

Unitil Energy Systems, Inc.  
2022 Step Adjustment

Line No.	Rate Effective Date	Description	6/1/2022	Total	Growth	Non-Growth	Growth Source	Non-Growth Source
			AS FILED	Investment Year	Investment Year	Investment Year		
			Total	Investment Year	Investment Year	Investment Year		
			2021	2021	2021	2021		
			(a)	(b)	(c)	(d)	(e)	(f)
1		Beginning Utility Plant <sup>(1)</sup>	\$ 407,914,123	\$ 407,914,123				
2		Plant Additions <sup>(2)</sup>	22,889,867	22,889,867	5,709,229	17,180,638	Revised Sch CGKS-1, Line 202	Revised Sch CGKS-1 <sup>(2)</sup> , Line 203
3		Retirements	(5,157,729)	(5,157,729)	(1,254,811)	(3,902,918)	Total x Revised Sch CGKS-1, Line 206	Total x Revised Sch CGKS-1, Line 207
4		Ending Utility Plant	425,646,261	425,646,261	4,454,418	13,277,720		
5		Beginning Accumulated Depreciation <sup>(3)</sup>	138,059,087	138,059,087				
6		Depreciation Expense	15,309,001	15,309,001	3,724,488	11,584,514	Total x Revised Sch CGKS-1, Line 206	Total x Revised Sch CGKS-1, Line 207
7		Retirements	(5,157,729)	(5,157,729)	(1,254,811)	(3,902,918)	Total x Revised Sch CGKS-1, Line 206	Total x Revised Sch CGKS-1, Line 207
8		Cost of Removal, Salvage and Transfers	(2,567,208)	(2,567,208)	(343,445)	(2,223,762)	Revised Sch CGKS-1, Line 202	Revised Sch CGKS-1, Line 203
9		Ending Accumulated Depreciation	145,643,152	145,643,152	2,126,231	5,457,834		
10		Ending Net Utility Plant	280,003,109	280,003,109	2,328,186	7,819,887		
11		Change in Net Plant	10,148,073	10,148,073	2,328,186	7,819,887		
12		Non-Growth % Change in Net Plant <sup>(4)</sup>	76%	n/a	n/a	n/a		
13		Change in Net Plant	7,679,174	10,148,073	2,328,186	7,819,887		
14		Pre-Tax Rate of Return	9.19%	9.19%	9.19%	9.19%		
15		Return and Taxes	705,638	932,505	213,937	718,568		
16		Depreciation Expense on Non-Growth Plant Additions at <sup>(5)</sup>	3.35% 580,496	767,129	191,339	575,791		
17		Property Taxes on Non-Growth Change in Net Plant at <sup>(6)</sup>	0.66% 50,683	66,977	15,366	51,611		
18		Amortization on Post-Test-Year Projects	39,969	39,969	-	39,969		
19		Revenue Requirement Increase	\$ 1,376,786	\$ 1,806,580	\$ 420,641	\$ 1,385,939		
20		Step 1 Revenue Requirement Capped Amount				1,377,331		
21		Step 1 Revenue Increase Allowed (If Line 19 > Line 20, Line 20 otherwise Line 19)				\$ 1,377,331		

Notes:

- (1) Beginning utility plant corresponds to Schedule RevReq-4, Column 5, Line 1
- (2) June 1, 2022 excludes \$577,144 of post-test year adjustments included in Schedule RevReq-4-4
- (3) Beginning accumulated depreciation corresponds to Schedule RevReq-4, Column 5, Line 2
- (4) Refer to Schedule CGKS-1
- (5) Refer to DE 21-030 Settlement Attachment 1, Schedule RevReq 3-16 P2 Revised, Col 8, Line 36
- (6) Property Taxes shall include State utility property taxes for all Non-Growth Plant Additions, calculated using the statutory tax rate in RSA 83-F:2, currently \$6.60 per \$1,000 of investment. Local property taxes shall not be included in the calculation and will be recovered through the Company's External Delivery Charge

2021 Gross Plant Detail

Description	Beginning Balance	Additions	Retirements	Ending Balance
301-00 Organization-E	380	-	-	380
303-00 Intangible Software-5 Yea-E	6,638,391	876,965	-	7,515,356
303-01 Intangible Software-3 Yea-E	87,196	-	-	87,196
303-02 Intangible Software-10 Yea-E	5,489,896	-	-	5,489,896
303-03 Intangible Software-CIS	9,701,357	-	-	9,701,357
343-00 Prime Movers-E	56,575	-	(41,048)	15,527
353-00 Transmission Station Equi-E	-	-	-	-
360-01 ROW - Distribution-E	1,002,660	1	-	1,002,661
360-02 ROW - Distribution-E	1,674,812	-	-	1,674,812
361-00 Distribution Structures-E	2,173,616	26,154	-	2,199,770
362-00 Distribution Station Equi-E	50,412,132	852,146	(35,132)	51,229,145
364-00 Distribution Poles, Tower-E	75,140,861	5,238,646	(562,099)	79,817,407
365-00 Distribution Overhead Con-E	92,313,723	6,687,321	(1,289,546)	97,711,498
366-00 Distribution Underground -E	2,587,958	237,392	(21,241)	2,804,109
367-00 Distribution Underground -E	23,862,963	972,466	(156,720)	24,678,709
368-00 Distribution Line Transfo-E	29,259,308	1,368,531	(809,951)	29,817,888
368-01 Transformer Installations-E	25,947,042	1,945,878	(566,298)	27,326,623
369-00 Distribution Services-E	25,642,632	1,551,537	(286,759)	26,907,411
370-00 Distribution Meters-E	11,764,062	416,418	(640,874)	11,539,606
370-01 Meter Installation-E	7,165,765	174,016	(339,097)	7,000,684
371-00 Installations on Customer-E	2,404,367	202,354	(327,597)	2,279,124
373-00 Street Lights & Signal Sy-E	3,580,954	64,674	(72,705)	3,572,923
373-01 Street Lights & Signal Sy-E	-	-	-	-
389-00 General & Misc. Land-E	1,363,295	-	-	1,363,295
390-00 Structures-E	19,114,262	1,125,835	-	20,240,097
390-01 General & Misc. Structure-E	-	-	-	-
391-01 Office Furniture & Fixtur-E	1,289,877	128,914	-	1,418,790
391-03 Computer Equipment-E	-	-	-	-
392-00 Transportation Equipment-E	1,073,517	-	(8,661)	1,064,856
393-00 Stores Equipment-E	90,657	11,433	-	102,089
394-00 Tools, Shop and garage Eq-E	2,429,892	245,043	-	2,674,935
395-00 Laboratory Equipment-E	948,530	19,156	-	967,686
397-00 Communication Equipment-E	5,005,568	1,322,131	-	6,327,699
398-00 Miscellaneous Equipment-E	102,943	-	-	102,943
399-00 Other Intangible Plant-E	-	-	-	-
Grand Total	408,325,192	23,467,010	(5,157,729)	426,634,474

2021 Accumulated Depreciation Detail

Description	Beginning Balance	Provision	Retirements	Cost of Removal	Salvage	Transfers	Ending Balance
301-00 Organization	-	-	-	-	-	-	-
303-00 Intangible Software-5 Year	4,743,991	522,869	-	-	-	-	5,266,860
303-01 Intangible Software-3 Year	87,196	-	-	-	-	-	87,196
303-02 Intangible Software-10 Year	2,700,885	548,255	-	-	-	-	3,249,140
303-03 Intangible Software-CIS	1,014,448	512,318	-	-	-	-	1,526,766
343-00 Prime Movers	36,796	2,176	(41,048)	-	-	-	(2,076)
350-01 ROW - Transmission	-	-	-	-	-	-	-
350-02 ROW - Transmission	-	-	-	-	-	-	-
352-00 Transmission Structures	-	-	-	-	-	-	-
353-00 Transmission Station Equipme	-	-	-	-	-	-	-
354-00 Transmission Towers & Fixtur	-	-	-	-	-	-	-
355-00 Transmission Poles & Fixture	-	-	-	-	-	-	-
356-00 Transmission Overhead Conduc	-	-	-	-	-	-	-
360-01 ROW - Distribution	-	-	-	-	-	-	-
360-02 ROW - Distribution	-	-	-	-	-	-	-
361-00 Distribution Structures	306,159	53,307	-	-	-	-	359,466
362-00 Distribution Station Equipme	10,134,156	1,317,231	(35,132)	(61,889)	-	-	11,354,366
364-00 Distribution Poles, Towers &	27,977,083	2,839,158	(562,099)	(841,992)	4,115	-	29,416,264
365-00 Distribution Overhead Conduc	28,941,359	3,427,884	(1,289,546)	(1,007,117)	4,518	-	30,077,099
366-00 Distribution Underground Con	718,989	53,656	(21,241)	(3,603)	1	-	747,802
367-00 Distribution Underground Con	7,132,135	617,756	(156,720)	(75,813)	218	-	7,517,575
368-00 Distribution Line Transforme	11,295,662	869,481	(809,951)	(157,989)	-	-	11,197,204
368-01 Transformer Installations	6,633,459	746,078	(566,298)	(33,469)	43	-	6,779,812
368-02 Transformers Installations	-	-	-	-	-	-	-
369-00 Distribution Services	18,333,473	1,469,883	(286,759)	(175,792)	708	-	19,341,513
370-00 Distribution Meters	5,127,986	565,956	(640,874)	(180,214)	-	-	4,872,855
370-01 Meter Installation	1,512,910	340,805	(339,097)	(11,653)	-	-	1,502,965
370-02 Meter Installations	-	-	-	-	-	-	-
371-00 Installations on Customers P	539,998	177,371	(327,597)	(30,044)	25,397	-	385,126
373-00 Street Lights & Signal Syste	3,017,725	278,347	(72,705)	(35,748)	12,465	-	3,200,085
373-01 Street Lights & Signal Syste	-	-	-	-	-	-	-
389-00 General & Misc. Land	-	-	-	-	-	-	-
390-00 Structures	1,878,592	416,810	-	-	-	863	2,296,265
390-01 General & Misc. Structures	863	-	-	-	-	(863)	-
391-01 Office Furniture & Fixtures	(56,091)	80,752	-	-	-	-	24,661
391-03 Computer Equipment	4,346	-	-	-	-	-	4,346
392-00 Transportation Equipment	1,044,967	-	(8,661)	-	650	-	1,036,956
393-00 Stores Equipment	66,182	3,270	-	-	-	-	69,451
394-00 Tools, Shop and garage Equip	986,082	90,633	-	-	-	-	1,076,714
395-00 Laboratory Equipment	499,182	37,175	-	-	-	-	536,358
397-00 Communication Equipment	3,277,612	337,829	-	-	-	-	3,615,441
398-00 Miscellaneous Equipment	102,943	-	-	-	-	-	102,943
399-00 Other Tangible Property	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>138,059,087</b>	<b>15,309,001</b>	<b>(5,157,729)</b>	<b>(2,615,322)</b>	<b>48,115</b>	<b>-</b>	<b>145,643,152</b>

Unitil Energy Systems, Inc.  
Pre-Tax Rate Of Return

	(1)	(2)	(3)	(4)	(5)	(6)
<b>LINE NO.</b>	<b>Description</b>	<b>Weight</b>	<b>Cost of Capital</b>	<b>Weighted Cost of Capital</b>	<b>Tax Factor<sup>(1)</sup></b>	<b>Pre-Tax Cost</b>
1	Common Stock Equity	52.00%	9.20%	4.78%	1.3699	6.55%
2	Preferred Stock Equity	0.00%	6.00%	0.00%		0.00%
3	Long Term Debt	48.00%	5.49%	2.64%		2.64%
4	Short Term Debt	0.00%	1.68%	0.00%		0.00%
5	Total	<u>100.00%</u>		<u>7.42%</u>		<u>9.19%</u>

**Notes:**

(1) 21% Federal Tax Rate and 7.6% NH State Tax Rate

Unitil Energy Systems, Inc.  
 Unitil Service Corp ("USC") Post-Test-Year Projects Amortization Expense

Line No.	Description	Total Project Cost	Annual Amortization Expense
1	SOX Modernization	75,517	\$ 15,103
2	USC Time & Billing Upgrade/Replacement	625,663	125,133
3	2020 Flexi Upgrade	25,531	5,106
4	Total	726,711	145,342
5	UES Apportionment		27.50%
6	Total Billed to Unitil Energy Systems		39,969