

Pennichuck East Utilities, Inc.
DW 21-022
2021 QCPAC - Qualified Capital Project Adjustment Charge
Responses to Staff Data Requests –Tech Session Set 1

Date Request Received: 5/17/21
Request No. Staff Tech 1-1

Date of Response: 6/2/21
Witness: Larry D. Goodhue

REQUEST: Petition at 10.a (Page 4): The Petition indicates that it anticipates closing on a CoBank Loan of \$1,135,409 in July 2021.

- a) Please provide an update as to the status of this loan.
 - b) When does the Company anticipate submitting a filing with the Commission requesting approval for this financing?
- (See also, Ware Testimony, Page 5 (Page 14), Lines 15-20.)

RESPONSE:

- a) A financing petition was filed with the Commission, on May 17, to gain approval to close on this loan. In that petition, a request for an order by June 30 was included, such that a closing could occur at the end of July, after the 30-day public comment period for an Order NISI had concluded. All other approvals have been secured or are in process (City of Nashua) for the closing of this loan.
- b) This financing petition was filed with the Commission on May 17 in Docket DW21-102.

Pennichuck East Utilities, Inc.

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Date Request Received: 5/17/21
Request No. Staff Tech 1-2

Date of Response: 6/2/21
Witness: Donald L. Ware

REQUEST: Petition at 14 (Page 5): The Petition states, “Assuming the 2021 QCPAC in February 2021, this will result in estimated six months of QCPAC surcharge to be recouped.” Please provide further clarification and explanation regarding this statement, especially with regard to “Assuming the 2021 QCPAC in February 2021.”

RESPONSE:

The petition should have stated “Assuming the 2021 QCPAC goes into effect in February of 2022” not “2021”. Mr. Ware’s pre-filed direct testimony stated on Page 11 (Bates p. 20) that “Assuming a loan closing date of July 31, 2021 and a fully approved and tariffed QCPAC by October 31 permanent rates from DW 20-156 effective in December 2021 with the QCPAC going into effect 2 months later, in the February 2022 bills, would result in six months of QCPAC surcharge to be recouped.”

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Date Request Received: 5/17/21
Request No. Staff Tech 1-3

Date of Response: 6/2/21
Witness: Donald L. Ware

REQUEST: Petition at 18 (Page 6): Please clarify what the Company is actually seeking approval for, given the Commission's previous approval in this regard granted in Order No. 26,313 (12/06/19) in DW 19-035.

RESPONSE:

The Company was granted approval in Order No. 26,313 to capitalize the interest incurred on the CoBank FALOC and incorporate the interest incurred into its annual long-term financing for PEU through CoBank. As such the request made in the petition was not necessary.

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Date Request Received: 5/17/21
Request No. Staff Tech 1-4

Date of Response: 6/2/21
Witness: Donald L. Ware

REQUEST: Petition at Conclusion (b) (Page 7): The Petition indicates that 2021 budget updates will be provided to the Commission “on or before July 15, October 15 and January 15.” However, the Company’s proposed tariff included as Ware Testimony, Attachment B (Page 31) indicates reporting dates of August 15, November 15, and January 15. Please explain.

RESPONSE:

The petition detailed the wrong dates for the update reporting. Per PEU’s existing tariff and the direct pre-filed testimony of Mr. Ware the update reporting is due August 15th, November 15th and January 15th.

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Date Request Received: 5/17/21
Request No. Staff Tech 1-5

Date of Response: 6/2/21
Witness: Donald L. ware

REQUEST: Ware Testimony, Page 5 (Page 14), Lines 5-11:

- a) Please provide further explanation for this statement with regard to the apparent possible inclusion of “interest incurred at 1% during construction, on the SRF funds.”
- b) Does the amount of \$16,158 identified as ‘Interest on CoBank FALOC’ on Exhibit DLW-1, Page 2 (Page 23) also include 1% construction interest on the SRF Loans? Please explain.
- c) Please indicate where within Exhibit DLW-1, Page 2 (Page 23) that Staff would find the 1% construction interest on the SRF Loans referenced in this statement.

RESPONSE:

- a) The Company had planned to seek approval to borrow the 1% SRF interest expense incurred on the SRF loans during construction as part of the CoBank long-term loan. This would result in the short-term interest on the SRF loan being capitalized similar to the capitalization of the short-term interest incurred on the borrowings from the CoBank FALOC used to fund Construction Work in Progress. Upon further evaluation the Company believes that it would be best to pay the 1% short-term interest costs incurred on SRF debt from its 0.1 DSRR funds.
- b) No.
- c) The 1% SRF construction interest is not included in the Exhibit DLW-1.

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Date Request Received: 5/17/21
Request No. Staff Tech 1-6

Date of Response: 6/2/21
Witness: Donald L. Ware

REQUEST: Exhibit DLW-1, Page 1 (Page 22): The Company's calculations of 'Revenues subject to QCPAC' indicated throughout this schedule appear to be derived, in part, by reducing 'Revenues required from Customer Classes exclusive of NCCRS' by the 'NCCRS revenue requirement per DW 17-128' of \$178,915. Thereby, in effect, subtracting 2X the 'NCCRS revenue requirement per DW 17-128' in order to derive the 'Revenues subject to QCPAC'. Such would also appear to inflate the subsequent calculations of the respective QCPAC surcharge percentages. Please explain.

RESPONSE:

Staff is correct. The elimination of the \$178,915 of NCCRS from row 19, "Revenues required from Customer Classes exclusive of NCCRS" results in subtracting this amount twice. Exhibit DLW-1, Page 1 has been corrected by eliminating the subtraction of the NCCRS from the total required revenues calculated in row 19.

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Responses to Staff Data Requests –Tech Session Set 1

Date Request Received: 5/17/21
Request No. Staff Tech 1-7

Date of Response: 6/2/21
Witness: Donald L. Ware

REQUEST: Exhibit DLW-1, Page 2 (Page 23): With regard to the ‘Interest on CoBank FALOC’ of \$16,158 from ‘11/23/20 – 7/31/21’. Please confirm that the accrued FALOC interest pertains only to 2020 CapEx projects that are in service, and used and useful as of 12/31/20.

RESPONSE:

The interest incurred on the CoBank FALOC is only for capital projects that were used and useful as of 12/31/2020.

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 Responses to Staff Data Requests –Tech Session Set 1

Date Request Received: 5/17/21
 Request No. Staff Tech 1-8

Date of Response: 6/2/21
 Witness: Donald L. Ware

REQUEST: Ware Testimony, Attachment D, ‘Attachment A’ (Page 34):

- a) It appears that the 2021 CapEx Budget presented to and approved by Pennichuck Corporation’s Board of Directors on 01/22/21 was \$2,749,000. However, Exhibit DLW-1, Page 3 (Page 24) indicates a QCPAC budget amount for 2021 of \$2,718,500, a difference of \$30,500. Please explain.
- b) It appears that the 2022 CapEx Budget presented to and approved by Pennichuck Corporation’s Board of Directors on 01/22/21 was \$2,209,000. However, Exhibit DLW-1, Page 4 (Page 25) indicates a QCPAC budget amount for 2022 of \$2,178,500, a difference of \$30,500. Please explain.
- c) It appears that the 2023 CapEx Budget presented to and approved by Pennichuck Corporation’s Board of Directors on 01/22/21 was \$2,284,000. However, Exhibit DLW-1, Page 5 (Page 26) indicates a QCPAC budget amount for 2023 of \$1,903,500, a difference of \$380,500. Please explain.

RESPONSE:

- a) The submitted Exhibit DLW-1, Page 3 details a 2021 QCPAC budget of \$2,717,500 which is the Board approved budget of \$2,748,500 (see Board Approved Budgeted column on DLW submitted Exhibit DLW-1, Page 3) less \$30,000 for the Atkinson Booster pump station design which is not QCPAC eligible. The Board approves total Capex dollars to the closest \$1,000 hence the approved amount of \$2,749,000 which is the rounded to the nearest \$1,000 amount for the total project costs detailed in Exhibit DLW-1, Page 3 of \$2,748,500.
- b) The submitted Exhibit DLW-1, Page 4 details a 2022 QCPAC budget of \$2,178,500 which is the Board approved budget of \$2,208,500 (see Board Approved Budgeted column on DLW submitted Exhibit DLW-1, Page 4) less \$30,000 for a line that was eliminated in the QCPAC filing from the Board 2022 approved Budget for new and replacement meters which had a value of \$30,000. The Board approved budget of \$2,209,000 had the same budget line item, new and replacement meters, in the approved budget twice. The remaining \$500 difference is due to the Board approving total Capex dollars to the closest \$1,000 hence the approved amount of \$2,209,000 which is the rounded to the nearest \$1,000 amount for the total project costs detailed in Exhibit DLW-1, Page 4 of \$2,208,500.
- c) The submitted Exhibit DLW-1, Page 5 details a 2023 QCPAC budget of \$2,253,500 which is the Board approved budget of \$2,284,000 (see Board Approved Budgeted column on DLW submitted Exhibit DLW-1, Page 4) less \$30,000 for a line that was eliminated in the QCPAC filing from the Board 2023 approved Budget for new and replacement meters which had a value

of \$30,000. The Board approved budget of \$2,284,000 had the same budget line item, new and replacement meters, in the approved budget twice. The remaining \$500 difference is due to the Board approving total Capex dollars to the closest \$1,000 hence the approved amount of \$2,254,000 which is the rounded to the nearest \$1,000 amount for the total project costs detailed in Exhibit DLW-1, Page 5 of \$2,253,500.

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Date Request Received: 5/17/21
Request No. Staff Tech 1-9

Date of Response: 6/2/21
Witness: John J. Boisvert

REQUEST: Boisvert Testimony, Page 7 (Page 41) Line 19 through Page 8 (Page 42), Line 18: Mr. Boisvert's testimony appears to indicate that the total 2020 project cost for the Locke Lake CWS project is \$1,328,000 (Page 7 (Page 41), Line 19). Please identify the specific line items on Exhibit DLW-1, Page 2 (Pages 23) that pertain to this project. Please explain any variance between Mr. Boisvert's testimony and Exhibit DLW-1.

RESPONSE:

Lines 10 through 14 of Exhibit DLW-1, Page 2 add up to the correct final value of \$1,279,527. The testimony value of \$1,328,000 is not correct.

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Date Request Received: 5/17/21
Request No. Staff Tech 1-10

Date of Response: 6/2/21
Witness: John J. Boisvert

REQUEST: Boisvert Testimony, Page 13 (Page 47), Lines 2-15: Mr. Boisvert's testimony indicates that the 2022 Gage Hill CWS project is projected to cost \$590,000 (Line 10). However, Staff can only identify line items on Exhibit DLW-1, Page 4 (Page 25) pertaining to this project that total only \$540,000. Please identify the specific line items on Exhibit DLW-1, Page 4 (Page 25) that pertain to this project. Please explain any variance between Mr. Boisvert's testimony and Exhibit DLW-1.

RESPONSE:

The testimony of \$590,000 is incorrect. Perhaps a typographical error. The amount of \$540,000 is the correct value.

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 2021 QCPAC - Qualified Capital Project Adjustment Charge
 Responses to Staff Data Requests –Tech Session Set 1

Date Request Received: 5/17/21
 Request No. Staff Tech 1-11

Date of Response: 6/2/21
 Witness: John J. Boisvert

REQUEST: Boisvert Testimony, Page 13 (Page 47), Line 17 through Page 14 (Page 48), Line 4: Mr. Boisvert's testimony appears to indicate that the total 2023 project cost for the Pelham Main Replacement project is \$900,000 (Page 13 (Page 47), Line 18). However, Staff could only specifically identify \$700,000 in total costs associated with this project on Exhibit DLW-1, Page 5 (Page 26).

- a) Please identify and verify the specific line items on Exhibit DLW-1, Page 5 (Page 26) that pertain to this project. Please explain any variance between Mr. Boisvert's testimony and Exhibit DLW-1.
- b) Please specifically identify the line item(s) on Exhibit DLW-1, Page 5 (Page 26) that pertain to the Mammoth Road main replacement described in Mr. Boisvert's Testimony on Page 14 (Page 48), Lines 1-4.

RESPONSE:

- a) Line 8 Exhibit DLW-1, Page 5 is associated with this project. The value of \$900,000 is the total project cost including restoration and paving, of which \$200,000 of restoration and paving will occur in 2024. The amount of \$700,000 is correct for 2023.
- b) It is included in Line 8 Exhibit DLW-1, Page 5.

Pennichuck East Utilities, Inc.
DW 21-022
Computation of QCPAC Surcharge
2/11/2021
Revised 6/2/2021 per Staff SR1's

PEU QCPAC Filing
Exhibit DLW-1
Page 1

	Requested DW 20-156 Revenue Requirements		Projected 2020 Qualified Capital Project pro formas		Projected QCPAC Surcharge for 2020 Capital Additions	Projected 2021 Qualified Capital Project pro formas		Projected QCPAC Surcharge for 2021 Capital Additions	Projected 2022 Qualified Capital Project pro formas		Projected QCPAC Surcharge for 2022 Capital Additions	Projected QCPAC For 2023 Capital Additions pro formas		Projected QCPAC Surcharge for 2023 Capital Additions									
City Bond Fixed Revenue Requirement (CBFRR)	\$		926,309		\$	926,309	\$	-	\$	926,309	\$	-	\$	926,309									
Material Operating Expense Revenue Requirement (MOERR)	\$	7,306,643	(1)	\$	109,255	(5)(11)	\$	7,415,898	\$	(1,757)	(5)(10)	\$	7,414,141	\$	54,325	(5)	\$	7,468,466	\$	58,575	(5)	\$	7,527,041
Operating Expense Contingency		1.06	(2)			1.06		1.06			1.06		1.06			1.06		1.06			1.06		1.06
Material Operating Expense Revenue Requirement (MOERR)		7,745,042				7,860,852		7,858,989			7,916,573		7,978,663			7,978,663						7,978,663	
Non Material Operating Expense Revenue Requirement (NOERR)	\$	7,163			\$	7,163		7,163			7,163		7,163			7,163						7,163	
Debt Service Revenue Requirement (DSRR 1.0)	\$	1,669,484	(3)	\$	277,257	(6)(7)	\$	1,946,742	\$	187,793	2,134,534	\$	154,570	\$	2,289,104	\$	159,891	\$	2,448,996			2,448,996	
Principal and Interest Coverage Requirement		1.10				1.10		1.10			1.10		1.10			1.10						1.10	
Total Debt Service Revenue Requirement including the .01 DSRR	\$	1,836,433				2,141,416		2,347,988			2,518,015		2,693,895			2,693,895						2,693,895	
Revenue Requirement exclusive of NCCRS	\$	10,514,946				10,935,739		11,140,449			11,368,060		11,606,030			11,606,030						11,606,030	
Less Other Operating Revenues	\$	30,188	(4)			30,188		30,188			30,188		30,188			30,188						30,188	
Revenues required from Customer Classes exclusive of NCCRS	\$	10,484,758				10,905,551		11,110,261			11,337,872		11,575,842			11,575,842						11,575,842	
Revenues subject to QCPAC	\$	10,484,758				10,905,551		11,110,261			11,337,872		11,575,842			11,575,842						11,575,842	
Projected QCPAC Increase ⁸						4.01%		1.95%			2.17%		2.27%			2.27%						2.27%	
Cumulative QCPAC increase ⁹						4.01%		5.97%			8.14%		10.41%			10.41%						10.41%	
Cumulative QCPAC monthly increase in average single family residential bill						3.43		5.09			6.95		8.89			8.89						8.89	
Average monthly single family residential bill with QCPAC						88.83		90.49			92.35		94.29			94.29						94.29	

Notes:

(1) Operating Expense Revenue requirement is the sum of the Total Operating Expenses, Property Tax Expense and Amortization Expense being sought in DW20-156.

(2) Material operating expense factor requested in DW20-156.

(3) Annual Principal and interest payments for PEU debt associated with plant in service being sought in DW20-156 less Georgetown project in Lock Lake.

(4) Other Revenues from 2019 Test Year in DW20-156.

(5) QCPAC operating expense proformas are based on the property taxes for plant added during the year.

(6) See Calculation of annual principal and interest payments on spreadsheet titled "2020 QCPAC PEU Additions."

(7) Portion of Annual Principal and interest payments paid to CoBank for debt associated with plant a placed in service between 1/1 and 12/31 for designated year based on a 25 year term loan with an actual total all in interest rate of 5.00% that was not recovered in DW20-156.

(8) QCPAC percent revenue surcharges based on increase in revenues over the revenues requested in DW20-156.

(9) Cumulative surcharge percentage is based on total surcharge revenues collected divided by the revenues requested in DW20-156.

(10) QCPAC operating expense proforma associated with property taxes is reduced by \$ 70,000 to reflect reduction in purchased water costs associated with the completion of the Londonderry Storage Tank.

(11) QCPAC operating expense proforma associated with property taxes is reduced by \$ 28,000 to reflect reduction in arsenic treatment costs associated with the completion of the Locke Lake raw water well line to the Peacham Road Treatment plant.

Impact on PEU Single Family Residential Home:			
Monthly meter charge requested in DW20-156.	\$	24.17	
Average Single Family Consumption (CCF)		6.50	
Consumption Charge requested in DW20-156.	\$	9.42	per CCF
Average Single Family monthly bill with rates requested in DW20-156	\$	85.40	

Pennichuck East Utilities, Inc.
DW 21-022
2020 used and useful QCP's
2/11/2021

PEU QCPAC Filing
Exhibit DLW-1
Page 2

Project Name/Description	Project Description	Work Order #	Board Approved 2020 Capex Budget	Financing Docket No.	NHPUC Order No.	Date of NHPUC Order	Source of Funding	Eligible for 2021 QCPAC Surcharge	Eligible for 2021 QCPAC Surcharge	Estimated Project Cost as of 6/30/2020	Estimated Project Cost as of 9/30/2020	Estimated Project Cost as of 11/30/2020	Final Project cost as of 12/31/2020	Community	Taxable	Tax Rate (I)	2021 QCPAC Eligible Property Tax Expense	Explanation for Change/Addition/Deletion since Petition Filing		
Elevated Storage Tank in Londonderry2	Construct 1.25 MG Elevated Storage Tank.	1818349, 1901641, 2000372	\$ 1,545,000	CoBank	Pending Filing		CoBank	No	\$ -	\$ -	\$ -	\$ -	\$ -	Londonderry	Yes	\$ 24.78	\$ -	Project deferred to 2021 due to permitting.		
Middleton Station Re-build	Re-build Sunrise Estates CWS Station. Existing Station is over 40 years old.	n/a	\$ -	CoBank	Pending Filing		CoBank	No	\$ -	\$ 340,000	\$ -	\$ -	\$ -	Middleton	Yes	\$ 33.55	\$ -	Project deferred to 2021 due to the need to install additional treatment due to lower Arsenic standard.		
Airstrip alternative arsenic treatment	Raw Water Pipeline from Air Strip well to Peacham Road WTP.	1901642, 2000371	\$ 540,000	DW18-132	26,189	11/16/2018	SRF	Yes	\$ 540,000	\$ 633,000	\$ 600,000	\$ 633,000	\$ 618,531	Barnstead	Yes	\$ 27.84	\$ 17,220	Based on final low bid and actual construction. Different soil conditions encountered than bid estimate during construction		
Georgetown Drive water main replacement	Replace 4600 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC.	2000363	\$ 10,000	DW18-132	26,189	11/18/2018	SRF	Yes	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 1,056,000	Barnstead	Yes	\$ 27.84	\$ 26,900	Recovery of these 2019 used and useful Capex was sought in DW20-019 filing. While the projects are completed the Company will not be closing on the loan supporting these capital improvements until June 2021 so it is seeking the P&I associated with these projects in 2021 QCPAC, as opposed to the 2020 QCPAC.		
Bradford Lane water main replacement	Replace 1825 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC.	2000364	\$ 10,000	DW18-132	26,189	11/20/2018	SRF	Yes	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	Barnstead	Yes	\$ 27.84	\$ -	Based on final low bid and actual construction.		
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.	2000365	\$ 239,000	DW18-132	26,189	11/22/2018	SRF	Yes	\$ 239,000	\$ 265,620	\$ 255,000	\$ 255,000	\$ 244,214	Barnstead	Yes	\$ 27.84	\$ 6,799	Deferred		
Belmont Drive water main replacement	Replace 500 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC.	2000366	\$ 5,000	DW18-132	26,189	11/24/2018	SRF	Yes	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	Barnstead	Yes	\$ 27.84	\$ -	Based on final low bid and actual construction.		
Route 28 Replacement	Replace 720 LF of 2" PE with 720 LF of 4" C-900 PVC.	2000370	\$ 80,000	DW18-132	26,189	11/26/2018	SRF	Yes	\$ 80,000	\$ 59,500	\$ 59,500	\$ 56,500	\$ 69,061	Barnstead	Yes	\$ 27.84	\$ 1,923	Existing Arsenic filters failed in Sept 2020. Increase in price reflects replacement of those filters. More work was completed in 2020 than anticipated, therefore there will be less cost in 2021		
Locke Lake Surface Water Treatment4	Intake & Treatment Facility Construction	1813409, 1900433, 2000369	\$ 835,000	DW18-132	26,189	11/26/2018	SRF	Yes	\$ -	\$ 1,490,000	\$ 1,700,000	\$ 2,050,000	\$ 2,109,088	Barnstead	Yes	\$ 27.84	\$ 58,717	Locke Lake project investment that exceeds the available loan amount of \$4,240,000. The \$240,000 of remaining funds available via SRF will be drawn down in 2021.		
Locke Lake Surface Water Treatment4	Intake & Treatment Facility Construction	1813409, 1900433, 2000369	\$ -	CoBank	Pending Filing		CoBank	Yes					\$ 175,334	Barnstead	Yes	\$ 27.84	\$ 4,881	Work on this street is in project total for Monticello & Lane Project above.		
Rolling Hills Water Main Replacement - Site Restoration from 2019 Project	Replace substandard 2 inch diameter pipe with 4 inch C900 PVC.	2000392	\$ 32,000		26,189		CoBank	Yes	\$ 32,000	\$ 32,000	\$ 32,000	\$ 32,000	\$ 27,400	Plaistow	Yes	\$ 26.20	\$ -	718		
Pelham Main Replacement/Addition	Replace 1600 LF of 3 inch PE with 12 in C-900 and add 775 LF of 12 in C-900 Monticello & Lane.	2001241	\$ 285,000	CoBank	Pending Filing		CoBank	Yes	\$ 285,000	\$ 590,550	\$ 658,600	\$ 658,600	\$ 332,855	Pelham	Yes	\$ 24.86	\$ 8,275	Project scope expanded for streets listed below over original budget.		
Pelham Main Replacement/Addition	Replace Lane Road.	2003563	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ -	\$ -	\$ 182,102	Pelham	Yes	\$ 24.86	\$ 4,527	Work on this street is in project total for Monticello & Lane Project above.		
Pelham Main Replacement/Addition	Replace Simpson Road.	2003564	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ -	\$ -	\$ 19,527	Pelham	Yes	\$ 24.86	\$ 485	Work on this street is in project total for Monticello & Lane Project above.		
Pelham Main Replacement/Addition	Replace Andrea Lane.	2003565	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ -	\$ -	\$ -	Pelham	Yes	\$ 24.86	\$ -	Work on this street is in project total for Monticello & Lane Project above.		
Pelham Main Replacement/Addition	Replace Mount Vernon Drive.	2004325	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ -	\$ -	\$ 60,561	Pelham	Yes	\$ 24.86	\$ 1,506	Work on this street is in project total for Monticello & Lane Project above.		
1 x revenue investments Normal Run Rate	Per Tariff	n/a	\$ 100,000	CoBank	Pending Filing		CoBank	Yes	\$ 100,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 62,949	Various	Yes	\$ 27.23	\$ 1,714	103 Developer Installed Services Installed thru 12/31/2020.		
Sunrise Estates	Station Replacement (design)	2003613	\$ 40,000	0.1 DSRR			CoBank	No	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 7,805	Middleton	No	\$ 33.55	\$ -			
Londonderry Core Re-Chloramination	Re-chloramination Evalution and Preliminary Design	2003760	\$ 35,000	0.1 DSRR			CoBank	No	\$ -	\$ 35,000	\$ 35,000	\$ 35,000	\$ 11,820	Londonderry	No	\$ 24.78	\$ -	Design costs incorporated into Station rebuild above.		
Atkinson Booster pump station design	Atkinson Booster pump station design	2000717	\$ 30,000	0.1 DSRR			CoBank	No	\$ -	\$ -	\$ -	\$ 3,000	\$ -	Atkinson	Yes	\$ 22.84	\$ -	Costs incorporated in Atkinson Station rebuild below.		
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild	760 - 763 workorders	\$ 40,000	CoBank	Pending Filing		CoBank	Yes	\$ 40,000	\$ 35,000	\$ 25,000	\$ 18,000	\$ 15,241	Various	Yes	\$ 27.23	\$ 415	5 Booster Pump Replace/Rebuilds through 12/31/2020.		
Well Pump replacements	Well Pump replacements	760 - 763 workorders	\$ 40,000	CoBank	Pending Filing		CoBank	Yes	\$ 40,000	\$ 16,000	\$ 15,000	\$ 15,000	\$ 14,665	Various	Yes	\$ 27.23	\$ 399	4 Well Pumps Repaired/Replaced through 12/31/2020.		
Chemical Feed pump replacements	Chemical Feed pump replacements	760 - 763 workorders	\$ 10,000	CoBank	Pending Filing		CoBank	Yes	\$ 10,000	\$ 5,000	\$ 2,000	\$ 2,000	\$ 1,695	Various	Yes	\$ 27.23	\$ 46	1 Chemical Feed Pump Repaired/Replaced through 12/31/2020.		
Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS.	n/a	\$ 25,000	CoBank	Pending Filing		CoBank	Yes	\$ 25,000	\$ -	\$ -	\$ -	\$ -	Various	Yes	\$ 27.23	\$ -	None completed during 2020.		
Misc. Structural Improvements	Misc. Structural Improvements	n/a	\$ 20,000	CoBank	Pending Filing		CoBank	Yes	\$ 20,000	\$ 10,000	\$ 5,000	\$ -	\$ -	Various	Yes	\$ 27.23	\$ -	None completed during 2020.		
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects	n/a	\$ 10,000	CoBank	Pending Filing		CoBank	Yes	\$ 10,000	\$ 5,000	\$ -	\$ -	\$ -	Various	Yes	\$ 27.23	\$ -	None completed during 2020.		
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical	n/a	\$ 30,000	CoBank	Pending Filing		CoBank	Yes	\$ 30,000	\$ 27,602		\$ 5,000	\$ -	Various	Yes	\$ 27.23	\$ -	See projects below.		
Miscellaneous SCADA/Electrical	Replace Well #1 VFD, Lamplighter Village	2001215	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ 2,398	\$ 2,398	\$ 2,398	\$ 2,398	Windham	Yes	\$ 23.89	\$ 57			
Miscellaneous SCADA/Electrical	Replace Pump #4 VFD, Liberty Tree	2005248	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ 1,735	\$ 1,735	\$ 1,735	Raymond	Yes	\$ 30.53	\$ 53			
Miscellaneous SCADA/Electrical	Replace Pump #1 VFD, Liberty Tree	2006387	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ 1,735	\$ 1,735	\$ 1,735	Raymond	Yes	\$ 30.53	\$ 53			
Well Rehabilitation	Well Rehabilitation	n/a	\$ 60,000	CoBank	Pending Filing		CoBank	No	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -	Various	Yes	\$ 27.23	\$ -	None completed during 2020.		
Atkinson Station Rebuild	Station cannot provide required fire flow. Hydropneumatic tank is in need of	n/a	\$ 500,000	CoBank	Pending Filing		CoBank	No	\$ -	\$ -	\$ -	\$ -	\$ -	Atkinson	Yes	\$ 22.84	\$ -	Project deferred into 2021 subject to evaluation of financial analysis of rebuilding the station vs. interconnectoin with HAWC.		
Install web based communication equipment, 4 locations.	Install web based communication equipment, 4 locations.	n/a	\$ 20,000	CoBank	Pending Filing		CoBank	Yes	\$ 20,000	\$ 17,901	\$ 17,901	\$ 17,901	\$ -	Various	Yes	\$ 27.23	\$ -			
Install web based communication equipment, 4 locations.	Fletcher's Corner, Install Cellular Based Communication	2002270	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ 2,099	\$ 2,099	\$ 2,099	\$ 2,099	Various	Yes	\$ 27.23	\$ 57			
Interconnect the W&E CWS to the Town of Salem Water System.	Interconnect the W&E CWS to the Town of Salem Water System.	2004243	\$ -	CoBank/Grant	Pending Filing		DWGTFF/CoBank	No	\$ -	\$ 125,000	\$ 125,000	\$ -	\$ -	Windham	Yes	\$ 23.89	\$ -	Added as part of PEU-Salem Windham Franchise exchange. MSDC charge paid for by PEU. Work will not be Used and Useful in 2020.		
New Services (5)	Single Family, Owner Build, New Homes	720 workorders	\$ 25,000	CoBank	Pending Filing		CoBank	Yes	\$ 25,000	\$ 15,000	\$ 7,950	\$ 10,586	\$ 10,586	Various	Yes	\$ 27.23	\$ 288	2 new services installed through 12/31/2020.		
Renewed Services (10)	Replacement of failed services.	721 & 722 workorders	\$ 55,000	CoBank	Pending Filing		CoBank	Yes	\$ 55,000	\$ 1,912	\$ 7,014	\$ 7,014	\$ 10,137	Various	Yes	\$ 27.23	\$ 276	5 Renewed Service installed through 12/31/2020.		
Hydrants (5)	Replacement of non-functional hydrants.	730 & 731 workorders	\$ 30,000	CoBank	Pending Filing		CoBank	Yes	\$ 30,000	\$ 18,000	\$ 18,000	\$ 6,000	\$ -	Various	Yes	\$ 27.23	\$ -	None completed during 2020.		
Meters 5/8"-6" Lead Meter Exchange - PEU (600)	Replace High lead brass meter with new no lead brass meter.	750 workorders	\$ 22,000	CoBank	Pending Filing		CoBank	Yes	\$ 22,000	\$ 30,000	\$ 26,000	\$ 26,000	\$ 25,672	Various	Yes	\$ 27.23	\$ 699	235 Meters installed/replaced through 12/31/2020 - This is new and replacements together.		
Gates (8)	Replacement of Failed Gate Valves	712 workorders	\$ 32,000	CoBank	Pending Filing		CoBank	Yes	\$ 32,000	\$ 6,109	\$ 18,000	\$ 17,954	\$ 17,872	Various	Yes	\$ 27.23	\$ 487	5 Gates Installed/Repaired through 12/31/2020.		
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading.	754 workorders	\$ 32,000	CoBank	Pending Filing		CoBank	Yes	\$ 32,000	\$ 18,500	\$ 15,023	\$ 21,000	\$ 24,231	Various	Yes	\$ 27.23	\$ 660	236 Radios installed/replaced through 12/31/2020.		
Meters (Growth) 5/8"-2" - PEU (220)	New meters for new customers (220).	750 workorders	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ -	\$ -	\$ -	Various	Yes	\$ 27.23	\$ -	Incorporated in Row 48 above.		
PEU-PWW Interconnection	PEU-PWW Interconnection	2007474	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ -	\$ -	\$ 3,449	Merrimack	Yes	\$ 28.84	\$ 99			
MSDC Payment to Manchester Water Works	MSDC Payment to Manchester Water Works	2009024	\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ -	\$ -	\$ 127,007	Various	No	\$ 27.23	\$ -			
Interest on CoBank FaLOC	Short term interest from 11/23/2020 - 7/31/2021		\$ -	CoBank	Pending Filing		CoBank	Yes	\$ -	\$ -	\$ -	\$ -	\$ 16,000	Various	No	\$ 27.23	\$ -	Anticipates closing on CoBank long term loan to pay off CoBank FaLOC on 8/1/2021.		
Pennichuck East Utilities Projected 2020 Total Capital Expenditure Budget -			\$ 4,737,000	Projected annual property tax expenses for QCPAC eligible projects - \$ 137,255																
Pennichuck East Utilities Projected 2020 QCPAC Eligible Capital Investment less 0.1 DSRR funded projects -									\$ 1,692,000	\$ 3,861,191	\$ 3,714,955	\$ 4,951,522	\$ 5,142,555							
Funded with CoBank Loan3 -									\$ 1,692,000	\$ 2,371,191	\$ 2,014,955	\$ 979,022	\$ 1,135,409							
Funded with SRF4 -									\$ -	\$ 1,490,000	\$ 1,700,000	\$ 3,972,500	\$ 4,007,147							
										\$ 168,242	\$ 142,966	\$ 69,464	\$ 80,560							
										\$ 73,139	\$ 83,447	\$ 194,997	\$ 196,697							
Total projected P&I on debt incurred to support 2020 used and useful capex -										\$ 241,381	\$ 226,413	\$ 264,461	\$ 277,257							

1. Tax rate is the sum of the local community rate plus the Statewide Utility tax rate of \$6.60/\$1000.
2. The 2020 PEU Capital Expenditures Budget presented were approved by the Board in January 2020.
3. Projected CoBank Loan Terms are:
25 Years at 5.0%
4. Remainder of Locke Lake Surface Water Treatment project to completed in early 2021 at a total projected cost of \$ 232,853
5. Projected SRF Terms for Locke Lake project are:
30 Years at 2.704%

Pennichuck East Utilities, Inc.
DW 21-022
Projected 2021 QCPAC Capital Expenditures
2/11/2021

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Project Name/Description	Project Description	Work Order #	2021 Board Approved Budgeted	Financing Docket No.	NHPUC Order No.	Date of NHPUC Order	Source of Funding	Eligible for 2021 QCPAC Surcharge	Eligible for 2021 QCPAC Surcharge	Community	Taxable	Tax Rate (l)	QCPAC Eligible Property Tax Expense	Explanation for Change/Addition/Deletion since Petition Filing
Locke Lake Surface Water Treatment ⁴	Intake & Treatment Facility Construction		\$ 200,000	DW18-132	26,189	11/26/2018	SRF	Yes	\$ 200,000	Barnstead	Yes	\$ 27.84	\$ 5,568	Total project cost incurred between 2019 through 2021 when project became Used and Useful.
Pelham Main Replacement/Addition & Lane (Paving).	Replace 1600 LF of 3 inch PE with 12 in C-900 and add 775 LF of 12 in C-900 Monticello		\$ 40,000	CoBank	Pending Filing		CoBank	Yes	\$ 40,000	Pelham	Yes	\$ 24.86	\$ 994	
Londonderry System Improvements	Tank, Transmission Main, & Booster Station		\$ 1,600,000	CoBank	Pending Filing		CoBank	Yes	\$ 1,600,000	Londonderry	Yes	\$ 24.78	\$ 39,648	
Atkinson Booster pump station design	Atkinson Booster pump station design		\$ 30,000	0.1 DSRR				No	\$ 30,000	Atkinson	No	\$ 22.84	\$ -	
Locke Lake Filter Replacement	Replace two failed (structural-collapse of screen supports) iron, manganese, & arsenic filters.		\$ 30,000	CoBank	Pending Filing		CoBank	Yes	\$ 30,000	Barnstead	Yes	\$ 27.84	\$ 835	
Airstrip Station Decommissioning	Abandon unused wells and Station		\$ 40,000	DW18-132	26,189	11/6/2018	CoBank	Yes	\$ 32,853	Barnstead	No	\$ 27.84	\$ -	
Airstrip Station Decommissioning	Abandon unused wells and Station								\$ 7,147	Barnstead	No	\$ 27.84	\$ -	
1 x revenue investments Normal Run Rate	Per Tariff		\$ 100,000	DW18-133	26,197	12/3/2018	CoBank	Yes	\$ 100,000	Variuo	Yes	\$ 27.23	\$ 2,723	
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild		\$ 40,000	CoBank	Pending Filing		CoBank	Yes	\$ 40,000	Various	Yes	\$ 27.23	\$ 1,089	
Well Pump replacements	Well Pump replacements		\$ 40,000	CoBank	Pending Filing		CoBank	Yes	\$ 40,000	Various	Yes	\$ 27.23	\$ 1,089	
Chemical Feed pump replacements	Chemical Feed pump replacements		\$ 10,000	CoBank	Pending Filing		CoBank	Yes	\$ 10,000	Various	Yes	\$ 27.23	\$ 272	
Install/replace treatment systems in small CWS (supplemental Arsenic treatment systems).	Install/replace treatment systems in small CWS (supplemental Arsenic treatment systems).		\$ 50,000	CoBank	Pending Filing		CoBank	Yes	\$ 50,000	Various	Yes	\$ 27.23	\$ 1,361	
Misc. Structural Improvements	Misc. Structural Improvements		\$ 20,000	CoBank	Pending Filing		CoBank	Yes	\$ 20,000	Various	Yes	\$ 27.23	\$ 545	
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects		\$ 10,000	CoBank	Pending Filing		CoBank	Yes	\$ 10,000	Various	Yes	\$ 27.23	\$ 272	
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical		\$ 30,000				CoBank			Various		\$ 27.23		
Well Rehabilitation	Well Rehabilitation		\$ 60,000	CoBank	Pending Filing		CoBank	Yes	\$ 60,000	Various	Yes	\$ 27.23	\$ 1,634	
Install web based communication equipment, 4 locations	Install web based communication equipment, 4 locations		\$ 20,000	CoBank	Pending Filing		CoBank	Yes	\$ 20,000	Various	Yes	\$ 27.23	\$ 545	
New Services (5)	Single Family, Owner Build, New Homes		\$ 25,000	CoBank	Pending Filing		CoBank	Yes	\$ 25,000	Various	Yes	\$ 27.23	\$ 681	
Renewed Services (20)	Replacement of failed services (focus on Locke Lake Services).		\$ 110,000	CoBank	Pending Filing		CoBank	Yes	\$ 110,000	Various	Yes	\$ 27.23	\$ 2,995	
Hydrants (5)	Replacement of non-functional hydrants		\$ 30,000	CoBank	Pending Filing		CoBank	Yes	\$ 30,000	Various	Yes	\$ 27.23	\$ 817	
Gates (8)	Replacement of Failed Gate Valves		\$ 32,000	CoBank	Pending Filing		CoBank	Yes	\$ 32,000	Various	Yes	\$ 27.23	\$ 871	
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading.		\$ 31,500	CoBank	Pending Filing		CoBank	Yes	\$ 31,500	Various	Yes	\$ 27.23	\$ 858	
New meters for new customers (220). Replacement of failed meters (80)	New meters for new customers (220) and replacement meters (80).		\$ 30,000	CoBank	Pending Filing		CoBank	Yes	\$ 30,000	Various	Yes	\$ 27.23	\$ 817	
Meters 5/8"-6" Lead Meter Exchange - PEU (400)	Replace High lead brass meter with new no lead brass meter.		\$ 40,000	CoBank	Pending Filing		CoBank	Yes	\$ 40,000	Various	Yes	\$ 27.23	\$ 1,089	
2021 Radios (1000)	Year 1 of 7 year replacement of all PEU radios (all initial radios installed in 2007).		\$ 130,000	CoBank	Pending Filing		CoBank	Yes	\$ 130,000	Various	Yes	\$ 27.23	\$ 3,540	
Pennichuck East Utilities Projected 2020 Total Capital Expenditure Budget -			\$ 2,748,500	Projected annual property tax expenses for QCPAC eligible projects -									\$ 68,243	
Pennichuck East Utilities Projected 2020 QCPAC Eligible Capital Investment -									\$ 2,718,500					
Funded with CoBank Loan ³ -									\$ 2,485,647					
Funded with SRF Loan ⁴ -									\$ 232,853					

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

2. The 2021 PEU Capital Expenditures Budget presented were approved by the Board in January 2021.

3. Projected CoBank Loan Terms are

4. Projected SRF Terms for Locke Lake project are

25 Years at 5.0%
30 Years at 2.704%

resulting in P&I of \$ 176,363
resulting in P&I of \$ 11,430

Pennichuck East Utilities, Inc.
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Projected 2022 QCPAC Capital Expenditures
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Project Name/Description	Project Description	Work Order #	2022 Approved Budgeted Amount	Financing Docket No.	NHPUC Order No.	Date of NHPUC Order	Source of Funding	Eligible for 2022 QCPAC Surcharge	Eligible for 2022 QCPAC Surcharge	Community	Taxable	Tax Rate (1)	QCPAC Eligible Property Tax Expense	Explanation for Change/Addition/Deletion since Petition Filing
Wellesley Drive water main replacement4	Replace 1760 LF of 2 inch PE with 1760 LF of C900 PVC.		\$ 220,000	CoBank		Pending Filing	CoBank	Yes	\$ 220,000	Pelham	Yes	\$ 24.86	\$ 5,469	
Radcliffe Drive water main replacement4	Replace 720 LF of 1.5 inch PE with 720 LF of C900 PVC.		\$ 100,000	CoBank		Pending Filing	CoBank	Yes	\$ 100,000	Pelham	Yes	\$ 24.86	\$ 2,486	
Vassar Drive water main replacement4	Replace 1740 LF of 2 inch PE with 1740 LF of C900 PVC.		\$ 220,000	CoBank		Pending Filing	CoBank	Yes	\$ 220,000	Pelham	Yes	\$ 24.86	\$ 5,469	
1 x revenue investments Normal Run Rate	Per Tariff		\$ 100,000	CoBank		Pending Filing	CoBank	Yes	\$ 100,000	Various	Yes	\$ 27.23	\$ 2,723	
Atkinson Booster Station	Replace and Upgrade Station for AS treatment and Fire flow.		\$ 600,000	CoBank		Pending Filing	CoBank	Yes	\$ 600,000	Atkinson	Yes	\$ 22.84	\$ 13,704	
Londonderry Mountain Homes Station Improvements	Station Expansion for and including Chemical Feed Facilities for re-chloramination.		\$ 275,000	CoBank		Pending Filing	CoBank	Yes	\$ 275,000	Londonderry	Yes	\$ 24.78	\$ 6,815	
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild		\$ 40,000	CoBank		Pending Filing	CoBank	Yes	\$ 40,000	Various	Yes	\$ 27.23	\$ 1,089	
Well Pump replacements	Well Pump replacements		\$ 40,000	CoBank		Pending Filing	CoBank	Yes	\$ 40,000	Various	Yes	\$ 27.23	\$ 1,089	
Chemical Feed pump replacements	Chemical Feed pump replacements		\$ 10,000	CoBank		Pending Filing	CoBank	Yes	\$ 10,000	Various	Yes	\$ 27.23	\$ 272	
Install/replace treatment systems in small CWS.	Install/replace treatment systems in small CWS.		\$ 25,000	CoBank		Pending Filing	CoBank	Yes	\$ 25,000	Various	Yes	\$ 27.23	\$ 681	
Miscellaneous Structural Improvements	Misc. Structural Improvements		\$ 20,000	CoBank		Pending Filing	CoBank	Yes	\$ 20,000	Various	Yes	\$ 27.23	\$ 545	
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects		\$ 10,000	CoBank		Pending Filing	CoBank	Yes	\$ 10,000	Various	Yes	\$ 27.23	\$ 272	
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical		\$ 30,000	CoBank		Pending Filing	CoBank	Yes	\$ 30,000	Various	Yes	\$ 27.23	\$ 817	
Well Rehabilitation	Well Rehabilitation		\$ 60,000	CoBank		Pending Filing	CoBank	Yes	\$ 60,000	Various	Yes	\$ 27.23	\$ 1,634	
New Services (5)	Single Family, Owner Build, New Homes		\$ 25,000	CoBank		Pending Filing	CoBank	Yes	\$ 25,000	Various	Yes	\$ 27.23	\$ 681	
Renewed Services (20)	Replacement of failed services (focus on Locke Lake System).		\$ 110,000	CoBank		Pending Filing	CoBank	Yes	\$ 110,000	Pelham	Yes	\$ 24.86	\$ 2,735	
Hydrants (5)	Replacement of non-functional hydrants.		\$ 30,000	CoBank		Pending Filing	CoBank	Yes	\$ 30,000	Pelham	Yes	\$ 24.86	\$ 746	
Gates (8)	Replacement of Failed Gate Valves.		\$ 32,000	CoBank		Pending Filing	CoBank	Yes	\$ 32,000	Pelham	Yes	\$ 24.86	\$ 796	
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading.		\$ 31,500	CoBank		Pending Filing	CoBank	Yes	\$ 31,500	Various	Yes	\$ 27.23	\$ 858	
New meters for new customers (220). Replacement of failed meters (80)	New meters for new customers (220) and replacement meters (80).		\$ 30,000	CoBank		Pending Filing	CoBank	Yes	\$ 30,000	Various	Yes	\$ 27.23	\$ 817	
Meters 5/8"-6" Lead Meter Exchange - PEU (400)	Replace High lead brass meter with new no lead brass meter.		\$ 40,000	CoBank		Pending Filing	CoBank	Yes	\$ 40,000	Various	Yes	\$ 27.23	\$ 1,089	
2022 Radios (1000)	Year 2 of 7 year replacement of all PEU radios (all initial radios installed in 2007).		\$ 130,000	CoBank		Pending Filing	CoBank	Yes	\$ 130,000	Various	Yes	\$ 27.23	\$ 3,540	

Pennichuck East Utilities Projected 2020 Total Capital Expenditure Budget - \$ 2,178,500

Projected annual property tax expenses for QCPAC eligible projects - \$ 54,325

Pennichuck East Utilities Projected 2020 QCPAC Eligible Capital Investment - \$ 2,178,500

Funded with CoBank Loan¹ - \$ 2,178,500

1. Tax rate is the sum of the local community rate plus the Statewide Utility tax rate of \$6.60/\$1000
2. The 2022 PEU Capital Expenditures Budget presented were approved by the Board in January 2021.
3. Projected CoBank Loan Terms are 25 Years at 5.0% resulting in P&I of \$ 154,570
4. The Wellesley, Radcliffe and Vassar Drive water main replacemts will be completed over 2 years with water main replacement occurring in 2022 and final pavement in 2023.

Pennichuck East Utilities, Inc.
DW 21-022
Projected 2023 QCPAC Capital Expenditures
2/11/2021
Revised 6/2/2021 per Staff SR1's

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Project Name/Description	Project Description	Work Order #	2022 Approved Budgeted Amount, Revised to reflect 2020 QCPAC activity	Financing Docket No.	NHPUC Order No.	Date of NHPUC Order	Source of Funding	Eligible for 2022 QCPAC Surcharge	Eligible for 2022 QCPAC Surcharge	Community	Taxable	Tax Rate (l)	QCPAC Eligible Property Tax Expense	Explanation for Change/Addition/Deletion since Petition Filing
Pelham Main Replacement	Monticello & Lane Area Phase 2		\$ 700,000	CoBank		Pending Filing	CoBank	Yes	\$ 700,000	Pelham	Yes	\$ 24.86	\$ 17,402	
Wellesley Drive water main replacement	Replace 1760 LF of 2 inch PE with 1760 LF of C900 PVC (paving).		\$ 220,000	CoBank		Pending Filing	CoBank	Yes	\$ 220,000	Pelham	Yes	\$ 24.86	\$ 5,469	
Radcliffe Drive water main replacement	Replace 720 LF of 1.5 inch PE with 720 LF of C900 PVC (paving).		\$ 100,000	CoBank		Pending Filing	CoBank	Yes	\$ 100,000	Pelham	Yes	\$ 24.86	\$ 2,486	
Vassar Drive water main replacement	Replace 1740 LF of 2 inch PE with 1740 LF of C900 PVC (paving).		\$ 220,000	CoBank		Pending Filing	CoBank	Yes	\$ 220,000	Pelham	Yes	\$ 24.86	\$ 5,469	
Locke Lake	Circle & Emmerson Replace 2100 feet of 2 inch PE.		\$ 250,000	CoBank		Pending Filing	CoBank	Yes	\$ 250,000	Barnstead	Yes	\$ 27.84	\$ 6,960	
1 x revenue investments Normal Run Rate	Per Tariff		\$ 100,000	CoBank		Pending Filing	CoBank	Yes	\$ 100,000	Various	Yes	\$ 27.23	\$ 2,723	
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild		\$ 40,000	CoBank		Pending Filing	CoBank	Yes	\$ 40,000	Various	Yes	\$ 27.23	\$ 1,089	
Well Pump replacements	Well Pump replacements		\$ 40,000	CoBank		Pending Filing	CoBank	Yes	\$ 40,000	Various	Yes	\$ 27.23	\$ 1,089	
Chemical Feed pump replacements	Chemical Feed pump replacements		\$ 10,000	CoBank		Pending Filing	CoBank	Yes	\$ 10,000	Various	Yes	\$ 27.23	\$ 272	
Install/replace treatment systems in small CWS.	Install/replace treatment systems in small CWS.		\$ 25,000	CoBank		Pending Filing	CoBank	Yes	\$ 25,000	Various	Yes	\$ 27.23	\$ 681	
Miscellaneous Structural Improvements	Miscellaneous Structural Improvements		\$ 20,000	CoBank		Pending Filing	CoBank	Yes	\$ 20,000	Various	Yes	\$ 27.23	\$ 545	
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects		\$ 10,000	CoBank		Pending Filing	CoBank	Yes	\$ 10,000	Various	Yes	\$ 27.23	\$ 272	
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical		\$ 30,000	CoBank		Pending Filing	CoBank	Yes	\$ 30,000	Various	Yes	\$ 27.23	\$ 817	
Well Rehabilitation	Well Rehabilitation		\$ 60,000	CoBank		Pending Filing	CoBank	Yes	\$ 60,000	Various	Yes	\$ 27.23	\$ 1,634	
New Services (5)	Single Family, Owner Build, New Homes		\$ 25,000	CoBank		Pending Filing	CoBank	Yes	\$ 25,000	Various	Yes	\$ 27.23	\$ 681	
Renewed Services (20)	Replacement of failed services (focus on Locke Lake System).		\$ 110,000	CoBank		Pending Filing	CoBank	Yes	\$ 110,000	Various	Yes	\$ 27.23	\$ 2,995	
Hydrants (5)	Replacement of non-functional hydrants.		\$ 30,000	CoBank		Pending Filing	CoBank	Yes	\$ 30,000	Various	Yes	\$ 27.23	\$ 817	
Gates (8)	Replacement of Failed Gate Valves		\$ 32,000	CoBank		Pending Filing	CoBank	Yes	\$ 32,000	Various	Yes	\$ 27.23	\$ 871	
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading.		\$ 31,500	CoBank		Pending Filing	CoBank	Yes	\$ 31,500	Various	Yes	\$ 27.23	\$ 858	
New meters for new customers (220). Replacement of failed meters (80).	New meters for new customers (220)		\$ 30,000	CoBank		Pending Filing	CoBank	Yes	\$ 30,000	Various	Yes	\$ 27.23	\$ 817	
Meters 5/8"-6" Lead Meter Exchange - PEU (400)	Replace High lead brass meter with new no lead brass meter.		\$ 40,000	CoBank		Pending Filing	CoBank	Yes	\$ 40,000	Various	Yes	\$ 27.23	\$ 1,089	
2023 Radios (1000)	Year 2 of 7 year replacement of all PEU radios (all initial radios installed in 2007).		\$ 130,000	CoBank		Pending Filing	CoBank	Yes	\$ 130,000	Various	Yes	\$ 27.23	\$ 3,540	
Pennichuck East Utilities Projected 2020 Total Capital Expenditure Budget -			\$ 2,253,500							Projected annual property tax expenses for QCPAC eligible projects -		\$ 58,575		
Pennichuck East Utilities Projected 2020 QCPAC Eligible Capital Investment -									\$ 2,253,500					
Funded with CoBank Loan ³ -									\$ 2,253,500					

1. Tax rate is the sum of the local community rate plus the Statewide Utility tax rate of \$6.60/\$1000
2. The 2022 PEU Capital Expenditures Budget presented were approved by the Board in January 2021.
3. Projected CoBank Loan Terms are 25 Years at 5.0% resulting in P&I of \$ 159,891
5. The Wellesley, Radcliffe and Vassar Drive water main replacemts will be completed over 2 years with water main replacement occurring in 2022 and final pavement in 2023.