

Pittsfield Aqueduct Company, Inc.
 Capital Structure
 2019
 7/24/2023

PEU and PAC Joint Petition for Waiver
 and Increase to the Short-Term Debt Limit
 DW 23-066
 Exhibit DR 1-2a
 Page 1

Account Title	Additions	Percent Funded with	
		SRF-DWGWTF-FALOC	Amount used by short-term debt
INTANGIBLE PLANT .1			
301 Organization	\$ -		
302 Franchise	\$ -		
339 Other Plant and Misc. Equip.			
Total Intangible Plant	\$ -		
SOURCE OF SUPPLY AND PUMPING PLANT .2			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
305 Collecting and Impounding Reservoirs	\$ -		
306 Lake, River and Other Intakes	\$ -		
307 Wells and Springs	\$ -		
308 Infiltration Galleries and Tunnels	\$ -		
309 Supply Mains	\$ -		
310 Power Generation Equipment	\$ -		
311 Pumping Equipment	\$ 1,320.90	0%	100%
339 Other Plant and Miscellaneous	\$ -		
Total Supply and Pumping Plant	\$ 1,320.90	0%	100%
WATER TREATMENT PLANT .3			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
320 Water Treatment Equipment			
339 Other Plant and Misc. Equip.	\$ -		
Total Water Treatment Plant	\$ -		
TRANSMISSION & DISTRIBUTION .4			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
330 Distribution Reservoirs and Standpipes	\$ -		
331 Transmission and Distribution Mains	\$ 505	0%	100%
333 Services	\$ 9,442	0%	100%
334 Meters and Meter Installations	\$ 1,483	0%	100%
335 Hydrants	\$ -	0%	100%
339 Other Plant and Misc. Equip.	\$ -		
Total Transmission and Distribution	\$ 11,430	0%	100%
GENERAL PLANT .5			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
340 Office Furniture and Equipment	\$ -		
341 Transportation Equipment	\$ -		
342 Stores Equipment	\$ -		
343 Tools, Shop and Garage Equipment	\$ -		
344 Laboratory Equipment	\$ -		
345 Power Operated Equipment	\$ -		
346 Communication Equipment	\$ 5,459	0%	100%
347 Computer Equipment	\$ -		
348 Miscellaneous Equipment	\$ -		
Total General Equipment	\$ 5,459	0%	100%
Total (Accounts 101 and 106)	\$ -	0%	100%
104 Utility Plant Purchased or Sold	\$ -		
Total Utility Plant in Service	\$ -	0%	100%

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Account Title	Additions	Percent Funded with	
		SRF-DWGWTF-FALOC	Amount used by short-term debt
INTANGIBLE PLANT .1			
301 Organization	\$ -		
302 Franchise	\$ -		
339 Other Plant and Misc. Equip.			
Total Intangible Plant	\$ -		
SOURCE OF SUPPLY AND PUMPING PLANT .2			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
305 Collecting and Impounding Reservoirs	\$ -		
306 Lake, River and Other Intakes	\$ -		
307 Wells and Springs	\$ -		
308 Infiltration Galleries and Tunnels	\$ -		
309 Supply Mains	\$ -		
310 Power Generation Equipment	\$ -		
311 Pumping Equipment	\$ -		
339 Other Plant and Miscellaneous	\$ -		
Total Supply and Pumping Plant	\$ -		
WATER TREATMENT PLANT .3			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
320 Water Treatment Equipment			
339 Other Plant and Misc. Equip.	\$ -		
Total Water Treatment Plant	\$ -		
TRANSMISSION & DISTRIBUTION .4			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
330 Distribution Reservoirs and Standpipes	\$ -		
331 Transmission and Distribution Mains	\$ 14,192	0%	100%
333 Services	\$ -		
334 Meters and Meter Installations	\$ 2,281	0%	100%
335 Hydrants	\$ -		
339 Other Plant and Misc. Equip.	\$ -		
Total Transmission and Distribution	\$ 16,473	0%	100%
GENERAL PLANT .5			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
340 Office Furniture and Equipment	\$ -		
341 Transportation Equipment	\$ -		
342 Stores Equipment	\$ -		
343 Tools, Shop and Garage Equipment	\$ -		
344 Laboratory Equipment	\$ -		
345 Power Operated Equipment	\$ -		
346 Communication Equipment	\$ -		
347 Computer Equipment	\$ -		
348 Miscellaneous Equipment	\$ 2,770	0%	100%
Total General Equipment	\$ 2,770	0%	100%
Total (Accounts 101 and 106)	\$ -		
104 Utility Plant Purchased or Sold	\$ -		
Total Utility Plant in Service	\$ -		

Pittsfield Aqueduct Company, Inc.
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Account Title	Additions	Percent Funded with	
		SRF-DWGWTF-FALOC	Amount used by short-term debt
INTANGIBLE PLANT .1			
301 Organization	\$ -		
302 Franchise	\$ -		
339 Other Plant and Misc. Equip.			
Total Intangible Plant	\$ -		
SOURCE OF SUPPLY AND PUMPING PLANT .2			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
305 Collecting and Impounding Reservoirs	\$ -		
306 Lake, River and Other Intakes	\$ -		
307 Wells and Springs	\$ -		
308 Infiltration Galleries and Tunnels	\$ -		
309 Supply Mains	\$ -		
310 Power Generation Equipment	\$ -		
311 Pumping Equipment	\$ -		
339 Other Plant and Miscellaneous	\$ -		
Total Supply and Pumping Plant	\$ -		
WATER TREATMENT PLANT .3			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
320 Water Treatment Equipment			
339 Other Plant and Misc. Equip.	\$ -		
Total Water Treatment Plant	\$ -		
TRANSMISSION & DISTRIBUTION .4			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
330 Distribution Reservoirs and Standpipes	\$ -		
331 Transmission and Distribution Mains	\$ -		
333 Services	\$ -		
334 Meters and Meter Installations	\$ 8,701	0%	100%
335 Hydrants	\$ -		
339 Other Plant and Misc. Equip.	\$ -		
Total Transmission and Distribution	\$ 8,701	0%	100%
GENERAL PLANT .5			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
340 Office Furniture and Equipment	\$ -		
341 Transportation Equipment	\$ -		
342 Stores Equipment	\$ -		
343 Tools, Shop and Garage Equipment	\$ -		
344 Laboratory Equipment	\$ -		
345 Power Operated Equipment	\$ -		
346 Communication Equipment	\$ -		
347 Computer Equipment	\$ -		
348 Miscellaneous Equipment	\$ -		
Total General Equipment	\$ -		
Total (Accounts 101 and 106)	\$ -		
104 Utility Plant Purchased or Sold	\$ -		
Total Utility Plant in Service	\$ -		

Pittsfield Aqueduct Company, Inc.
 Capital Structure
 2022
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Account Title	Additions	Percent Funded with	
		SRF-DWGWTF-FALOC	Amount used by short-term intercompany debt
INTANGIBLE PLANT .1			
301 Organization	\$ -		
302 Franchise	\$ -		
339 Other Plant and Misc. Equip.			
Total Intangible Plant	\$ -		
SOURCE OF SUPPLY AND PUMPING PLANT .2			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
305 Collecting and Impounding Reservoirs	\$ -		
306 Lake, River and Other Intakes	\$ -		
307 Wells and Springs	\$ -		
308 Infiltration Galleries and Tunnels	\$ -		
309 Supply Mains	\$ -		
310 Power Generation Equipment	\$ -		
311 Pumping Equipment	\$ -		
339 Other Plant and Miscellaneous	\$ -		
Total Supply and Pumping Plant	\$ -		
WATER TREATMENT PLANT .3			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
320 Water Treatment Equipment			
339 Other Plant and Misc. Equip.	\$ -		
Total Water Treatment Plant	\$ -		
TRANSMISSION & DISTRIBUTION .4			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
330 Distribution Reservoirs and Standpipes	\$ -		
331 Transmission and Distribution Mains	\$ -		
333 Services	\$ -		
334 Meters and Meter Installations	\$ 3,044	0%	100%
335 Hydrants	\$ -		
339 Other Plant and Misc. Equip.	\$ -		
Total Transmission and Distribution	\$ 3,044	0%	100%
GENERAL PLANT .5			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
340 Office Furniture and Equipment	\$ -		
341 Transportation Equipment	\$ -		
342 Stores Equipment	\$ -		
343 Tools, Shop and Garage Equipment	\$ -		
344 Laboratory Equipment	\$ -		
345 Power Operated Equipment	\$ -		
346 Communication Equipment	\$ 9,257	0%	100%
347 Computer Equipment	\$ -		
348 Miscellaneous Equipment	\$ -		
Total General Equipment	\$ 9,257	0%	100%
Total (Accounts 101 and 106)	\$ -		
104 Utility Plant Purchased or Sold	\$ -		
Total Utility Plant in Service	\$ -		

Pennichuck East Utility, Inc.
 Capital Structure
 2019
 7/24/2023

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Account Title	Additions	Percent Funded with	
		SRF-DWGWTF-FALOC	Amount used by short-term debt
INTANGIBLE PLANT .1			
301 Organization	\$ -		
302 Franchise	\$ -		
339 Other Plant and Misc. Equip.	\$ -		
Total Intangible Plant	\$ -		
SOURCE OF SUPPLY AND PUMPING PLANT .2			
303 Land and Land Rights (1)	\$ 127,758	100%	0%
304 Structures and Improvements	\$ 186,330	100%	0%
305 Collecting and Impounding Reservoirs	\$ -		
306 Lake, River and Other Intakes	\$ -		
307 Wells and Springs	\$ 38,134	100%	0%
308 Infiltration Galleries and Tunnels	\$ -		
309 Supply Mains	\$ 27,201	100%	0%
310 Power Generation Equipment	\$ 47,115	100%	0%
311 Pumping Equipment	\$ 145,112	100%	0%
339 Other Plant and Miscellaneous	\$ -		
Total Supply and Pumping Plant	\$ 571,650	100%	0%
WATER TREATMENT PLANT .3			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
320 Water Treatment Equipment	\$ -		
339 Other Plant and Misc. Equip.	\$ -		
Total Water Treatment Plant	\$ -		
TRANSMISSION & DISTRIBUTION .4			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
330 Distribution Reservoirs and Standpipes	\$ -		
331 Transmission and Distribution Mains	\$ 2,200,027	100%	0%
333 Services	\$ 545,234	100%	0%
334 Meters and Meter Installations	\$ 94,943	100%	0%
335 Hydrants	\$ 114,287	100%	0%
339 Other Plant and Misc. Equip.	\$ -		
Total Transmission and Distribution	\$ 2,954,491	100%	0%
GENERAL PLANT .5			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
340 Office Furniture and Equipment	\$ -		
341 Transportation Equipment	\$ -		
342 Stores Equipment	\$ -		
343 Tools, Shop and Garage Equipment	\$ -		
344 Laboratory Equipment	\$ -		
345 Power Operated Equipment	\$ -		
346 Communication Equipment	\$ 12,529	100%	0%
347 Miscellaneous Equipment	\$ -		
348 Other Tangible Equipment	\$ -		
Total General Equipment	\$ 12,529	100%	0%
Total (Accounts 101 and 106)	\$ 2,967,020	100%	0%
104 Utility Plant Purchased or Sold**	\$ -		
Total Utility Plant in Service	\$ 2,967,020	100%	0%

Pennichuck East Utility, Inc.
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Account Title	Additions	Percent Funded with	
		SRF-DWGWTF-FALOC	Amount used by short-term debt
INTANGIBLE PLANT .1			
301 Organization	\$ -		
302 Franchise	\$ -		
339 Other Plant and Misc. Equip.	\$ -		
Total Intangible Plant	\$ -		
SOURCE OF SUPPLY AND PUMPING PLANT .2			
303 Land and Land Rights (1)	\$ 19,230	100%	0%
304 Structures and Improvements	\$ 693,544	100%	0%
305 Collecting and Impounding Reservoirs	\$ -		
306 Lake, River and Other Intakes	\$ 521,642	100%	0%
307 Wells and Springs	\$ 239,571	100%	0%
308 Infiltration Galleries and Tunnels	\$ -		
309 Supply Mains	\$ 145,833	100%	0%
310 Power Generation Equipment	\$ 65,000	100%	0%
311 Pumping Equipment	\$ 249,952	100%	0%
339 Other Plant and Miscellaneous	\$ -		
Total Supply and Pumping Plant	\$ 1,934,771	100%	0%
WATER TREATMENT PLANT .3			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
320 Water Treatment Equipment	\$ 1,396,200	100%	0%
339 Other Plant and Misc. Equip.	\$ -		
Total Water Treatment Plant	\$ 1,396,200	100%	0%
TRANSMISSION & DISTRIBUTION .4			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
330 Distribution Reservoirs and Standpipes	\$ 175,220	100%	0%
331 Transmission and Distribution Mains	\$ 2,869,580	100%	0%
333 Services	\$ 335,080	100%	0%
334 Meters and Meter Installations	\$ 47,335	100%	0%
335 Hydrants	\$ 119,834	100%	0%
339 Other Plant and Misc. Equip.	\$ -		
Total Transmission and Distribution	\$ 3,547,049	100%	0%
GENERAL PLANT .5			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
340 Office Furniture and Equipment	\$ -		
341 Transportation Equipment	\$ -		
342 Stores Equipment	\$ -		
343 Tools, Shop and Garage Equipment	\$ -		
344 Laboratory Equipment	\$ -		
345 Power Operated Equipment	\$ -		
346 Communication Equipment	\$ 51,476	100%	0%
347 Miscellaneous Equipment	\$ -		
348 Other Tangible Equipment	\$ -		
Total General Equipment	\$ 51,476	100%	0%
Total (Accounts 101 and 106)	\$ 3,598,526	100%	0%
104 Utility Plant Purchased or Sold**	\$ -		
Total Utility Plant in Service	\$ 3,598,526	100%	0%

Pennichuck East Utility, Inc.
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 2021
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Account Title	Additions	Percent Funded with	
		SRF-DWGWTF-FALOC	Amount used by short-term debt
INTANGIBLE PLANT .1			
301 Organization	\$ -		
302 Franchise	\$ -		
339 Other Plant and Misc. Equip.	\$ -		
Total Intangible Plant	\$ -		
SOURCE OF SUPPLY AND PUMPING PLANT .2			
303 Land and Land Rights (1)	\$ 5,174	100%	0%
304 Structures and Improvements	\$ 131,040	100%	0%
305 Collecting and Impounding Reservoirs	\$ -		
306 Lake, River and Other Intakes	\$ 16,189	100%	0%
307 Wells and Springs	\$ 31,469	100%	0%
308 Infiltration Galleries and Tunnels	\$ -		
309 Supply Mains	\$ -		
310 Power Generation Equipment	\$ 10,800	100%	0%
311 Pumping Equipment	\$ 23,238	100%	0%
339 Other Plant and Miscellaneous	\$ -		
Total Supply and Pumping Plant	\$ 217,910	100%	0%
WATER TREATMENT PLANT .3			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
320 Water Treatment Equipment	\$ 220,016	100%	0%
339 Other Plant and Misc. Equip.	\$ -		
Total Water Treatment Plant	\$ 220,016	100%	0%
TRANSMISSION & DISTRIBUTION .4			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
330 Distribution Reservoirs and Standpipes	\$ -		
331 Transmission and Distribution Mains	\$ 762,678	100%	0%
333 Services	\$ 268,827	100%	0%
334 Meters and Meter Installations	\$ 138,758	100%	0%
335 Hydrants	\$ 32,970	100%	0%
339 Other Plant and Misc. Equip.	\$ -		
Total Transmission and Distribution	\$ 1,203,233	100%	0%
GENERAL PLANT .5			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
340 Office Furniture and Equipment	\$ -		
341 Transportation Equipment	\$ -		
342 Stores Equipment	\$ -		
343 Tools, Shop and Garage Equipment	\$ -		
344 Laboratory Equipment	\$ -		
345 Power Operated Equipment	\$ -		
346 Communication Equipment	\$ 25,476	100%	0%
347 Miscellaneous Equipment	\$ -		
348 Other Tangible Equipment	\$ -		
Total General Equipment	\$ 25,476	100%	0%
Total (Accounts 101 and 106)	\$ 1,228,709	100%	0%
104 Utility Plant Purchased or Sold**	\$ -		
Total Utility Plant in Service	\$ 1,228,709	100%	0%

Pennichuck East Utility, Inc.
 Capital Structure
 2022
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PEU and PAC Joint Petition for Waiver
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Account Title	Additions	Percent Funded with	
		SRF-DWGWTF-FALOC	Amount used by short-term intercompany debt
INTANGIBLE PLANT .1			
301 Organization	\$ -		
302 Franchise	\$ -		
339 Other Plant and Misc. Equip.	\$ -		
Total Intangible Plant	\$ -		
SOURCE OF SUPPLY AND PUMPING PLANT .2			
303 Land and Land Rights (1)	\$ 6,703	100%	0%
304 Structures and Improvements	\$ 112,071	100%	0%
305 Collecting and Impounding Reservoirs	\$ -		
306 Lake, River and Other Intakes	\$ -		
307 Wells and Springs	\$ 51,283	100%	0%
308 Infiltration Galleries and Tunnels	\$ -		
309 Supply Mains	\$ -		
310 Power Generation Equipment	\$ 113	100%	0%
311 Pumping Equipment	\$ 49,191	100%	0%
339 Other Plant and Miscellaneous	\$ -		
Total Supply and Pumping Plant	\$ 219,360	100%	0%
WATER TREATMENT PLANT .3			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
320 Water Treatment Equipment	\$ 47,981	100%	0%
339 Other Plant and Misc. Equip.	\$ -		
Total Water Treatment Plant	\$ 47,981	100%	0%
TRANSMISSION & DISTRIBUTION .4			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
330 Distribution Reservoirs and Standpipes	\$ -		
331 Transmission and Distribution Mains	\$ 1,249,119	100%	0%
333 Services	\$ 425,010	100%	0%
334 Meters and Meter Installations	\$ 145,882	100%	0%
335 Hydrants	\$ 17,982	100%	0%
339 Other Plant and Misc. Equip.	\$ -		
Total Transmission and Distribution	\$ 1,837,993	100%	0%
GENERAL PLANT .5			
303 Land and Land Rights	\$ -		
304 Structures and Improvements	\$ -		
340 Office Furniture and Equipment	\$ -		
341 Transportation Equipment	\$ -		
342 Stores Equipment	\$ -		
343 Tools, Shop and Garage Equipment	\$ -		
344 Laboratory Equipment	\$ -		
345 Power Operated Equipment	\$ -		
346 Communication Equipment	\$ 11,619	100%	0%
347 Miscellaneous Equipment	\$ -		
348 Other Tangible Equipment	\$ -		
Total General Equipment	\$ 11,619	100%	0%
Total (Accounts 101 and 106)	\$ 1,849,612	100%	0%
104 Utility Plant Purchased or Sold**	\$ -		
Total Utility Plant in Service	\$ 1,849,612	100%	0%

**PENNICHUCK EAST UTILITY, INC. AND
PITTSFIELD AQUEDUCT COMPANY, INC.
DW 23-066**

**Joint Petition for Waiver and Increase to The Short- Term Debt Limit
Responses to DOE Data Requests – Set 1**

Date Request Received: 7/11/2023
Request No. DOE 1-3

Date of Response: 7/24/2023
Witness: Larry D. Goodhue

REQUEST: Ref: Schedule GT-1, Bates page 24

Regarding each Company's short-term debt percentages, on an annual basis, please state and explain the average amount of time that financing related to projects or other charges remain categorized as short-term debt before they are converted to long-term debt or otherwise paid off.

RESPONSE:

As it relates to PEU, short-term monies used for long-term projects are converted to long-term debt no less than annually. Depending on the funding source, it either happens immediately (and is never a part of short-term debt) for projects funded by SRF or DWGTF loans, as those programs allow for monies to be drawn down during the construction or installation of projects, and then go into repayment mode within 60 days of completion of the projects. For all other projects funded by the Company's Fixed Asset Line of Credit (FALOC) the amounts are re-termed to Long-Term Debt annually with a financing petition filed for approval by the Commission.

As it relates to PAC, due to the immaterial overall nature of the funds needed for long-term capital projects, for which are funded with short-term intercompany funds from Penn Corp, a request to convert these Short-Term intercompany amounts due to a Long-Term intercompany note, is typically done every 3-4 years. This timing is due to the relative cost of processing a financing docket for this conversion, compared to the overall economic value being converted.

**PENNICHUCK EAST UTILITY, INC. AND
PITTSFIELD AQUEDUCT COMPANY, INC.
DW 23-066**

**Joint Petition for Waiver and Increase to The Short- Term Debt Limit
Responses to DOE Data Requests – Set 1**

Date Request Received: 7/11/2023
Request No. DOE 1-4

Date of Response: 7/24/2023
Witness: Larry D. Goodhue

REQUEST: Ref: Schedule GT-1, Bates page 24

Regarding the short-term debt of PEU, do the levels of short-term debt in the schedule reflect the annual conversion of a portion of that short-term debt to long-term debt as part of PEU's QCPAC process? Please explain further and indicate where the impact to the short-term debt is reflected in those levels since the second half of 2019, including any projected / forecasted impact from the currently pending financing request before the Commission, docketed as DW 23-046.

RESPONSE:

The levels of short-term debt in Schedule GT-1 do reflect the annual conversion of short-term debt to long-term debt as part of the QCPAC process. Below are the years and amounts the conversions took place:

2019: Date – 7/31/19 - Amount - \$1,153,000

2020: Date – 11/31/20 - Amount - \$800,122

2021: Date – 9/30/21 – Amount \$1,135,409

2022: Date – 10/31/22 – Amount \$655,936

Upon receipt of a final order approving the financing request in Docket No. DW 23-046, PEU is projecting to close on a CoBank loan in the Fall of 2023 to convert short-term debt to long-term debt in the amount of \$744,775.

**PENNICHUCK EAST UTILITY, INC. AND
PITTSFIELD AQUEDUCT COMPANY, INC.**

DW 23-066

Joint Petition for Waiver and Increase to The Short- Term Debt Limit
Responses to DOE Data Requests – Set 1

Date Request Received: 7/11/2023
Request No. DOE 1-5

Date of Response: 7/24/2023
Witness: Larry D. Goodhue

REQUEST: Ref: Schedule GT-1, Bates page 24

Regarding the short-term debt for PAC, the ‘Annual High and Low’ for 2021, 2022, and the first half of 2023, appear to be significantly higher than the same ‘Average High and Low’ for the years of 2019 and 2020. Please provide an explanation as the reason for this observation.

RESPONSE:

The increase in short-term intercompany payables is driven by the continued workorder activity charged to PAC for usage of the Pennichuck Water Works labor. Please see the Company’s responses to DOE DR 1-10 and DOE DR 1-11 in Docket DW 22-075 to further explain the increase for the Annual High and Low for 2021 and 2022. The Response DOE DR 1-11 was given in that docket, as it pertains to this query regarding the increase in 2021 - 2022. The Response DOE DR 1-10 included reasons for the increase for the end of 2022 and projections for 2023.

Response in DOE DR 1-11 in DW 22-075:

Up until August 2022, the amount being represented in the MOERR portion of the RSF was based upon the reported monthly bank balance. ***In August, the calculation was updated to now account for expense accruals, in-transit cash deposits and/or transfers, which were previously never included.*** This would have the benefit of more accurately reflecting what the MOERR “should be” as opposed to reporting whatever the balance was at the end of each fiscal period. With this modification it created a one-time “true-up” adjustment in PAC of \$291,351.86 in additional MOERR expenses, which were not currently being reflected in the general ledger and the bank balance. The journal entry PAC required in August to record this accrual was:

Dr: MOERR	291,351.86
Cr: Intercompany PCP	291,351.86

As a result of this entry, Intercompany Payables increased from a previously reported covenant balance of \$330,653 in July, to \$579,283 in August. This also had the effect *of temporarily increasing the ratio of Total Short-term Debt vs. Total Net Utility Plant from 12.62% in July, to 21.30% in August. Subsequently, the Short-Term Debt percentage contracted back down the following month to 11.98% in September, as the \$291,351.86 was reversed to account for all the transactions that were accrued for in the prior month of August. This would prevent a “double-booking” of expenses*, as the actual activity which initially generated the accrual in the prior month was now being recorded as individual transactions in the general ledger for the month of September.

Response in DOE DR 1-10 in DW 22-075:

The roster of capital projects anticipated to be undertaken and completed in 2023 are a number of “run rate” projects, or projects that PAC would typically engage in, in any given year. Those projects include:

- Services (new and renewed)
- Hydrant purchases
- New Gates installations
- Replacement of Radios on meters (year 3 of 7-year replacement schedule)
- New Meters
- Lab processing equipment
- Replacement of Filter Valve Actuators
- Miscellaneous structural improvements

The projected cost of all of these improvements total \$101,000 for 2023, which will be financed with short-term intercompany transfers from the Parent to Pittsfield Aqueduct (as none of these projects qualify for SRF or DWGTF funding). This will have minimal impact to the Total Net Utility Plant portion of the s/t debt calculation as this only accounts for approximately 3.5% of the total assets ($\$101,000 / \$2,852,092 = 3.5\%$ as of 10/31/22). However, it can have a material impact on the Total S/T Payable portion on the calculation. As of 10/31/22, the projected impact at the end of 2023 could be 28% ($\$101,000 / \$359,644 = 28\%$ increase in s/t payables).

However, this impact may be mitigated partially, depending upon the cash generated from operations at PAC in 2023, which would allow for partial repayment of the outstanding intercompany balances. And, it is important to recall that the Company has not yet requested a MOEF for PAC’s rate structure, which would mitigate regulatory lag between rate cases, and would have the impact of reducing or controlling the intercompany balances on a continuum between rate case filings.

**PENNICHUCK EAST UTILITY, INC. AND
PITTSFIELD AQUEDUCT COMPANY, INC.
DW 23-066**

Joint Petition for Waiver and Increase to The Short- Term Debt Limit
Responses to DOE Data Requests – Set 1

Date Request Received: 7/11/2023
Request No. DOE 1-6

Date of Response: 7/24/2023
Witness: Larry D. Goodhue

REQUEST: Ref: Schedule GT-1, Bates page 24

As of May 31, 2023, PAC's short-term debt, as a percentage of its net fixed plant, was 19.40 percent. Please further explain the projected / forecasted impact to PAC's short-term debt that PAC's debt conversion request, currently pending before the Commission in Docket DW 23-061, will have on this percentage.

RESPONSE:

See the attached Exhibit DR 1-6 providing the PAC Short-Term Debt Threshold Proforma for 2023, which is the same forecast schedule that was provided in the data responses for DW 23-061.

Pittsfield Aqueduct Company
Short-term Debt Threshold
January - December 2023

PEU and PAC Joint Petition for Waiver
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7/24/2023
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Per Order DW 19-112 waiver of N.H. Code Admin Rules PUC 608.05
 Short-Term Debt Limit of up to 18% of companies' net fixed plant until June 30, 2023

PITTSFIELD AQUEDUCT												
NHPUC Short-term Debt Threshold Calculations												
	1/31/23	2/28/23	3/31/23	4/30/23	5/31/23	6/30/2023	7/31/2023	8/31/2023	9/30/23	10/31/23	11/30/23	12/31/23
Intercompany payables that are not long-term (1)	\$ 256,001	\$ 282,148	\$ 439,499	\$ 440,913	\$ 442,415	\$ 443,921	\$ 445,571	\$ 352,786	\$ 354,381	\$ 355,926	\$ 357,429	\$ 359,048
Bonds, Notes & Mortgages (currently payable)	32,145	31,162	32,314	32,398	32,483	32,568	32,653	32,739	32,826	32,911	32,997	33,083
	<u>288,146</u>	<u>313,310</u>	<u>471,812</u>	<u>473,311</u>	<u>474,898</u>	<u>476,488</u>	<u>478,224</u>	<u>385,525</u>	<u>387,206</u>	<u>388,837</u>	<u>390,426</u>	<u>392,131</u>
Plant in Service	4,679,933	4,679,491	4,686,283	4,729,513	4,743,743	4,747,973	4,754,203	4,764,433	4,770,663	4,774,893	4,781,013	4,781,013
Less: Accumulated Depreciation	(1,850,659)	(1,771,695)	(1,866,243)	(1,874,067)	(1,881,903)	(1,889,746)	(1,897,590)	(1,905,445)	(1,913,305)	(1,921,165)	(1,928,989)	(1,936,816)
Plus: CWIP	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Utility Plant	<u>\$ 2,829,274</u>	<u>\$ 2,907,796</u>	<u>\$ 2,820,040</u>	<u>\$ 2,855,446</u>	<u>\$ 2,861,840</u>	<u>\$ 2,858,227</u>	<u>\$ 2,856,613</u>	<u>\$ 2,858,988</u>	<u>\$ 2,857,358</u>	<u>\$ 2,853,728</u>	<u>\$ 2,852,024</u>	<u>\$ 2,844,197</u>
Percentage	10.18%	10.77%	16.73%	16.58%	16.59%	16.67%	16.74%	13.48%	13.55%	13.63%	13.69%	13.79%

(1) Reflects the reterming of the \$94,401 of intercompany debt starting in 8/31/23

**PENNICHUCK EAST UTILITY, INC. AND
PITTSFIELD AQUEDUCT COMPANY, INC.
DW 23-066**

Joint Petition for Waiver and Increase to The Short- Term Debt Limit
Responses to DOE Data Requests – Set 1

Date Request Received: 7/11/2023
Request No. DOE 1-7

Date of Response: 7/24/2023
Witness: Larry D. Goodhue

REQUEST: Ref: Schedule GT-1, Bates page 24

Please provide a forecast of the respective Companies' short-term debt, as a percentage of net fixed plant, for the next 12 months, including any pending or future request which may impact those levels.

RESPONSE:

Please see attached Exhibit DR 1-7 PEU-PAC Debt Threshold.

Pennichuck East Utility, Inc.
Short-term debt threshold forecast thru 12/31/2023 and 4/30/2024
7/24/2023

Pre-Adjusted Fcst/Budget	Actuals	Budget								Forecast			
	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	12/31/2023	1/31/2024	2/29/2024	3/31/2024	4/30/2024
S-T Interco Debt	8,724,466	8,602,146	8,031,247	8,660,419	8,469,718	8,135,680	7,875,499	7,725,110	8,185,512	8,185,512	8,801,804	8,801,804	8,801,804
Total Net Utility Plant excluding CWIP	61,002,573	60,541,081	60,612,365	60,884,071	60,955,614	61,267,802	61,452,766	61,598,838	62,025,428	62,427,010	62,427,010	62,427,010	62,427,010
percentage	14.30%	14.21%	13.25%	14.22%	13.89%	13.28%	12.82%	12.54%	13.20%	13.11%	14.10%	14.10%	14.10%
Known Adjustments:													
S-T Interco Debt (pre-adj)/beginning balance	8,724,466	8,724,466	8,602,146	8,031,247	8,660,419	8,469,718	8,135,680	7,875,499	7,725,110	8,185,512	8,185,512	8,801,804	8,801,804
Add/(Less): changes in ST interco debt from pre-adjusted above		(122,320)	(570,899)	629,172	(190,701)	(334,038)	(260,181)	(150,389)	460,402	-	616,292	-	-
Less: conversion of ST interco debt to LT interco debt													
S-T Interco Debt (adjusted)	8,724,466	8,602,146	8,031,247	8,660,419	8,469,718	8,135,680	7,875,499	7,725,110	8,185,512	8,185,512	8,801,804	8,801,804	8,801,804
Total Net Utility Plant	61,002,573	60,541,081	60,612,365	60,884,071	60,955,614	61,267,802	61,452,766	61,598,838	62,025,428	62,427,010	62,427,010	62,427,010	62,427,010
percentage	14.3%	14.2%	13.3%	14.2%	13.9%	13.3%	12.8%	12.5%	13.2%	13.1%	14.1%	14.1%	14.1%

Intercompany receivable	(5,253,937)	(5,131,617)	(4,560,718)	(5,189,890)	(4,999,189)	(4,665,151)	(4,404,970)	(4,254,581)	(4,714,983)	(4,714,983)	(5,331,275)	(5,331,275)	(5,331,275)
Monthly change in balance, per budget draft		122,320	570,899	(629,172)	190,701	334,038	260,181	150,389	(460,402)	-	(616,292)	-	-
Total Net Utility Plant	61,495,891	61,034,399	61,105,683	61,377,389	61,448,932	61,761,120	61,946,084	62,092,156	62,518,746	62,920,328	62,920,328	62,920,328	62,920,328
Monthly change in balance, per budget draft		(461,492)	71,284	271,706	71,543	312,188	184,964	146,072	426,590	401,582	-	-	-

Pittsfield Aqueduct Company, Inc.
Short-term debt threshold forecast thru 12/31/2023 and 4/30/2024
 7/24/2023

**PEU and PAC Joint Petition for Waiver
 and Increase to the Short-Term Debt Limit
 DW 23-066
 Exhibit DR 1-7
 Page 2**

<u>Pre-Adjusted Fcst/Budget</u>	Actuals	Budget								Forecast			
	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	12/31/2023	1/31/2024	2/29/2024	3/31/2024	4/30/2024
S-T Interco Debt	554,634	488,822	532,280	521,945	515,742	500,457	487,940	522,902	506,124	506,124	620,122	620,122	620,122
Total Net Utility Plant excluding CWIP	2,806,503	2,860,538	2,856,925	2,855,311	2,852,686	2,851,056	2,847,426	2,845,722	2,837,895	2,837,895	2,837,895	2,837,895	2,837,895
percentage	19.76%	17.09%	18.63%	18.28%	18.08%	17.55%	17.14%	18.38%	17.83%	17.83%	21.85%	21.85%	21.85%
Known Adjustments:													
S-T Interco Debt (pre-adj)/beginning balance	554,634	554,634	488,822	532,280	427,544	421,341	406,056	393,539	428,501	411,723	411,723	525,721	525,721
Add/(Less): changes in ST interco debt from pre-adjusted above		(65,812)	43,458	(10,335)	(6,203)	(15,285)	(12,517)	34,962	(16,778)	-	113,998	-	-
Less: conversion of ST interco debt to LT interco debt				(94,401)									
S-T Interco Debt (adjusted)	554,634	488,822	532,280	427,544	421,341	406,056	393,539	428,501	411,723	411,723	525,721	525,721	525,721
Total Net Utility Plant	2,806,503	2,860,538	2,856,925	2,855,311	2,852,686	2,851,056	2,847,426	2,845,722	2,837,895	2,837,895	2,837,895	2,837,895	2,837,895
percentage	19.8%	17.1%	18.6%	15.0%	14.8%	14.2%	13.8%	15.1%	14.5%	14.5%	18.5%	18.5%	18.5%

Intercompany receivable	(522,235)	(456,423)	(499,881)	(489,546)	(483,343)	(468,058)	(455,541)	(490,503)	(473,725)	(473,725)	(587,723)	(587,723)	(587,723)
Monthly change in balance, per budget draft		65,812	(43,458)	10,335	6,203	15,285	12,517	(34,962)	16,778	-	(113,998)	-	-
Total Net Utility Plant	2,812,805	2,866,840	2,863,227	2,861,613	2,858,988	2,857,358	2,853,728	2,852,024	2,844,197	2,844,197	2,844,197	2,844,197	2,844,197
Monthly change in balance, per budget draft		54,035	(3,613)	(1,614)	(2,625)	(1,630)	(3,630)	(1,704)	(7,827)	-	-	-	-

**PENNICHUCK EAST UTILITY, INC. AND
PITTSFIELD AQUEDUCT COMPANY, INC.
DW 23-066**

Joint Petition for Waiver and Increase to The Short- Term Debt Limit
Responses to DOE Data Requests – Set 2

Date Request Received: 8/15/23
Request No. DOE 2-1

Date of Response: 8/23/2023
Witness: George Torres

REQUEST Ref: DOE 1-2

The short-term debt as of 12/31/22 indicated in schedules contained in the respective Companies' 2022 Annual Reports are as follows:

	<u>PEU</u>	<u>PAC</u>
Intercompany Payables that are not long-term	\$4,904,062	\$ 281,685
Bonds, Notes, Mortgages (currently payable)	<u>3,218,784</u>	<u>32,061</u>
Total	<u>\$8,122,846</u>	<u>\$ 313,746</u>

Please provide the various categories of costs and associated amounts that comprise the respective short-term debt balances indicated above, i.e., of capital projects, operating expenses, dividends payable, accrued income taxes, etc.

RESPONSE:

Pennichuck East Utility, Inc. ("PEU") and Pittsfield Aqueduct Company, Inc. ("PAC") directs the Department to the supporting schedules attached as Exhibit DOE Exhibit 2-1a providing a summary of the short-term and long-term debt for PEU through 12/31/22, and Exhibit DOE Exhibit 2-1b providing a summary of the short-term and long-term debt for PAC through 12/31/22.

PENNICHUCK EAST UTILITY
INTERCOMPANY PAYABLE - SHORT TERM
FOR THE YEAR ENDING 12/31/2022

PEU and PAC Joint Petition for Waiver
and Increase to the Short-Term Debt Limit

DW 23-066
Exhibit DR 2-1a
8/23/2023
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	<u>Amount</u>
AP (Insurance, Legal Services, Inventory, Postage, etc.)	(990,881)
Cash Transfers (weekly, monthly RSF's, year end balances)	879,737
Dividends (Year-end to PCP)	(741,407)
Engineering & IS OH (Capital Projects)	(549,582)
Intercompany Interest	(105,783)
Management Fee (Non-Union Labor & Vehicles, etc)	280,562
Monthly Tax Provision & Deferred Taxes	(105,798)
Workorder Activity (Union Labor & Vehicles, Direct Charges, etc.)	(3,570,909)
Total	<u><u>(4,904,062)</u></u>

PENNICHUCK EAST UTILITY
 LONG TERM DEBT - NOTE BALANCES
 FOR THE YEAR ENDING 12/31/2022

PEU and PAC Joint Petition for Waiver
 and Increase to the Short-Term Debt Limit
 DW 23-066
 Exhibit DR 2-1a
 8/23/2023

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Account Name	Short-Term Portion
Green Hills	17,325
Green Hills Forgivable	5,799
Pelham Tank Project	34,616
Maple Hills	32,115
Birch Hill	92,903
Locke Lake 2007	12,298
Locke Lake 2007 Forgivable	3,760
Locke Lake 2011	8,800
Locke Lake 2011 Forgivable	6,025
Liberty Tree	11,140
Liberty Tree Forgivable	7,029
Locke Lake 2012	19,534
CoBank 4.5M Loan	244,994
CoBank 1.7M Loan (T4)	1,059,563
CoBank 925K Loan (T3)	44,875
Locke Lake - Dam Site Phase 2	18,712
Locke Lake - Winwood & Monroe Phase 1	17,607
Hickory & Avery	19,460
W&E Main Replacement	46,590
Hardwood Treatment Station	26,298
CoBank 625K Loan	19,029
Locke Lake - Winwood & Monroe Phase 2	18,240
CoBank 1.25M Portion of 2.2M Loan (T6-1)	37,004
Locke Lake - Varney Road	68,444
CoBank 950K Portion of 2.2M Loan (T6-2)	26,676
Brady Ave	12,493
Brady Ave Forgivable	2,095
Merrimack River Crossing	105,674
CoBank 350K Loan	8,724
Hillcrest Road	10,658
Locke Lake Georgetown Main Replacement	27,628
Locke Lake Georgetown Forgivable	6,883
Locke Lake Airstrip Well Interconnect	18,320
Locke Lake Airstrip Well Forgivable	3,557
Locke Lake Surface Water Supply	63,345
Locke Lake Surface Water Forgivable	12,299
CoBank 1.153M Loan T9	29,886
CoBank Loan T10	20,530
CoBank Loan T11	27,448
CoBank Loan T12	60,566
CoBank Loan T13	9,786
PCP 2018 1.7M Loan	39,773
PCP 2018 1.1M Loan	27,055
Fixed Asset Line of Credit	833,256
Total Current Note Payable	<u>3,218,814</u>

PITTSFIELD AQUEDUCT COMPANY
INTERCOMPANY PAYABLE - SHORT TERM
FOR THE YEAR ENDING 12/31/2022

PEU and PAC Joint Petition for Waiver
and Increase to the Short-Term Debt Limit

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Exhibit DR 2-1b
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	<u>Amount</u>
AP (Insurance, Legal Services, Inventory, Postage, etc.)	(107,773)
Beginning Balance	35,755
Capital Projects	(3,278)
Cash Transfers (weekly, monthly RSF's, year end balances)	366,158
Dividends (Year-end to PCP)	(126,948)
Intercompany Interest	(6,627)
Management Fee (Non-Union Labor & Vehicles, etc)	(19,359)
Monthly Tax Provision & Deferred Taxes	(33,003)
Workorder Activity (Union Labor & Vehicles, Direct Charges, etc.)	(386,609)
Total	<u><u>(281,685)</u></u>

PITTSFIELD AQUEDUCT COMPANY
LONG TERM DEBT - NOTE BALANCES
FOR THE YEAR ENDING 12/31/2022

PEU and PAC Joint Petition for Waiver
and Increase to the Short-Term Debt Limit
DW 23-066
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<u>Account Name</u>	<u>Current</u>
Catamount Road	2,908
Catamount Road Forgivable	1,430
PCP 2018 1.1M Loan	27,723
Total	<u><u>32,061</u></u>