
1991	11,552.81	2.28	12.00	0.93119	10,758
1992	28,364.47	2.66	12.00	0.89462	25,375
1993	4,297.93	3.12	12.00	0.85109	3,658
1994	8,392.09	3.65	12.00	0.80058	6,719
1996	52,792.03	4.89	12.00	0.68127	35,966
1998	29,276.81	6.34	12.00	0.54239	15,879
1999	36,005.90	7.13	12.00	0.46700	16,815
2000	17,476.41	7.95	12.00	0.38809	6,782
2001	56,783.90	8.81	12.00	0.30608	17,380
2002	1,534.46	9.69	12.00	0.22132	340
2003	23,814.48	10.60	12.00	0.13421	3,196
2004	15,900.00	11.53	12.00	0.04514	718
<i>Total</i>	305,717.33				162,361.38

Pennichuck East Utility***Total Company******320.10 OTHER PRODUCTION EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: 0 % Average Service Life: 20 Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	19,382.52	14.72	20.00	0.26405	5,118
<i>Total</i>	19,382.52				5,117.98

Pennichuck East Utility***Total Company******320.20 WATER TREATMENT EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -15 % Average Service Life: 12 Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	1,014.32	6.34	12.00	0.54239	550
<i>Total</i>	1,014.32				550.16

Pennichuck East Utility**Total Company****330.00 DISTRIBUTION RESERVOIRS & STANDPIPES****Original Cost Of Utility Plant In Service**

And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -10 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
Litchfield_Litchfield					
Interim Survivor Curve: Iowa 85 R2.5					
Probable Retirement Year: 2063					
2003	798,727.00	55.10	56.55	0.02811	22,452
Total	798,727.00				22,452
Windham_W&E					
Interim Survivor Curve: Iowa 85 R2.5					
Probable Retirement Year: 2061					
2001	13,072.97	53.18	56.55	0.06550	857
Total	13,072.97				857
Account					
Total	811,799.97				23,308.76

Pennichuck East Utility***Total Company******331.01 PAVEMENTS-TRANSMISSION MAINS******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: 0 % Average Service Life: 15 Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	877.10	9.79	15.00	0.34724	305
<i>Total</i>	877.10				304.57

***Pennichuck East Utility
Total Company***

331.02 PAVEMENTS-DISTRIBUTION MAINS

***Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: 0 % Average Service Life: 15 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2002	2,763.72	12.57	15.00	0.16207	448
<i>Total</i>	2,763.72				447.92

Pennichuck East Utility***Total Company******331.04 PAVEMENTS******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: 0 % Average Service Life: 15 Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2004	2,808.61	14.51	15.00	0.03277	92
<i>Total</i>	2,808.61				92.04

Pennichuck East Utility***Total Company******331.10 TRANSMISSION MAINS-NEW******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -20 % Average Service Life: 100 Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2000	1,161,240.27	95.58	100.00	0.05306	61,613
2001	76,802.97	96.56	100.00	0.04129	3,171
2002	61,901.59	97.54	100.00	0.02952	1,827
<i>Total</i>	1,299,944.83				66,611.51

Pennichuck East Utility***Total Company******331.15 TRANSMISSION MAINS-DEVELOPER INSTALLED******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -20 % Average Service Life: 100 Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2001	215,050.15	96.56	100.00	0.04129	8,879
<i>Total</i>	215,050.15				8,878.72

Pennichuck East Utility***Total Company******331.20 DISTRIBUTION MAINS-NEW******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -20 % Average Service Life: 65 Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1974	2,638.79	38.02	65.00	0.49800	1,314
1975	23,355.87	38.83	65.00	0.48313	11,284
1976	47,142.85	39.64	65.00	0.46817	22,071
1977	200,477.10	40.46	65.00	0.45305	90,826
1978	2,228.93	41.28	65.00	0.43785	976
1982	22,452.13	44.64	65.00	0.37583	8,438
1983	56,532.14	45.50	65.00	0.36003	20,354
1984	102,910.64	46.36	65.00	0.34418	35,419
1985	593,048.20	47.22	65.00	0.32817	194,622
1986	664,790.74	48.10	65.00	0.31208	207,470
1987	458,722.69	48.97	65.00	0.29592	135,743
1988	3,235,587.87	49.85	65.00	0.27964	904,785
1989	4,066,489.06	50.74	65.00	0.26328	1,070,641
1990	730,758.80	51.63	65.00	0.24682	180,369
1991	106,217.76	52.53	65.00	0.23030	24,462
1992	89,964.62	53.43	65.00	0.21367	19,223
1993	105,264.14	54.33	65.00	0.19698	20,735
1994	65,448.74	55.24	65.00	0.18019	11,794
1995	422,941.14	56.15	65.00	0.16336	69,090
1996	31,724.34	57.07	65.00	0.14642	4,645
1997	172,695.83	57.99	65.00	0.12944	22,354
1998	861,710.28	58.91	65.00	0.11237	96,827
2000	102,778.97	60.77	65.00	0.07805	8,022
2001	52,773.06	61.71	65.00	0.06080	3,209
2002	212,500.28	62.64	65.00	0.04350	9,244
2003	797,574.20	63.58	65.00	0.02614	20,845
2004	350,452.06	64.53	65.00	0.00873	3,059
<i>Total</i>	13,579,181.23				3,197,819.58

Pennichuck East Utility***Total Company******331.25 DISTR MAINS-GATE VALVES******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -20 % Average Service Life: 65 Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	1,450.00	58.91	65.00	0.11237	163
2000	1,944.07	60.77	65.00	0.07805	152
2004	11,126.49	64.53	65.00	0.00873	97
<i>Total</i>	<i>14,520.56</i>				<i>411.80</i>

Pennichuck East Utility***Total Company******331.30 DISTR MAINS-DEVELOPER INSTALLED******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -20 % Average Service Life: 65 Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	112,379.24	59.84	65.00	0.09524	10,703
2000	1,024,930.34	60.77	65.00	0.07805	80,000
2001	462,096.20	61.71	65.00	0.06080	28,096
2002	625,412.35	62.64	65.00	0.04350	27,207
2003	540,210.37	63.58	65.00	0.02614	14,119
2004	721,271.52	64.53	65.00	0.00873	6,296
<i>Total</i>	<i>3,486,300.02</i>				<i>166,419.86</i>

Pennichuck East Utility**Total Company****333.04 PAVEMENTS-NEW SERVICES****Original Cost Of Utility Plant In Service****And Development Of Calculated Depr Reserve as of December 31, 2004****Based Upon Broad Group/Remaining Life Procedure and Technique****Salvage Value: 0 % Average Service Life: 15 Survivor Curve: R3**

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
1998	357.39	8.92	15.00	0.40561	145
1999	3,163.87	9.79	15.00	0.34724	1,099
2000	1,137.60	10.69	15.00	0.28702	327
2001	3,225.42	11.62	15.00	0.22521	726
2002	668.65	12.57	15.00	0.16207	108
2003	14,611.80	13.53	15.00	0.09783	1,430
2004	4,856.66	14.51	15.00	0.03277	159
Total	28,021.39				3,993.56

Pennichuck East Utility***Total Company******333.10 SERVICES-NEW******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1974	383.40	29.96	55.00	0.61451	236
1975	4,085.00	30.68	55.00	0.59686	2,438
1976	7,669.16	31.41	55.00	0.57897	4,440
1977	20,882.61	32.15	55.00	0.56089	11,713
1978	1,673.83	32.89	55.00	0.54262	908
1979	192.19	33.64	55.00	0.52417	101
1981	660.87	35.17	55.00	0.48675	322
1982	8,419.44	35.94	55.00	0.46775	3,938
1983	1,997.31	36.72	55.00	0.44858	896
1984	25,003.68	37.51	55.00	0.42925	10,733
1985	29,914.76	38.31	55.00	0.40974	12,257
1986	97,421.41	39.11	55.00	0.39010	38,004
1987	53,383.21	39.92	55.00	0.37026	19,766
1988	98,075.71	40.73	55.00	0.35027	34,353
1989	228,314.87	41.55	55.00	0.33012	75,370
1990	64,574.48	42.38	55.00	0.30981	20,006
1991	106,007.24	43.21	55.00	0.28939	30,678
1992	110,108.45	44.05	55.00	0.26879	29,596
1993	101,915.17	44.90	55.00	0.24804	25,279
1994	118,832.19	45.75	55.00	0.22714	26,992
1995	131,439.60	46.60	55.00	0.20612	27,092
1996	120,240.49	47.46	55.00	0.18496	22,239
1997	121,392.26	48.33	55.00	0.16368	19,870
1998	57,031.12	49.20	55.00	0.14225	8,113
1999	14,355.42	50.08	55.00	0.12069	1,733
2000	22,659.52	50.97	55.00	0.09901	2,244
2001	13,242.93	51.85	55.00	0.07721	1,022
2002	52,231.26	52.75	55.00	0.05531	2,889

Pennichuck East Utility***Total Company******333.10 SERVICES-NEW******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2003	8,254.27	53.64	55.00	0.03327	275
2004	22,587.25	54.55	55.00	0.01112	251
<i>Total</i>	<i>1,642,949.10</i>				<i>433,752.12</i>

Pennichuck East Utility***Total Company******333.20 SERVICES-RENEWED******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	3,172.94	50.08	55.00	0.12069	383
2000	306.45	50.97	55.00	0.09901	30
2002	1,590.51	52.75	55.00	0.05531	88
2003	2,759.37	53.64	55.00	0.03327	92
2004	125,950.00	54.55	55.00	0.01112	1,400
<i>Total</i>	<i>133,779.27</i>				<i>1,993.25</i>

Pennichuck East Utility***Total Company******333.23 SERVICES-DEVELOPER INSTALLED (CIAC)******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	48,424.00	49.20	55.00	0.14225	6,888
1999	55,841.00	50.08	55.00	0.12069	6,740
2000	38,284.00	50.97	55.00	0.09901	3,790
2002	83,418.63	52.75	55.00	0.05531	4,614
2003	65,399.18	53.64	55.00	0.03327	2,176
2004	67,873.03	54.55	55.00	0.01112	755
<i>Total</i>	<i>359,239.84</i>				<i>24,962.66</i>

Pennichuck East Utility***Total Company******333.25 SERVICES-DEVELOPER INSTALLED (PAID)******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	47,649.95	49.20	55.00	0.14225	6,778
1999	55,495.87	50.08	55.00	0.12069	6,698
2000	84,428.90	50.97	55.00	0.09901	8,359
2001	92,827.63	51.85	55.00	0.07721	7,167
2002	55,233.56	52.75	55.00	0.05531	3,055
2003	44,308.51	53.64	55.00	0.03327	1,474
2004	95,955.66	54.55	55.00	0.01112	1,067
<i>Total</i>	475,900.08				34,598.36

Pennichuck East Utility***Total Company******334.10 METERING EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -5 % Average Service Life: 25 Survivor Curve: R2.5***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1978	17,043.90	5.33	25.00	0.82600	14,078
1979	2,825.13	5.76	25.00	0.80824	2,283
1980	8.99	6.21	25.00	0.78900	7
1981	29.19	6.71	25.00	0.76830	22
1982	46.28	7.23	25.00	0.74617	35
1983	95.29	7.79	25.00	0.72266	69
1984	94.94	8.38	25.00	0.69785	66
1985	774.89	9.00	25.00	0.67181	521
1986	3,307.63	9.65	25.00	0.64464	2,132
1987	16,189.01	10.32	25.00	0.61640	9,979
1988	61,340.53	11.02	25.00	0.58717	36,018
1989	17,250.72	11.74	25.00	0.55701	9,609
1990	34,902.10	12.48	25.00	0.52596	18,357
1991	64,667.71	13.24	25.00	0.49407	31,951
1992	28,116.51	14.01	25.00	0.46138	12,972
1993	170,028.50	14.81	25.00	0.42793	72,760
1994	98,372.47	15.63	25.00	0.39374	38,733
1995	74,794.75	16.46	25.00	0.35885	26,840
1996	27,891.88	17.30	25.00	0.32330	9,018
1997	32,808.60	18.16	25.00	0.28713	9,420
1998	33,438.02	19.04	25.00	0.25038	8,372
1999	40,774.14	19.93	25.00	0.21308	8,688
2000	40,024.25	20.83	25.00	0.17527	7,015
2001	40,804.15	21.74	25.00	0.13701	5,590
2002	35,328.10	22.66	25.00	0.09832	3,473
2003	41,363.73	23.59	25.00	0.05924	2,451
2004	61,027.13	24.53	25.00	0.01983	1,210
<i>Total</i>	943,348.54				331,669.78

***Pennichuck East Utility
Total Company***

334.11 METERS-DIGAMATIC READERS

***Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: 0 % Average Service Life: 10 Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2003	602,589.16	8.67	10.00	0.13302	80,159
<i>Total</i>	602,589.16				80,159.16

Pennichuck East Utility***Total Company******335.00 HYDRANTS******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -10 % Average Service Life: 75 Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1975	1,677.09	47.18	75.00	0.40796	684
1976	3,346.06	48.07	75.00	0.39503	1,322
1977	18,518.42	48.95	75.00	0.38203	7,075
1978	828.77	49.85	75.00	0.36891	306
1979	8,480.80	50.74	75.00	0.35574	3,017
1984	21,266.87	55.31	75.00	0.28875	6,141
1985	20,679.92	56.24	75.00	0.27516	5,690
1986	23,299.25	57.17	75.00	0.26150	6,093
1987	19,873.40	58.11	75.00	0.24776	4,924
1988	28,190.88	59.05	75.00	0.23398	6,596
1989	67,060.64	59.99	75.00	0.22014	14,763
1990	6,968.37	60.94	75.00	0.20623	1,437
1993	3,932.50	63.80	75.00	0.16424	646
1994	16,345.44	64.76	75.00	0.15015	2,454
1995	33,027.29	65.73	75.00	0.13602	4,492
1996	22,946.37	66.69	75.00	0.12183	2,796
1997	24,849.60	67.66	75.00	0.10762	2,674
1998	1,816.02	68.63	75.00	0.09338	170
2000	3,051.23	70.58	75.00	0.06477	198
2002	1,454.61	72.54	75.00	0.03605	52
<i>Total</i>	327,613.53				71,528.93

Pennichuck East Utility***Total Company******335.10 HYDRANTS-DEVELOPER INSTALLED******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: -10 % Average Service Life: 75 Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	10,453.68	69.61	75.00	0.07909	827
2000	60,372.49	70.58	75.00	0.06477	3,910
2001	34,756.44	71.56	75.00	0.05043	1,753
2002	32,110.21	72.54	75.00	0.03605	1,158
2003	62,659.00	73.52	75.00	0.02165	1,356
2004	113,183.80	74.51	75.00	0.00723	818
<i>Total</i>	<i>313,535.62</i>				<i>9,821.62</i>

Pennichuck East Utility***Total Company******339.00 OTHER TRANS/DISTR EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: 0 % Average Service Life: 50 Survivor Curve: R3***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	14,442.26	44.62	50.00	0.10753	1,553
2000	30,373.80	45.59	50.00	0.08813	2,677
2001	7,557.57	46.57	50.00	0.06865	519
2002	19,167.71	47.54	50.00	0.04910	941
<i>Total</i>	<i>71,541.34</i>				<i>5,689.76</i>

Pennichuck East Utility
Total Company
343.00 SHOP EQUIPMENT

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 12 Survivor Curve: L4

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
1989	8,370.00	1.78	12.00	0.85161	7,128
1990	5,979.88	2.00	12.00	0.83366	4,985
1991	1,825.00	2.18	12.00	0.81830	1,493
1992	17,005.04	2.32	12.00	0.80684	13,720
1993	14,365.87	2.48	12.00	0.79293	11,391
1994	6,690.85	2.79	12.00	0.76785	5,138
1996	17,084.14	3.98	12.00	0.66812	11,414
1997	12,052.30	4.77	12.00	0.60251	7,262
Total	83,373.08				62,531.50

Pennichuck East Utility***Total Company******346.00 COMMUNICATION EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: 0 % Average Service Life: 9 Survivor Curve: L2***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	583.04	1.35	9.00	0.85034	496
1989	5,043.21	1.96	9.00	0.78269	3,947
1992	19,276.78	2.66	9.00	0.70412	13,573
1995	575.00	3.40	9.00	0.62206	358
1997	2,731.17	3.90	9.00	0.56710	1,549
1999	4,544.81	4.60	9.00	0.48923	2,223
2000	1,689.83	5.13	9.00	0.42997	727
2001	22,976.59	5.82	9.00	0.35279	8,106
2002	82,876.75	6.64	9.00	0.26185	21,701
2003	25,047.00	7.54	9.00	0.16244	4,069
2004	19,920.45	8.50	9.00	0.05538	1,103
<i>Total</i>	<i>185,264.63</i>				<i>57,851.50</i>

***Pennichuck East Utility
Total Company***

347.11 COMPUTER EQUIPMENT-HARDWARE/SOFTWARE

***Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: 0 % Average Service Life: 8 Survivor Curve: R4

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	2,470.42	2.08	8.00	0.73946	1,827
1999	26,695.90	2.82	8.00	0.64742	17,283
2000	7,318.01	3.65	8.00	0.54353	3,978
<i>Total</i>	36,484.33				23,087.78

Pennichuck East Utility***Total Company******348.00 MISCELLANEOUS GENERAL EQUIPMENT******Original Cost Of Utility Plant In Service******And Development Of Calculated Depr Reserve as of December 31, 2004******Based Upon Broad Group/Remaining Life Procedure and Technique******Salvage Value: 0 % Average Service Life: 11 Survivor Curve: L5***

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2001	8,999.46	7.50	11.00	0.31821	2,864
<i>Total</i>	8,999.46				2,863.75

TAB 29

1604.01(a)(13) Management and Financial Audits if not previously filed in an adjudicative proceeding.

Such Audits are conducted annually at the parent level and every three years at the subsidiary level if loans exist. Please see the most recent audit citing PEU's NHDES loan

Pennichuck Water Works, Inc.

Management and Financial Audits

Provided pursuant to NHPUC Rule 1604.01(13)

Pennichuck Corporation and Subsidiaries

Independent Auditors' Reports Pursuant
to Governmental Auditing Standards
and Uniform Guidance

For the Year Ended December 31, 2017

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MELANSONHEATH
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Nashua, NH
Andover, MA
Greenfield, MA
Ellsworth, ME

**OPINION ON THE FINANCIAL STATEMENT OF A FEDERAL PROGRAM
WHEN USING THE PROGRAM-SPECIFIC AUDIT OPTION TO SATISFY
THE UNIFORM GUIDANCE AUDIT REQUIREMENTS**

Independent Auditors' Report

Board of Directors and Stockholder
Pennichuck Corporation and Subsidiaries

Report on Schedule of Expenditures of Federal Awards

We have audited the accompanying schedule of expenditures of federal awards for the Capitalization Grants for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) of Pennichuck Corporation and Subsidiaries for the year ended December 31, 2017.

Management's Responsibility

Management is responsible for the preparation and fair presentation of the financial statement of the program in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement of the program based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the schedule of expenditures of federal awards referred to above presents fairly, in all material respects, the expenditures of federal awards under the Capitalization Grants for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) in accordance with accounting principles generally accepted in the United States of America.

Melanson Heath

September 27, 2018

Additional Offices:

Nashua, NH
Andover, MA
Greenfield, MA
Ellsworth, ME

**REPORT ON COMPLIANCE FOR A FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE WHEN USING
THE PROGRAM-SPECIFIC AUDIT OPTION TO SATISFY THE
UNIFORM GUIDANCE AUDIT REQUIREMENTS**

Independent Auditors' Report

Board of Directors and Stockholder
Pennichuck Corporation and Subsidiaries

**Report on Compliance for Capitalization Grants for Drinking Water State
Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468)**

We have audited the compliance of Pennichuck Corporation and Subsidiaries with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on its Capitalization Grants for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) for the year ended December 31, 2017.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468).

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for Pennichuck Corporation and Subsidiaries' Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) occurred. An audit includes examining, on a test basis, evidence about Pennichuck Corporation and Subsidiaries' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for Pennichuck Corporation and Subsidiaries' Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468). However, our audit does not provide a legal determination of Pennichuck Corporation and Subsidiaries' compliance.

Opinion

In our opinion, Pennichuck Corporation and Subsidiaries complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) for the year ended December 31, 2017.

Report on Internal Control over Compliance

Management of Pennichuck Corporation and Subsidiaries is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Pennichuck Corporation and Subsidiaries' internal control over compliance with the types of requirements that could have a direct and material effect on its Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Pennichuck Corporation and Subsidiaries' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Melanson Heath

September 27, 2018

PENNICHUCK CORPORATION AND SUBSIDIARIES

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2017

<u>Federal Agency</u>				
<u>Cluster</u>				
<u>Federal Office</u>				
Pass through Agency	Pass through	Federal		
Program Title	Identifying	CFDA		Federal
	Number	Number		Expenditures
<u>U.S. Environmental Protection Agency</u>				
<u>Capitalization Grants for Drinking Water State Revolving Funds</u>				
<u>Environmental Protection Agency</u>				
Passed Through State of New Hampshire Department				
of Environmental Services:				
Capitalization Grants for Drinking Water State				
Revolving Funds - Loan *	1371010	66.468	\$	338,936
Capitalization Grants for Drinking Water State				
Revolving Funds - Loan *	612020	66.468		231,059
Capitalization Grants for Drinking Water State				
Revolving Funds - Loan **	1621010	66.468		1,792,351
Capitalization Grants for Drinking Water State				
Revolving Funds - Loan ***	1911010	66.468		<u>113,046</u>
Total Capitalization Grants for Drinking Water State Revolving				
Funds				<u>2,475,392</u>
Total U.S. Environmental Protection Agency				<u>2,475,392</u>
Total Federal Expenditures			\$	<u>2,475,392</u>

* Pennichuck East Utility, Inc.

** Pennichuck Water Works, Inc.

*** Pittsfield Aqueduct Company, Inc.

The accompanying notes are an integral part of this schedule.

PENNICHUCK CORPORATION AND SUBSIDIARIES**Notes to the Schedule of Expenditures of Federal Awards****For the Year Ended December 31, 2017*****Note 1. Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Pennichuck Corporation and Subsidiaries under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Pennichuck Corporation and Subsidiaries, it is not intended to and does not present the financial position, changes in net position or cash flows of Pennichuck Corporation and Subsidiaries.

Note 2. Summary of Significant Accounting Policies

- Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement.
- Pennichuck Corporation and Subsidiaries has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Subrecipients

Of the federal expenditures presented in the Schedule, Pennichuck Corporation and Subsidiaries did not provide federal awards to subrecipients.

Note 4. Loans

Expenditures reported in the Schedule represent loan proceeds received and expended in the current year. The Federal government has not imposed continuing compliance requirements on these loans; therefore, no ending balances at December 31, 2017 are reported in these notes.

Pennichuck Corporation and Subsidiaries**Schedule of Findings and Questioned Costs**

For the Year Ended December 31, 2017

SECTION I - SUMMARY OF AUDITORS' RESULTSFinancial Statement (Schedule of Federal Awards)

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to financial statement noted?

☐ yes ☒ noFederal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditors' report issued on compliance for major programs:

Capitalization Grants for Drinking Water State
Revolving Loan Funds – Loan Program

Unmodified

Any audit findings disclosed that are
required to be reported in accordance with
2 CFR 200.516(a)?☐ yes ☒ no

Identification of major programs:

CFDA Number(s)Name of Federal Program or Cluster

66.468

Capitalization Grants for Drinking Water State
Revolving Loan Funds – Loan ProgramDollar threshold used to distinguish
between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☐ yes ☒ no

SECTION II - FINANCIAL STATEMENT FINDINGS

None.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

SECTION IV - SCHEDULE OF PRIOR YEAR FINDINGS

There were no findings in the prior year.

TAB 30

1604.01(a)(14) Officer and Director Compensation for each of the last 2 years, detailing base compensation, bonuses, and incentive plans.

This data does not exist. As noted in PEU's 2019 Annual Report, any officer/director compensation is allocated through the Management Fee Allocation agreements. See also Tab 34

TAB 31

1604.01(a)(15) Officer and Executive Incentive Plans

This data does not exist for PEU

TAB 32

1604.01(a)(16) List of Amount of Voting Stock: owned by an officer or director individually; owned by a spouse or minor child or an officer or director; controlled by the officer or director directly or indirectly.

This data does not exist. See Order No. 25,292

TAB 33

1604.01(a)(17) For utilities with less than \$10,000,000 in annual gross revenues, a list of all Payments for Contractual Services in Excess of \$10,000. For utilities \$10,000,001 to \$100,000,000 a list of payments in excess of \$50,000.

Pennichuck East Utilities, Inc.
Contractual Services over \$10,000
For the Twelve Months Ended December 31, 2019

Provided pursuant to NHPUC Rule 1604.01(a)(17)

Name	Address	Amount	Purpose
AMERICAN EXCAVATING CORP	5 MADDEN ROAD	DERRY, NH 03110	\$11,801.98 Construction Services - Water main installation
BLUELEAF INCORPORATED	57 DRESSER HILL ROAD	CHARLTON, MA 15250-7473	\$56,501.63
Constellation NewEnergy Inc.	PO Box 4640	Carol Stream, IL 02205-6003	\$163,823.25 Electricity Supply Provider
CSSI CORP	513 DONALD STREET	BEDFORD, NH 03087	\$136,785.38 Construction Services - Water main installation
ENERGYNORTH PROPANE	PO BOX 371473	PITTSBURGH, PA 03860	\$12,461.22 Gas Provider
Eversource	PO BOX 56003	BOSTON, MA 03038	\$100,286.98 Electrical Installations & Maintenance Services
GEORGE CAIRNS & SONS, INC.	8 LEDGE RD	WINDHAM, NH 60696	\$54,564.07 Construction Services - Water main installation
GORDON T. BURKE & SONS INC.	PO BOX 497	NORTH CONWAY, NH 03106-6383	\$12,743.81 Construction Services - Water main installation
GRANITE STATE ANALYTICAL INC	ACCOUNTS RECEIVABLE	DERRY, NH 03217	\$52,330.00 Laboratory Services - Water Analysis
HARCROS CHEMICALS, INC.	PO BOX 74583	CHICAGO, IL 03263	\$11,683.14 Chemical Supplier - Water Treatment chemicals
HOOKSETT VILLAGE WATER PRECINCT	PO BOX 16383	HOOKSETT, NH 03249	\$64,345.85 Purchased Water
HydroSource Associates, Inc.	P. O. Box 609	Ashland, NH 02176	\$17,622.13 Chemical Supplier - Water Treatment chemicals
JOE DARRAH ENTERPRISES	P.O. Box 113	Pittsfield, NH 60675-1032	\$23,950.00
John H. Lyman & Sons, Inc.	310 Hoyt Road	Gilford, NH 03108-9677	\$936,431.28 Construction Services - Water main installation
KEOHAN FUELS & TRANS., INC.	139 LINWOOD AVE	MELROSE, MA 03878	\$15,218.13
LIBERTY UTILITIES - NEW HAMPSHIRE	75 REMITTANCE DRIVE	CHICAGO, IL 03055-0118	\$40,664.80 Gas Provider
MANCHESTER WATER WORKS	PO BOX 9677	MANCHESTER, NH 03038	\$393,384.77 Purchased Water
Marcia A. Brown	20 Noble Street	Somersworth, NH 03108-9612	\$22,973.37 Legal Services
MERIDIAN LAND SERVICES, INC.	P.O. BOX 118	MILFORD, NH 03860-0630	\$26,683.33 Land surveyer
NEW ENGLAND BORING CONTRACTORS	PO BOX 165	DERRY, NH 03263	\$24,918.70 Construction Services - Water main installation
NH ELECTRIC COOPERATIVE, INC.	PO BOX 9612	MANCHESTER, NH 03110	\$21,194.08 Electricity Supply Provider
NORTH CONWAY WATER PRECINCT	104 SAWMILL LANE	NORTH CONWAY, NH 30384-9250	\$39,155.04 Purchased Water
NORTHEAST EARTH MECHANICS, INC	159 BARNSTEAD ROAD	PITTSFIELD, NH 03032	\$46,442.03 Construction Services - Water main installation
PANCIOCCO LAW, LLC	1 CLUB ACRE LANE	BEDFORD, NH 03249	\$20,196.70 Legal Services
PINNACLE TOWERS INC.	PO BOX 409250	ATLANTA, GA 03833	\$13,642.98 Tower Rental for SCADA Radio Antenna
POWER UP GENERATOR SERVICE LLC	8 PRISCILLA LANE	AUBURN, NH 01501	\$16,952.82 Maintenance services
PRB CONSTRUCTION, INC.	25 COUNTRY CLUB RD #706	GILFORD, NH 03302-1500	\$20,387.00 Construction Services - Water main installation
R.E. PRESCOTT CO., INC.	10 RAILROAD AVE	EXETER, NH 03301	\$16,147.96 Construction Services - Water main installation
R.H. WHITE CONSTRUCTION CO., INC.	41 CENTRAL STREET	AUBURN, MA 03106	\$36,295.20 Construction Services - Water main installation
Rath Young & Pignatelli PC	P O Box 1500	Concord, NH 03302-0637	\$15,411.58 Legal Services
RICHARD D. BARTLETT & ASSOC., LLC	LICENSED LAND SURVEYORS	CONCORD, NH 03301	\$21,592.75
SMITH PUMP, INC	48 LONDONDERRY TURNPIKE	HOOKSETT, NH 01085-5308	\$47,092.72 Construction Services
TIGHE & BOND INC	53 SOUTHAMPTON ROAD	WESTFIELD, MA 03813	\$33,012.71 Construction Services - Water main installation
TOWN OF DERRY	310 Hoyt Road	Gilford, NH 03249	\$109,995.63 Property Taxes
TOWN OF HUDSON	TAX COLLECTOR	LITCHFIELD, NH 03052	\$176,462.50 Property Taxes
TREASURER, STATE OF NEW HAMPSHIRE	TAX COLLECTOR	MANCHESTER, NH 03108-9673	\$11,540.00 Taxes
UNDERWOOD ENGINEERS	25 VAUGHAN MALL	PORTSMOUTH, NH 75320-7362	\$61,486.50
United Rentals (North America) Inc.	P O Box 100711	Atlanta, GA 84165-0068	\$44,446.08 Equipment Rental
UNITIL ENERGY SYSTEMS	PO BOX 981077	BOSTON, MA 10087-2074	\$12,890.44 Utility services
UTILITY SERVICE CO., INC.	P.O. BOX 207362	DALLAS, TX	\$30,000.00 Utility services
WESTECH	PO BOX 65068	SALT LAKE CITY, UT	\$76,560.00
Wind River Environmental LLC	PO Box 22074	New York, NY	\$32,045.00
		3,082,124	

TAB 34

**1604.01(a)(18) Amount of Assets and Costs Allocated to Non-Utility Operations and
justification for such allocations**

Pennichuck Water Works
Operating Expense Allocation (to other Subsidiary Companies)
For Month Ending 12/31/2019

Provided pursuant to NHPUC Rule 1604.01(a)(18)

		Dollars Applicable to:							C Sheing Wages & Fringes Only (budgeted specifically on PAC P/L)	
Full Year Amounts (to be allocated)	YTD EXPENSES	Tier Allocation Required	Special Allocation	Tier 1 (All)	Tier 2 (Regulated + PWSC)	Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only	
Wages										
Officers Salaries & Wages	499,167	1		499,167	-	-	-	-	-	
Salaries - Engineering	1,207,889	4		-	-	-	1,207,889	-	-	
Office Salaries and Wages - IS	487,394	1		487,394	-	-	-	-	-	
Office Salaries and Wages - Acctg	724,045	1		724,045	-	-	-	-	-	
Office Salaries and Wages - Admin	184,571	1		184,571	-	-	-	-	-	
Office Salaries and Wages - C/S	1,094,979	2		-	1,094,979	-	-	-	-	
Office Salaries and Wages - BR	145,560	6		-	-	-	-	145,560	-	
Less: Capitalized Overhead - IS	(1,942)	1		(1,942)	-	-	-	-	-	
Less: Capitalized Overhead Engineering	(353,484)	4		-	-	-	(353,484)	-	-	
Benefits (Based on 12/31/18 Schedule)										
Officers Salaries & Wages	243,244	1		243,244	-	-	-	-	-	
Salaries - Engineering	588,604	4		-	-	-	588,604	-	-	
Office Salaries and Wages - IS	237,507	1		237,507	-	-	-	-	-	
Office Salaries and Wages - Acctg	352,827	1		352,827	-	-	-	-	-	
Office Salaries and Wages - Admin	89,941	1		89,941	-	-	-	-	-	
Office Salaries and Wages - C/S	533,583	2		-	533,583	-	-	-	-	
Office Salaries and Wages - BR	70,931	6	-	-	-	-	-	70,931	-	
Less: Capitalized Overhead IS	(946)	1		(946)	-	-	-	-	-	
Less: Capitalized Overhead Engineering	(172,253)	4		-	-	-	(172,253)	-	-	
Dollars Applicable to:										
Full Year Budgeted Amounts (to be allocated) - Tier 1		Tier Allocation Required	Special Allocation	Tier 1 (All)	Tier 2 (Regulated + PWSC)	Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only	C Sheing Wages & Fringes Only (budgeted specifically on PAC P/L)
Facilities - Manchester Street										
Office Supplies & Expense	34,990	1		34,990	-	-	-	-	-	-
Office Equipment Rental	46,804	1		46,804	-	-	-	-	-	-
Rental Exp HECOP III	338,567	1		338,567	-	-	-	-	-	-
Manchester St Phone	29,302	1		29,302	-	-	-	-	-	-
Manchester St Electric	44,960	1		44,960	-	-	-	-	-	-
Maintenance Manchester St	33,117	1		33,117	-	-	-	-	-	-
Office Equipment maintenance	-	1		-	-	-	-	-	-	-
Miscellaneous Charges										
Senior Management Vehicles	3,822	1		3,822	-	-	-	-	-	-
Senior Management Fuel Purchased	4,504	1		4,504	-	-	-	-	-	-
Senior Management Vehicle Registrations	476	1		476	-	-	-	-	-	-
Courier & Express Mail Expense	253	1		253	-	-	-	-	-	-
Outside Svcs (Supervision/Spec Svcs)	269,938	1		269,938	-	-	-	-	-	-
Meetings and Conventions	46,091	1		46,091	-	-	-	-	-	-
License Fees	15,327	1		15,327	-	-	-	-	-	-
Meals	2,190	1		2,190	-	-	-	-	-	-
Recruiter Fees	8,851	1		8,851	-	-	-	-	-	-
Engineering Dept Expense	105,970	4		-	-	-	105,970	-	-	-
Engineering Vehicles	12,890	4		-	-	-	12,890	-	-	-
Engineering - Fuel Purchased	20,385	4		-	-	-	20,385	-	-	-
Engineering - Vehicle Registration	4,488	4		-	-	-	4,488	-	-	-
Maint of Communication Equip	23,570	2		-	23,570	-	-	-	-	-
Computer Maintenance	590,310	1		590,310	-	-	-	-	-	-
Depreciation - 2403 & Amort										
Comm Depreciation	53,162	2		-	53,162	-	-	-	-	-
Computer Depreciation	826,915	1		826,915	-	-	-	-	-	-
Office Furniture Depreciation	13,389	1		13,389	-	-	-	-	-	-
Leasehold Improvements-15 year property	6,796	1		6,796	-	-	-	-	-	-
Union Negotiations - 2013	-	1		-	-	-	-	-	-	-
Union Negotiations - 2015	-	1		-	-	-	-	-	-	-
Union Negotiations - 2017	1,476	1		1,476	-	-	-	-	-	-
Total Allocable Expenses	\$ 8,470,160			5,133,886	1,705,294	-	1,414,489	216,491	-	-
Tier 1 - use the corporate expense allocation between TSC, PWSC and regulated utilities. The allocation among utilities will be based on total assets and customers. Tier 2 - allocate to PWW, PEU, PAC and PWSC based on total assets and customers Tier 3 - allocate to PWW, PEU and PWSC based on total assets and customers Tier 4 - allocate to the regulated utilities (PWW, PEU and PAC) based on total assets and customers. (1) Retention/Bonus, Overtime, Merit increases and summer temp help are included in Officers' and Office Salaries (2) Outside Services include temporary help from temporary services providers (3) Effectively, all Admin & Gen Expense (incl. Engineering) are allocated less Insurance, Regulatory Commission, Memberships, Misc General, Public Relations and Charitable Contributions and Union Benefits										

Allocation Calculation - Tier 1 (All Companies)									
	PWW	PEU	Pittsfield	Total Regulated	Con Ops (PWS)1	Real Estate (TSC)1	Total		
Revenues4	32,280,395	8,819,088	774,537	\$ 41,874,020 93.51%	2,892,868 6.46%	12,033 0.03%	\$ 44,778,922 100.00%		
Employees (FTE's) - 2019 (excluding employees without benefits)				128 99.22%	1 0.78%	0 0.00%	129 100.00%		
Square Footage - w/ add'l lease space Manchester Street Facility5				19,421 99.00%	196 1.00%	0 0.00%	19,617 100.00%		
Total Assets2	\$ 267,705,032 79.02%	\$ 66,609,561 19.66%	\$ 4,461,150 1.32%	\$ 338,775,744 99.82%	\$ 249,629 0.07%	\$ 365,332 0.11%	\$ 339,390,705 100.00%		
Customers3	29,006 76.55%	8,248 21.77%	639 1.69%	37,893 100.01%					
Average Percentage	77.79%	20.72%	1.51%	97.89%	2.08%	0.04%	100.01%		
Allocation of Allocable Expenses	3,907,979	1,041,190	75,878	5,025,047	106,785	2,054	\$ 5,133,886	Check Total	-
Effective Allocation %	76.12%	20.28%	1.48%		2.08%	0.04%		\$	
1 - PWS - 100% of 1 employee 2 - Based on December 2019 Preliminary Less Intercompany Account Balances 3 - Based on December 2019 Actuals 4 - Based on December 2019 Preliminary									

Allocation Calculation - Tier 2 (All Regulated Companies plus PWSC)									
	PWW	PEU	Pittsfield	Total Regulated	Con Ops (PWS) 1	Real Estate (TSC)	Total		
Total Assets2	\$ 267,705,032 79.02%	\$ 66,609,561 19.66%	\$ 4,461,150 1.32%	\$ 338,775,744 99.93%	\$ 249,629 0.07%	\$ - 0.00%	\$ 339,025,373 100.00%		
Customers3	29,006 76.55%	8,248 21.77%	639 1.69%	37,893 82.33%	8,131 17.67%	0	46,024		
Average Percentage	77.79%	20.72%	1.51%	91.13%	8.87%		100.00%		
Allocation of Allocable Expenses	1,208,572	321,996	23,466	1,554,034	151,260	0	\$ 1,705,294	Check Total	-
Effective Allocation %	70.87%	18.88%	1.38%		8.87%	N/A		\$	
1 - PWS customers based on municipality customers and pro rated based on services rendered									

Allocation Calculation - Tier 3 (PWW, PEU and PWSC)									
	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC)	Total			
Total Assets2	\$ 267,705,032 80.02%	\$ 66,609,561 19.91%		\$ 249,629 0.07%		\$ 334,564,223 100.00%			
Customers3	29,006 63.91%	8,248 18.17%		8,131 17.92%		45,385 100.00%			
Average Percentage	71.97%	19.04%		9.00%		100.01%			
Allocation of Allocable Expenses	\$ -	\$ -	0	\$ -	0	\$ -	Check Total	-	
Effective Allocation %	#DIV/0!	#DIV/0!	N/A	#DIV/0!	N/A		\$		

Allocation Calculation - Tier 4 (Regulated Companies)							
	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC) ¹	Total	
Total Assets ²	\$ 267,705,032	\$ 66,609,561	\$ 4,461,150			\$ 338,775,744	
	79.02%	19.66%	1.32%			100.00%	
Customers ³	29,006	8,248	639			37,893	
	76.55%	21.77%	1.69%			100.01%	
Average Percentage	77.79%	20.72%	1.51%			100.02%	
Allocation of Allocable Expenses	\$ 1,100,048	\$ 293,082	\$ 21,359	0	0	\$ 1,414,489	Check Total
Effective Allocation %	77.77%	20.72%	1.51%	N/A	N/A		\$ -

Specific Allocation Calculations - Tier 5-7							
	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC) ¹	Total	Check Total
Direct Allocable Costs	0	0	-	216,491	0	216,491	\$ -
	N/A	N/A			N/A		

Summary of Allocations	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC)	Totals			
Tier 1	3,907,979	1,041,190	75,878	106,785	2,054	5,133,886			
Tier 2	1,208,572	321,996	23,466	151,260	-	1,705,294			
Tier 3									
Tier 4	1,100,048	293,082	21,359	-	-	1,414,489			
PWSC only and PAC only	-	-	-	216,491	-	216,491	unallocated		
Total Allocations	6,216,598	1,656,268	120,703	474,536	2,054	8,470,160	PAC/PEU	Total	Check Total
	73.39%	19.55%	1.43%	5.60%	0.02%	100.00%	-	8,470,160	-

PWSC Customers	Operations	Water Supply	Billing	Cust Svc	Customers	Customers
Salisbury	0.250	0.250	0.250	0.250	3,700	3,700
Boscawen	0.250	0.250	0.083	0.083	1,190	793
Amesbury	-	-	0.167	0.167	5,800	1,937
Rowley	-	-	0.250	0.250	1,880	940
Eastham	-	-	0.125	0.125	800	200
Wailfleet	-	-	0.125	0.125	264	66
Woodstock	0.250	0.250	-	-	990	495
						8,131

Note: Customer Counts updated 11/13/2019

Pennichuck Water Works
Work Order Allocation of Operations and Production Expenses
For Month Ending 12/31/2019

Full Year Amounts (to be allocated)

Wages	
Superintendence - WTP	262,269
Office Salaries & Wages: WTP	330,772
Purification Labor	227,664
Superintendence - Operations	339,564
Office Salaries - Operations	115,210
Benefits	
Superintendence - WTP	127,804
Office Salaries & Wages: WTP	161,185
Purification Labor	110,941
Superintendence - Operations	165,469
Office Salaries - Operations	56,142
Facilities - Will Street	
Maint: Meter Department	233
Will Street Parking	-
Will Street Office Supplies	13,068
Will Street Gas	7,842
Will Street Electric	35,337
Will Street Phone	41,565
Miscellaneous Charges	
Misc Gen Exp Ops	69,826
Misc T&D Materials & Supplies	17,300
Stores Expense	55,730
Small Tools Expense	35,406
OPS - Non-Union Vehicles	798
WTP - Non-Union Vehicles	6,565
Misc.Transport Expense	71,406
Non-Union Vehicle Fuel Costs	32,523
Misc Gen Equipment Exp	36,224
Depreciation - 2304	
16 DW Highway	184,471
Tools, Shop & Garage	44,785
Other Tangible Equipment-Misc Equip	26,102
Non-Union Transportation Depreciation	51,629
Total Allocable Expenses	2,627,831

	2019 Workorder Costs												Total
	PWW Capital	070 WTP Maintenance	080 OPS Maintenance	Fleet	PWW Jobbing	PWS Maintenance	PWS Jobbing	PAC Capital	PAC Maintenance	PEU Capital	PEU Maintenance		
Labor	58,274.36	894,072.37	1,745,057.06	77,816.68	48,707.59	425,823.36	56,554.82	3,732.23	83,624.18	27,095.39	762,210.60	4,182,970.55	
Contractor Clearing	114,695.11	-	-	166,958.84	11,722.11	-	473,888.18	2,696.82	-	100,281.44	-	870,242.50	
Inventory: Pipes & Fittings	26,534.47	499.80	74,290.19	-	22,408.08	76.73	921.42	456.88	723.69	10,361.10	17,887.35	154,159.71	
Inventory: Meters	222,176.17	-	2,846.41	-	-	-	2,352.80	1,540.41	320.12	89,738.39	2,923.76	321,898.06	
Inventory: Misc T&D	55.17	-	40.56	-	-	-	-	-	-	-	25.97	121.70	
Inventory: Chemicals	-	913,828.98	-	-	-	-	10,233.07	-	-	-	66,041.51	990,103.56	
Inventory: Fleet	-	-	-	3,220.49	-	-	-	-	-	-	-	3,220.49	
Inventory: Backup Gen Fuel	-	-	-	-	-	-	-	-	-	-	-	-	
Misc T&D Supplies	-	-	-	-	-	-	-	-	-	-	-	-	
Truck	24,529.25	89,684.75	332,620.75	2,024.75	20,294.75	134,802.50	14,904.70	1,345.75	8,863.75	10,028.50	228,599.00	867,698.45	
Backhoe	7,582.75	677.50	37,128.00	-	6,201.75	194.75	612.50	433.75	1,058.25	3,250.50	12,870.25	70,010.00	
Compressor	-	-	4,189.50	-	-	-	-	-	-	-	1,083.00	5,272.50	
Inspection Fees	-	-	-	-	123,612.00	-	-	-	-	-	-	123,612.00	
Overhead	9,112.72	-	-	-	39,004.45	-	-	252.98	-	5,054.04	-	53,424.19	
Labor Overhead	37,229.44	565,411.37	1,103,574.08	49,212.53	47,320.49	264,601.01	36,260.73	2,439.34	44,507.85	17,366.31	488,205.04	2,656,128.19	
Misc General Equipment	-	-	-	-	-	-	-	-	-	-	-	-	
Total Costs	900,189.44	2,464,174.77	3,299,746.55	299,235.29	319,271.22	825,498.35	895,728.22	12,898.16	139,097.84	263,175.58	1,579,846.48	10,298,861.90	
Total Costs w/o OH & CW	376,381.61	2,464,174.77	3,299,746.55	132,276.45	268,544.66	825,498.35	121,840.04	9,948.36	139,097.84	157,840.10	1,579,846.48	9,375,195.21	
% of Total	4.86%	23.93%	32.04%	2.91%	3.10%	8.02%	5.78%	0.13%	1.35%	2.56%	15.34%	100.00%	
% of Total w/o OH & CWIP	4.01%	26.28%	35.20%	1.41%	2.86%	8.81%	1.30%	0.11%	1.48%	1.68%	16.85%	100.00%	
Ovhd Allocable to Work Orders													
2,627,831	127,627	628,752	841,955	76,352	81,464	210,632	152,004	3,291	35,492	67,151	403,109	2,627,829	
Totals by Company:													
PWW	127,627	628,752	841,955	76,352	81,464							1,756,150	
PEU										67,151	403,109	470,260	
PAC								3,291	35,492			38,783	
PWS						210,632	152,004					362,636	
Total Overhead	127,627	628,752	841,955	76,352	81,464	210,632	152,004	3,291	35,492	67,151	403,109	2,627,829	
% Labor	0.01	0.21	0.42	0.02	0.01	0.10	0.01	0.00	0.02	0.01	0.18	1.00	
												1.00	

Pennichuck Water Works
Return on Common Assets Allocation (to other Subsidiary Companies)
For Month Ending 12/31/2019

Provided pursuant to NHPUC Rule 1604.01(a)(18)

Effective Tax Rate - current

27.08%

12

4.82%

Dollars Applicable to:

Full Year Amounts (to be allocated)	Rate of Return	Net Book Value	Tier Allocation Required	Tier 1 (All)	Tier 2 (Regulated + PWSC)	Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only	TSC Only (budgeted specifically on TSC P/L)
Office Furniture & Equipment	2,084	43,226	1	2,084	-	-	-	-	-	-
Transportation Equipment	98,110	2,035,475	2	-	98,110	-	-	-	-	-
Tools, Shop & Garage Equipment	18,627	386,446	3	-	-	18,627	-	-	-	-
Construction Meters	121	2,504	2	-	121	-	-	-	-	-
Power Operated Equipment	10,175	211,089	2	-	10,175	-	-	-	-	-
Communication Equipment	25,227	523,362	4	-	-	-	25,227	-	-	-
Computer Equipment	134,955	2,799,892	1	134,955	-	-	-	-	-	-
Other Plant and Misc Equipment	20,590	427,173	4	-	-	-	20,590	-	-	-
Leasehold Improvements	635	13,166	1	635	-	-	-	-	-	-
16 DW Highway	333,632	6,921,824	3	-	-	333,632	-	-	-	-
WII Street Expansion	-	-	3	-	-	-	-	-	-	-
Deferred Pension Costs	494,957	10,268,820	1	494,957	-	-	-	-	-	-
Deferred Post Retirement Health	51,943	1,077,660	1	51,943	-	-	-	-	-	-
Deferred Post Employment Health	-	-	-	-	-	-	-	-	-	-
Deferred SERP	38,030	789,010	1	38,030	-	-	-	-	-	-
VEBA Trust - Union	22,204	460,665	1	22,204	-	-	-	-	-	-
VEBA Trust - Non-union	6,911	143,375	1	6,911	-	-	-	-	-	-
Union Negotiations - 2013	-	-	1	-	-	-	-	-	-	-
Union Negotiations - 2015	-	-	1	-	-	-	-	-	-	-
Deferred Pension Costs	-	10,268,820	-	-	-	-	-	-	-	-
Deferred Post Employment Health	-	1,077,660	-	-	-	-	-	-	-	-
Deferred Post Retirement Health	-	789,010	-	-	-	-	-	-	-	-
Deferred SERP	-	-	-	-	-	-	-	-	-	-
Less: Accrued Liability Pension - ST	-	-	-	-	-	-	-	-	-	-
Less: Accrued Liability Pension - LT	-	(12,970,815)	-	-	-	-	-	-	-	-
Less: Post Employment Health Liability - ST	-	-	-	-	-	-	-	-	-	-
Less: Post Employment Health Liability - LT	-	-	-	-	-	-	-	-	-	-
Less: Accrued Liability SERP	-	(380,788)	-	-	-	-	-	-	-	-
VEBA Trust - Union	-	460,665	-	-	-	-	-	-	-	-
VEBA Trust - Non-union	-	143,375	-	-	-	-	-	-	-	-
Less: Post Retirement Liability Health - ST	-	-	-	-	-	-	-	-	-	-
Less: Post Retirement Liability Health - LT	-	(4,585,921)	-	-	-	-	-	-	-	-
Subtotal	-	(5,197,996)	-	-	-	-	-	-	-	-
Less: Tax Impact at current effective tax rate	-	1,407,617	-	-	-	-	-	-	-	-
Net Impact Unfunded FAS 106 & FAS 158 Costs	(182,696)	(3,790,378)	1	(182,696)	-	-	-	-	-	-
Total Allocable Expenses	1,075,505	22,313,328.42	-	569,023	108,406	352,259	45,817	-	-	-

Note: Rate of Return based on YTD NBV/12#months

Tier 1 - use the corporate expense allocation between TSC, PWSC and regulated utilities. The allocation among utilities will be based on total assets and customers.

Tier 2 - allocate to PWW, PEU, PAC and PWSC based on total assets and customers

Tier 3 - allocate to PWW, PEU and PWSC based on total assets and customers

Tier 4 - allocate to the regulated utilities (PWW, PEU and PAC) based on total assets and customers.

Note: Laboratory Equipment not included. Currently, PWW charges a \$15 fee for all lab work which is considered to be a competitive price and \$5 higher than charged by the State of New Hampshire.

Allocation Calculation - Tier 1 (All Companies)							
	PWW	PEU	Pittsfield	Total Regulated	Con Ops (PWS) ¹	Real Estate (TSC) ¹	Total
Revenues ⁴	32,280,395	8,819,088	774,537	\$ 41,874,020	2,892,868	12,033	\$ 44,778,922
				93.51%	6.46%	0.03%	100.00%
Employees (FTE's) - 2019 (including summer help)				128	1	0	129
				99.22%	0.78%	0.00%	100.00%
Square Footage - w/ addtl lease space Manchester Street Facility				19,421	196	0	19,617
				99.00%	1.00%	0.00%	100.00%
Total Assets ²	267,705,032	66,609,561	4,461,150	338,775,744	249,629	\$ 365,332	\$ 339,390,705
	79.02%	19.66%	1.32%	99.82%	0.07%	0.11%	100.00%
Customers ³	29,006	8,248	639	37,893			
	76.55%	21.77%	1.69%	100.00%			
Average Percentage	77.78%	20.71%	1.50%	97.89%	2.08%	0.04%	100.01%
Allocation of Allocable Expenses	433,259	115,346	8,354	556,959	11,836	228	\$ 569,023
Effective Allocation %	76.14%	20.27%	1.47%		2.08%	0.04%	
							<u>Check Total</u>
							\$ -
	1						
	2						
	3						
	4						

Allocation Calculation - Tier 2 (All Regulated Companies plus PWSC)							
	PWW	PEU	Pittsfield	Total Regulated	Con Ops (PWS) ¹	Real Estate (TSC)	Total
Total Assets ²	\$ 267,705,032	\$ 66,609,561	\$ 4,461,150	\$ 338,775,744	\$ 249,629	\$ -	\$ 339,025,373
	79.02%	19.66%	1.32%	99.93%	0.07%	0.00%	100.00%
Customers ³	29,006	8,248	639	37,893	8,131	0	46,024
	76.55%	21.77%	1.69%	82.33%	17.67%		
Average Percentage	77.79%	20.72%	1.51%	91.13%	8.87%		100.00%
Allocation of Allocable Expenses	76,829	20,469	1,492	98,790	9,616	0	\$ 108,406
Effective Allocation %	70.87%	18.88%	1.38%		8.87%	N/A	
							<u>Check Total</u>
							\$ -
¹ - PWS customers based on municipality customers and pro rated based on services rendered							

Allocation Calculation - Tier 3 (PWW, PEU and PWSC)							
	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC)	Total	
Total Assets ²	\$ 267,705,032	\$ 66,609,561		\$ 249,629		\$ 334,564,223	
	80.02%	19.91%		0.08%		100.00%	
Customers ³	29,006	8,248		8,131		45,385	
	63.91%	18.17%		17.92%		100.00%	
Average Percentage	71.96%	19.04%		9.00%		100.00%	
Allocation of Allocable Expenses	\$ 253,486	\$ 67,070	0	\$ 31,703	0	\$ 352,259	
Effective Allocation %	71.96%	19.04%	N/A	9.00%	N/A		
							<u>Check Total</u>
							\$ -

Allocation Calculation - Tier 4 (Regulated Companies)						
	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC) ¹	Total
Total Assets ²	\$ 267,705,032	\$ 66,609,561	\$ 4,461,150			\$ 338,775,744
	79.02%	19.66%	1.32%			100.00%
Customers ³	29,006	8,248	639			37,893
	76.55%	21.77%	1.69%			100.00%
Average Percentage	77.78%	20.71%	1.50%			99.99%
Allocation of Allocable Expenses	\$ 35,641	\$ 9,489	\$ 687	0	0	\$ 45,817
Effective Allocation %	77.79%	20.71%	1.50%	N/A	N/A	
						Check Total
						\$ -

Specific Allocation Calculations - Tier 5-7								
	PWW	PEU	Pittsfield	North Country	Real Estate			
					Con Ops (PWS)	(TSC) ¹	Total	Check Total
Direct Allocable Costs	0	0	-		-	0	-	\$ -
	N/A	N/A				N/A		

Summary of Allocations	PWW	PEU	Pittsfield	North Country	Con Ops (PWS)	Real Estate (TSC)	Totals	
Tier 1	433,259	115,346	8,354	-	11,836	228	569,023	
Tier 2	76,629	20,469	1,492	-	9,616	-	108,406	
Tier 3	253,486	67,070	-	-	31,703	-	352,259	
Tier 4	35,641	9,489	687	-	-	-	45,817	
PWSC only and PAC only	-	-	-	-	-	-	-	unallocated TSC
Total Allocations	799,215	212,374	10,533	-	53,155	228	1,075,505	-
	74.31%	19.75%	0.98%	0.00%	4.94%	0.02%	100.00%	

Summary Transfers from PWW Operating to Other Companies		
Full Year Amounts		
	Annual Amts	Monthly Amts
PWW operating expense allocation - PWW	\$ (276,290)	\$ (23,025)
PWW operating expense allocation - PEU	\$ 212,374	\$ 17,698
PWW operating expense allocation - Pittsfield	\$ 10,533	\$ 878
PWW operating expense allocation - PCP	\$ -	\$ -
PWW operating expense allocation - PWS	\$ 53,155	\$ 4,430
PWW operating expense allocation - TSC	\$ 228	\$ 19
Check Totals	\$ -	\$ -

Pennichuck Corporation
Mgmt Fee Expense Allocation (to other Subsidiary Companies)
For Month Ending 12/31/2019

Provided pursuant to NHPUC Rule 1604.01(a)(18)

Professional Fees	20,354
D&O Insurance	33,376
Annual Report Cost & Meeting	1,118
Auditors Expense/SEC Legal	113,578
Corp Governance Legal/American Stock Transfer	-
Directors Fees & Meetings/Corporate Secretary	-
EDGAR Filing/NASDAQ/All Other Misc	-
Board of Directors	128,410
Board of Directors Education & Training	-
Total Allocable Expense	296,836

Allocation Calculation - level 1 (All Companies)								
	PWW	PEU	Pittsfield	Total Regulated	Con Ops (PWS)	Real Estate (TSC)	Total	
Revenues	\$ 32,280,395	\$ 8,819,088	\$ 774,537	\$ 41,874,020	\$ 2,892,868	\$ 12,033	\$ 44,778,922	
Financial Prelims	72.09%	19.70%	1.73%		6.46%	0.03%	100.00%	
Total Assets	\$ 267,705,032	\$ 66,609,561	\$ 4,461,150	\$ 338,775,744	\$ 249,629	\$ 365,332	\$ 339,390,705	
Financial Prelims	78.88%	19.63%	1.31%		0.07%	0.11%	100.00%	
Average Percentage	75.48%	19.66%	1.52%		3.27%	0.07%	100.00%	
Allocation of Allocable Expenses	224,060	58,359	4,518	\$ 286,938	9,698	200	\$ 296,836	<u>Check Total</u>
								\$ -

Summary Transfers from PCP Operating to Other Companies - Full Year Amounts			
	YTD Costs	Current Balance	Monthly Adj
PCP Mgmt Fee Expense Allocation - PCP	\$ (296,835)	\$ (273,692)	(23,143)
PCP Mgmt Fee Expense Allocation - PWW	\$ 224,060	\$ 206,390	17,670
PCP Mgmt Fee Expense Allocation - PEU	\$ 58,359	\$ 53,235	5,124
PCP Mgmt Fee Expense Allocation - PAC	\$ 4,518	\$ 4,151	367
PCP Mgmt Fee Expense Allocation - PWS	\$ 9,698	\$ 8,898	800
PCP Mgmt Fee Expense Allocation - TSC	\$ 200	\$ 1,018	(818)
Check Totals	\$ -	\$ -	\$ -

Summary of 2019 Allocated Costs							
Year to Date Costs through December 31, 2019							
Pennichuck Corporation and Subsidiaries							
(Dollar amounts in \$ 000's)							
	Penn Water	Penn East	Pittsfield	Total Regulated	Con Ops(PWSC)	Real Estate(TSC)	Total
Allocated Corporate Costs	\$ 224,060	\$ 58,359	\$ 4,518	\$ 286,938	\$ 9,698	\$ 200	\$ 296,836
%	75.5%	19.7%	1.5%	96.7%	3.3%	0.1%	100.0%
Allocated Return on Common Assets	799,215	212,374	10,533	1,022,122	53,155	228	1,075,505
%	74.3%	19.7%	1.0%	95.0%	4.9%	0.0%	100.0%
Allocated Pennichuck Water Costs - Work Orders	1,756,150	470,260	38,783	2,265,193	362,636	-	2,627,829
%	66.8%	17.9%	1.5%	86.2%	13.8%	0.0%	100.0%
Allocated Pennichuck Water Costs - Management Fee	6,216,598	1,656,268	120,703	7,993,569	474,536	2,054	8,470,160
%	73.4%	19.6%	1.4%	94.4%	5.6%	0.0%	100.0%
Total Allocated 2019 Costs	\$ 8,996,026	\$ 2,397,262	\$ 174,537	\$ 11,567,825	\$ 900,025	\$ 2,482	\$ 12,470,332
%	72.1%	19.2%	1.4%	92.8%	7.2%	0.0%	100.0%

PREPARED BY:

DATE:

REVIEWED & APPROVED BY: _____

DATE: _____

Summary of 2019 Allocated Costs Year to Date Costs through December 31, 2019 Pennichuck Corporation (Dollar amounts in \$ 000's)							
	Penn Water	Penn East	Pittsfield	Total Regulated	Con Ops(PWSC)	Real Estate(TSC)	Total
Allocated Corporate Costs	\$ 224,060	\$ 58,359	\$ 4,518	\$ 286,938	\$ 9,698	\$ 200	\$ 296,836
%	75.5%	19.7%	1.5%	96.7%	3.3%	0.1%	100.0%

Summary Transfers from PCP Operating to Other Companies - Full Year Amounts			
	YTD Costs	Current Balance	Monthly Adj
PCP Mgmt Fee Expense Allocation - PCP	\$ (296,835)	(273,692)	(23,143)
PCP Mgmt Fee Expense Allocation - PWW	\$ 224,060	206,390	17,670
PCP Mgmt Fee Expense Allocation - PEU	\$ 58,359	53,235	5,124
PCP Mgmt Fee Expense Allocation - PAC	\$ 4,518	4,151	367
PCP Mgmt Fee Expense Allocation - PWS	\$ 9,698	8,698	800
PCP Mgmt Fee Expense Allocation - TSC	\$ 200	1,018	(818)
Check Totals	\$ -	\$ -	\$ -

Summary of 2019 Allocated Costs Year to Date Costs through December 31, 2019 Pennichuck Water Works (Dollar amounts in \$ 000's)							
	Penn Water	Penn East	Pittsfield	Total Regulated	Con Ops(PWSC)	Real Estate(TSC)	Total
Allocated Return on Common Assets	799,215	212,374	10,533	\$ 1,022,122	53,155	228	\$ 1,075,505
%	74.3%	19.7%	1.0%	95.0%	4.9%	0.0%	100.0%
Allocated Pennichuck Water Costs - Work Orders	1,756,150	470,260	38,783	\$ 2,265,193	362,636	-	\$ 2,627,829
%	66.8%	17.9%	1.5%	86.2%	13.8%	0.0%	100.0%
Allocated Pennichuck Water Costs - Management Fee	6,216,598	1,656,268	120,703	\$ 7,993,569	474,536	2,054	\$ 8,470,160
%	73.4%	19.6%	1.4%	94.4%	5.6%	0.0%	100.0%
Total Allocated 2019 Costs	\$ 8,771,963	\$ 2,338,902	\$ 170,019	\$ 11,280,884	\$ 890,327	\$ 2,282	\$ 12,173,494
%	72.1%	19.2%	1.4%	92.7%	7.3%	0.0%	100.0%

Summary Transfers from PWW Operating to Other Companies - Full Year Amounts			
	YTD Costs	Current Balance	Monthly Adjustment
PWW operating expense allocation - PWW	\$ (3,401,530)	(3,107,986)	\$ (293,544)
PWW operating expense allocation - PEU	\$ 2,338,902	2,124,005	\$ 214,897
PWW operating expense allocation - PAC	\$ 170,019	154,156	\$ 15,863
PWW operating expense allocation - PCP	\$ -	-	\$ -
PWW operating expense allocation - PWS	\$ 890,327	820,135	\$ 70,192
PWW operating expense allocation - TSC	\$ 2,282	9,690	\$ (7,408)
Check Totals	\$ 0	\$ -	\$ -

Step Allocation of Benefits				
		Non-Union Wage		Total with
2018 Benefits	Total Dollars	Portion	Union Wage Portion	Adjustments
Officer's Life Insurance	5,979	5,979	-	5,979
Pension - DB Plan	1,325,040	766,908	558,132	1,325,040
Group Pension: 401K	273,408	158,243	115,165	273,408
Post Retirement Health Expense	-	-	-	-
Post Employment Health Expense	262,140	147,982	-	147,982
Group Health Insurance	1,848,066	1,043,263	804,803	1,848,066
Health Insurance: Opt Out	21,000	11,855	9,145	21,000
Group Dental	218,636	123,424	95,212	218,636
Group Life/Disability Insurance	39,756	22,443	17,313	39,756
Misc Employee Benefits	38,820	21,915	16,905	38,820
Tuition Reimbursements	47,778	26,971	20,807	47,778
Training Educational Seminars	152,676	74,326	78,350	152,676
Boot & Clothing Allowance-OPS	378,365	-	378,365	378,365
Boot & Clothing Allowance-CS-Union	6,744	-	6,744	6,744
Boot & Clothing Allowance-WTP	220,050	-	220,050	220,050
Vacation Earned YTD (per Acc Vac Rpt) Union Only	32,776	-	36,165	36,165
Payroll Taxes:				
Employer FICA/Medicare	682,703	395,135	287,568	682,703
FUTA	5,866	3,395	2,471	5,866
SUI	7,942	4,597	3,345	7,942
Total Benefits	5,567,745	2,806,436	2,650,540	5,456,978
Benefits % (of wages)	57.5%	48.73%	63.24%	Update in Synergen for new year
Total Wages thru 12/31/18	9,647,133	5,565,974	4,081,159	
Less: Accrued Wages 12/31/17	(181,675)	(101,267)	(80,408)	
Add: Accrued Wages thru current year-end	214,880	126,599	88,281	
Grand Total Wages	9,680,339	5,591,306	4,089,032	
Grand Total Wages + 2019 wage increases	9,950,304	5,759,045	4,191,258	Non-union 3% - Union 2.5%
%	100.0%	57.8%	42.2%	
Total Headcount	124	70	54	
(Excluding Summer Help)	100.0%	56.5%	43.5%	

Health Insurance Calculation	
2019 Budget YTD	1,848,066
2019 - Union % (Based on Actual Participation at 01/01/2019)	43.55% 804,803
2019- Non-Union % (Based on Actual Participation @ 01/01/2019)	56.45% 1,043,263
	100.00% 1,848,066

Dental Insurance Calculation	
2019 Budget YTD	218,636
2019 - Union % (Based on Actual Participation at 01/01/2019)	43.55% 95,212
2019- Non-Union % (Based on Actual Participation @ 01/01/2019)	56.45% 123,424
	100.00% 218,636

Grand Total Wages Calculation	
Union	4,089,032 2.50% 4,191,258
Non-Union	5,591,306 3.00% 5,759,045
	9,680,339 9,950,304

Employer FICA/Medicare	
	682,703 actual + % wage increase
Union	287,568
Non-Union	395,135
	682,703

Group Pension: 401K	
	273,408 Budget
Union	115,165
Non-Union	158,243
	273,408

Vacation Earned YTD	
Union Carryover	32,776 33,595 2.50%
	7.65%
Total including FICA & MED Tax	36,165

TAB 35

1604.01(a)(19) Balance Sheets and Income Statements for Previous Two Years

Pennichuck East Utility, Inc.
Balance Sheet
For the Year Ended December 31, 2019

Assets	Provided pursuant to NHPUC Rule 1604.01(a)(19)												
	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Land													
PROPERTY HELD FUTURE USE	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76
LAND	510,566.83	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63
EASEMENTS	466,785.99	466,785.99	466,785.99	466,785.99	467,210.99	486,258.66	486,258.66	486,258.66	486,258.66	486,258.66	486,258.66	486,156.66	486,156.66
EASEMENT - GAGE HILL	-	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS: OAKWOOD	-	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS: GILCREAST RD	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTRIB RESER & STANDPIPE LAND	-	-	-	-	-	-	-	-	-	-	-	-	-
AVERY/HICKORY INTER WATER RIGHTS	100335	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00
LAND RIGHTS/SOURCE OF SUPPLY & PUMPING PLANT	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTRIB SYS LAND & RIGHTS/WAY	25000	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
	1,107,137.58	1,101,575.38	1,101,575.38	1,101,575.38	1,102,000.38	1,223,981.44	1,225,073.40	1,229,333.55	1,229,333.55	1,229,333.55	1,229,333.55	1,229,231.55	1,229,231.55
Structures													
STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-
SOURCE OF SUPPLY STRUCTURES	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73
POWER & PUMPING STRUCTURES	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,516,380.61	2,516,380.61	2,516,380.61	2,508,137.30
STRUCTURES & IMPROVE: ROOFING	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12
DISTRIBUTION RESERVOIRS	-	-	-	-	-	-	-	-	-	-	-	-	-
BOOSTER STATIONS	1,078,721.90	1,078,721.90	1,078,721.90	1,258,921.90	1,258,921.90	1,258,921.90	1,258,921.90	1,265,051.46	1,265,051.46	1,265,051.46	1,265,051.46	1,265,051.46	1,265,051.46
WTP - STRUCTURES	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53
BUILDINGS/ACQUISITION ADJUSTMT	-	-	-	-	-	-	-	-	-	-	-	-	-
WELLS & SPRINGS	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,078,841.11	2,078,841.11	2,078,841.11	2,055,630.43
WELL PUMPING & PIPING	336,336.65	336,336.65	336,336.65	337,547.49	337,547.49	346,371.31	354,650.57	371,198.91	374,470.66	308,668.15	308,668.15	308,668.15	309,878.99
SUPPLY MAINS:S/S PUMPING PLANT	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	561,151.82	562,249.21
	10,275,320.64	10,275,320.64	10,275,320.64	10,456,731.48	10,456,731.48	10,465,553.30	10,473,834.56	10,496,512.46	10,499,784.21	10,429,875.83	10,429,875.83	10,455,975.53	10,426,833.77
Equipment													
POWER GENERATION EQUIPMENT	712,806.23	712,806.23	712,806.23	757,806.23	757,806.23	757,806.23	757,806.23	757,806.23	757,806.23	757,806.23	759,921.19	759,921.19	759,921.19
ELECTRIC PUMPING EQUIPMENT	1,545,976.39	1,545,976.39	1,545,976.39	1,645,976.39	1,645,976.39	1,645,976.39	1,645,976.39	1,647,516.74	1,651,198.72	1,651,198.72	1,651,198.72	1,657,226.17	1,655,519.00
PUMPING EQUIPMENT: PUMPS	297,840.83	301,416.44	308,535.53	310,162.43	311,993.33	315,451.13	315,451.13	316,772.03	320,846.93	320,846.93	324,374.25	324,374.25	319,973.11
PUMPING EQUIPMENT: METERS	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91
ELECTRIC PUMPING EQUIPMENT-CHEMICAL PUMPS	17,877.13	17,877.13	17,877.13	19,511.46	19,511.46	20,921.14	20,921.14	23,796.61	23,796.61	23,796.61	25,206.24	25,206.24	25,206.24
OTHER POWER PUMPING EQUIPMENT	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71
PURIFICATION SYSTEM EQUIPMENT	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	834,158.36
OTHER PRODUCTION EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-
WATER TREATMENT EQUIPMENT	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30
WTP EQUIPMENT-FILTER MEDIA	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56
	3,919,601.98	3,923,177.59	3,930,296.68	4,078,557.91	4,080,368.81	4,085,256.29	4,085,256.29	4,090,993.01	4,098,749.89	4,098,749.89	4,104,392.17	4,111,829.12	4,104,492.38
Transmission & Distribution													
DISTRIBUTION RES & STANDPIPES	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41
PAVEMENTS - TRANS MAINS	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18
PAVEMENTS - DIST MAINS	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,317,944.68	1,346,584.68
PAVEMENTS-GATE VALVES	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93
PAVING: CIAC - MAINS	-	-	-	-	-	-	-	-	-	-	-	-	-
MAINS: 6" & LARGER	17,024,504.54	17,024,504.54	17,024,504.54	17,045,092.27	17,045,092.27	17,074,457.47	17,074,457.47	17,075,576.47	17,075,576.47	17,075,576.47	17,075,576.47	17,567,766.62	17,698,527.56
MAINS: 4" & UNDER	2,621,856.03	2,621,856.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,664,426.09	2,670,226.65
MAINS: UNKNOWN SIZE	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54
MAINS: CIAC - 6" & LARGER	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54
MAINS: CIAC - 4" & UNDER	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69
MAINS: CIAC - UNKNOWN SIZE	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25
DISTRIBUTION MAINS - NEW	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79
GATES: CIAC - 4" & UNDER	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46
GATES: CIAC - 6" & LARGER	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00
GATES: 4" & UNDER	412,870.85	412,870.85	412,870.85	413,795.85	413,795.85	413,795.85	413,795.85	413,795.85	413,795.85	413,795.85	413,795.85	431,420.36	435,875.36
GATES: 6" & LARGER	128,627.39	128,627.39	128,627.39	131,625.56	131,625.56	131,625.56	131,625.56	141,384.31	141,384.31	141,384.31	141,384.31	161,707.13	169,739.63
GATES: UNKNOWN SIZE	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91
DIST MAINS: DEVELOPER INSTALL	3,712,642.88	3,712,642.88	3,712,642.88	3,732,642.88	3,732,642.88	3,732,642.88	3,732,642.88	4,574,564.78	4,574,564.78	4,574,564.78	4,574,564.78	4,574,564.78	4,849,842.58
CIAC: PRESSURE REDUCING VALVE VAULTS	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00
PAVEMENTS: SERVICES	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57
NEW SERVICES	2,183,897.42	2,183,897.42	2,183,897.42	2,167,926.74	2,167,926.74	2,167,926.74	2,172,773.90	2,176,802.90	2,176,802.90	2,176,802.90	2,181,163.40	2,173,534.90	2,171,135.50
RENEWED SERVICES	1,316,167.13	1,316,167.13	1,326,316.34	1,326,316.34	1,326,316.34	1,329,314.70	1,329,793.96	1,329,793.96	1,334,558.16	1,341,676.04	1,345,490.96	1,461,970.90	1,478,048.16
DEV INSTALLED SERVICES: CIAC	2,891,233.98	2,935,497.64	2,948,552.98	2,974,529.56	2,990,962.99	3,028,124.43	3,071,572.89	3,166,447.73	3,181,773.68	3,203,838.30	3,211,060.69	3,207,105.94	3,217,009.02
DEV INSTALLED SERVICES: PAID	1,392,960.99	1,396,519.74	1,408,085.51	1,409,383.67	1,411,169.30	1,415,874.47	1,419,504.42	1,425,179.25	1,425,179.25	1,427,253.19	1,428,063.88	1,428,874.57	1,431,495.50
METERING EQUIPMENT	1,239,650.19	1,244,186.34	1,249,656.79	1,254,339.38	1,257,827.82	1,263,913.43	1,256,465.60	1,262,342.78	1,273,702.65	1,267,777.14	1,268,155.24	1,270,359.58	1,268,346.27
RADIOS FOR METERING	777,545.32	779,021.96	779,697.06	780,010.17	781,106.52	782,700.82	782,659.22	784,276.97	786,678.78	785,701.20	786,713.36	789,766.67	787,652.09

Miscellaneous Equipment													
OFFICE FURNITURE/EQUIPMENT	2688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66
SHOP EQUIPMENT	90722.67	90,722.67	90,722.67	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34
LAB EQUIPMENT	9592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29
POWER OPERATED EQUIP -GEN PLNT	0	-	-	-	-	-	-	-	-	-	-	-	-
COMMUNICATION EQUIPMENT	515700.92	515,700.92	515,700.92	522,700.92	522,700.92	522,700.92	522,700.92	523,742.54	528,230.35	528,230.35	528,230.35	528,230.35	528,230.35
COMPUTER EQUIPMENT	92317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22
MISCELLANEOUS GENERAL EQUIP	10364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16
	721,385.92	721,385.92	721,385.92	710,600.59	710,600.59	710,600.59	710,600.59	711,642.21	716,130.02	716,130.02	716,130.02	716,130.02	716,130.02
Intangible Plant													
ORGANIZATION EXPENSE	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05
ORGANIZATION EXP: THURSTON WDS	-	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: LAMPLIGHTER	-	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: FLETCHERS	-	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISES & CONSENTS	21445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54
FRANCHISE FEES: CASTLE REACH	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05
FRANCHISE FEES: WHITE ROCK	-	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISE FEES: WESCO	-	-	-	-	-	-	-	-	-	-	-	-	-
	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64
Total Plant in Service	67,231,225.60	67,300,410.42	67,380,181.82	67,803,233.05	67,844,494.19	68,078,278.03	68,148,766.04	69,227,306.34	69,292,875.99	69,263,585.23	69,301,365.99	70,194,615.33	70,679,211.00
Accumulated Depreciation													
ACCUMULATED DEPRECIATION	(17,439,010.43)	(17,565,553.48)	(17,692,165.37)	(17,782,312.67)	(17,909,230.70)	(18,036,228.38)	(18,155,281.22)	(18,283,607.72)	(18,417,409.98)	(18,517,134.67)	(18,640,082.94)	(18,755,464.20)	(18,860,794.23)
ACCUM DEPREC: COST OF REMOVAL	1,337,155.60	1,338,056.90	1,339,395.13	1,340,981.77	1,341,369.37	1,343,515.76	1,345,157.89	1,349,224.57	1,351,595.20	1,352,996.40	1,354,293.72	1,441,056.95	1,464,309.69
ACCUMULATED DEPRECIATION: LOSS	1,610,536.01	1,610,536.01	1,610,536.01	1,618,371.61	1,618,371.61	1,618,371.61	1,625,211.81	1,625,211.81	1,625,211.81	1,682,442.14	1,686,468.17	1,772,151.43	1,793,536.68
ACCUM DEPREC: ACQUIS ADJUSTMNT	-	-	-	-	-	-	-	-	-	-	-	-	-
	-14491318.82	(14,616,960.57)	(14,742,234.23)	(14,822,959.29)	(14,949,489.72)	(15,074,341.01)	(15,184,911.52)	(15,309,171.34)	(15,440,602.97)	(15,481,696.13)	(15,599,321.05)	(15,542,255.82)	(15,602,947.86)
Net Plant in Service	52,739,906.78	52,683,449.85	52,637,947.59	52,980,273.76	52,895,004.47	53,003,937.02	52,963,854.52	53,918,135.00	53,852,273.02	53,781,889.10	53,702,044.94	54,652,359.51	55,076,263.14
Construction Work in Progress													
CWIP: CONTRACTOR CLEARING	400,406.02	409,657.08	414,546.57	452,783.14	503,686.53	390,929.90	423,344.96	461,883.71	467,429.10	491,314.26	514,379.30	657,462.97	474,816.33
CWIP: CONTRACTOR CLEARING	13,152.01	14,921.83	26,084.08	129,230.44	104,707.06	144,166.33	152,185.05	222,456.72	232,391.72	424,902.96	886,144.50	201,673.80	254,218.77
	53,153,464.81	53,108,028.76	53,078,578.24	53,562,287.34	53,503,398.06	53,539,033.25	53,539,384.53	54,602,475.43	54,552,093.84	54,698,106.32	55,102,568.74	55,511,496.28	55,805,298.24
Current Assets													
Cash	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH: BANK OF AMERICA OPERATING	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH: PETTY CASH PAC	900	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
RESTRICTED CASH - TD BANK - RSF	28347.9	21,799.51	9,226.22	2,967.06	-	-	4,783.58	32,663.99	58,282.26	72,528.03	75,063.02	60,541.09	56,814.96
DSRR 1.0 RSF	47100.04	37,470.51	18,981.26	9,777.04	1,179.28	-	12,448.24	53,446.88	91,119.01	112,067.66	115,795.41	94,440.64	88,961.29
MOERR RSF	717068.94	632,468.83	509,058.61	430,312.57	111,011.53	154,824.41	121,605.00	184,811.16	270,795.12	219,860.14	123,751.03	-	(67,872.82)
MOERR	240362.61	440,953.56	722,643.36	964,024.80	1,393,660.54	1,708,777.56	1,520,645.04	975,946.82	1,253,529.25	325,728.55	326,997.66	402,661.54	532,745.22
DSRR 1.0	116725.18	154,379.49	180,484.31	147,579.05	152,549.81	184,851.58	120,122.19	153,245.95	185,440.98	130,024.06	162,191.72	193,903.75	136,726.55
DSRR 0.1	11161.29	21,549.62	31,051.98	41,482.84	51,974.35	63,087.73	75,803.82	91,254.97	62,943.62	74,667.68	83,883.49	94,686.84	94,686.84
OTHER SPECIAL DEPOSITS	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00
Accounts Receivable, Net	-	-	-	-	-	-	-	-	-	-	-	-	-
A/R: BILLED WATER REVENUE	465,964.58	369,207.29	548,500.96	492,711.86	453,608.36	404,633.98	656,816.70	522,023.83	805,122.95	605,593.29	493,635.46	659,582.06	502,887.95
A/R: MISCELLANEOUS	19,365.88	33,642.81	56,631.85	59,756.23	50,655.70	53,477.23	60,849.97	62,647.49	62,336.23	62,543.84	62,543.84	62,941.86	169,822.86
ALLOWANCE FOR DOUBTFUL ACCTS	(1,762.44)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)
ALLOW DOUBTFUL ACCT: NON-WATER	0	-	-	-	-	-	-	-	-	-	-	-	-
	483,568.02	400,850.10	603,132.81	550,468.09	502,264.06	456,111.21	715,666.67	582,671.32	865,459.18	666,137.13	554,179.30	720,523.92	670,710.81
A/R: UNBILLED WATER REVENUE	553,616.00	582,519.00	475,958.00	527,407.00	571,851.00	641,938.00	622,313.00	784,930.00	710,875.00	717,253.00	686,422.00	524,913.00	573,647.00
A/R UNBIL REV-CAP RECOV RECOUP	-	-	-	-	-	-	-	-	-	-	-	-	-
A/R UNBILLED WATER REV-RECOUP	-	-	-	(48,200.47)	-	-	-	-	-	-	-	-	-
A/R UNBILLED WATER REV-RECOUP 2017	577,594.00	577,594.00	577,594.00	577,594.00	480,952.92	430,878.75	382,651.45	334,598.73	286,641.69	238,983.19	191,104.01	144,234.29	97,729.68
	1,131,210.00	1,160,113.00	1,053,552.00	1,056,800.53	1,052,803.92	1,072,816.75	1,004,964.45	1,119,528.73	997,516.69	956,236.19	877,526.01	669,147.29	671,376.68
Inventory & Supplies													
INVENTORY	-	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: METERS - PEU	0	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: CHEMICALS	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses & Other													
PREPAID INSURANCE	158.39	158.39	3,950.27	18,687.40	19,963.71	21,240.02	22,516.33	23,792.64	25,068.95	26,345.26	17,591.81	8,838.36	83.46
PREPAID PROPERTY TAXES	-	-	-	-	-	-	-	-	-	-	-	-	-
PREPAID EXPENSES	7,189.98	11,730.48	7,968.98	5,467.48	9,167.97	16,946.46	13,185.00	11,908.33	10,701.66	10,719.99	15,547.99	11,428.98	7,309.98
PREPAID PROPERTY TAXES	235,524.51	157,016.33	78,508.15	-	-	306,719.60	229,657.60	152,595.60	75,533.60	-	-	355,514.51	263,891.63
CLEARING ACCOUNT	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)
	211325.34	137,357.66	58,879.86	(7,392.66)	(2,415.86)	313,358.54	233,811.39	156,749.03	79,756.67	5,517.71	1,592.26	344,234.31	239,737.53
Total Current Assets	3,080,939.32	3,047,012.28	3,227,080.41	3,236,089.32	3,303,097.63	3,993,897.78	3,849,920.38	3,390,388.85	3,892,585.63	2,591,113.09	2,351,834.09	2,609,406.03	2,463,957.06
Other Assets													
Abandoned Property													
ABANDONED 8" MAIN - RANGE RD	-	-	-	-	-	-	-	-	-	-	-	-	-
ABAND PUMP STA: SPRINGWOOD HLS	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Deferred Charges													
PHASE II & V WAIVER - NC	-	-	-	-	-	-	-	-	-	-	-	-	-
ACQUISITION PREMIUM - MARA	7,580,151.51	7,562,761.58	7,544,949.87	7,527,138.25	7,509,326.62	7,491,514.91	7,473,703.29	7,455,891.58	7,438,079.95	7,420,268.24	7,402,456.62	7,384,645.00	7,366,833.29
SERGEANT WOODS-NEWTON, NH	-	-	-	-	-	-	-	-	-	-	-	-	-
CROSS CONNECTION SURVEY-PEU	57.96	53.49	49.03	44.56	40.10	35.63	31.17	26.70	22.24	17.77	13.31	8.75	4.29

SPRUCE POND-WINDHAM NH-ACQUISIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CLEAN/DISPOSE OF TANK SLUDGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PELHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LAKES REGION WATER CO-ACQUISIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WINNISQUAM VILLAGE CONDO'S	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DANIELS LAKE ACO - WEARE, NH	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FREEDOM VILLAGE ACQUISITION	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SARBANES-OXLEY	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BIRCH HILL GUARDIA SUIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NORTH CONWAY LAND SALE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ABATEMENT	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	6,837.59	6,837.59	6,837.59	6,837.59	6,837.59	6,837.59	6,837.59
ABATEMENT	78,653.71	73,035.59	67,417.46	61,799.34	56,181.22	50,563.09	44,944.97	39,326.85	33,708.72	28,090.60	22,472.48	16,854.35	11,236.24	6,555.56
LITCHFIELD WHOLESALE WATER SUPPLY CONTRACT FEES	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LONDONRRY VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LITCHFIELD VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GRANT AVAILABILITY STUDY - NC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WINDHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SYSTEM SUPPLY STUDY	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86
BEAVER HOLLOW TANK CLEANING	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SUPPLY STUDY	1,881.46	1,858.80	1,836.14	1,813.48	1,790.82	1,768.16	1,745.50	1,722.84	1,700.18	1,677.52	1,654.86	1,632.29	1,609.63	1,586.96
LOCKE LAKE WELL/GROUNDWATER STUDY	22,580.34	22,380.40	22,180.46	21,980.52	21,780.58	21,580.64	21,380.70	21,180.76	20,980.82	20,780.88	20,580.94	20,381.00	20,181.06	19,981.12
RATE CASE EXPENSE: 2007	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXP: NORTH COUNTRY	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)
RATE CASE EXPENSE: 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXPENSE: 2017	55,402.32	55,402.32	55,402.32	50,726.61	46,169.81	41,369.84	36,597.80	31,983.08	27,318.20	22,776.44	18,254.06	13,826.30	9,461.81	5,097.32
LOCKE LAKE LEAK DETECTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MANCHESTER SRCE DEV CHARGE/LY	465,048.38	461,746.46	458,444.56	455,142.63	451,840.72	448,538.82	445,236.89	441,934.97	438,633.07	435,331.14	432,029.23	421,039.07	417,737.14	414,435.21
MSCD: MAPLE HILLS - DERRY	30,047.30	29,771.54	29,495.78	29,220.02	28,944.26	28,668.50	28,392.74	28,116.98	27,841.22	27,565.46	27,289.70	27,013.77	26,738.01	26,462.25
WEB SITE UPGRADE 2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WEB-SITE UPGRADE 2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-
N CONWAY WATER INTERCONNECT	54,019.32	53,518.93	53,018.54	52,518.15	52,017.76	51,517.37	51,016.98	50,516.59	50,016.20	49,515.81	49,015.42	49,017.92	48,517.53	48,017.14
N CONWAY WATER PREC-BUY IN FEE	1,711.28	1,700.22	1,689.15	1,678.09	1,667.02	1,655.96	1,644.89	1,633.83	1,622.76	1,611.70	1,600.63	1,084.54	1,073.47	1,062.40
SKYVIEW ESTATES - PELHAM	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80
BOW HIGHLANDS, BOW NH-ACQUISIT	2,739.11	2,710.59	2,682.05	2,653.51	2,624.99	2,596.47	2,567.93	2,539.41	2,510.87	2,482.33	2,453.81	2,425.20	2,396.66	2,368.12
CO-BANK DEFERRED PATRONAGE	124,846.67	124,846.67	124,846.67	164,385.89	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15
CO-BANK DEFERRED PATRONAGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	8,434,665.61	8,407,312.84	8,379,538.28	8,386,627.30	8,341,116.30	8,313,344.14	8,280,776.64	8,240,969.40	8,208,509.07	8,176,171.76	8,143,853.96	8,103,938.26	8,071,778.23	8,040,000.00
ACQUISITION PREMIUM - MARA	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unamortized Debt Expense														
UNAMORTIZED DEBT EXPENSE	241,862.00	239,920.41	237,978.82	236,037.23	234,095.64	232,154.05	230,212.46	237,946.23	245,198.14	243,243.97	241,156.03	239,068.09	236,980.15	234,892.00
Total Other Assets	8,676,527.61	8,647,233.25	8,617,517.10	8,622,664.53	8,575,211.94	8,545,498.19	8,510,989.10	8,478,915.63	8,453,707.21	8,419,415.73	8,385,009.99	8,343,006.35	8,308,758.38	8,274,510.00
Total Assets	64,910,931.74	64,802,274.29	64,923,175.75	65,421,041.19	65,381,707.63	66,078,429.22	65,900,294.01	66,471,779.91	66,898,386.68	65,708,635.14	65,839,412.82	66,463,908.66	66,578,013.68	66,693,524.68
Equity and Liabilities														
Shareholder's Equity														
COMMON STOCK	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
ADDITIONAL PAID IN CAPITAL	(11,583,499.87)	(11,583,499.87)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)
DIVIDENDS: COMMON STOCK	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME	157,657.80	163,178.40	158,282.40	181,743.00	176,263.80	215,877.60	222,271.80	219,853.80	270,811.20	245,598.00	244,473.00	235,296.00	212,035.80	198,750.00
	(11,425,942.07)	(11,420,421.47)	(11,270,018.28)	(11,246,557.68)	(11,252,036.88)	(11,212,423.08)	(11,206,028.88)	(11,208,446.88)	(11,157,489.48)	(11,182,702.68)	(11,183,827.68)	(11,193,004.68)	(11,216,264.88)	(11,239,489.88)
RETAINED EARNINGS BEG - PEU	636,301.04	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79
Net Profit or Loss	540,155.75	82,505.55	168,546.93	375,770.48	529,753.87	606,367.49	616,208.39	776,962.21	656,043.98	649,601.57	725,095.55	882,760.28	979,804.90	1,078,910.42
Total Equity	(10,249,485.28)	(10,161,459.13)	(9,925,014.56)	(9,694,330.41)	(9,545,826.22)	(9,429,598.80)	(9,413,363.70)	(9,255,027.88)	(9,324,988.71)	(9,356,644.32)	(9,282,275.34)	(9,133,787.61)	(9,060,003.19)	(8,987,113.00)
LONG TERM DEBT: BONDS & NOTES	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LTD - SRF LOAN: GREEN HILLS	(85,662.50)	(84,218.75)	(82,775.00)	(81,331.25)	(79,887.50)	(78,443.75)	(77,000.00)	(75,556.25)	(74,112.50)	(72,668.75)	(71,225.00)	(69,781.25)	(68,337.50)	(66,893.75)
LTD-SRF LOAN PELHAM TANK PROJ	(242,897.18)	(240,340.02)	(237,775.43)	(235,203.38)	(232,623.86)	(230,036.64)	(227,442.30)	(224,840.22)	(222,230.57)	(219,613.34)	(216,988.50)	(214,356.04)	(211,715.82)	(209,077.50)
LTD-SRF LOAN: MAPLE HILLS	(353,184.00)	(350,767.00)	(348,344.00)	(345,915.00)	(343,480.00)	(341,039.00)	(338,592.00)	(336,139.00)	(333,680.00)	(331,215.00)	(328,744.00)	(326,267.00)	(323,784.00)	(321,300.00)
LTD - SRF LOAN/BIRCH HILL	(1,193,378.00)	(1,186,365.53)	(1,179,336.33)	(1,172,290.35)	(1,165,227.56)	(1,158,147.91)	(1,151,051.37)	(1,143,937.89)	(1,136,807.43)	(1,129,659.95)	(1,122,495.42)	(1,115,313.79)	(1,108,115.02)	(1,094,900.00)
LTD - SRF LOAN/LOCKE LAKE	(113,108.38)	(112,078.38)	(111,047.38)	(110,016.38)	(108,985.38)	(107,953.38)	(106,921.38)	(105,889.38)	(104,856.38)	(103,823.38)	(102,790.38)	(101,757.38)	(100,724.38)	(99,691.38)
LTD - SRF LOAN/LOCKE LAKE 2011	(147,601.69)	(147,040.44)	(146,475.22)	(145,906.00)	(145,332.79)	(144,755.58)	(144,174.36)	(143,589.11)	(142,999.83)	(142,406.52)	(141,809.16)	(141,207.75)	(140,602.27)	(139,994.86)
LTD/SRF LOAN: LIBERTY TREE	(228,319.00)	(227,618.00)	(226,911.00)	(226,200.00)	(225,482.00)	(224,760.00)	(224,032.00)	(223,299.00)	(222,561.00)	(221,817.00)	(221,068.00)	(220,314.00)	(219,554.00)	(218,794.00)
LTD/SRF LOAN: LOCKE LAKE 2012	(300,406.69)	(298,924.87)	(297,439.69)	(295,951.14)	(294,459.22)	(292,963.91)	(291,465.24)	(289,963.16)	(288,457.67)	(286,948.76)	(285,436.44)	(283,920.69)	(282,401.50)	(280,877.75)
LTD: COBANK 4.5M LOAN	(2,715,544.21)	(2,715,544.21)	(2,713,946.95)	(2,661,117.40)	(2,661,117.40)	(2,659,200.48)	(2,606,467.79)	(2,606,467.79)	(2,604,533.73)	(2,551,329.37)	(2,551,329.37)	(2,549,399.22)	(2,495,449.72)	(2,441,499.22)
LTD: COBANK 1.7M LOAN	(1,294,541.49)	(1,288,429.50)	(1,282,298.46)	(1,275,890.42)	(1,269,720.29)	(1,263,403.25)	(1,257,194.20)	(1,250,839.37)	(1,244,591.15)	(1,238,323.45)	(1,231,911.70)	(1,225,604.48)	(1,219,154.36)	(1,212,654.24)
LTD: COBANK 925K LOAN	(706,244.01)	(703,070.05)	(699,884.47)	(696,521.99)	(693,132.45)	(689,700.91)	(686,225.94)	(682,700.91)	(679,125.94)	(675,500.91)	(671,825.94)	(668,100.91)	(664,325.94)	(660,500.91)
LTD: LOCKE LAKE 2012-PHASE2	(327,933.06)	(326,513.64)	(325,091.00)	(323,665.13)	(322,236.03)	(320,803.69)	(319,368.10)	(317,929.26)	(316,487.16)	(315,041.79)	(313,593.15)	(312,141.23)	(310,686.01)	(309,230.79)
LTD: LOCKE LAKE-WINWOOD & MONROE	(333,302.69)	(331,967.04)	(330,628.37)	(329,286.67)	(327,941.92)	(326,594.13)	(325,243.28)	(323,889.37)	(322,532.39)	(321,172.33)	(319,809.19)	(318,442.97)	(317,073.65)	(315,700.00)
LTD: SRF LOAN/HICKORY & AVERY	(359,529.47)	(358,047.96)	(356,563.22)	(355,075.24)	(353,584.01)	(352,089.54)	(350,591.81)	(349,090.81)	(347,586.54)	(346,078.99)	(344,568.15)	(343,054.02)	(341,536.59)	(339,013.75)
LTD: SRF LOAN/W&E MAIN REPLACEMENT	(882,517.56)	(878,970.65)	(875,416.00)	(871,853.61)	(868,283.45)	(864,709.51)	(861,119.77)	(857,526.21)	(853,924.82)	(850,315.58)	(846,698.47)	(843,073.47)	(839,440.57)	(835,803.07)
LTD: SRF LOAN-HARDWOOD TREATMENT	(491,090.79)	(489,078.14)	(487,061.36)	(485,040.43)	(483,015.36)	(480,986.13)	(478,952.73)	(476,915.16)	(474,873.41)	(472,827.45)	(470,777.30)	(468,722.93)	(466,664.35)	(464,601.00)
LTD: COBANK 625K LOAN	(557,471.18)	(556,179.47)	(554,882.31)	(553,428.62)	(551,919.85)	(550,730.41)	(549,410.26)	(548,000.76)	(546,678.13)	(545,340.88)	(543,923.76)	(542,574.89)	(541,146.47)	(539,707.00)
LTD: SRF/LOCKE LAKE-WINWOOD & MONROE PHASE II	(349,019.70)	(347,623.70)	(346,224.70)	(344,822.70)	(343,417.70)	(342,010.70)	(340,600.70)	(339,187.70)	(337,771.70)	(336,352				

LTD: SRF/MERRIMACK RIVER CROSSING	(2,367,216.63)	(2,358,987.29)	(2,350,744.51)	(2,342,488.27)	(2,334,218.54)	(2,325,935.31)	(2,317,638.55)	(2,309,328.24)	(2,301,004.35)	(2,292,666.87)	(2,284,315.77)	(2,275,951.03)	(2,267,572.63)
LTD: COBANK 350K LOAN	(339,168.09)	(338,593.96)	(338,017.19)	(337,337.68)	(336,755.15)	(336,120.08)	(335,531.96)	(334,891.46)	(334,297.70)	(333,701.21)	(333,052.58)	(332,450.38)	(331,796.19)
LTD: SRF/HILLCREST ROAD	(238,741.05)	(237,911.09)	(237,079.78)	(236,247.11)	(235,413.08)	(234,577.69)	(233,740.93)	(232,902.81)	(232,063.32)	(231,222.46)	(230,380.22)	(229,536.61)	(228,691.62)
LTD: SRF/LOCKE LAKE GEORGETOWN MAIN	-	-	-	-	-	-	-	-	-	-	(216,895.10)	(648,923.18)	(958,332.63)
LTD: SRF/LOCKE LAKE AIRSTRIP WELL INTERCONN	-	-	-	-	-	-	-	-	-	-	-	-	-
LTD: SRF/LOCKE LAKE SURFACE WATER SUPPLY	-	-	-	-	-	-	-	-	(128,104.73)	(128,104.73)	(128,104.73)	(128,104.73)	(128,104.73)
LTD: COBANK 1.153M LOAN T9	-	-	-	-	-	-	-	(1,126,152.85)	(1,126,051.58)	(1,123,926.22)	(1,121,656.12)	(1,119,514.17)	(1,118,551.07)
FORGIVABLE DEBT: GREEN HILLS	(27,582.86)	(27,099.60)	(26,616.34)	(26,133.08)	(25,649.82)	(25,166.56)	(24,683.30)	(24,200.04)	(23,716.78)	(23,233.52)	(22,750.26)	(22,267.00)	(21,783.74)
FORGIVABLE DEBT: LOCKE LAKE	(38,851.68)	(38,538.36)	(38,225.04)	(37,911.72)	(37,598.40)	(37,285.08)	(36,971.76)	(36,658.44)	(36,345.12)	(36,031.80)	(35,718.48)	(35,405.16)	(35,091.84)
FORGIVABLE DEBT: LOCKE LKE 2011	(80,334.89)	(79,832.80)	(79,330.71)	(78,828.62)	(78,326.53)	(77,824.44)	(77,322.35)	(76,820.26)	(76,318.17)	(75,816.08)	(75,313.99)	(74,811.90)	(74,309.81)
FORGIVABLE DEBT: LIBERTY TREE	(106,611.11)	(106,025.34)	(105,439.57)	(104,853.80)	(104,268.03)	(103,682.26)	(103,096.49)	(102,510.72)	(101,924.95)	(101,339.18)	(100,753.41)	(100,167.64)	(99,581.87)
FORGIVABLE LTD: LOCKE LAKE 2012	-	-	-	-	-	-	-	-	-	-	-	-	-
FORGIVABLE LTD: BRADY AVE	-	(61,634.37)	(61,459.77)	(61,285.17)	(61,110.57)	(60,935.97)	(60,761.37)	(60,586.77)	(60,412.17)	(60,237.57)	(60,062.97)	(59,888.37)	(59,713.77)
Long Term Debt	(17,819,753.96)	(17,786,200.62)	(17,723,118.59)	(17,607,474.84)	(17,545,688.12)	(17,481,248.54)	(17,366,426.98)	(18,429,757.95)	(18,493,434.79)	(18,375,560.70)	(18,526,912.81)	(18,892,019.52)	(19,082,940.57)
Current Liabilities													
CURRENT PORTION LONG TERM DEBT	-	-	-	-	-	-	-	-	-	-	-	-	-
FIXED ASSET LINE OF CREDIT	(691,425.14)	(791,764.12)	(1,441,548.87)	(1,441,548.87)	(1,565,089.80)	(1,662,664.02)	(1,844,163.66)	(741,282.14)	(768,379.53)	(828,681.01)	(839,691.51)	(849,573.24)	(995,880.61)
CURR PORTION LTD: GREEN HILLS	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)
CURR PORTION LTD: PELHAM TANK	(30,113.95)	(30,201.48)	(30,289.26)	(30,377.30)	(30,465.59)	(30,554.14)	(30,642.95)	(30,732.02)	(30,821.35)	(30,910.93)	(31,000.78)	(31,090.89)	(31,181.26)
CURR PORTION LTD: MAPLE HILLS	(28,543.00)	(28,613.00)	(28,684.00)	(28,755.00)	(28,826.00)	(28,897.00)	(28,968.00)	(29,040.00)	(29,112.00)	(29,184.00)	(29,256.00)	(29,328.00)	(29,400.00)
CURRENT PORTION LTD: BIRCH HILL	(82,858.54)	(83,056.30)	(83,254.52)	(83,453.23)	(83,652.41)	(83,852.06)	(84,052.18)	(84,252.78)	(84,453.86)	(84,655.43)	(84,857.47)	(85,059.98)	(85,262.98)
CURR PORT LTD: LOCKE LAKE 2007	(12,325.00)	(12,331.00)	(12,337.00)	(12,343.00)	(12,348.00)	(12,354.00)	(12,359.00)	(12,363.00)	(12,368.00)	(12,373.00)	(12,378.00)	(12,383.00)	(12,388.00)
CURR PORT LTD: LOCKE LAKE 2011	(6,427.23)	(6,474.40)	(6,521.65)	(6,569.00)	(6,616.45)	(6,663.98)	(6,711.61)	(6,759.34)	(6,807.17)	(6,855.09)	(6,903.10)	(6,951.21)	(6,999.42)
CURR PORTION LTD: LIBERTY TREE	(8,013.00)	(8,075.00)	(8,137.00)	(8,199.00)	(8,261.00)	(8,323.00)	(8,386.00)	(8,449.00)	(8,512.00)	(8,575.00)	(8,638.00)	(8,701.00)	(8,765.00)
CURR PORT LTD: LOCKE LAKE 2012	(17,522.57)	(17,562.29)	(17,602.10)	(17,642.01)	(17,682.01)	(17,722.08)	(17,762.25)	(17,802.51)	(17,842.86)	(17,883.31)	(17,923.84)	(17,964.47)	(18,005.19)
CURR PORT LTD: COBANK 4.5M LOAN	(212,716.10)	(212,716.10)	(214,313.36)	(214,313.36)	(214,313.36)	(216,230.28)	(216,230.28)	(216,230.28)	(218,164.34)	(218,164.34)	(218,164.34)	(220,094.49)	(220,094.49)
CURR PORT LTD: COBANK 1.7M (T4)	(72,802.23)	(73,029.17)	(73,256.82)	(73,484.14)	(73,711.46)	(73,938.78)	(74,166.10)	(74,393.42)	(74,620.74)	(74,848.06)	(75,075.38)	(75,302.70)	(75,530.02)
CURR PORT LTD: COBANK 925K (T3)	(37,785.18)	(37,923.46)	(38,062.25)	(38,199.99)	(38,338.24)	(38,476.49)	(38,614.74)	(38,752.99)	(38,891.24)	(39,029.49)	(39,167.74)	(39,305.99)	(39,444.24)
CURR PORT LTD: SRF LOCKE LAKE-DAM SITE #2	(16,784.77)	(16,822.81)	(16,860.94)	(16,899.16)	(16,937.47)	(16,975.86)	(17,014.35)	(17,052.92)	(17,091.57)	(17,130.31)	(17,169.13)	(17,208.04)	(17,247.05)
CURR PORT LTD: LOCKE LAKE W & M	(15,794.06)	(15,829.87)	(15,865.75)	(15,901.71)	(15,937.75)	(15,973.87)	(16,010.08)	(16,046.37)	(16,082.74)	(16,119.20)	(16,155.73)	(16,192.34)	(16,229.04)
CURR PORT LTD: HICKORY & AVERY	(17,528.81)	(17,567.02)	(17,605.31)	(17,643.68)	(17,682.15)	(17,720.69)	(17,759.32)	(17,798.04)	(17,836.84)	(17,875.72)	(17,914.69)	(17,953.74)	(17,992.88)
CURR PORT LTD: W&E MAIN REPLACEMENT	(41,965.90)	(42,057.39)	(42,149.08)	(42,240.97)	(42,333.06)	(42,425.34)	(42,517.82)	(42,610.51)	(42,703.40)	(42,796.49)	(42,889.78)	(42,983.29)	(43,076.99)
CURR PORT LTD: HARDWOOD TREATMENT	(23,832.44)	(23,881.38)	(23,930.42)	(23,979.57)	(24,028.82)	(24,078.17)	(24,127.62)	(24,177.16)	(24,226.81)	(24,276.57)	(24,326.42)	(24,376.38)	(24,426.44)
CURR PORT LTD: COBANK 625K LOAN	(15,609.72)	(15,675.58)	(15,741.72)	(15,726.19)	(15,792.55)	(15,857.04)	(15,923.94)	(15,988.96)	(16,056.42)	(16,124.17)	(16,190.01)	(16,258.32)	(16,324.71)
CURR PORT LTD: LOCKE LAKE-WINWOOD & MONROE PHASE	(16,530.00)	(16,564.00)	(16,598.00)	(16,632.00)	(16,667.00)	(16,701.00)	(16,735.00)	(16,769.00)	(16,803.00)	(16,837.00)	(16,872.00)	(16,907.00)	(16,942.00)
CURRENT PORTION LTD: COBANK 1.25M PORTION OF 2.2M L	(31,223.38)	(31,336.31)	(31,449.64)	(31,563.00)	(31,676.33)	(31,789.66)	(31,902.99)	(32,016.32)	(32,129.65)	(32,242.98)	(32,356.31)	(32,469.64)	(32,582.97)
CURRENT PORTION LTD: SRF/LOCKE LAKE-VARNEY ROAD	(63,287.36)	(63,390.73)	(63,494.10)	(63,597.47)	(63,700.84)	(63,804.21)	(63,907.58)	(64,010.95)	(64,114.32)	(64,217.69)	(64,321.06)	(64,424.43)	(64,527.80)
CURRENT PORTION LTD: COBANK 950K PORTION OF 2.2M L	(21,944.94)	(22,036.21)	(22,127.87)	(22,219.00)	(22,310.13)	(22,401.26)	(22,492.39)	(22,583.52)	(22,674.65)	(22,765.78)	(22,856.91)	(22,948.04)	(23,039.17)
CURRENT PORTION LTD: SRF/BRADY AVE	-	(6,579.66)	(7,528.41)	(8,477.38)	(9,426.35)	(10,375.32)	(11,324.29)	(11,372.68)	(11,372.68)	(11,425.13)	(11,473.52)	(11,521.91)	(11,570.30)
CURRENT PORTION LTD: SRF/MERRIMACK RIVER CROSSING	(32,783.37)	(41,012.71)	(49,255.49)	(57,511.73)	(65,781.46)	(74,064.69)	(82,361.45)	(90,671.76)	(98,995.65)	(107,317.34)	(115,641.52)	(123,965.70)	(132,290.88)
CURRENT PORTION LTD: COBANK 350K LOAN	(7,034.31)	(7,066.60)	(7,099.04)	(7,078.43)	(7,110.91)	(7,143.39)	(7,175.87)	(7,207.15)	(7,240.23)	(7,273.46)	(7,305.77)	(7,338.27)	(7,370.75)
CURRENT PORTION LTD: SRF/HILLCREST ROAD	(3,306.31)	(4,136.27)	(4,967.58)	(5,800.25)	(6,634.28)	(7,469.67)	(8,306.43)	(9,144.55)	(9,984.04)	(10,823.53)	(11,663.02)	(12,502.51)	(13,342.00)
CURRENT PORTION LTD: SRF/LOCKE LAKE GEORGETOWN MAIN	-	-	-	-	-	-	-	-	-	-	-	-	-
CURRENT PORTION LTD: SRF/LOCKE LAKE AIRSTRIP WELL INTERCONN	-	-	-	-	-	-	-	-	-	-	-	-	-
CURRENT PORTION LTD: SRF/LOCKE LAKE SURFACE WATER SUPPLY	-	-	-	-	-	-	-	-	-	-	-	-	-
CURRENT PORTION LTD: COBANK 1.153M LOAN T9	-	-	-	-	-	-	-	(26,847.15)	(26,948.42)	(27,050.06)	(27,148.78)	(27,251.18)	(26,027.53)
FORGIVABLE DEBT: STD GREENHILLS	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)
FORGIVAB DEBT: STD LOCKLKE 2007	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)
FORGIVABLE STD: LOCKE LAKE 2011	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)
FORGIVABLE STD: LIBERTY TREE	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)
FORGIVABLE LTD: BRADY AVE	(1,222.20)	(1,396.80)	(1,571.40)	(1,746.00)	(1,920.60)	(2,095.20)	(2,269.80)	(2,444.40)	(2,619.00)	(2,793.60)	(2,968.20)	(3,142.80)	(3,317.40)
Current Portion of Long Term Debt	(1,548,095.59)	(1,666,863.34)	(2,330,015.43)	(2,341,151.11)	(2,476,501.97)	(2,587,802.36)	(2,781,154.17)	(1,715,863.33)	(1,755,781.54)	(1,817,988.94)	(1,830,884.73)	(1,844,612.17)	(1,991,491.25)
Accounts Payable													
ACCOUNTS PAYABLE	-	-	-	-	-	-	-	-	-	-	-	-	-
ACCOUNTS PAYABLE	(180,273.25)	(36,786.91)	(5,479.89)	(135,309.60)	(74,531.24)	(537,024.83)	(58,428.80)	(120,103.87)	(68,547.06)	(95,125.70)	(158,943.62)	(831,225.05)	(175,688.93)
A/P	(2,962.50)	-	(184.00)	(1,540.00)	-	-	-	-	-	(364.00)	-	-	(1,715.00)
ACCOUNTS PAYABLE - CWIP	(87,174.57)	(227.00)	(4,827.37)	(38,450.37)	(34,556.71)	(16,141.67)	(13,178.20)	(58,049.54)	(16,913.01)	-			

OTHER LIABILITY: DERIVATIVE	(262,763.00)	(271,964.00)	(263,804.00)	(302,905.00)	(293,773.00)	(359,796.00)	(370,453.00)	(366,423.00)	(451,352.00)	(409,330.00)	(407,455.00)	(392,160.00)	(353,393.00)
DEFERRED GAIN-GREEN HILLS SRF	-	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED GAIN-LOCKE LAKE SRF	-	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED INCOME TAXES	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,661,285.88)
DEFERRED INCOME TAX - SWAP	105,105.20	108,785.60	105,521.60	121,162.00	117,509.20	143,918.40	148,181.20	146,569.20	180,540.80	163,732.00	162,982.00	156,864.00	141,357.20
ACCUM DEF INC TAX - REG LIABILITY	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)
CONTRIBUTIONS IN AID OF CONST	(16,184,118.51)	(16,228,382.17)	(16,241,437.51)	(16,639,614.09)	(16,656,047.52)	(16,693,208.96)	(16,736,657.42)	(17,737,203.44)	(17,752,529.39)	(17,774,594.01)	(17,781,816.40)	(17,781,937.53)	(18,098,736.46)
CIAC: MAPLE HILLS GRANT	(72,530.66)	(72,530.66)	(72,530.66)	(72,530.66)	(72,530.66)	(77,459.20)	(77,459.20)	(77,459.20)	(77,459.20)	(77,459.20)	(77,459.20)	(77,459.20)	(82,387.53)
CIAC: BIRCH HILLS GRANT	(101,618.20)	(101,618.20)	(101,618.20)	(101,618.20)	(101,618.20)	(110,492.79)	(110,492.79)	(110,492.79)	(110,492.79)	(110,492.79)	(110,492.79)	(110,492.79)	(119,367.38)
CIAC: LOCKE LAKE GRANT	(13,899.24)	(13,899.24)	(13,899.24)	(13,899.24)	(13,899.24)	(14,813.07)	(14,813.07)	(14,813.07)	(14,813.07)	(14,813.07)	(14,813.07)	(14,813.07)	(15,716.31)
DRINKING WATER GRANT FUNDS	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)
CIAC: LONDONDERRY/MWW CONN	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)
CIAC: SEASON LANE, LONDONDERRY	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)
CIAC: PELHAM	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)
CIAC: LITCHFIELD	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)
CIAC: BOW	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)
CIAC: LAKEVIEW FARMS - WINDHAM	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)
CIAC: MEADOWBROOK PUMP STATION	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)
CIAC: OAKWOOD	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)
CIAC: SMYTHE WOODS-HOOKSETT	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)
CIAC: W&E	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)
CIAC: FLETCHERS CORNER/ARSENIC	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)
CONTR IN AID OF CONST-DEV INST	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)
	(22,604,105.89)	(22,648,369.55)	(22,661,424.89)	(23,059,601.47)	(23,076,034.90)	(23,127,913.30)	(23,171,361.76)	(24,171,907.78)	(24,187,233.73)	(24,209,298.35)	(24,216,520.74)	(24,231,348.03)	(24,548,146.96)
RESERVE FOR AMORT OF CIAC:PEU	2,974,588.62	3,008,886.46	3,043,196.93	3,076,823.43	3,111,620.04	3,146,483.22	3,181,410.83	3,217,373.73	3,258,792.05	3,294,727.73	3,330,684.91	3,366,693.30	3,404,849.01
Total Deferred Credits	(25,823,720.85)	(25,839,207.27)	(25,813,056.14)	(26,201,066.82)	(26,177,224.44)	(26,233,853.46)	(26,248,768.51)	(27,210,933.63)	(27,235,798.66)	(27,196,714.40)	(27,166,854.61)	(27,136,496.51)	(27,637,362.63)
Total Equity & Liabilities	(64,910,931.74)	(64,802,274.29)	(64,923,175.75)	(65,421,041.19)	(65,381,707.63)	(66,078,429.22)	(65,900,294.01)	(66,471,779.91)	(66,898,386.68)	(65,708,635.14)	(65,839,412.82)	(66,463,908.66)	(66,578,013.68)

Pennichuck East Utility, Inc.
Balance Sheet
For the Year Ended December 31, 2018

	1	2	3	4	5	6	7	8	9	10	11	12
	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Assets												
Land												
PROPERTY HELD FUTURE USE	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76
LAND	511,066.83	511,066.83	511,066.83	511,066.83	511,066.83	511,066.83	511,066.83	511,066.83	511,066.83	511,066.83	510,566.83	510,566.83
EASEMENTS	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	466,785.99
EASEMENT - GAGE HILL	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS: OAKWOOD	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS: GILCREAST RD	-	-	-	-	-	-	-	-	-	-	-	-
DISTRIB RESER & STANDPIPE LAND	-	-	-	-	-	-	-	-	-	-	-	-
AVERY/HICKORY INTER WATER RIGHTS	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00
DISTRIB SYS LAND & RIGHTS/WAY	-	-	-	-	-	-	-	-	-	25,000.00	25,000.00	25,000.00
	1,066,830.76	1,066,830.76	1,066,830.76	1,066,830.76	1,066,830.76	1,066,830.76	1,066,830.76	1,066,830.76	1,066,830.76	1,091,830.76	1,091,330.76	1,107,137.58
Structures												
STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-	-	-
SOURCE OF SUPPLY STRUCTURES	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,659,390.73
POWER & PUMPING STRUCTURES	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92
STRUCTURES & IMPROVE: ROOFING	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	14,695.12
DISTRIBUTION RESERVOIRS	-	-	-	-	-	-	-	-	-	-	-	-
BOOSTER STATIONS	857,930.65	857,930.65	857,930.65	857,930.65	857,930.65	857,930.66	857,930.66	857,930.66	857,930.66	857,930.66	857,930.66	1,078,721.90
WTP - STRUCTURES	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53
BUILDINGS/ACQUISITION ADJUSTMT	-	-	-	-	-	-	-	-	-	-	-	-
WELLS & SPRINGS	2,089,517.29	2,089,517.29	2,089,517.29	2,089,517.29	2,089,517.29	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67
WELL PUMPING & PIPING	286,634.66	286,634.66	286,634.66	286,634.66	286,634.66	298,931.36	311,659.30	322,121.42	322,121.42	322,121.42	325,125.12	336,336.65
SUPPLY MAINS:S/S PUMPING PLANT	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12
	10,016,897.33	10,016,897.33	10,016,897.33	10,016,897.33	10,016,897.33	10,021,057.42	10,033,785.36	10,044,247.48	10,044,247.48	10,044,247.48	10,047,251.18	10,275,320.64
Equipment												
POWER GENERATION EQUIPMENT	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	712,806.23
ELECTRIC PUMPING EQUIPMENT	1,594,385.50	1,594,385.50	1,594,385.50	1,598,116.37	1,598,116.37	1,546,377.82	1,539,065.17	1,539,065.17	1,542,614.93	1,542,614.93	1,542,614.93	1,545,976.39
PUMPING EQUIPMENT: PUMPS	251,836.35	253,731.35	253,731.35	266,230.31	266,230.31	281,238.96	281,238.96	288,982.13	292,037.03	297,840.83	297,840.83	297,840.83
PUMPING EQUIPMENT: METERS	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91
ELECTRIC PUMPING EQUIPMENT-CHEMICAL PUMPS	10,635.45	10,635.45	10,635.45	11,943.15	11,943.15	13,988.64	15,310.29	15,310.29	16,581.00	16,581.00	17,877.13	17,877.13
OTHER POWER PUMPING EQUIPMENT	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71
PURIFICATION SYSTEM EQUIPMENT	884,952.74	900,964.47	900,964.47	900,964.47	900,964.47	900,964.47	900,964.47	900,964.47	900,964.47	900,964.47	900,964.47	835,386.92
OTHER PRODUCTION EQUIPMENT	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52
WATER TREATMENT EQUIPMENT	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30
WTP EQUIPMENT-FILTER MEDIA	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56
	3,992,712.73	4,010,619.46	4,010,619.46	4,028,156.99	4,028,156.99	3,993,472.58	3,987,481.58	3,995,224.75	4,003,100.12	4,008,903.92	4,010,200.05	3,919,601.98
Transmission & Distribution												
DISTRIBUTION RES & STANDPIPES	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41
PAVEMENTS - TRANS MAINS	877.10	877.10	877.10	877.10	877.10	877.10	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18
PAVEMENTS - DIST MAINS	983,340.43	983,340.43	983,340.43	983,340.43	983,340.43	983,340.43	983,340.43	998,691.43	1,001,684.73	1,001,684.73	1,001,684.73	1,148,365.68
PAVEMENTS-GATE VALVES	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93
PAVING: CIAC - MAINS	-	-	-	-	-	-	-	-	-	-	-	-
MAINS: 6" & LARGER	13,234,256.39	13,234,256.39	13,234,256.39	13,234,256.39	13,234,256.39	13,346,144.32	13,346,144.32	13,511,345.44	13,511,345.44	13,511,345.44	13,511,345.44	17,024,504.54
MAINS: 4" & UNDER	3,081,649.31	3,081,649.31	3,081,649.31	3,081,649.31	3,081,649.31	2,616,856.80	2,624,248.97	2,621,856.03	2,621,856.03	2,621,856.03	2,621,856.03	2,621,856.03
MAINS: UNKNOWN SIZE	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54
MAINS: CIAC - 6" & LARGER	9,900,268.67	9,900,268.67	9,900,268.67	9,900,268.67	9,900,268.67	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54
MAINS: CIAC - 4" & UNDER	912,413.16	912,413.16	912,413.16	912,413.16	912,413.16	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69
MAINS: CIAC - UNKNOWN SIZE	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25
DISTRIBUTION MAINS - NEW	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79
GATES: CIAC - 4" & UNDER	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46
GATES: CIAC - 6" & LARGER	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00
GATES: 4" & UNDER	382,844.91	382,844.91	382,844.91	382,844.91	382,844.91	382,280.85	382,280.85	382,280.85	382,280.85	382,280.85	382,280.85	412,870.85
GATES: 6" & LARGER	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	108,881.39	108,881.39	116,423.39	116,423.39	116,423.39	116,423.39	128,627.39
GATES: UNKNOWN SIZE	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91
DIST MAINS: DEVELOPER INSTALL	2,802,135.35	2,802,135.35	2,819,792.15	2,819,792.15	2,819,792.15	2,819,792.15	2,819,792.15	2,819,792.15	2,819,792.15	2,953,535.86	3,298,460.93	3,712,642.88
CIAC: PRESSURE REDUCING VALVE VAULTS	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00
PAVEMENTS: SERVICES	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57
NEW SERVICES	2,171,467.88	2,171,467.88	2,171,467.88	2,171,467.88	2,174,944.92	2,164,612.46	2,166,094.99	2,166,094.99	2,168,939.90	2,183,318.24	2,183,454.90	2,183,897.42
RENEWED SERVICES	1,274,077.71	1,276,300.80	1,276,300.80	1,276,300.80	1,276,300.80	1,270,826.37	1,270,826.37	1,273,741.33	1,278,652.37	1,285,013.63	1,316,167.13	1,316,167.13
DEV INSTALLED SERVICES: CIAC	2,559,618.00	2,594,018.43	2,599,563.00	2,604,453.60	2,705,441.50	2,715,918.37	2,748,635.28	2,772,907.21	2,785,799.54	2,851,282.23	2,870,351.44	2,891,233.98
DEV INSTALLED SERVICES: PAID	1,339,499.03	1,345,134.15	1,345,788.12	1,347,096.06	1,356,143.59	1,364,088.21	1,371,761.50	1,373,228.88	1,377,025.45	1,386,124.62	1,388,949.68	1,392,960.99
METERING EQUIPMENT	1,207,789.90	1,211,697.00	1,213,397.24	1,216,629.87	1,223,728.40	1,223,214.45	1,225,508.54	1,222,662.01	1,221,006.76	1,218,806.97	1,228,261.05	1,239,650.19
RADIOS FOR METERING	776,013.46	776,854.31	776,593.04	777,675.60	779,987.03	780,438.73	781,736.29	781,302.77	780,939.55	783,407.07	785,049.17	777,545.32
FIRE PROT EQUIP: HYDRANTS	575,511.99	575,511.99	575,511.99	575,511.99	575,511.99	575,511.99	575,511.99	575,511.99	575,511.99	575,511.99	575,511.99	601,384.49
HYDRANTS - PAVING	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74
HYDRANTS: CIAC	849,289.92	849,289.92	854,210.78	854,210.78	854,210.78	854,210.78	854,210.78	854,210.78	854,210.78	854,210.78	868,973.36	898,498.52
OTHER TRANS/DIST EQUIPMENT	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42
AQUISITION ADJ	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,751,681.80)	(8,751,681.80)	(8,751,681.80)	(8,721,572.06)
ACQ ADJ: WESCO	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)
ACQUISITION ADJ: CASTLE REACH	(185,750.00)											

ACQUISITION ADJ: WHITE ROCK SR	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)
ACQUISITION ADJ: LAMPLIGHTER	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)
ACQUISITION ADJ: FLETCHERS	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)
ACCUM AMORT OF ACQ ADJUSTMENT	3,718,741.34	3,733,134.23	3,747,527.12	3,761,920.01	3,776,312.90	3,790,201.79	3,804,594.68	3,818,987.57	3,833,380.46	3,847,670.18	3,861,959.90	3,876,138.50
ACCUM AMORT OF ACQ ADJ:WESCO	2,824.71	2,834.30	2,843.89	2,853.48	2,863.07	2,872.66	2,882.25	2,891.84	2,901.43	2,911.02	2,920.61	2,930.20
ACCUM AMORT ACQ ADJ:CASTLE REA	95,147.50	95,679.19	96,210.87	96,742.55	97,274.23	97,805.95	98,337.62	98,869.34	99,401.01	99,932.73	100,464.41	100,425.79
ACCUM AMORT ACQ ADJ:WHITE ROCK	109,635.08	110,202.37	110,769.62	111,336.90	111,904.15	112,471.43	113,038.68	113,605.96	114,173.21	114,740.49	115,307.74	115,496.46
ACCUM AMORT ACQ ADJ:LAMPLIGHTR	154,368.31	155,546.41	156,488.62	157,430.83	158,373.03	159,315.25	160,257.45	161,199.66	162,141.87	163,084.09	164,026.29	164,976.16
ACCUM AMORT ACQ ADJ:FLETCHERS	185,200.88	187,557.70	188,736.16	189,914.61	191,093.06	192,271.58	193,450.03	194,628.46	195,806.92	196,985.34	198,163.80	199,325.48
	45,045,441.68	45,111,484.65	45,159,321.90	45,187,457.73	45,328,002.22	45,347,672.79	45,508,308.47	45,736,483.97	45,810,256.89	46,055,658.65	46,470,353.44	50,751,501.84
Miscellaneous Equipment												
OFFICE FURNITURE/EQUIPMENT	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66
SHOP EQUIPMENT	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67
LAB EQUIPMENT	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29
POWER OPERATED EQUIP -GEN PLNT	-	-	-	-	-	-	-	-	-	-	-	-
COMMUNICATION EQUIPMENT	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	487,317.21	487,317.21	487,317.21	515,700.92
COMPUTER EQUIPMENT	87,082.47	94,070.23	94,070.23	94,070.23	94,070.23	94,070.23	94,070.23	94,070.23	92,617.22	92,617.22	92,617.22	92,317.22
MISCELLANEOUS GENERAL EQUIP	368.00	368.00	368.00	368.00	368.00	368.00	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16
	737,866.01	744,853.77	744,853.77	744,853.77	744,853.77	744,853.77	754,849.93	754,849.93	693,302.21	693,302.21	693,302.21	721,385.92
Intangible Plant												
ORGANIZATION EXPENSE	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05
ORGANIZATION EXP: THURSTON WDS	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: LAMPLIGHTER	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: FLETCHERS	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISES & CONSENTS	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54
FRANCHISE FEES: CASTLE REACH	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05
FRANCHISE FEES: WHITE ROCK	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISE FEES: WESCO	-	-	-	-	-	-	-	-	-	-	-	-
	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64
Total Plant in Service	61,316,026.15	61,406,963.61	61,454,800.86	61,500,474.22	61,641,018.71	61,630,164.96	61,807,533.74	62,053,914.53	62,074,015.10	62,350,220.66	62,768,715.28	67,231,225.60
Accumulated Depreciation												
ACCUMULATED DEPRECIATION	(16,441,849.24)	(16,559,604.08)	(16,675,662.21)	(16,793,408.78)	(16,911,321.51)	(16,931,251.34)	(17,044,255.51)	(17,159,797.95)	(17,211,952.41)	(17,322,286.49)	(17,444,420.29)	(17,439,010.43)
ACCUM DEPREC: COST OF REMOVAL	1,196,582.35	1,197,263.49	1,197,619.92	1,198,820.01	1,199,608.71	1,201,782.40	1,202,899.99	1,252,881.26	1,254,181.58	1,256,237.92	1,258,250.71	1,337,155.60
ACCUMULATED DEPRECIATION: LOSS	1,618,069.46	1,618,069.46	1,619,471.25	1,619,471.25	1,619,471.25	1,629,573.41	1,634,617.75	1,637,692.81	1,611,196.97	1,618,540.46	1,618,539.60	1,610,536.01
ACCUM DEPREC: ACQUIS ADJUSTMNT	(13,627,197.43)	(13,744,271.13)	(13,858,571.04)	(13,975,117.52)	(14,092,241.55)	(14,099,895.53)	(14,206,737.77)	(14,269,223.88)	(14,346,573.86)	(14,447,508.11)	(14,567,629.98)	(14,491,318.82)
Net Plant in Service	47,688,828.72	47,662,692.48	47,596,229.82	47,525,356.70	47,548,777.16	47,530,269.43	47,600,795.97	47,784,690.65	47,727,441.24	47,902,712.55	48,201,085.30	52,739,906.78
Construction Work in Progress												
CWIP: CONTRACTOR CLEARING	1,025,550.94	1,035,186.40	1,055,295.34	1,126,379.22	1,905,398.53	1,163,655.02	1,128,715.25	1,113,956.89	1,133,503.73	1,418,878.08	1,665,757.83	400,406.02
CWIP: CONTRACTOR CLEARING	-	-	-	-	-	692,073.23	1,774,107.78	2,182,979.35	2,647,721.20	2,607,798.75	2,805,614.27	13,152.01
	48,714,379.66	48,697,878.88	48,651,525.16	48,651,735.92	49,454,175.69	49,385,997.68	50,503,619.00	51,081,626.89	51,508,666.17	51,929,389.38	52,672,457.40	53,153,464.81
Current Assets												
Cash												
CASH: BANK OF AMERICA OPERATNG	-	-	-	-	-	-	-	-	-	-	-	-
CASH: PETTY CASH PAC	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
RESTRICTED CASH - TD BANK - RSF	-	-	-	-	-	-	-	-	-	-	-	28,347.90
DSRR 1.0 RSF	-	-	-	-	-	-	-	-	-	-	-	47,100.04
MOERR RSF	-	-	-	-	-	-	-	-	-	-	-	771,068.94
MOERR	-	-	-	-	-	-	-	-	-	-	-	240,362.61
DSRR 1.0	-	-	-	-	-	-	-	-	-	-	-	116,725.18
DSRR 0.1	-	-	-	-	-	-	-	-	-	-	-	11,161.29
OTHER SPECIAL DEPOSITS	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00
Accounts Receivable, Net												
A/R: BILLED WATER REVENUE	364,941.75	347,500.60	415,354.52	361,442.13	330,010.80	606,940.04	564,292.41	459,256.96	628,257.28	445,614.96	546,911.23	465,964.58
A/R: MISCELLANEOUS	83,319.44	83,319.44	83,319.44	47,180.44	50,388.28	147,635.77	145,937.65	40,919.16	39,239.44	16,325.44	47,056.14	19,365.88
ALLOWANCE FOR DOUBTFUL ACCTS	(2,036.41)	(2,383.11)	231.86	(825.49)	(759.17)	(2,900.41)	(2,038.74)	(811.28)	(3,698.16)	3,212.32	(2,991.41)	(1,762.44)
ALLOW DOUBTFUL ACCT: NON-WATER	-	-	-	-	-	-	-	-	-	-	-	-
	446,224.78	428,436.93	498,905.82	407,797.08	379,639.91	751,675.40	708,191.32	499,364.84	663,798.56	465,152.72	590,975.96	483,568.02
A/R: UNBILLED WATER REVENUE	511,305.00	490,830.00	421,214.00	471,614.00	542,902.00	656,060.00	801,569.00	766,767.00	633,130.00	603,883.00	490,317.00	553,616.00
AR UNBIL REV:CAP RECOV RECOUP	-	-	-	-	-	-	-	-	-	-	-	-
A/R:UNBILLED WATER REV-RECOUP	-	-	-	-	-	-	-	-	-	-	-	-
A/R:UNBILLED WATER REV-RECOUP 2017	-	-	-	-	-	-	-	-	-	577,594.00	577,594.00	577,594.00
	511,305.00	490,830.00	421,214.00	471,614.00	542,902.00	656,060.00	801,569.00	766,767.00	633,130.00	1,181,477.00	1,067,911.00	1,131,210.00
Inventory & Supplies												
INVENTORY	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: METERS - PEU	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: CHEMICALS	-	-	-	-	-	-	-	-	-	-	-	-

Prepaid Expenses & Other

PREPAID INSURANCE	16,426.14	17,592.04	18,574.58	19,739.29	20,903.99	22,068.70	23,233.41	24,398.12	25,562.83	26,727.54	18,196.67	158.39
PREPAID PROPERTY TAXES	-	-	-	-	-	-	-	-	-	-	-	-
PREPAID EXPENSES	10,706.00	7,113.00	4,780.00	3,665.00	16,608.00	12,945.00	12,650.83	14,266.66	12,002.49	9,738.32	10,951.49	7,189.98
PREPAID PROPERTY TAXES	130,189.83	65,094.91	-	-	-	198,251.62	132,167.74	66,083.86	-	-	314,032.69	235,524.51
CLEARING ACCOUNT	(28,929.34)	(28,929.34)	(28,929.34)	(28,929.34)	(28,929.34)	(31,191.48)	(31,191.48)	(31,191.48)	(31,479.27)	(31,479.27)	(31,479.27)	(31,547.54)
	128,392.63	60,870.61	(5,574.76)	(5,525.05)	8,582.65	202,073.84	136,860.50	73,557.16	6,086.05	4,986.59	311,701.58	211,325.34
Total Current Assets	1,125,992.41	1,020,207.54	954,615.06	913,956.03	971,194.56	1,649,879.24	1,686,690.82	1,379,759.00	1,343,084.61	1,691,686.31	2,011,858.54	3,080,939.32

Other Assets**Abandoned Property**

ABANDONED 8" MAIN -RANGE RD	-	-	-	-	-	-	-	-	-	-	-	-
ABAND PUMP STA: SPRINGWOOD HLS	-	-	-	-	-	-	-	-	-	-	-	-

Other Deferred Charges

PHASE II & V WAIVER - NC	-	-	-	-	-	-	-	-	-	-	-	-
ACQUISITION PREMIUM - MARA	7,771,440.82	7,754,050.89	7,736,660.96	7,719,271.03	7,701,881.10	7,684,491.08	7,667,101.15	7,649,711.22	7,632,321.30	7,614,931.37	7,597,541.44	7,580,151.51
SERGEANT WOODS-NEWTON, NH	-	-	-	-	-	-	-	-	-	-	-	-
CROSS CONNECTION SURVEY-PEU	107.08	102.61	98.14	93.68	89.21	84.75	80.28	75.82	71.35	66.89	62.42	57.96
SPRUCE POND-WINDHAM NH-ACQUIST	-	-	-	-	-	-	-	-	-	-	-	-
CLEAN/DISPOSE OF TANK SLUDGE	-	-	-	-	-	-	-	-	-	-	-	-
PELHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
LAKES REGION WATER CO-ACQUISIT	-	-	-	-	-	-	-	-	-	-	-	-
WINNISQUAM VILLAGE CONDO'S	-	-	-	-	-	-	-	-	-	-	-	-
DANIELS LAKE ACQ - WEARE, NH	-	-	-	-	-	-	-	-	-	-	-	-
FREEDOM VILLAGE ACQUISITION	-	-	-	-	-	-	-	-	-	-	-	-
SARBANES-OXLEY	-	-	-	-	-	-	-	-	-	-	-	-
BIRCH HILL GIARDIA SUIT	-	-	-	-	-	-	-	-	-	-	-	-
NORTH CONWAY LAND SALE	-	-	-	-	-	-	-	-	-	-	-	-
ABATEMENT	82,262.93	131,813.16	132,095.16	132,215.16	132,215.16	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59
ABATEMENT	-	-	-	-	-	-	-	-	-	-	-	78,653.71
LONDONDRY VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
LITCHFIELD VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
GRANT AVAILABILITY STUDY - NC	-	-	-	-	-	-	-	-	-	-	-	-
WINDHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SYSTEM SUPPLY STUDY	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86
BEAVER HOLLOW TANK CLEANING	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SUPPLY STUDY	2,130.72	2,108.06	2,085.40	2,062.74	2,040.08	2,017.42	1,994.76	1,972.10	1,949.44	1,926.78	1,904.12	1,881.46
LOCKE LAKE WELL/GROUNDWATER STUDY	-	-	-	-	-	134,576.08	128,771.29	122,966.49	117,161.70	111,356.91	105,552.11	22,580.34
RATE CASE EXPENSE: 2007	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXP: NORTH COUNTRY	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)
RATE CASE EXPENSE: 2012	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXPENSE: 2017	33,870.08	38,778.16	38,778.16	40,077.16	44,443.16	46,427.16	50,450.28	56,743.28	57,953.28	53,864.82	53,864.82	55,402.32
LOCKE LAKE LEAK DETECTION	-	-	-	-	-	-	-	-	-	-	-	-
MANCHESTER SRCE DEV CHARGE:LY	498,407.58	495,846.14	493,284.69	490,723.24	488,161.80	484,859.87	481,557.95	478,256.05	474,954.12	471,652.21	468,350.31	465,048.38
MSCD: MAPLE HILLS - DERRY	33,080.66	32,804.90	32,529.14	32,253.38	31,977.62	31,701.86	31,426.10	31,150.34	30,874.58	30,598.82	30,323.06	30,047.30
WEB SITE UPGRADE 2006	-	-	-	-	-	-	-	-	-	-	-	-
WEB-SITE UPGRADE 2011	-	-	-	-	-	-	-	-	-	-	-	-
N CONWAY WATER INTERCONNECT	59,523.61	59,023.22	58,522.83	58,022.44	57,522.05	57,021.66	56,521.27	56,020.88	55,520.49	55,020.10	54,519.71	54,019.32
N CONWAY WATER PREC-BUY IN FEE	1,833.04	1,821.97	1,810.90	1,799.83	1,788.76	1,777.69	1,766.62	1,755.55	1,744.48	1,733.41	1,722.35	1,711.28
SKYVIEW ESTATES - PELHAM	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80
BOW HIGHLANDS, BOW NH-ACQUISIT	3,052.96	3,024.42	2,995.88	2,967.35	2,938.83	2,910.29	2,881.77	2,853.23	2,824.69	2,796.17	2,767.65	2,739.11
CO-BANK DEFERRED PATRONAGE	104,140.79	104,140.79	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67
	8,593,141.93	8,626,805.98	8,626,999.59	8,607,624.34	8,591,196.10	8,588,240.78	8,564,924.39	8,543,877.88	8,517,748.35	8,486,320.40	8,458,980.91	8,434,665.61
ACQUISITION PREMIUM - MARA	-	-	-	-	-	-	-	-	-	-	-	-

Unamortized Debt Expense

UNAMORTIZED DEBT EXPENSE	236,066.74	234,569.43	233,072.12	237,154.81	243,873.50	242,142.98	243,491.55	241,562.21	242,524.12	245,000.56	243,393.78	241,862.00
Total Other Assets	8,829,208.67	8,861,375.41	8,860,071.71	8,844,779.15	8,835,069.60	8,830,383.76	8,808,415.94	8,785,440.09	8,760,272.47	8,731,320.96	8,702,374.69	8,676,527.61
Total Assets	58,669,580.74	58,579,461.83	58,466,211.93	58,410,471.10	59,260,439.85	59,866,260.68	60,998,725.76	61,246,825.98	61,612,023.25	62,352,396.65	63,386,690.63	64,910,931.74

Equity and Liabilities**Shareholder's Equity**

COMMON STOCK	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
ADDITIONAL PAID IN CAPITAL	(12,482,362.87)	(12,482,362.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)
DIVIDENDS: COMMON STOCK	-	-	-	-	-	-	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME	185,592.60	170,405.40	167,942.40	147,041.40	157,302.60	143,465.40	135,130.20	146,889.00	119,278.80	112,659.00	130,643.40	157,657.80
	(12,296,870.27)	(12,312,057.47)	(11,415,657.47)	(11,436,558.47)	(11,426,297.27)	(11,440,134.47)	(11,448,469.67)	(11,436,710.87)	(11,464,321.07)	(11,470,940.87)	(11,452,956.47)	(11,425,942.07)

Current Liabilities											
CURRENT PORTION LONG TERM DEBT	-	-	-	-	-	-	-	-	-	-	-
FIXED ASSET LINE OF CREDIT	-	-	-	-	-	-	-	-	-	-	-
CURR PORTION LTD:GREEN HILLS	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(14,160.52)	(18,263.92)	(101,504.57)	(534,788.18)
CURR PORTION LTD:PELHAM TANK	(28,998.84)	(29,252.46)	(29,337.49)	(29,422.77)	(29,508.30)	(29,594.07)	(29,680.09)	(29,766.36)	(29,852.88)	(29,939.66)	(30,026.67)
CURR PORTION LTD:MAPLE HILLS	(27,646.00)	(27,851.00)	(27,919.00)	(27,988.00)	(28,057.00)	(28,126.00)	(28,195.00)	(28,264.00)	(28,333.00)	(28,403.00)	(28,473.00)
CURRENT PORTION LTD:BIRCH HILL	(80,330.15)	(80,906.70)	(81,099.79)	(81,293.34)	(81,487.36)	(81,681.84)	(81,876.79)	(82,072.21)	(82,268.08)	(82,464.42)	(82,661.25)
CURR PORT LTD:LOCKE LAKE 2007	(12,230.00)	(12,255.00)	(12,263.00)	(12,271.00)	(12,278.00)	(12,285.00)	(12,293.00)	(12,300.00)	(12,306.00)	(12,313.00)	(12,319.00)
CURR PORT LTD:LOCKE LAKE 2011	(5,822.52)	(5,960.69)	(6,006.94)	(6,053.27)	(6,099.70)	(6,146.20)	(6,192.80)	(6,239.50)	(6,286.29)	(6,333.18)	(6,380.15)
CURR PORTION LTD:LIBERTY TREE	(7,218.00)	(7,399.00)	(7,460.00)	(7,521.00)	(7,582.00)	(7,643.00)	(7,704.00)	(7,765.00)	(7,827.00)	(7,889.00)	(7,951.00)
CURR PORT LTD:LOCKE LAKE 2012	(17,014.35)	(17,130.31)	(17,169.13)	(17,208.04)	(17,247.05)	(17,286.15)	(17,325.33)	(17,364.60)	(17,403.96)	(17,443.41)	(17,482.94)
CURR PORT LTD:COBANK 4.5M LOAN	(203,531.45)	(205,332.14)	(205,332.14)	(207,128.79)	(208,981.44)	(208,981.44)	(208,981.44)	(159,515.52)	(210,850.66)	(210,850.66)	(212,716.10)
CURR PORT LTD:COBANK 1.7M (T4)	(64,766.43)	(65,615.74)	(65,615.74)	(67,251.69)	(68,886.64)	(70,521.59)	(71,476.81)	(71,915.91)	(72,140.09)	(72,357.71)	(72,583.27)
CURR PORT LTD:COBANK 925K (T3)	(33,433.38)	(33,826.53)	(33,947.05)	(34,080.92)	(36,844.20)	(36,979.04)	(37,110.01)	(37,245.83)	(37,382.14)	(37,514.54)	(37,651.83)
CURR PORT LTD:SFR LOCKE LAKE-DAM SITE #2	(15,033.30)	(15,144.37)	(15,181.57)	(15,218.85)	(16,528.85)	(16,558.29)	(16,589.51)	(16,633.43)	(16,671.14)	(16,708.94)	(16,748.81)
CURR PORT LTD:LOCKE LAKE W & M	(15,335.96)	(15,440.48)	(15,475.47)	(15,510.56)	(15,545.71)	(15,580.95)	(15,616.26)	(15,651.66)	(15,687.13)	(15,722.70)	(15,758.34)
CURR PORT LTD:HICKORY & AVERY	(14,350.15)	(14,461.82)	(14,499.22)	(14,536.69)	(17,263.64)	(17,301.27)	(17,338.98)	(17,376.78)	(17,414.66)	(17,452.63)	(17,490.68)
CURR PORT LTD:W&E MAIN REPLACEMENT	(40,794.54)	(41,061.91)	(41,151.42)	(41,241.13)	(41,331.04)	(41,421.15)	(41,511.45)	(41,601.94)	(41,692.63)	(41,783.53)	(41,874.61)
CURR PORT LTD:HARDWOOD TREATMENT	(23,205.34)	(23,348.61)	(23,396.55)	(23,444.58)	(23,492.71)	(23,540.94)	(23,589.28)	(23,637.70)	(23,686.24)	(23,734.88)	(23,783.62)
CURR PORT LTD: COBANK 625K LOAN	(14,794.29)	(14,980.32)	(15,037.41)	(15,100.86)	(15,162.52)	(15,228.67)	(15,288.67)	(15,353.18)	(15,417.96)	(15,483.92)	(15,549.24)
CURR PORT LTD: LOCKE LAKE-WINWOOD & MONROE PHAS	(16,095.00)	(16,194.00)	(16,228.00)	(16,261.00)	(16,294.00)	(16,327.00)	(16,361.00)	(16,395.00)	(16,429.00)	(16,463.00)	(16,500.00)
CURRENT PORTION LTD:COBANK 1.25M PORTION OF 2.2M L	(39,819.58)	(30,140.79)	(30,239.25)	(30,348.61)	(30,454.83)	(30,564.98)	(30,671.96)	(30,782.89)	(30,894.22)	(31,002.35)	(31,114.48)
CURRENT PORTION LTD:SFR/LOCKE LAKE-VARNEY ROAD	(61,958.80)	(62,262.90)	(62,364.60)	(62,466.46)	(62,568.49)	(62,670.68)	(62,773.04)	(62,875.57)	(62,978.26)	(63,081.12)	(63,184.16)
CURRENT PORTION LTD:COBANK 950K PORTION OF 2.2M L	(20,814.47)	(21,151.62)	(21,239.59)	(21,325.07)	(21,325.07)	(21,413.77)	(21,499.96)	(21,589.38)	(21,679.18)	(21,766.44)	(21,856.97)
CURRENT PORTION LTD: SFR/BRADY AVE	-	-	-	-	-	-	-	-	-	-	-
CURRENT PORTION LTD: SFR/MERRIMACK RIVER CROSSIN	-	-	-	-	-	-	-	-	-	-	-
CURRENT PORTION LTD: COBANK 350K LOAN	-	-	-	-	(6,815.42)	(6,846.70)	(6,877.11)	(6,908.67)	(6,940.38)	(6,971.20)	(7,003.20)
CURRENT PORTION LTD: SFR/HILLCREST ROAD	-	-	-	-	-	-	-	-	-	-	-
FORGIVABLE DEBT:STD GREENHILLS	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)
FORGIVAB DEBT:STD LOCKLKE 2007	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)
FORGIVABLE STD:LOCKE LAKE 2011	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)
FORGIVABLE STD:LIBERTY TREE	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)
Current Portion of Long Term Debt	(773,130.83)	(779,454.67)	(780,900.47)	(784,194.55)	(806,052.30)	(807,590.06)	(809,112.69)	(775,353.93)	(832,343.10)	(917,118.14)	(1,353,826.78)
											(1,548,095.59)

ACCOUNTS PAYABLE	(322,657.57)	(152,969.57)	(114,352.10)	(77,788.41)	(141,611.94)	(62,905.44)	(218,631.91)	(93,153.35)	(144,775.89)	(250,986.79)	(117,307.20)	(180,273.25)
A/P	-	-	-	-	-	-	-	-	-	-	-	(2,962.50)
ACCOUNTS PAYABLE - CWIP	-	-	-	(19,738.08)	(7,025.49)	(51.85)	-	(5,519.18)	(26,396.51)	(150,153.65)	(33,792.26)	(87,174.57)
LITCHFIELD DEPOSIT	(46,030.70)	(46,030.70)	(46,030.70)	(46,030.70)	(46,030.70)	(75,007.97)	(75,007.97)	(75,007.97)	(37,903.59)	(37,903.59)	(37,903.59)	(24,929.22)
DEPOSITS - MERRIMACK SOURCE DEV	-	-	-	-	-	-	-	(24,763.00)	(56,663.00)	(56,663.00)	(67,589.00)	(67,589.00)
LOCAL PROPERTY TAXES PAYABLE	(12,046.33)	(24,092.66)	(36,138.99)	(113,280.22)	(192,399.39)	(36,139.00)	(12,046.33)	(24,092.66)	-	(78,130.21)	(24,092.66)	-
ACCRUED TAXES	-	-	-	-	-	-	-	-	-	-	-	(1,492.69)
PUBLIC UTILITY TAX PAYABLE	-	-	-	-	-	-	-	-	-	-	-	-
ACCRUED INTEREST LTD	(33,178.29)	(47,912.56)	(16,942.51)	(32,226.83)	(48,020.74)	(14,436.95)	(29,970.37)	(6,863.30)	(23,950.57)	(41,801.17)	(59,222.49)	(37,065.39)
MISC CURRENT ACCRUED LIABILITY	(187,769.92)	(213,526.03)	(136,634.07)	(206,060.47)	(852,176.30)	(194,558.74)	(605,327.81)	(525,746.68)	(456,041.97)	(204,654.26)	(295,224.58)	(223,800.25)
ACCRUED LIABILITY - RETAINAGE	(284,098.53)	(284,098.53)	(254,784.18)	(259,510.18)	(336,041.62)	(337,884.19)	(403,213.06)	(408,027.40)	(432,727.27)	(312,980.29)	(242,668.23)	(86,121.99)
	(885,781.34)	(768,630.05)	(604,882.55)	(754,634.89)	(1,623,306.18)	(720,984.14)	(1,344,197.45)	(1,163,173.54)	(1,178,458.80)	(1,133,272.96)	(877,800.01)	(711,408.86)
HARDSHIP CASES: CREDITS	-	-	-	-	-	-	-	-	-	-	-	-
NOTE PAYABLE: PCP-2015 3M LOAN	(1,399,256.21)	(1,374,520.76)	(1,347,744.54)	(1,321,568.30)	-	-	-	-	-	-	-	-
NOTE PAYABLE: PCP-2015 1M LOAN	(648,591.77)	(640,746.40)	(632,241.41)	(623,930.31)	-	-	-	-	-	-	-	-
CURR PORT LTD: 3M PCP NP	(299,134.65)	(299,134.65)	(301,120.80)	(302,452.25)	-	-	-	-	-	-	-	-
CURR PORT LTD: 1M PCP NP	(94,890.84)	(94,890.84)	(95,532.80)	(95,963.38)	-	-	-	-	-	-	-	-
NOTE PAYABLE: PCP 2018 1.7M LOAN	-	-	-	-	(1,667,161.68)	(1,664,248.95)	(1,661,328.46)	(1,658,400.18)	(1,655,464.09)	(1,652,520.17)	(1,649,568.40)	(1,646,608.76)
NOTE PAYABLE - PCP 2018 1.1M LOAN	-	-	-	-	(1,134,034.59)	(1,132,053.30)	(1,130,066.73)	(1,128,074.86)	(1,126,077.68)	(1,124,075.17)	(1,122,067.32)	(1,120,054.12)
ST NOTE PAYABLE - PCP 2018 1.7M LOAN	-	-	-	-	(34,354.32)	(34,445.94)	(34,537.79)	(34,629.89)	(34,722.24)	(34,814.83)	(34,907.67)	(35,000.76)
ST NOTE PAYABLE - PCP 2018 1.1M LOAN	-	-	-	-	(23,368.41)	(23,430.73)	(23,493.21)	(23,555.86)	(23,618.68)	(23,681.67)	(23,744.82)	(23,808.14)
INTERCO LOAN NC-INTEGRATED	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/TSC	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/PWS	-	-	3,493.88	3,497.16	3,500.44	3,503.72	3,507.37	3,514.68	3,522.00	3,530.07	3,538.16	-
INTERCO PAY/REC: PEU/PAC	-	-	-	-	(58.56)	(58.58)	(57.22)	(54.23)	1,140.73	1,152.64	1,170.31	-
INTERCO PAY/REC: PEU/PWW	(361,057.60)	(691,960.26)	(1,042,659.99)	(1,417,247.41)	(1,794,596.36)	(2,115,680.64)	(2,517,663.77)	(2,880,355.22)	(3,244,156.53)	(3,657,930.13)	(4,019,915.70)	-
AP INTERCO PAY/REC: PEU/PAC	-	-	-	-	100.00	1,323.83	1,657.42	4,057.42	4,057.42	4,057.42	4,057.42	-
INTERCO PAY/REC: PEU/PCP	(3,870,269.72)	(3,772,518.89)	(4,613,549.46)	(3,856,867.08)	(2,967,304.85)	(3,370,740.85)	(2,713,244.92)	(2,853,881.28)	(1,800,692.03)	(1,169,771.41)	(1,322,519.35)	(5,932,995.42)
Total Current Liabilities	(8,332,112.96)	(8,421,856.52)	(9,415,138.14)	(9,153,361.01)	(10,046,736.81)	(9,865,629.47)	(10,228,871.04)	(10,512,306.89)	(9,886,813.00)	(9,704,444.35)	(10,390,584.16)	(11,017,971.65)
OTHER LIABILITY: DERIVATIVE	(309,321.00)	(284,009.00)	(279,904.00)	(245,069.00)	(262,171.00)	(239,109.00)	(225,217.00)	(244,815.00)	(198,798.00)	(187,765.00)	(217,739.00)	(262,763.00)
DEFERRED GAIN-GREEN HILLS SRF	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED GAIN-LOCKE LAKE SRF	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED INCOME TAXES	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(4,415,802.78)
DEFERRED INCOME TAX - SWAP	123,728.40	113,603.60	111,961.60	98,027.60	104,868.40	95,643.60	90,086.80	97,926.00	79,519.20	75,106.00	87,095.60	105,105.20
ACCUM DEF INC TAX - REG LIABILITY	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)
CONTRIBUTIONS IN AID OF CONST	(14,839,396.87)	(14,873,797.30)	(14,901,919.53)	(14,967,023.82)	(15,071,505.60)	(15,060,250.89)	(15,092,967.80)	(15,117,239.73)	(15,130,132.06)	(15,329,358.46)	(15,708,115.32)	(16,184,118.51)
CIAC: MAPLE HILLS GRANT	(62,673.72)	(62,673.72)	(62,673.72)	(62,673.72)	(67,602.16)	(67,602.16)	(67,602.16)	(67,602.16)	(67,602.16)	(67,602.16)	(67,602.16)	(72,530.66)
CIAC: BIRCH HILLS GRANT	(83,869.02)	(83,869.02)	(83,869.02)	(83,869.02)	(92,743.61)	(92,743.61)	(92,743.61)	(92,743.61)	(92,743.61)	(92,743.61)	(92,743.61)	(101,618.20)
CIAC: LOCKE LAKE GRANT	(12,041.35)	(12,041.35)	(12,041.35)	(12,041.35)	(12,975.18)	(12,975.18)	(12,975.18)	(12,975.18)	(12,975.18)	(12,975.18)	(12,975.18)	(13,899.24)
DRINKING WATER GRANT FUNDS	-	-	-	-	-	-	-	-	(319,146.48)	(437,894.98)	(437,894.98)	(600,000.00)
CIAC: LONDONDERRY/MWW CONN	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)
CIAC: SEASON LANE, LONDONDERRY	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)
CIAC: PELHAM	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)
CIAC: LITCHFIELD	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)
CIAC: BOW	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)
CIAC: LAKEVIEW FARMS - WINDHAM	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)
CIAC: MEADOWBROOK PUMP STATION	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)
CIAC: OAKWOOD	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)
CIAC: SMYTHE WOODS-HOOKSETT	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)
CIAC: W&E	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)
CIAC: FLETCHERS CORNER-ARSENIC	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)
CONTR IN AID OF CONST-DEV INST	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)
	(20,629,920.24)	(20,664,320.67)	(20,692,442.90)	(20,757,547.19)	(20,876,765.83)	(20,865,511.12)	(20,898,228.03)	(20,922,499.96)	(21,254,538.77)	(21,572,513.67)	(21,951,270.53)	(22,604,105.89)
RESERVE FOR AMORT OF CIAC:PEU	2,615,229.16	2,646,433.29	2,677,659.64	2,708,942.82	2,740,396.63	2,771,905.73	2,803,475.23	2,835,067.92	2,865,654.90	2,899,133.23	2,934,030.70	2,974,588.62
Total Deferred Credits	(23,054,031.03)	(23,042,040.13)	(23,036,473.01)	(23,049,393.12)	(23,147,419.15)	(23,090,818.14)	(23,083,630.35)	(23,088,068.39)	(23,361,910.02)	(23,639,786.79)	(24,001,630.58)	(25,823,720.85)
Total Equity & Liabilities	(58,669,580.74)	(58,579,461.83)	(58,466,211.93)	(58,410,471.10)	(59,260,439.85)	(59,866,260.68)	(60,998,725.76)	(61,246,825.98)	(61,612,023.25)	(62,352,396.65)	(63,386,690.63)	(64,910,931.74)
	-	-	-	-	-	-	-	-	-	-	-	-

Pennichuck East Utility, Inc.
Balance Sheet
For the Year Ended December 31, 2017

	1	2	3	4	5	6	7	8	9	10	11	12
	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Assets												
Land												
PROPERTY HELD FUTURE USE	10,011.96	10,011.96	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76
LAND	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	511,066.83	511,066.83	511,066.83
EASEMENTS	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17
EASEMENT - GAGE HILL	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS: OAKWOOD	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS: GILCREAST RD	-	-	-	-	-	-	-	-	-	-	-	-
DISTRIB RESER & STANDPIPE LAND	-	-	-	-	-	-	-	-	-	-	-	-
AVERY/HICKORY INTER WATER RIGHTS	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00
DISTRIB SYS LAND & RIGHTS/WAY	-	-	-	-	-	-	-	-	-	-	-	-
	977,102.71	977,102.71	971,540.51	971,540.51	971,540.51	971,540.51	971,540.51	971,540.51	971,540.51	1,066,830.76	1,066,830.76	1,066,830.76
Structures												
STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-	-	-
SOURCE OF SUPPLY STRUCTURES	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50
POWER & PUMPING STRUCTURES	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92
STRUCTURES & IMPROVE: ROOFING	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66
DISTRIBUTION RESERVOIRS	-	-	-	-	-	-	-	-	-	-	-	-
BOOSTER STATIONS	820,684.38	820,684.38	820,684.38	820,684.38	829,487.05	857,908.51	857,908.51	857,908.51	857,908.51	857,908.51	857,908.51	857,930.65
WTP - STRUCTURES	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53
BUILDINGS/ACQUISITION ADJUSTMT	-	-	-	-	-	-	-	-	-	-	-	-
WELLS & SPRINGS	1,931,861.91	1,931,861.91	1,931,861.91	1,931,861.91	1,931,861.91	1,931,861.91	1,931,861.91	2,089,517.29	2,089,517.29	2,089,517.29	2,089,517.29	2,089,517.29
WELL PUMPING & PIPING	265,358.95	265,358.95	265,358.95	267,134.57	268,873.64	264,443.66	264,443.66	268,263.66	275,643.66	283,023.66	283,023.66	286,634.66
SUPPLY MAINS:S/S PUMPING PLANT	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12
	9,799,905.46	9,799,905.46	9,799,905.46	9,801,681.08	9,812,222.82	9,836,214.30	9,837,028.81	9,998,504.19	10,005,884.19	10,013,264.19	10,013,264.19	10,016,897.33
Equipment												
POWER GENERATION EQUIPMENT	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69
ELECTRIC PUMPING EQUIPMENT	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,385.50	1,594,385.50	1,594,385.50
PUMPING EQUIPMENT: PUMPS	225,587.43	225,587.43	225,587.43	225,587.43	225,587.43	227,074.48	232,169.48	243,612.52	245,893.30	245,893.30	247,688.30	248,983.30
PUMPING EQUIPMENT: METERS	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91
ELECTRIC PUMPING EQUIPMENT-CHEMICAL PUMPS	1,796.32	1,796.32	1,796.32	1,796.32	1,796.32	4,708.44	4,708.44	5,867.04	6,971.93	9,429.63	9,429.63	9,429.63
OTHER POWER PUMPING EQUIPMENT	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71
PURIFICATION SYSTEM EQUIPMENT	843,733.64	843,733.64	843,733.64	843,733.64	843,733.64	872,127.27	872,127.27	884,967.92	884,967.92	884,967.92	884,967.92	884,952.74
OTHER PRODUCTION EQUIPMENT	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52
WATER TREATMENT EQUIPMENT	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30
WTP EQUIPMENT-FILTER MEDIA	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56
	3,916,880.16	3,916,880.16	3,916,880.16	3,919,792.28	3,919,792.28	3,949,672.96	3,954,767.96	3,980,210.25	3,983,367.11	3,985,579.04	3,987,374.04	3,988,653.86
Transmission & Distribution												
DISTRIBUTION RES & STANDPIPES	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41
PAVEMENTS - TRANS MAINS	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10
PAVEMENTS - DIST MAINS	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	983,340.43	983,340.43
PAVEMENTS-GATE VALVES	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93
PAVING: CIAC - MAINS	63,637.35	63,637.35	63,637.35	-	-	-	-	-	-	-	-	-
MAINS: 6" & LARGER	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,234,256.39	13,234,256.39
MAINS: 4" & UNDER	3,099,764.33	3,099,764.33	3,099,764.33	3,099,764.33	3,099,764.33	3,099,764.33	3,099,798.63	3,099,798.63	3,099,798.63	3,099,798.63	3,081,649.31	3,081,649.31
MAINS: UNKNOWN SIZE	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92
MAINS: CIAC - 6" & LARGER	6,586,072.96	6,586,072.96	6,586,072.96	6,586,072.96	6,586,072.96	8,895,873.10	8,895,873.10	8,895,873.10	8,895,873.10	8,895,873.10	8,895,873.10	9,900,268.67
MAINS: CIAC - 4" & UNDER	865,893.04	865,893.04	865,893.04	865,893.04	865,893.04	912,413.16	912,413.16	912,413.16	912,413.16	912,413.16	912,413.16	912,413.16
MAINS: CIAC - UNKNOWN SIZE	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25
DISTRIBUTION MAINS - NEW	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79
GATES: CIAC - 4" & UNDER	3,953.46	3,953.46	3,953.46	3,953.46	3,953.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46
GATES: CIAC - 6" & LARGER	58,910.00	58,910.00	58,910.00	58,910.00	58,910.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00
GATES: 4" & UNDER	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	382,844.91	382,844.91
GATES: 6" & LARGER	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15
GATES: UNKNOWN SIZE	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91
DIST MAINS: DEVELOPER INSTALL	1,293,288.26	1,293,288.26	1,293,288.26	1,635,763.01	1,635,763.01	2,183,933.08	2,183,933.08	2,183,933.08	2,183,933.08	2,239,415.32	2,412,579.47	2,830,698.49
CIAC: PRESSURE REDUCING VALVE VAULTS	-	-	-	-	-	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00
PAVEMENTS: SERVICES	84,495.42	84,495.42	84,495.42	84,495.42	84,495.42	84,495.42	84,495.42	84,495.42	85,379.57	85,379.57	85,379.57	85,379.57
NEW SERVICES	2,126,738.91	2,142,788.91	2,148,348.09	2,148,348.09	2,150,799.10	2,150,135.40	2,153,735.40	2,156,995.40	2,160,895.40	2,129,920.64	2,167,667.88	2,167,667.88
RENEWED SERVICES	1,246,574.67	1,246,574.67	1,246,574.67	1,250,181.82	1,250,235.82	1,255,079.95	1,255,079.95	1,257,346.78	1,257,346.78	1,257,346.78	1,274,077.71	1,274,077.71
DEV INSTALLED SERVICES: CIAC	1,627,628.40	1,635,335.51	1,661,843.29	1,672,784.94	1,700,687.72	2,102,502.14	2,131,540.53	2,149,749.44	2,210,148.87	2,210,148.87	2,298,219.85	2,547,621.68
DEV INSTALLED SERVICES: PAID	1,061,448.58	1,071,181.68	1,071,181.68	1,087,993.81	1,087,993.81	1,169,724.38	1,233,345.15	1,262,400.15	1,295,271.41	1,320,095.91	1,339,098.27	1,339,098.27
METERING EQUIPMENT	1,102,953.78	1,111,029.86	1,113,406.42	1,131,206.60	1,144,927.91	1,149,228.41	1,167,130.28	1,189,261.57	1,188,339.19	1,203,026.11	1,213,394.34	1,204,584.69
RADIOS FOR METERING	734,264.98	735,866.29	737,333.76	739,375.42	742,119.74	750,862.25	759,862.56	764,916.11	765,464.49	774,126.93	775,357.65	775,357.65
FIRE PROT EQUIP: HYDRANTS	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	575,511.99	575,511.99
HYDRANTS - PAVING	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74
HYDRANTS: CIAC	620,563.58	620,563.58	620,563.58	630,454.52	630,454.52	811,943.90	811,943.90	811,943.90	811,943.90	811,943.90	821,785.62	849,289.92
OTHER TRANS/DIST EQUIPMENT	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42
AQUISITION ADJ	(8,787,586.37)	(8,787,586.37)</										

ACQUISITION ADJ: CASTLE REACH	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)
ACQUISITION ADJ: WHITE ROCK SR	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)
ACQUISITION ADJ: LAMPLIGHTER	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)
ACQUISITION ADJ: FLETCHERS	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)
ACCUM AMORT OF ACQ ADJUSTMENT	3,545,522.63	3,559,915.53	3,574,308.43	3,588,700.90	3,603,093.83	3,617,486.75	3,631,879.73	3,646,272.64	3,660,665.60	3,675,058.54	3,689,451.51	3,703,844.45
ACCUM AMORT OF ACQ ADJ:WESCO	2,709.68	2,719.27	2,728.84	2,738.43	2,748.02	2,757.61	2,767.19	2,776.78	2,786.36	2,795.95	2,805.53	2,815.12
ACCUM AMORT ACQ ADJ:CASTLE REA	88,767.01	89,298.73	89,830.46	90,362.19	90,893.93	91,425.60	91,957.28	92,489.06	93,020.70	93,552.43	94,084.12	94,615.82
ACCUM AMORT ACQ ADJ:WHITE ROCK	102,838.91	103,405.17	103,971.49	104,537.75	105,103.98	105,670.26	106,236.47	106,802.80	107,369.04	107,935.30	108,501.55	109,067.83
ACCUM AMORT ACQ ADJ:LAMPLIGHTR	143,286.92	144,230.12	145,173.33	146,116.53	147,059.71	148,002.91	148,946.06	149,889.28	150,832.45	151,775.66	152,718.84	153,662.02
ACCUM AMORT ACQ ADJ:FLETCHERS	172,248.42	173,425.94	174,603.45	175,780.92	176,958.42	178,135.91	179,313.37	180,490.89	181,668.40	182,845.89	184,023.40	185,200.88
Miscellaneous Equipment	37,951,310.93	38,012,056.43	38,065,631.95	38,418,221.35	38,487,678.37	42,309,907.66	42,450,724.36	42,548,321.29	42,642,352.78	42,726,512.33	43,308,769.70	45,037,235.02
OFFICE FURNITURE/EQUIPMENT	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66
SHOP EQUIPMENT	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67
LAB EQUIPMENT	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29
POWER OPERATED EQUIP -GEN PLNT	-	-	-	-	-	-	-	-	-	-	-	-
COMMUNICATION EQUIPMENT	543,942.47	543,942.47	543,942.47	543,942.47	545,507.87	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92
COMPUTER EQUIPMENT	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	87,082.47
MISCELLANEOUS GENERAL EQUIP	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00
	682,496.57	682,496.57	682,496.57	682,496.57	684,061.97	685,966.02	685,966.02	685,966.02	685,966.02	685,966.02	685,966.02	737,866.01
Intangible Plant												
ORGANIZATION EXPENSE	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05
ORGANIZATION EXP: THURSTON WDS	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: LAMPLIGHTER	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: FLETCHERS	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISES & CONSENTS	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54
FRANCHISE FEES: CASTLE REACH	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05
FRANCHISE FEES: WHITE ROCK	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISE FEES: WESCO	-	-	-	-	-	-	-	-	-	-	-	-
	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64
Total Plant in Service	53,783,973.47	53,844,718.97	53,892,732.29	54,250,009.43	54,331,573.59	58,209,579.09	58,356,305.30	58,640,819.90	58,745,388.25	58,934,429.98	59,518,482.35	61,303,760.62
Accumulated Depreciation												
ACCUMULATED DEPRECIATION	(15,104,952.34)	(15,212,416.28)	(15,315,793.19)	(15,423,438.98)	(15,531,198.47)	(15,634,463.73)	(15,746,600.38)	(15,859,730.34)	(15,965,157.46)	(16,069,941.33)	(16,150,271.73)	(16,324,541.01)
ACCUM DEPREC: COST OF REMOVAL	1,146,715.81	1,147,613.17	1,148,660.11	1,150,921.21	1,153,623.10	1,161,756.66	1,162,965.60	1,165,315.84	1,167,838.45	1,170,273.94	1,195,129.24	1,195,775.24
ACCUMULATED DEPRECIATION: LOSS	1,574,840.28	1,574,840.28	1,546,791.94	1,548,000.94	1,548,000.94	1,559,413.40	1,559,413.40	1,559,413.40	1,565,387.83	1,592,294.40	1,576,113.84	1,618,069.46
ACCUM DEPREC: ACQUIS ADJUSTMNT	-	-	-	-	-	-	-	-	-	-	-	-
	(12,383,396.25)	(12,489,962.83)	(12,620,341.14)	(12,724,516.83)	(12,829,574.43)	(12,913,293.67)	(13,024,221.38)	(13,135,001.10)	(13,231,931.18)	(13,307,372.99)	(13,379,028.65)	(13,510,696.31)
Net Plant in Service	41,400,577.22	41,354,756.14	41,272,391.15	41,525,492.60	41,501,999.16	45,296,285.42	45,332,083.92	45,505,818.80	45,513,457.07	45,627,056.99	46,139,453.70	47,793,064.31
Construction Work in Progress												
CWIP: CONTRACTOR CLEARING	906,657.89	824,096.22	1,872,448.63	1,248,482.69	1,326,388.49	1,360,598.94	1,435,787.49	1,159,329.05	1,179,123.30	1,265,340.07	1,285,796.92	1,141,891.59
	42,307,235.11	42,178,852.36	43,144,839.78	42,773,975.29	42,828,387.65	46,656,884.36	46,767,871.41	46,665,147.85	46,692,580.37	46,892,397.06	47,425,250.62	48,934,955.90
Current Assets												
Cash												
CASH: BANK OF AMERICA OPERATNG	-	-	-	-	-	-	-	-	-	-	-	-
CASH: PETTY CASH PAC	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
OTHER SPECIAL DEPOSITS	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00
Accounts Receivable, Net												
A/R: BILLED WATER REVENUE	342,394.30	343,893.04	295,497.13	423,427.73	343,281.98	491,722.20	486,424.58	448,597.66	581,170.93	414,306.67	373,420.92	540,452.42
A/R: MISCELLANEOUS	-	-	-	-	-	729,492.31	207,547.28	114,097.30	587,109.28	29,084.59	37,839.44	389,571.69
ALLOWANCE FOR DOUBTFUL ACCTS	546.48	(2,682.50)	(12.03)	(1,860.21)	(1,282.29)	(2,340.35)	(1,217.03)	(5,722.02)	(3,253.58)	(2,828.57)	(2,798.33)	(1,248.71)
ALLOW DOUBTFUL ACCT: NON-WATER	-	-	-	-	-	-	-	-	-	-	-	-
	342,940.78	341,210.54	295,485.10	421,567.52	341,999.69	1,218,874.16	692,754.83	556,972.94	1,165,026.63	440,562.69	408,462.03	928,775.40
A/R: UNBILLED WATER REVENUE	473,781.00	429,034.00	499,560.00	433,968.00	500,582.00	492,882.00	617,992.00	665,477.00	541,682.00	592,774.00	512,122.00	458,100.00
AR UNBIL REV:CAP RECOV RECOUP	-	-	-	-	-	-	-	-	-	-	-	-
A/R:UNBILLED WATER REV-RECOUP	-	-	-	-	-	-	-	-	-	-	-	-
	473,781.00	429,034.00	499,560.00	433,968.00	500,582.00	492,882.00	617,992.00	665,477.00	541,682.00	592,774.00	512,122.00	458,100.00
Inventory & Supplies												
INVENTORY	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: METERS - PEU	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: CHEMICALS	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses & Other												
PREPAID INSURANCE	3,311.19	-	18,680.06	9,787.12	21,204.77	22,534.96	23,865.13	25,486.97	26,908.81	18,115.24	9,313.96	441.65
PREPAID PROPERTY TAXES	-	-	-	-	-	-	-	-	-	-	-	-
PREPAID EXPENSES	10,006.00	6,728.00	3,870.00	2,790.00	4,048.00	12,085.00	11,040.00	11,695.34	8,950.00	7,905.00	9,408.00	5,815.00
PREPAID PROPERTY TAXES	137,326.24	68,663.15	-	-	-	232,098.63	154,732.42	77,366.21	-	-	255,471.52	195,284.75
CLEARING ACCOUNT	(8,874.84)	(9,548.02)	(12,006.26)	(15,202.93)	(17,875.72)	(17,875.72)	(17,875.72)	(24,790.05)	(26,334.46)	(27,634.88)	(28,334.27)	(28,647.22)

	141,768.59	65,843.13	10,543.80	(2,625.81)	7,377.05	248,842.87	171,761.83	89,758.47	9,524.35	(1,614.64)	245,859.21	172,894.18
Total Current Assets	998,560.37	876,157.67	845,658.90	892,979.71	890,028.74	2,000,669.03	1,522,578.66	1,352,278.41	1,756,302.98	1,071,792.05	1,206,513.24	1,599,839.58
Other Assets												
Abandoned Property												
ABANDONED 8" MAIN -RANGE RD	-	-	-	-	-	-	-	-	-	-	-	-
ABAND PUMP STA: SPRINGWOOD HLS	-	-	-	-	-	-	-	-	-	-	-	-
Other Deferred Charges												
PHASE II & V WAIVER - NC	-	-	-	-	-	-	-	-	-	-	-	-
ACQUISITION PREMIUM - MARA	7,975,654.71	7,958,636.90	7,941,619.09	7,924,601.19	7,907,583.38	7,890,565.57	7,873,547.76	7,856,529.95	7,839,512.14	7,822,494.24	7,805,476.44	7,788,458.63
SERGEANT WOODS-NEWTON, NH	-	-	-	-	-	-	-	-	-	-	-	-
CROSS CONNECTION SURVEY-PEU	160.71	156.25	151.78	147.31	142.84	138.37	133.90	129.43	124.96	120.49	116.02	111.55
SPRUCE POND-WINDHAM NH-ACQUIST	-	-	-	-	-	-	-	-	-	-	-	-
CLEAN/DISPOSE OF TANK SLUDGE	-	-	-	-	-	-	-	-	-	-	-	-
PELHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
LAKES REGION WATER CO-ACQUISIT	-	-	-	-	-	-	-	-	-	-	-	-
WINNISQUAM VILLAGE CONDO'S	-	-	-	-	-	-	-	-	-	-	-	-
DANIELS LAKE ACQ - WEARE, NH	-	-	-	-	-	-	-	-	-	-	-	-
FREEDOM VILLAGE ACQUISITION	-	-	-	-	-	-	-	-	-	-	-	-
SARBANES-OXLEY	-	-	-	-	-	-	-	-	-	-	-	-
BIRCH HILL GIARDIA SUIT	-	-	-	-	-	-	-	-	-	-	-	-
NORTH CONWAY LAND SALE	-	-	-	-	-	-	-	-	-	-	-	-
ABATEMENT	21,678.54	22,220.04	33,573.04	33,630.04	53,108.42	68,851.22	75,918.12	78,590.12	80,210.93	80,495.93	81,521.93	81,692.93
LONDONDRY VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
LITCHFIELD VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
GRANT AVAILABILITY STUDY - NC	-	-	-	-	-	-	-	-	-	-	-	-
WINDHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SYSTEM SUPPLY STUDY	1,199.11	1,079.20	959.50	839.79	720.09	600.38	480.68	360.97	241.27	121.56	1.86	1.86
BEAVER HOLLOW TANK CLEANING	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SUPPLY STUDY	2,402.65	2,379.98	2,357.32	2,334.66	2,312.00	2,289.34	2,266.68	2,244.02	2,221.36	2,198.70	2,176.04	2,153.38
RATE CASE EXPENSE: 2007	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXP: NORTH COUNTRY	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)
RATE CASE EXPENSE: 2012	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXPENSE: 2017	-	-	-	-	-	-	-	-	5,150.00	18,104.00	24,441.11	32,134.08
LOCKE LAKE LEAK DETECTION	3,437.62	3,055.60	2,673.59	2,291.58	1,909.57	1,527.54	1,145.53	763.51	381.50	-	-	-
MANCHESTER SRCE DEV CHARGE:LY	540,244.23	536,152.19	532,060.15	527,968.10	523,876.08	519,784.03	516,648.22	513,512.36	510,376.52	507,240.69	504,104.84	500,969.02
MSCD: MAPLE HILLS - DERRY	36,390.56	36,114.87	35,839.11	35,563.35	35,287.59	35,011.83	34,736.07	34,460.31	34,184.55	33,908.87	33,633.18	33,357.42
WEB SITE UPGRADE 2006	-	-	-	-	-	-	-	-	-	-	-	-
WEB-SITE UPGRADE 2011	-	-	-	-	-	-	-	-	-	-	-	-
N CONWAY WATER INTERCONNECT	65,528.01	65,027.76	64,527.37	64,027.12	63,526.73	63,026.34	62,525.95	62,025.56	61,525.17	61,024.78	60,524.39	60,024.00
N CONWAY WATER PREC-BUY IN FEE	1,965.88	1,954.81	1,943.74	1,932.67	1,921.60	1,910.53	1,899.46	1,888.39	1,877.32	1,866.25	1,855.18	1,844.11
SKYVIEW ESTATES - PELHAM	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80
BOW HIGHLANDS, BOW NH-ACQUISIT	3,395.37	3,366.84	3,338.30	3,309.77	3,281.24	3,252.70	3,224.17	3,195.63	3,167.09	3,138.56	3,110.03	3,081.49
CO-BANK DEFERRED PATRONAGE	86,282.73	86,282.73	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79
CO-BANK DEFERRED PATRONAGE	-	-	-	-	-	-	-	-	-	-	-	-
	8,741,629.92	8,719,716.97	8,726,473.58	8,704,076.17	8,701,100.13	8,694,388.44	8,679,957.13	8,661,130.84	8,646,403.40	8,638,144.66	8,624,391.61	8,611,259.06
ACQUISITION PREMIUM - MARA	-	-	-	-	-	-	-	-	-	-	-	-
Unamortized Debt Expense												
UNAMORTIZED DEBT EXPENSE	232,729.07	231,118.01	229,678.31	230,118.11	230,809.37	241,124.28	244,935.38	243,495.68	242,055.98	240,558.67	239,061.36	237,564.05
Total Other Assets	8,974,358.99	8,950,834.98	8,956,151.89	8,934,194.28	8,931,909.50	8,935,512.72	8,924,892.51	8,904,626.52	8,888,459.38	8,878,703.33	8,863,452.97	8,848,823.11
Total Assets	52,280,154.47	52,005,845.01	52,946,650.57	52,601,149.28	52,650,325.89	57,593,066.11	57,215,342.58	56,922,052.78	57,337,342.73	56,842,892.44	57,495,216.83	59,383,618.59
Equity and Liabilities												
Shareholder's Equity												
COMMON STOCK	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
ADDITIONAL PAID IN CAPITAL	(13,333,906.98)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)
DIVIDENDS: COMMON STOCK	-	-	-	-	-	-	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME	271,605.60	271,153.20	256,801.20	275,643.60	292,657.80	262,228.80	255,939.60	292,738.20	250,425.00	243,970.20	237,065.40	224,522.40
	(13,062,401.38)	(12,211,309.67)	(12,225,661.67)	(12,206,819.27)	(12,189,805.07)	(12,220,234.07)	(12,226,523.27)	(12,189,724.67)	(12,232,037.87)	(12,238,492.67)	(12,245,397.47)	(12,257,940.47)
RETAINED EARNINGS BEG - PEU	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46
Net Profit or Loss	54,052.40	135,234.28	174,062.13	248,953.36	320,167.84	368,738.87	254,226.08	267,726.48	263,458.46	234,602.02	328,915.47	960,591.58
Total Equity	(12,880,098.52)	(11,947,824.93)	(11,923,349.08)	(11,829,615.45)	(11,741,386.77)	(11,723,244.74)	(11,844,046.73)	(11,793,747.73)	(11,840,328.95)	(11,875,640.19)	(11,788,231.54)	(11,169,098.43)

LONG TERM DEBT: BONDS & NOTES											
LTD - SRF LOAN: GREEN HILLS	(118,868.75)	(117,425.00)	(115,981.25)	(114,537.50)	(113,093.75)	(111,650.00)	(110,206.25)	(108,762.50)	(107,318.75)	(105,875.00)	(104,431.25)
LTD-SRF LOAN PELHAM TANK PROJ	(299,709.17)	(297,317.15)	(294,918.17)	(292,594.57)	(290,099.28)	(287,762.16)	(285,252.33)	(282,818.28)	(280,377.15)	(277,928.94)	(275,473.60)
LTD-SRF LOAN: MAPLE HILLS	(407,163.00)	(404,879.00)	(402,589.00)	(400,360.00)	(397,993.00)	(395,763.00)	(393,374.00)	(391,056.00)	(388,732.00)	(386,403.00)	(384,068.00)
LTD - SRF LOAN/BIRCH HILL	(1,350,133.88)	(1,343,497.55)	(1,337,031.02)	(1,330,549.06)	(1,323,487.33)	(1,316,974.39)	(1,310,067.46)	(1,303,333.50)	(1,296,583.46)	(1,289,817.31)	(1,283,035.02)
LTD - SRF LOAN/LOCKE LAKE	(136,656.38)	(135,639.38)	(134,622.38)	(133,613.38)	(132,585.38)	(131,575.38)	(130,545.38)	(129,524.38)	(128,502.38)	(127,480.38)	(126,457.38)
LTD - SRF LOAN/LOCKE LAKE 2011	(159,429.38)	(158,957.56)	(158,481.94)	(157,519.26)	(157,077.62)	(156,541.25)	(156,046.50)	(155,547.90)	(155,045.44)	(154,539.11)	(154,074.88)
LTD/SRF LOAN: LIBERTY TREE	(243,031.00)	(242,447.00)	(241,858.00)	(241,323.00)	(240,665.00)	(240,120.00)	(239,452.00)	(238,838.00)	(238,219.00)	(237,595.00)	(236,966.00)
LTD/SRF LOAN: LOCKE LAKE 2012	(333,578.73)	(332,172.10)	(329,762.28)	(327,933.06)	(327,933.06)	(326,551.68)	(325,091.00)	(323,665.13)	(322,236.03)	(320,803.69)	(319,368.10)
LTD: COBANK 4.5M LOAN	(3,133,592.45)	(3,084,293.84)	(3,084,293.84)	(3,084,293.84)	(3,082,559.55)	(3,033,467.85)	(3,033,467.85)	(3,031,679.51)	(2,980,344.37)	(2,980,344.37)	(2,980,344.37)
LTD: COBANK 1.7M LOAN	(1,437,065.06)	(1,431,381.12)	(1,425,249.23)	(1,419,741.28)	(1,413,647.64)	(1,408,104.83)	(1,401,974.78)	(1,396,181.46)	(1,390,370.08)	(1,384,401.30)	(1,378,553.20)
LTD: COBANK 925K LOAN	(779,953.59)	(777,039.75)	(773,840.98)	(771,033.01)	(767,867.11)	(765,038.20)	(761,850.15)	(758,870.06)	(755,879.06)	(752,788.19)	(749,774.93)
LTD: LOCKE LAKE 2012-PHASE2	(360,972.99)	(359,625.59)	(358,275.14)	(356,957.90)	(355,565.04)	(354,241.83)	(352,842.63)	(351,476.80)	(350,107.88)	(348,735.86)	(347,360.72)
LTD: LOCKE LAKE-WINWOOD & MONROE	(363,202.47)	(361,934.60)	(360,663.85)	(359,424.36)	(358,113.71)	(356,868.60)	(355,552.00)	(354,266.79)	(352,978.66)	(351,687.62)	(350,393.65)
LTD: SRF LOAN/HICKORY & AVERY	(395,418.27)	(394,009.13)	(392,596.92)	(391,218.13)	(389,763.26)	(388,378.45)	(386,917.22)	(385,489.55)	(384,058.76)	(382,624.86)	(381,187.83)
LTD: SRF LOAN/W&E MAIN REPLACEMENT	(962,000.63)	(958,626.99)	(955,246.00)	(951,945.03)	(948,461.89)	(945,146.52)	(941,648.17)	(938,230.16)	(934,804.71)	(931,371.78)	(927,931.37)
LTD: SRF LOAN-HARDWOOD TREATMENT	(536,260.60)	(534,340.40)	(532,416.56)	(530,535.64)	(528,557.02)	(526,668.38)	(524,681.61)	(522,737.93)	(520,790.27)	(518,838.61)	(516,882.94)
LTD: COBANK 625K LOAN	(586,772.43)	(585,604.35)	(584,192.22)	(583,073.64)	(581,749.97)	(580,621.58)	(579,287.39)	(578,087.73)	(576,883.01)	(575,594.69)	(574,379.45)
LTD: SRF/LOCKE LAKE-WINWOOD & MONROE PHASE II	(380,348.70)	(379,016.70)	(377,682.70)	(376,377.70)	(375,005.70)	(373,695.70)	(372,317.70)	(370,969.70)	(369,618.70)	(368,264.70)	(366,908.70)
LTD: COBANK 1.25M PORTION OF 2.2M LOAN	(1,218,959.32)	(1,216,588.70)	(1,213,783.70)	(1,211,499.17)	(1,208,855.05)	(1,206,553.45)	(1,203,891.27)	(1,201,466.15)	(1,199,032.26)	(1,196,449.68)	(1,193,997.65)
LTD: SRF/LOCKE LAKE-VARNEY ROAD	(1,497,202.05)	(1,497,202.05)	(1,497,202.05)	(1,461,324.26)	(1,456,165.32)	(1,456,165.32)	(1,445,822.14)	(1,440,637.88)	(1,435,445.15)	(1,430,243.94)	(1,425,034.24)
LTD: COBANK 950K PORTION OF 2.2M LOAN	(928,468.68)	(926,832.08)	(924,815.62)	(923,247.60)	(921,296.83)	(919,715.21)	(917,918.80)	(916,238.32)	(914,550.85)	(912,733.66)	(911,031.61)
LTD: SRF/BRADY AVE	-	-	-	-	-	-	-	-	-	-	-
LTD: SRF/MERRIMACK RIVER CROSSING	-	-	-	-	-	-	-	-	-	-	-
FORGIVABLE DEBT: GREEN HILLS	(38,697.84)	(38,214.58)	(37,731.32)	(37,248.06)	(36,764.80)	(36,281.54)	(35,798.28)	(35,315.02)	(34,831.76)	(34,348.50)	(33,865.24)
FORGIVABLE DEBT: LOCKE LAKE	(46,058.04)	(45,744.72)	(45,431.40)	(45,118.08)	(44,804.76)	(44,491.44)	(44,178.12)	(43,864.80)	(43,551.48)	(43,238.16)	(42,924.84)
FORGIVABLE DEBT:LOCKE LAKE 2011	(91,882.96)	(91,380.87)	(90,878.78)	(90,376.69)	(89,874.60)	(89,372.51)	(88,870.42)	(88,368.33)	(87,866.24)	(87,364.15)	(86,862.06)
FORGIVABLE DEBT:LIBERTY TREE	(120,083.82)	(119,498.05)	(118,912.28)	(118,326.51)	(117,740.74)	(117,154.97)	(116,569.20)	(115,983.43)	(115,397.66)	(114,811.89)	(114,226.12)
FORGIVABLE LTD:LOCKE LAKE 2012	-	-	-	-	-	-	-	-	-	-	-
Long Term Debt	(15,925,512.19)	(15,833,668.26)	(15,789,456.63)	(15,712,153.32)	(15,660,169.05)	(15,569,430.61)	(15,514,117.40)	(15,463,907.91)	(15,364,027.57)	(15,314,790.72)	(15,265,997.38)
Current Liabilities											
CURRENT PORTION LONG TERM DEBT											
CURR PORTION LTD:GREEN HILLS	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)
CURR PORTION LTD:PELHAM TANK	(28,169.26)	(28,251.13)	(28,333.24)	(28,333.24)	(28,498.18)	(28,498.18)	(28,664.09)	(28,747.41)	(28,830.98)	(28,914.78)	(28,998.84)
CURR PORTION LTD:MAPLE HILLS	(26,976.00)	(27,109.00)	(27,109.00)	(27,109.00)	(27,242.00)	(27,242.00)	(27,376.00)	(27,443.00)	(27,511.00)	(27,578.00)	(27,646.00)
CURRENT PORTION LTD:BIRCH HILL	(78,437.87)	(78,625.07)	(78,625.07)	(78,625.07)	(79,189.37)	(79,189.37)	(79,567.82)	(79,757.72)	(79,948.08)	(80,138.89)	(80,330.15)
CURR PORT LTD:LOCKE LAKE 2007	(12,139.00)	(12,149.00)	(12,158.00)	(12,158.00)	(12,176.00)	(12,176.00)	(12,195.00)	(12,204.00)	(12,213.00)	(12,221.00)	(12,230.00)
CURR PORT LTD:LOCKE LAKE 2011	(5,367.71)	(5,412.80)	(5,457.97)	(5,457.97)	(5,548.57)	(5,548.57)	(5,639.55)	(5,685.15)	(5,730.85)	(5,776.63)	(5,822.52)
CURR PORTION LTD:LIBERTY TREE	(6,624.00)	(6,683.00)	(6,742.00)	(6,742.00)	(6,860.00)	(6,860.00)	(6,978.00)	(7,038.00)	(7,098.00)	(7,158.00)	(7,218.00)
CURR PORT LTD:LOCKE LAKE 2012	(16,633.43)	(16,671.14)	(16,708.94)	(16,708.94)	(16,784.77)	(16,784.77)	(16,860.94)	(16,899.16)	(16,937.47)	(16,975.86)	(17,014.35)
CURR PORT LTD:COBANK 4.5M LOAN	(198,204.48)	(198,204.48)	(198,204.48)	(199,938.77)	(199,938.77)	(199,938.77)	(199,938.77)	(201,727.11)	(203,531.45)	(203,531.45)	(203,531.45)
CURR PORT LTD:COBANK 1.7M (T4)	(62,663.00)	(62,874.56)	(63,066.25)	(63,066.25)	(63,485.66)	(63,485.66)	(63,907.65)	(64,123.09)	(64,339.20)	(64,548.99)	(64,766.43)
CURR PORT LTD:COBANK 925K (T3)	(32,164.19)	(32,291.54)	(32,406.98)	(32,406.98)	(32,659.78)	(32,659.78)	(32,914.39)	(33,044.48)	(33,175.05)	(33,301.87)	(33,433.38)
CURR PORT LTD:SRF LOCKE LAKE-DAM SITE #2	(14,668.45)	(14,704.56)	(14,740.75)	(14,740.75)	(14,813.39)	(14,813.39)	(14,886.37)	(14,922.98)	(14,959.67)	(14,996.44)	(15,033.30)
CURR PORT LTD:LOCKE LAKE W & M	(14,992.62)	(15,026.61)	(15,060.68)	(15,060.68)	(15,129.03)	(15,129.03)	(15,197.70)	(15,232.15)	(15,266.68)	(15,301.28)	(15,335.96)
CURR PORT LTD:HICKORY & AVERY	(13,983.13)	(14,019.48)	(14,055.90)	(14,055.90)	(14,128.98)	(14,128.98)	(14,203.39)	(14,276.11)	(14,313.09)	(14,350.15)	(14,387.15)
CURR PORT LTD:W&E MAIN REPLACEMENT	(39,915.81)	(40,002.83)	(40,090.03)	(40,090.03)	(40,265.00)	(40,265.00)	(40,440.74)	(40,528.90)	(40,617.26)	(40,705.80)	(40,794.54)
CURR PORT LTD:HARDWOOD TREATMENT	(22,734.20)	(22,780.88)	(22,827.66)	(22,827.66)	(22,921.50)	(22,921.50)	(23,015.73)	(23,063.00)	(23,110.35)	(23,157.79)	(23,205.34)
CURR PORT LTD: COBANK 625K LOAN	(14,195.84)	(14,255.74)	(14,310.07)	(14,310.07)	(14,429.13)	(14,429.13)	(14,549.18)	(14,610.57)	(14,672.22)	(14,732.13)	(14,794.29)
CURR PORT LTD: LOCKE LAKE-WINWOOD & MONROE PHASE II	(15,769.00)	(15,802.00)	(15,834.00)	(15,834.00)	(15,898.00)	(15,898.00)	(15,963.00)	(15,996.00)	(16,029.00)	(16,062.00)	(16,095.00)
CURRENT PORTION LTD:COBANK 1.25M PORTION OF 2.2M L	(28,782.32)	(28,886.42)	(28,980.78)	(28,980.78)	(29,187.39)	(29,187.39)	(29,395.47)	(29,501.79)	(29,608.49)	(29,712.12)	(29,819.58)
CURRENT PORTION LTD:SRF/LOCKE LAKE-VARNEY ROAD	-	-	-	-	(41,036.73)	(41,036.73)	(51,379.91)	(56,564.17)	(61,857.77)	(67,150.80)	(72,443.83)
CURRENT PORTION LTD:COBANK 950K PORTION OF 2.2M L	(19,983.97)	(20,067.38)	(20,142.77)	(20,142.77)	(20,392.43)	(20,392.43)	(20,474.51)	(20,559.66)	(20,645.17)	(20,728.26)	(20,814.47)
FORGIVABLE DEBT:STD GREENHILLS	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)
FORGIVAB DEBT:STD LOCKE LAKE 2007	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)
FORGIVABLE STD:LOCKE LAKE 2011	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)
FORGIVABLE STD:LIBERTY TREE	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)
Current Portion of Long Term Debt	(692,342.56)	(693,688.90)	(694,792.85)	(730,670.64)	(740,522.96)	(740,522.96)	(753,485.49)	(761,825.83)	(770,195.21)	(771,650.43)	(773,130.83)
ACCOUNTS PAYABLE											
ACCOUNTS PAYABLE	(364,716.94)	(103,352.64)	(920,843.58)	(353,095.30)	(175,908.60)	(392,593.25)	(139,268.95)	(104,220.64)	(86,563.31)	(703,785.91)	35,356.56
LITCHFIELD DEPOSIT	(423,286.36)	(362,062.56)	(301,773.97)	(124,805.51)	(2,054.53)	(2,054.53)	(2,054.53)	(157,895.76)	(115,347.04)	(83,347.29)	(73,466.74)
LOCAL PROPERTY TAXES PAYABLE	2,069.06	(4,138.00)	(6,207.00)	(84,499.44)	(171,910.44)	-	(15,836.33)	(31,672.66)	-	(94,940.04)	-
PUBLIC UTILITY TAX PAYABLE	-	-	-	-	-	-	-	-	-	-	-
ACCRUED INTEREST LTD	(41,434.74)	(8,542.00)	(28,268.51)	(31,865.20)	(49,218.32)	(16,209.09)	(33,186.41)	(50,004.65)	(16,472.76)	(33,039.49)	(49,071.80)
MISC CURRENT ACCRUED LIABILITY	(127,778.15)	(215,745.87)	(422,232.95)	(129,398.62)	(170,165.86)	(837,681.87)	(341,516.87)	(275,846.90)	(831,457.17)	(224,537.51)	(245,387.47)
ACCRUED LIABILITY - RETAINAGE	(341,508.49)	(346,586.79)	(342,968.33)	(654,648.33)	(654,648.33)	(530,293.86)	(564,123.15)	(531,132.16)	(428,329.19)	(536,582.75)	(574,829.70)
	(1,296,655.62)	(1,040,427.86)	(2,022,294.34)	(1,378,312.40)	(1,223,906.08)	(1,778,832.60)	(1,095,986.24)	(1,150,772.77)	(1,478,169.47)	(1,676,232.99)	(940,298.85)
HARDSHIP CASES: CREDITS											
NOTE PAYABLE: PCP-2015 3M LOAN	(1,699,679.06)	(1,675,589.79)	(1,649,512.91)	(1,625,317.13)	(1,601,067.92)	(1,574,818.04)	(1,550,461.61)	(1,526,051.39)	(1,499,627.20)	(1,475,109.05)	(1,450,536.75)
NOTE PAYABLE: PCP-2015 1M LOAN	(743,898.53)	(736,261.91)	(727,983.25)	(720,312.23)	(712,623.95)	(704,289.43)	(696,566.52)	(688,826.23)	(680,435.18)	(672,660.02)	(664,867.36)

CURR PORT LTD: 3M PCP NP	(291,320.19)	(291,320.19)	(293,254.45)	(293,254.45)	(293,254.45)	(295,201.56)	(295,201.56)	(295,201.56)	(297,161.61)	(297,161.61)	(297,161.61)	(299,134.65)
CURR PORT LTD: 1M PCP NP	(92,365.89)	(92,365.89)	(92,990.90)	(92,990.90)	(92,990.90)	(93,619.85)	(93,619.85)	(93,619.85)	(94,253.20)	(94,253.20)	(94,253.20)	(94,890.84)
INTERCO LOAN NC-INTEGRATED	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/TSC	-	-	-	-	-	-	-	-	(1,601.17)	(1,603.51)	(1,605.85)	-
INTERCO PAY/REC: PEU/PWS	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/PAC	-	-	-	0.39	1.17	2.09	3.01	5.31	9.88	15.33	22.83	-
INTERCO PAY/REC: PEU/PWW	(313,404.12)	(572,568.00)	(960,013.40)	(1,266,774.00)	(1,661,753.08)	(2,029,252.19)	(2,328,061.54)	(2,733,683.47)	(3,083,813.87)	(3,421,625.36)	(3,828,689.20)	-
AP INTERCO PAY/REC: PEU/PAC	-	-	-	627.50	627.50	627.50	627.50	627.50	3,727.50	3,727.50	6,527.50	-
INTERCO PAY/REC: PEU/PCP	(965,952.60)	(1,759,026.95)	(1,440,848.75)	(1,302,867.34)	(1,237,555.41)	(1,735,153.88)	(1,685,446.24)	(1,024,654.20)	(848,864.82)	166,228.25	(750,507.62)	(5,931,347.23)
Total Current Liabilities	(6,095,618.57)	(6,861,249.49)	(7,881,690.85)	(7,409,871.20)	(7,563,046.08)	(8,951,060.92)	(8,498,198.54)	(8,272,102.49)	(8,750,384.35)	(8,240,325.09)	(8,794,500.94)	(10,029,437.50)
OTHER LIABILITY: DERIVATIVE	(452,676.00)	(451,922.00)	(428,002.00)	(459,406.00)	(487,763.00)	(437,048.00)	(426,566.00)	(487,897.00)	(417,375.00)	(406,617.00)	(395,109.00)	(374,204.00)
DEFERRED GAIN-GREEN HILLS SRF	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED GAIN-LOCKE LAKE SRF	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED INCOME TAXES	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(2,397,433.35)
DEFERRED INCOME TAX - SWAP	181,070.40	180,768.80	171,200.80	183,762.40	195,105.20	174,819.20	170,626.40	195,158.80	166,950.00	162,646.80	158,043.60	149,681.60
ACCUM DEF INC TAX - REG LIABILITY	-	-	-	-	-	-	-	-	-	-	-	(1,763,222.00)
CONTRIBUTIONS IN AID OF CONST	(8,625,524.69)	(8,633,231.80)	(8,659,739.58)	(8,961,663.77)	(8,989,566.55)	(12,711,173.48)	(12,754,781.41)	(12,779,028.54)	(12,839,427.97)	(12,899,938.81)	(13,155,604.66)	(14,855,963.69)
CIAC: MAPLE HILLS GRANT	(52,816.47)	(52,816.47)	(52,816.47)	(52,816.47)	(57,745.08)	(57,745.08)	(57,745.08)	(57,745.08)	(57,745.08)	(57,745.08)	(62,673.72)	(62,673.72)
CIAC: BIRCH HILLS GRANT	(66,119.84)	(66,119.84)	(66,119.84)	(66,119.84)	(74,994.43)	(74,994.43)	(74,994.43)	(74,994.43)	(74,994.43)	(74,994.43)	(83,869.02)	(83,869.02)
CIAC: LOCKE LAKE GRANT	(10,145.28)	(10,145.28)	(10,145.28)	(10,145.28)	(11,098.00)	(11,098.00)	(11,098.00)	(11,098.00)	(11,098.00)	(11,098.00)	(12,041.35)	(12,041.35)
CIAC: LONDONDERRY/MWW CONN	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)
CIAC: SEASON LANE, LONDONDERRY	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)
CIAC: PELHAM	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)
CIAC: LITCHFIELD	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)
CIAC: BOW	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)
CIAC: LAKEVIEW FARMS - WINDHAM	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)
CIAC: MEADOWBROOK PUMP STATION	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)
CIAC: OAKWOOD	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)
CIAC: SMYTHE WOODS-HOOKSETT	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)
CIAC: W&E	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)
CIAC: FLETCHERS CORNER:ARSENIC	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)
CONTR IN AID OF CONST-DEV INST	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)
	(14,386,545.56)	(14,394,252.67)	(14,420,760.45)	(14,722,684.64)	(14,765,343.34)	(18,486,950.27)	(18,530,558.20)	(18,554,805.33)	(18,615,204.76)	(18,675,715.60)	(18,946,128.03)	(20,646,487.06)
RESERVE FOR AMORT OF CIAC:PEU	2,284,479.61	2,307,557.18	2,330,661.28	2,354,072.57	2,377,530.79	2,405,102.87	2,432,771.53	2,460,502.52	2,488,281.54	2,512,803.00	2,541,960.10	2,584,271.64
Total Deferred Credits	(17,378,925.19)	(17,363,102.33)	(17,352,154.01)	(17,649,509.31)	(17,685,723.99)	(21,349,329.84)	(21,358,979.91)	(21,392,294.65)	(21,382,601.86)	(21,412,136.44)	(21,646,486.97)	(22,447,393.17)
Total Equity & Liabilities	(52,280,154.47)	(52,005,845.01)	(52,946,650.57)	(52,601,149.28)	(52,650,325.89)	(57,593,066.11)	(57,215,342.58)	(56,922,052.78)	(57,337,342.73)	(56,842,892.44)	(57,495,216.83)	(59,383,618.59)
	-	-	-	-	-	-	-	-	-	-	-	-

TAB 36

1604.01(a)(20) Quarterly Income Statements for Previous Two Years

PENNICHUCK EAST UTILITIES

DW 20-156 Exhibit 1

Profit and Loss Statement

January - December 2018

Provided pursuant to NHPUC Rule 1604.01(a)(20)

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total 2018
WATER SALES	1,378,535.67	1,874,526.96	2,261,472.54	2,275,068.06	7,789,603.23
CBFRR REVENUES	224,715.75	224,715.75	224,715.75	224,715.75	898,863.00
MISC OPERATING REVENUE	7,448.00	10,584.00	8,644.00	9,313.00	35,989.00
TOTAL REVENUES	1,610,699.42	2,109,826.71	2,494,832.29	2,509,096.81	8,724,455.23
	-	-	-	-	-
PRODUCTION EXPENSES	596,702.57	539,219.60	629,524.22	524,978.97	2,290,425.36
TRANSMISSION AND DISTRIB EXP	168,742.96	199,900.30	162,741.59	206,199.50	737,584.35
CUSTOMER ACCT & COLLECTION EXP	39,268.74	54,043.46	55,104.76	51,735.01	200,151.97
ADMINISTRATIVE & GENERAL EXP	44,012.88	55,345.58	37,569.09	47,609.34	184,536.89
INTERCO MGMT FEE: PWW	552,191.00	578,175.00	568,419.00	600,727.00	2,299,512.00
INTERCOMPANY MGMT FEE: PCP	14,935.00	13,292.00	16,048.00	13,169.00	57,444.00
TOTAL OPERATING EXPENSES	1,415,853.15	1,439,975.94	1,469,406.66	1,444,418.82	5,769,654.57
	-	-	-	-	-
DEP EXP/ACQ ADJ EXPENSE	299,422.36	301,482.55	302,011.73	351,333.69	1,254,250.33
AMORTIZATION EXPENSE: CIAC	(93,388.00)	(94,246.09)	(95,655.89)	(108,932.26)	(392,222.24)
AMORT: ACQUISITION PREMIUM	51,797.67	52,169.88	52,169.78	52,169.79	208,307.12
AMORT EXP - DEFERRED CHARGES	10,213.99	16,758.23	29,848.77	29,861.99	86,682.98
LOCAL PROPERTY TAXES	231,423.74	270,529.64	198,251.62	321,201.16	1,021,406.16
NH BET TAX	-	-	-	18,778.69	18,778.69
GAIN FROM FORGIVENESS SRF DEBT	(5,653.32)	(5,653.32)	(5,653.32)	(5,653.32)	(22,613.28)
INCOME TAXES	(96,827.30)	(1,632.93)	111,060.65	758,409.58	771,010.00
TOTAL OPERATING DEDUCTIONS	1,812,842.29	1,979,383.90	2,061,440.00	2,861,588.14	8,715,254.33
	-	-	-	-	-
NET OPERATING INCOME	(202,142.87)	130,442.81	433,392.29	(352,491.33)	9,200.90
	-	-	-	-	-
MISC NON-UTILITY INCOME	-	-	-	114,867.55	114,867.55
OTHER INCOME (EXPENSE)	-	-	-	114,867.55	114,867.55
	-	-	-	-	-
AFUDC-INTEREST(DEBT) COMPONENT	2,955.00	5,394.00	31,938.00	34,199.00	74,486.00
AFUDC - EQUITY COMPONENT	694.00	893.00	5,508.00	6,182.00	13,277.00
TOTAL AFUDC	3,649.00	6,287.00	37,446.00	40,381.00	87,763.00
	-	-	-	-	-
INTEREST EXPENSE	-	-	-	-	-
INTEREST EXP: BONDS & NOTES	(68,018.03)	(150,898.88)	(164,037.40)	(151,851.78)	(534,806.09)
LINE OF CREDIT INTEREST	-	-	-	(3,659.88)	(3,659.88)
AMORTIZATION OF DEBT EXPENSE	(4,491.93)	(5,103.23)	(5,905.61)	(5,892.58)	(21,393.35)
INTERCOMPANY INTEREST	(39,413.48)	(37,259.02)	(56,429.05)	(59,026.33)	(192,127.88)
TOTAL INTEREST EXPENSE, NET	(111,923.44)	(193,261.13)	(226,372.06)	(220,430.57)	(751,987.20)
	-	-	-	-	-
NET INCOME (OR LOSS)	(310,417.31)	(56,531.32)	244,466.23	(417,673.35)	(540,155.75)

PENNICHUCK EAST UTILITIES

DW 20-156 Exhibit 1

Profit and Loss Statement

January - December 2019

Provided pursuant to NHPUC Rule 1604.01(a)(20)

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total 2019
WATER SALES	1,650,597.24	1,893,008.02	2,478,486.48	1,840,499.09	7,862,590.83
CBFRR REVENUES	231,577.29	231,577.29	231,577.29	231,577.29	926,309.16
MISC OPERATING REVENUE	5,429.00	6,172.00	9,643.00	8,944.00	30,188.00
TOTAL REVENUES	1,887,603.53	2,130,757.31	2,719,706.77	2,081,020.38	8,819,087.99
	-	-	-	-	-
PRODUCTION EXPENSES	569,597.67	543,895.33	600,776.91	542,928.76	2,257,198.67
TRANSMISSION AND DISTRIB EXP	205,624.42	300,458.41	253,592.45	246,555.50	1,006,230.78
CUSTOMER ACCT & COLLECTION EXP	43,199.68	50,939.15	58,543.83	52,034.91	204,717.57
ADMINISTRATIVE & GENERAL EXP	42,544.45	50,427.16	45,999.43	42,490.32	181,461.36
INTERCO MGMT FEE: PWW	596,221.00	581,048.00	559,761.00	601,872.00	2,338,902.00
INTERCOMPANY MGMT FEE: PCP	15,493.00	14,851.00	13,970.00	14,045.00	58,359.00
TOTAL OPERATING EXPENSES	1,472,680.22	1,541,619.05	1,532,643.62	1,499,926.49	6,046,869.38
	-	-	-	-	-
DEP EXP/ACQ ADJ EXPENSE	330,064.22	332,527.41	340,799.47	350,186.00	1,353,577.10
AMORTIZATION EXPENSE: CIAC	(103,209.69)	(104,587.40)	(113,316.90)	(110,121.28)	(431,235.27)
AMORT: ACQUISITION PREMIUM	53,013.26	53,434.96	53,435.05	53,434.95	213,318.22
AMORT EXP - DEFERRED CHARGES	29,888.56	29,960.41	29,951.47	37,639.69	127,440.13
LOCAL PROPERTY TAXES	284,575.26	281,512.09	278,708.35	329,248.39	1,174,044.09
NH BET TAX	-	-	-	3,775.00	3,775.00
GAIN FROM FORGIVENESS SRF DEBT	(5,653.32)	(5,653.32)	(6,177.12)	(6,177.12)	(23,660.88)
INCOME TAXES	50,062.29	(28,345.01)	383,409.05	10,233.25	415,359.58
TOTAL OPERATING DEDUCTIONS	2,111,420.80	2,100,468.19	2,499,452.99	2,168,145.37	8,879,487.35
	-	-	-	-	-
NET OPERATING INCOME	(223,817.27)	30,289.12	220,253.78	(87,124.99)	(60,399.36)
	-	-	-	-	-
MISC NON-UTILITY INCOME	17,435.86	-	-	-	17,435.86
OTHER INCOME (EXPENSE)	17,435.86	-	-	-	17,435.86
	-	-	-	-	-
AFUDC-INTEREST(DEBT) COMPONENT	906.00	2,358.00	3,722.00	(6,986.00)	-
AFUDC - EQUITY COMPONENT	122.00	271.00	381.00	(774.00)	-
TOTAL AFUDC	1,028.00	2,629.00	4,103.00	(7,760.00)	-
	-	-	-	-	-
INTEREST EXPENSE	-	-	-	-	-
INTEREST EXP: BONDS & NOTES	(91,839.51)	(171,903.07)	(171,799.68)	(167,695.15)	(603,237.41)
LINE OF CREDIT INTEREST	(6,137.92)	(25,679.44)	(12,835.33)	(8,920.69)	(53,573.38)
AMORTIZATION OF DEBT EXPENSE	(5,824.77)	(5,824.77)	(5,849.93)	(6,263.82)	(23,763.29)
INTERCOMPANY INTEREST	(66,614.87)	(69,948.75)	(67,265.02)	(52,438.68)	(256,267.32)
TOTAL INTEREST EXPENSE, NET	(170,417.07)	(273,356.03)	(257,749.96)	(235,318.34)	(936,841.40)
	-	-	-	-	-
NET INCOME (OR LOSS)	(375,770.48)	(240,437.91)	(33,393.18)	(330,203.33)	(979,804.90)

TAB 37

1604.01(a)(21) Quarterly Sales Volumes for the previous 2 years, itemized for residential and other classifications of service, if not previously filed with the Commission.

Pennichuck East Utility, Inc. Revenues
Quarterly Sales Volume Schedule for
the Five Years from 2017 through 2018

Provided pursuant to NHPUC Rule 1604.01(a)(21)

2017											
Customer Type	March \$	March Cons.	June \$	June Cons.	September \$	September Cons.	December \$	December Cons.	Total \$	Total Cons.	
Residential	\$ 1,146,908	106,810	\$ 1,337,368	136,401	\$ 1,710,981	194,947	\$ 1,357,749	137,213	\$ 5,553,005	575,371	
Commercial	\$ 176,957	14,936	\$ 203,826	19,123	\$ 244,918	25,500	\$ 218,447	21,465	\$ 844,147	81,024	
Industrial	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	
Municipal	\$ 178,488	1,185	\$ 195,046	1,614	\$ 184,737	1,058	\$ 186,679	1,427	\$ 744,951	5,284	
	\$ 1,502,353	122,931	\$ 1,736,240	157,138	\$ 2,140,635	221,505	\$ 1,762,875	160,105	\$ (18,045)	Abatements	
									\$ (794)	Other Adjustments	
									\$ 7,123,265	Total Water Billed	
									\$ 39,251	Unbilled Revenue	
									\$ -	Recoupment	
									\$ 7,162,516	661,679	

2018											
Customer Type	March \$	March Cons.	June \$	June Cons.	September \$	September Cons.	December \$	December Cons.	Total \$	Total Cons.	
Residential	\$ 1,260,165	120,923	\$ 1,440,351	142,857	\$ 1,987,248	207,971	\$ 1,505,054	128,616	\$ 6,192,819	600,367	
Commercial	\$ 193,986	17,522	\$ 208,527	19,352	\$ 304,152	29,271	\$ 261,375	21,510	\$ 968,039	87,655	
Industrial	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	
Municipal	\$ 186,445	1,437	\$ 215,666	1,590	\$ 218,558	887	\$ 235,644	1,542	\$ 856,313	5,456	
	\$ 1,640,596	139,882	\$ 1,864,544	163,799	\$ 2,509,958	238,129	\$ 2,002,073	151,668	\$ (1,815)	Abatements	
									\$ -	Other Adjustments	
									\$ 8,015,356	Total Water Billed	
									\$ 95,516	Unbilled Revenue	
									\$ 577,594	Recoupment	
									\$ 8,688,466	693,478	

TAB 38

1604.01(a)(22) Projected Need for External Capital for the 2 year period immediately following the test year.

Pennichuck East Utilities, Inc.
2020 Projected Capital Expenditures
DW 20-156

Provided pursuant to NHPUC Rule 1604.01(a)(22)

Project Name /Description	Project Description	Projected 2020 Capex	Source of Funds
Airstrip alternative arsenic treatment	Raw Water Pipeline from Air Strip well to Peacham Road WTP	\$ 600,000	NHDES SRF
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	\$ 255,000	NHDES SRF
Route 28 Replacement	Replace 720 LF of 2" PE with 720 LF of 4" C-900 PVC.	\$ 60,000	NHDES SRF
Rolling Hills Water Main Replacement - Site Restoration from 2019 Project	Replace substandard 2 inch diameter pipe with 4 inch C900 PVC	\$ 32,000	CoBank Loan
Locke Lake Surface Water Treatment ⁴	Intake & Treatment Facility Construction	\$ 1,700,000	NHDES SRF
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, Soimpson, Mount Vernon & Lane Roads	\$ 660,000	CoBank Loan
1 x revenue investments Normal Run Rate	Per Tariff	\$ 40,000	CoBank Loan
Sunrise Estates	Station Replacement (design)	\$ 30,000	0.1 DSRR
Londonderry Core Re-Chloramination	Re-chloramination Evalution and Preliminary Design	\$ 35,000	0.1 DSRR
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild	\$ 25,000	CoBank Loan
Well Pump replacements	Well Pump replacements	\$ 15,000	CoBank Loan
Chemical Feed pump replacements	Chemical Feed pump replacements	\$ 3,000	CoBank Loan
Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS	\$ 10,000	CoBank Loan
Misc. Structural Improvements	Misc. Structural Improvements	\$ 10,000	CoBank Loan
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects	\$ 10,000	CoBank Loan
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical	\$ 8,000	CoBank Loan
Well Rehabilitation	Well Rehabilitation	\$ 30,000	CoBank Loan
Install web based communication equipment, 4 locations	Install web based communication equipment, 4 locations	\$ 20,000	CoBank Loan
Install web based communication equipment, 4 locations	Fletcher's Corner, Install Cellular Based Communication	\$ 2,100	CoBank Loan
Interconnect the W&E CWS to the Town of Salem Water System	Interconnect the W&E CWS to the Town of Salem Water System	\$ 125,000	NHDES DWFGTF
New Services (5)	Single Family, Owner Built, New Homes	\$ 25,000	CoBank Loan
Renewed Services (10)	Replacement of failed services	\$ 55,000	CoBank Loan
Hydrants (5)	Replacement of non functional hydrants	\$ 30,000	CoBank Loan
Meters 5/8"-6" Lead Meter Exchange - PEU (200)	Replace High lead brass meter with new no lead brass meter	\$ 20,000	CoBank Loan
Gates (5)	Replacement of Failed Gate Valves	\$ 20,000	CoBank Loan
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading	\$ 32,000	CoBank Loan
Meters (Growth) 5/8"-2" - PEU (220)	New meters for new customers (220)	\$ 22,000	CoBank Loan

Pennichuck East Utilities Projected 2020 Total Capital Expenditure Budget - \$ 3,874,100

Pennichuck East Utilities, Inc.
2021 Projected Capital Expenditures
DW 20-156

Provided pursuant to NHPUC Rule 1604.01(a)(22)

Project Name/Description	Project Description	Projected 2021 Capex	Financing Docket No.
Locke Lake Surface Water Treatment	Completion Intake & Treatment Facility Construction that started in 2020	\$ 410,000	NHDES SRF
1 x revenue investments Normal Run Rate	Per Tariff	\$ 72,000	CoBank
Londonderry Storage, Booster Station, and Transmission Main	Construct 1.25 MG Ground Level Storage Tank, 3,500 gpm Booster Station and 6300 LF 16 inch Transmission Main	\$ 1,545,000	CoBank
Atkinson Station Rebuild	Station cannot provide required fire flow. Hydropneumatic tank is in need of replacement. Estimated cost includes engineering design.	\$ 530,000	CoBank
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild	\$ 40,000	CoBank
Well Pump replacements	Well Pump replacements	\$ 40,000	CoBank
Chemical Feed pump replacements	Chemical Feed pump replacements	\$ 10,000	CoBank
Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS	\$ 25,000	CoBank
Misc. Structural Improvements	Misc. Structural Improvements	\$ 20,000	CoBank
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects	\$ 10,000	CoBank
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical	\$ 30,000	CoBank
Well Rehabilitation	Well Rehabilitation	\$ 60,000	CoBank
New Services (5)	Single Family, Owner Build, New Homes	\$ 25,000	CoBank
Renewed Services (10)	Replacement of failed services	\$ 55,000	0.1 DSR
Hydrants (5)	Replacement of non functional hydrants	\$ 30,000	CoBank
Gates (8)	Replacement of Failed Gate Valves	\$ 32,000	CoBank
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading	\$ 32,000	CoBank
New meters for new customers (220). Replacement of failed meters (80)	New meters for new customers (220)	\$ 30,000	CoBank
Meters 5/8"-6" Lead Meter Exchange - PEU (400)	Replace High lead brass meter with new no lead brass meter	\$ 40,000	CoBank
2021 Radios (1000)	Begin 7 year replacement of all PEU radios (all initial radios installed in 2007)	\$ 130,000	CoBank
2021 Meters (Growth) 5/8"-2" (220), Replacement (80)	New meters for new customers (220). Replacement of failed meters (80)	\$ 30,000	CoBank

Pennichuck East Utilities Projected 2021 Total Capital Expenditure Budget - \$ 3,196,000

TAB 39

1604.01(a)(23) Capital Budget - Sources and Uses of funds for the 2 years immediately following the test year

**Pennichuck East Utilities, Inc.
Capital and Construction Budget 2020**

Provided pursuant to NHPUC Rule 1604.01(a)(23)
DW 20-156 Exhibit 1

Department	Project Description	Total Budgeted Amount (including O/H)	Funding Source
<u>2019 Carryover/Multi-year Projects</u>			
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	1,545.00	CoBank
Airstrip alternative arsenic treatment	Raw Water Pipeline from Air Strip well to Peacham Road WTP	540.00	SRF
Georgetown Drive water main replacement	Replace 4600 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	10.00	SRF
Bradford Lane water main replacement	Replace 1825 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	10.00	SRF
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	239.00	SRF
Belmont Drive water main replacement	Replace 500 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	5.00	SRF
Route 28 Replacement		80.00	CoBank
Rolling Hills Water Main Replacement - Site Restoration from 2019 Project	Replace substandard 2 inch diameter pipe with 4 inch C900 PVC	32.00	CoBank
		-	
Subtotal 2019 Carryover/Multi-year Projects		2,461.00	
<u>New 2020 Projects</u>			
Locke Lake Surface Water Treatment	Intake & Treatment Facility Construction	835.00	SRF
Pelham Main Replacement/Addition	Replace 1600 LF of 3 inch PE with 12 in C-900 and add 775 LF of 12 in C-90 Monticello & Lane	285.00	CoBank
1x revenue investments Normal Run Rate with two months of PFOA in Litchfield	Per Tariff	100.00	CoBank
Sunrise Estates	Station Replacement (design)	40.00	SRF
Londonderry Core Re-Chloramination	Re-chloramination Evalution and Preliminary Design	35.00	CoBank
		-	
		-	
		-	
		-	
Subtotal New 2020 Projects		1,295.00	
Total 2020 Capital Projects Budget		3,756.00	

	Project Description	Total 2020 incl O/H	Funding Source
<u>2019 Carryover/Multi-year Projects</u>			
Water Supply	Atkinson Booster pump station design	30.00	CoBank
Subtotal 2019 Carryover/Multi-year Projects		30.00	
<u>New 2020 Projects</u>			
Water Supply	Booster Pump replacement/rebuild	40.00	CoBank
Water Supply	Well Pump replacements	40.00	CoBank
Water Supply	Chemical Feed pump replacements	10.00	CoBank
Water Supply	Install/replace treatment systems in small CWS	25.00	CoBank
Water Supply	Misc. Structural Improvements	20.00	CoBank
Water Supply	Miscellaneous Fencing and Security projects	10.00	CoBank
Water Supply	Miscellaneous SCADA/Electrical	30.00	CoBank
Water Supply	Well Rehabilitation	60.00	CoBank
Water Supply	Atkinson Station Rebuild	500.00	CoBank
Water Supply	Install web based communication equipment, 4 locations	20.00	CoBank
		-	
		-	
		-	
Subtotal New 2020 Projects		755.00	
Total 2020 Capital Projects Budget		785.00	

	Project Description	Total 2020 incl O/H	Funding Source
<u>2019 Carryover/Multi-year Projects</u>			
T&D		-	

Department	Project Description	Total Budgeted Amount (including O/H)	Funding Source
Subtotal 2019 Carryover/Multi-year Projects		-	
<u>New 2020 Projects</u>			
T&D	New Services (5)	25.00	DSRR 0.1
T&D	Renewed Services (10)	55.00	DSRR 0.1
T&D	Hydrants (5)	30.00	DSRR 0.1
T&D	Gates (8)	32.00	DSRR 0.1
T&D	Radios (300)	31.50	DSRR 0.1
T&D	Meters (Growth) 5/8"-2" - PEU (220)	22.00	DSRR 0.1
T&D	Meters 5/8"-6" Lead Meter Exchange - PEU (0)	-	
Subtotal New 2020 Projects		195.50	
Total 2020 Capital Projects Budget		195.50	

2019 Carryover/Multi-year Projects - Total PEU 2,491.00

New 2020 Projects - Total PEU 2,245.50

Total Capital Budget - PEU 4,736.50

<u>Breakout</u>	
Land	0.00
Buildings	2,930.00
Equipment & software	1,806.50
	<u>4,736.50</u>

Pennichuck East Utilities, Inc.
Capital and Construction Budget 2021

Provided pursuant to NHPUC Rule 1604.01(a)(23)

Department	Project Description	Total Budgeted Amount (including O/H)	Funding Source
	2020 Carryover/Multi-year Projects		
	Locke Lake Surface Water Treatment		
	Intake & Treatment Facility Construction	1,065.00	SRF
	Subtotal 2020 Carryover/Multi-year Projects	1,065.00	
	New 2021 Projects		
	1x revenue investments		
	Per Tariff	72.00	CoBank
		-	
	Subtotal New 2021 Projects	72.00	
	Total 2021 Capital Projects Budget	1,137.00	
Water Supply	2020 Carryover/Multi-year Projects		
		-	
	Subtotal 2020 Carryover/Multi-year Projects	-	
	New 2021 Projects		
	Booster Pump replacement/rebuild	40.00	CoBank
	Well Pump replacements	40.00	CoBank
	Chemical Feed pump replacements	10.00	CoBank
	Middleton Station Re-build	300.00	CoBank
	Install/replace treatment systems in small CWS	25.00	CoBank
Water Supply	Misc. Structural Improvements	20.00	CoBank
	Miscellaneous Fencing and Security projects	10.00	CoBank
	Miscellaneous SCADA/Electrical	30.00	CoBank
	Well Rehabilitation	60.00	CoBank
		-	
		535.00	
	Subtotal New 2021 Projects	535.00	
	Total 2021 Capital Projects Budget	535.00	
T&D	2020 Carryover/Multi-year Projects		
		-	
	Subtotal 2020 Carryover/Multi-year Projects	-	
	New 2021 Projects		
	New Services (5)	25.00	CoBank
	Renewed Services (10)	55.00	CoBank
	Hydrants (5)	30.00	CoBank
	Gates (8)	32.00	CoBank
	Radios (300)	31.50	CoBank
T&D	New meters for new customers (220). Replacement of failed meters (80)	30.00	CoBank
	Meters 5/8"-6" Lead Meter Exchange - PEU (400)	40.00	CoBank
	2021 Radios (1000)	130.00	CoBank
	2021 Meters (Growth) 5/8"-2" - Core & CWS (TBD)	30.00	CoBank
		-	
		-	
	Subtotal New 2021 Projects	403.50	
	Total 2021 Capital Projects Budget	403.50	
2020 Carryover/Multi-year Projects - Total PEU		1,065.00	
New 2021 Projects - Total PEU		1,010.50	
Total Capital Budget - PEU		2,075.50	
Breakout			
Land		0.00	
Buildings		1,365.00	
Equipment & software		710.50	
		2,075.50	

TAB 40

1604.01(a)(24) Outstanding Short-Term Debt on Monthly Basis for Each Indebtedness

See prior tab (TAB 14) for schedules 1604.08 and in particular Schedule 6, Cost of Short Term Debt

TAB 41

1604.01(a)(25) Certificate of Details of Management Fee Information. [If a utility is a subsidiary, a certificate of an appropriate official of the subsidiary detailing any expense of the parent company which was included in the subsidiary's cost of serv

See Tabs 4 and 34

TAB 42

Summary or Rate Case Expense Estimates

**DW 20-156 Pennichuck East Utility, Inc.
Rate Case Expense Report**

Puc 1905.01(a)

Pursuant to N.H. Code Admin. R. Puc 1905.01(a), Pennichuck East Utility, Inc. (PEU) hereby provides the following rate case expense information:

1. Puc 1905.01(a)(1)(a), The name of the service provider

N.H. Brown Law, PLLC
Raftelis Financial Consultants, Inc.

2. Puc 1905.01(a)(1)(b), The procurement process

PEU conducted a thorough, competitively bid selection process to secure outside consultant services for its rate case. PEU solicited proposals and interviewed multiple firms and consultants. PEU selected N.H. Brown Law, PLLC for its legal services and Raftelis Financial Consultants, Inc. for its Cost of Service study.

3. Puc 1905.01(a)(1)(c), The amount of the expense

To date, PEU has incurred approximately \$5,000 in legal fees and \$35,000 in consultant fees.

4. Puc 1905.01(a)(1)(d), A description of the charge or service rendered

NH Brown Law, PLLC provides legal services in connection to PEU's rate case. Raftelis Financial Consultants, Inc. specializes in providing water and wastewater rate and financial planning studies.

5. Puc 1905.01(a)(2) A list of all services to be rendered on behalf of the utility in the full rate case by any vendor; and

There are no additional vendors than who have been listed above.

6. Puc 1905.01(a)(3), The total estimated costs of each service.

NH Brown Law, PLLC legal fees are projected to cost \$70,000. Raftelis Financial Consulting, Inc.'s fees are budgeted at \$48,000 to account for discovery.