

CONTENTS - FILING REQUIREMENT SCHEDULES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Page 1 of 2

Line No.	Schedule	Description
1		
2	A	COMPUTATION OF REVENUE DEFICIENCY
3		
4		
5	1	STATEMENT OF NET INCOME/STATEMENT OF UTILITY OPERATING INCOME/QTRLY CUSTOMERS/CONSUMPTION
6		
7		<u>Adjustments to Pro Forma Utility Operating Income</u>
8		
9	1A	PRO FORMA REVENUES AT PRESENT & PROPOSED RATES
10		
11	1B	SUMMARY OF PRO FORMA ADJUSTMENTS TO O&M EXPENSE
12		
13	1C	SALARIES & WAGES
14		
15	1D	EMPLOYEE WELFARE
16		
17	1E	EMPLOYEE BONUS PROGRAM
18		
19	1F	FAS 106 - POST RETIREMENT HEALTHCARE
20		
21	1G	PENSION EXPENSE
22		
23	1H	AMORTIZATION OF DEPRECIATION STUDY
24		
25	1I	CHEMICALS EXPENSE
26		
27	1J	PURCHASED POWER - ELECTRIC
28		
29	1K	MISCELLANEOUS/NON-RECURRING ITEMS
30		
31	1L	BUILDING LEASE EXPENSE
32		
33	1M	CORPORATE INSURANCE
34		
35	1N	AUDIT FEES
36		
37	1O	CUSTOMER BILLING
38		
39	1P	PURCHASED POWER - OIL & GAS
40		
41	1Q	CIAC AMORTIZATION
42		
43	1R	TANK PAINTING AMORTIZATION
44		
45	1S	SHARED FACILITY COSTS
46		
47	1T	MANAGEMENT ALLOCATION
48		
49	1U	SHARED CUSTOMER SERVICE COSTS
50		
51	1V	SHARED TECHNOLOGY COSTS
52		
53	1W	DEPRECIATION EXPENSE
54		
55	1X	PAYROLL TAXES
56		
57	1Y	PROPERTY TAX EXPENSE
58		
59	1Z	INTEREST EXPENSE
60		
61	1AA	STATE INCOME TAXES
62		
63	1BB	FEDERAL INCOME TAXES
64		
65		

CONTENTS - FILING REQUIREMENT SCHEDULES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Page 2 of 2

Line No.	Schedule	Description
1		
2	2	COMPARATIVE BALANCE SHEET
3		
4	2A	COMPARATIVE BALANCE SHEET - 13 MONTHS
5		
6	2B	UTILITY PLANT
7		
8	2C	PROPERTY HELD FOR FUTURE USE
9		
10	2D	ACCUMULATED DEPRECIATION
11		
12	2E	MATERIALS & SUPPLIES
13		
14	2F	DEFERRED TAXES
15		
16	2G	DEFERRED DEBITS
17		
18	2H	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)
19		
30	3	RATE BASE
31		
32	3A	UTILITY PLANT IN SERVICE
33		
34	3B	RATE BASE ADDITIONS
35		
36	3C	RATE BASE DEDUCTIONS
37		
38	3D	WORKING CAPITAL
39		
40		
41	4	OVERALL RATE OF RETURN
42		
43	4A	CAPITAL STRUCTURE FOR RATEMAKING PURPOSES
44		
45	4B	HISTORICAL CAPITAL STRUCTURE
46		
47	4C	CAPITALIZATION RATIOS
48		
49	4D	WEIGHTED AVERAGE COST OF LONG TERM DEBT
50		
51	4E	WEIGHTED AVERAGE COST OF SHORT TERM DEBT
52		
53	4F	WEIGHTED AVERAGE COST OF PREFERRED STOCK
54		
55		
56	5A	BILL ANALYSIS - TOTAL METERED
57		
58	5B	BILL ANALYSIS - RESIDENTIAL
59		
60	5C	BILL ANALYSIS COMMERCIAL
61		
62	5D	BILL ANALYSIS - INDUSTRIAL
63		
64	5E	BILL ANALYSIS - PUBLIC AUTHORITY
65		
66	5F	BILL ANALYSIS - SEASONAL
67		
68	5G	BILL ANALYSIS - PUBLIC FIRE SERVICE
69		
70	5H	BILL ANALYSIS - PRIVATE FIRE SERVICE
71		
72	5I	BILL ANALYSIS - MISCELLANEOUS REVENUES
73		
74		
75	6	ADDITIONAL REVENUE REQUIREMENT DUE TO STEP INCREASE

COMPUTATION OF REVENUE DEFICIENCY

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. A
Page 1 of 1

Line No.		Actual Test Year	Required Increase	Pro Forma
1				
2	1 Rate Base	\$ 18,122,458		\$ 19,895,425
3				
4	2 Rate of Return	6.64%		8.16%
5				
6	3 Income Required [L1 x L2]	\$ 1,203,016	\$ 420,451	\$ 1,623,467
7				
8	4 Adjusted net Operating Income at Present Rates			995,369
9				
10				
11	5 Deficiency			\$ 628,098
12				
13	6 Tax Effect*			59.48%
14				
15	7 Revenue Deficiency [L5 / L6]			\$ 1,056,070
16				
17	8 Revenues at Present Rates			\$ 5,009,914
18				
19	9 Proposed Revenue Increase [L7 / L8]			21.08%
20				
21				
22				
23				
24				
25	*Requested return of equity of 10.23%. A one percent change in requested equity return is equal to approximately \$140K in revenues calculated as follows:			
26				
27				
28				
29	Rate base			\$ 19,895,425
30	Change in Equity (1% x 41.79%)			0.4179%
31				
32	Change in Operating Income			\$ 83,143
33	Conversion Factor			1.68
34				
35	Change in revenue requested			\$ 139,795
36				
37				
38				
39				
40				

STATEMENT OF NET INCOME

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1
Page 1 of 3

[illegible]

Aquarion Water Company of New Hampshire
Case No. DW 08-098

[illegible]

QUARTERLY CONSUMPTION & CUSTOMERS FOR TEST YEAR

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1
Page 3 of 3

Line No.		Q2 2007	Q3 2007	Q4 2007	Q1 2008
1					
2	<u>Consumption (KG)</u>				
3					
4	Residential	89,686	159,848	149,036	81,594
5	Commercial	41,978	58,296	52,353	37,909
6	Industrial	1,524	1,331	698	939
7	Public Authority	1,989	2,000	5,139	2,031
8					
9	Total	135,177	221,475	207,226	122,473
10					
11					
12					
13					
14	<u>Customers</u>				
15					
16	Residential	7,790	7,813	7,794	7,843
17	Commercial	623	625	633	631
18	Industrial	2	2	2	2
19	Public Authority	60	60	58	60
20					
21	Total	8,475	8,500	8,487	8,536
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

PRO FORMA REVENUES AT PRESENT & PROPOSED RATES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1A
Page 1 of 2

Line No.		Per Books Year Ended 3/31/2008	Pro Forma at Present Rates		Pro Forma at Proposed Rates	
			Adjustment	Total	Adjustment	Total
1						
2	Metered Sales to General Customers					
3	Quarterly and Monthly Billing					
4	Residential	\$2,837,035	(\$67,113)	\$2,769,922	\$562,632	\$3,332,555
5	Commercial	933,427	(35,462)	897,965	219,956	1,117,921
6	Industrial	19,163	(153)	19,010	4,075	23,085
7	Other Public Authority	51,475	(4,459)	47,015	10,995	58,010
8						
9	Seasonal Billing					
10	Residential	238,011	(10,837)	227,173	48,334	275,508
11	Commercial	91,645	(1,357)	90,288	19,219	109,507
12	Public Authority	30,683	(490)	30,193	6,428	36,620
13						
14	Total Metered Sales	<u>\$4,201,438</u>	<u>(\$119,873)</u>	<u>\$4,081,565</u>	<u>\$871,640</u>	<u>\$4,953,205</u>
15						
16	Private Fire (Unmetered Sales)	\$234,985	(\$11,518)	\$223,467	\$47,611	\$271,078
17	Public Fire	636,333	(33,756)	602,578	128,384	730,961
18						
19	Total Water Revenue	<u>\$5,072,757</u>	<u>(\$165,147)</u>	<u>\$4,907,610</u>	<u>\$1,047,634</u>	<u>\$5,955,245</u>
20						
21	Other Water Revenues					
22	Late Payment Fees	\$39,909	(\$1,299)	\$38,610	\$8,226	\$46,836
23	Antenna Rental Income	31,616	16,093	47,709	-	47,709
24	Miscellaneous Operating Revenue	(410)	16,395	15,985	-	15,985
25						
26	Total Other Water Revenues	<u>\$71,115</u>	<u>\$31,188</u>	<u>\$102,304</u>	<u>\$8,226</u>	<u>\$110,530</u>
27						
28	Total Operating Revenue	<u>\$5,143,872</u>	<u>(\$133,958)</u>	<u>\$5,009,914</u>	<u>\$1,055,860</u>	<u>\$6,065,774</u>

PRO FORMA REVENUES AT PRESENT & PROPOSED RATES - ADJUSTMENT DETAIL

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1A
Page 2 of 2

Line No.		Unbilled Elimination	Surcharge Eliminations	MISC	Total Adjustments
1					
2	Metered Sales to General Customers				
3	Quarterly and Monthly Billing				
4	Residential	\$ 22,084 (1)	\$ (77,212) (2)	\$ (11,985) (3)	\$ (67,113)
5	Commercial	(12,950) (1)	(21,282) (2)	(1,230) (3)	(35,462)
6	Industrial	146 (1)	(299) (2)	-	(153)
7	Other Public Authority	(2,951) (1)	(1,178) (2)	(330) (3)	(4,459)
8					
9	Seasonal Billing				
10	Residential		(10,837) (2)	-	(10,837)
11	Commercial		(1,357) (2)	-	(1,357)
12	Public Authority		(490) (2)	-	(490)
13					
14	Total Metered Sales	<u>\$ 6,329</u>	<u>\$ (112,657)</u>	<u>\$ (13,545)</u>	<u>(\$119,873)</u>
15					
16	Private Fire (Unmetered Sales)		(7,719) (2)	\$ (3,798) (4)	\$ (11,518)
17	Public Fire		(29,914) (2)	(3,841) (4)	(33,756)
18					
19	Total Water Revenue	<u>\$ 6,329</u>	<u>\$ (150,290)</u>	<u>\$ (21,185)</u>	<u>\$ (165,147)</u>
20					
21	Other Water Revenues				
22	Late Payment Fees			\$ (1,299) (5)	\$ (1,299)
23	Antenna Rental Income			16,093 (6)	16,093
24	Miscellaneous Operating Revenue (1)			16,395 (7)	16,395
25					
26	Total Other Water Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,188</u>	<u>\$ 31,188</u>
27					
28	Total Operating Revenue	<u>\$ 6,329</u>	<u>\$ (150,290)</u>	<u>\$ 10,003</u>	<u>\$ (133,958)</u>
29					
30					
31	(1)	Eliminates impact of net change between beginning and ending unbilled revenues.			
32	(2)	Eliminates impact of rate case expense and temporary rate recoupment surcharges expiring at October 2007.			
33	(3)	Removes seasonal connection fees out of respective revenue classes and into miscellaneous revenues.			
34	(4)	Adjust to Counts at 03/31/08.			
35	(5)	Adjusts late payment fees for changes to pro forma revenues.			
36	(6)	Adjusts for updated contract pricing and new Antenna lease.			
37	(7)	Reflects adjustment for miscellaneous charges booked to other accounts during test year.			
38					
39					
40					

SUMMARY OF PRO FORMA ADJUSTMENTS TO O&M EXPENSE

Aquarion Water Company of New Hampshire of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1B
Page 1 of 1

Line No.	Adjustment Title	Detail on Schedule	Source of Supply	Pumping	Treatment	Transmission & Distribution	Customer Accounting	Administrative & General	Other Income	Total Amount
1										
2	Salaries and Wages	C	\$ 2,075	\$ 19,243	\$ 7,470	\$ 35,803	\$ 7,461	\$ (8,606)	\$ -	63,446
3										
4	Employee Welfare Expenses	D						36,534		36,534
5										
6	Employee Bonus Program	E						4,143	0	4,143
7										
8	Post Retirement Medical (FAS106)	F						(24,627)		(24,627)
9										
10	Pension Expense	G						(2,578)		(2,578)
11										
12	Amortization of Depreciation Study	H						8,333		8,333
13										
14	Chemical Costs	I			3,883					3,883
15										
16	Purchased Power - Electric	J		(2,962)						(2,962)
17										
18	Miscellaneous/Non-Recurring Items	K			12,920	(2,680)		(33,578)	10,693	(12,645)
19										
20	Building Lease	L						3,733		3,733
21										
22	Corporate Insurance	M						15,583		15,583
23										
24	Audit Fees	N						10,780		10,780
25										
26	Customer Billing	O						(4,400)		(4,400)
27										
28	Purchased Power - Oil & Gas	P		1,909						1,909
29										
30	CIAC Amortization	Q							4,282	4,282
31										
32	Tank Painting Amortization	R				3,208				3,208
33										
34	Shared Facility Costs	S						(5,981)		(5,981)
35										
36	Management Allocation	T						(11,489)		(11,489)
37										
38	Shared Customer Service Costs	U						(24,642)		(24,642)
39										
40	Shared Technology Costs	V						152,328		152,328
41										
42										
Total Proforma Adjustments at present Rates			\$ 2,075	\$ 18,190	\$ 24,273	\$ 36,331	\$ 7,461	\$ 115,535	\$ 14,974	\$ 218,839

SALARIES & WAGES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1C
Page 1 of 1

Line No.	SUMMARY	ACCOUNT DISTRIBUTION								
		Source of Supply	Pumping	Treatment	Transmission & Distribution	Customer Accounting	Administrative & General	Other Income	Other Cos/ Capital	Total
1										
2										
3	AWC of New Hampshire Employees									
4	Officer Wages									
5	Exempt - Non Union (2 F/T employees)									
6	Non- Exempt Non-Union Wages (1 F/T, 2 P/T employees)									
7	Union Employees (8 employees w/salaries effective 12/1/2007)									
8	Wage Increase effective 12/01/2008 per Union Contract (3%) plus one emp. 6 month step increase)									
9	Base Wages									
10	Standby, OT, Shift Differential wages incurred during test year									
11	Wage Increase applied to Standby, OT, Shift Differential (3%)									
12	Pro Forma Wages									
13	Percent Charged to Expense									
14	Pro Forma Wages Charged to Expense									
15										
16	Test Year Gross Wages									
17										
18	Test Year Wages charged to Expense									
19	Pro Forma Adjustment									
20										
21										
22										
23	Svc Co.: Test Year Wages to AWC-NH									
24										
25										
26	Service Company Test Year Wages	\$ 127,970								
27	Service Company Test Year Wages Charged to Expense	\$ 102,533								
28										
29										
30	Adjustment to Svc.Co. Wages to reflect April 1, 2008 Pay Increase (3%)	\$ 3,076								
31										
32										
33										
34										
35	Total Pro Forma Wage Adjustment	\$ 63,444								
36										
37										
38										
39										
40										

¹ Calculation found in Standard Filing Requirements, Response 28.

EMPLOYEE WELFARE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1D
Page 1 of 1

Line No.		Pro Forma	Test Year	Adjustment
1				
2	<u>Employee Medical Costs</u>			
3	Harvard Pilgrim Medical - (\$12,140.16 per mo. for 11 F/T employees * 12 mo.)	\$ 145,682		
4	CIGNA Medical - (\$10,814 per yr for 1 employee * 37.5% allocation factor)	4,055		
5	CIGNA - Prescription	21,780		
6	CIGNA - Dental	9,659		
7	Employee Contribution (\$933.13 per month * 12 months)	(11,198)		
8	Total Medical Cost	\$ 169,978	\$ 124,782	
9	% to Expense	84.7% ¹	86.2%	
10	Total medical Expense	\$ 143,971	\$ 107,526	\$ 36,445
11				
12	<u>401K</u>			
13	401K Costs	\$ 14,519	\$ 14,266	
14	% to Expense	84.7% ¹	86.2%	
15	401K Expense	\$ 12,298	\$ 12,293	\$ 4
16				
17	<u>Auto Allowance</u>			
18	Auto Allowance	\$ 4,800	\$ 1,569	
19	% to Expense	84.7% ¹	86.2%	
20	Auto Allowance Expense	\$ 4,066	\$ 1,352	\$ 2,714
21				
22	<u>Life Insurance</u>			
23	2X Base Wages Eligible for Life Insurance	\$ 1,324,953		
24	Cost of \$.145 per \$1,000 of wages X 12 months	0.002		
25	Life Insurance Cost	\$ 2,305	\$ 5,120	
26	% to Expense	84.7% ¹	86.2%	
27	Life Insurance Expense	\$ 1,952	\$ 4,412	\$ (2,460)
28				
29	<u>Long Term Disability</u>			
30	Wages Eligible for Long Term Disability	\$ 662,477		
31	Cost of \$.29 per \$100 of wages	0.003		
32	Long Term Disability	\$ 1,921	\$ 2,085	
33	% to Expense	84.7% ¹	86.2%	
34	Long Term Disability Expense	\$ 1,627	\$ 1,797	\$ (170)
35				
36	Total Pro Forma Employee Welfare Adjustment			<u>\$ 36,534</u>
37				
38				
39	¹ Calculation found in Standard Filing Requirements, Response 28.			
40				

Employee Bonus Program

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1E
Page 1 of 1

Line No.		
1		
2	Officer	\$ 13,632
3	Exempt - Non-Union	2,850
4	Non-Exempt - Non-Union	<u>2,328</u>
5		
6		\$ 18,810
7	Percent to Expense	<u>84.7%</u>
8		
9	Pro forma Bonus	\$ 15,932
10		
11	Test Year Bonus Charged to Expense	11,789
12		
13	Total Pro Forma Bonus Adjustment	<u>\$ 4,143</u>
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		

FAS 106 - POST RETIREMENT HEALTHCARE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1F
Page 1 of 1

Line No.		Pro Forma	Test Year	Adjustment
1				
2				
3				
4	FAS 106 Cost	132,000	158,326	
5				
6	% to Expense	<u>84.7%¹</u>	<u>86.2%</u>	
7				
8	FAS106 Expense	<u>\$ 111,804</u>	<u>\$ 136,431</u>	<u>\$ (24,627)</u>
9				
10				
11				
12				
13				
14				
15				
16	¹ Calculation found in Standard Filing Requirements, Response 28.			
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				

PENSION EXPENSE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1G
Page 1 of 1

Line No.		Pro Forma	Test Year	Adjustment
1				
2				
3	FAS 87 Cost	\$ 21,400	\$ 24,026	
4				
5	% to Expense	84.70% ¹	86.2%	
6				
7	FAS 87 Expense	<u>\$ 18,126</u>	<u>\$ 20,703</u>	<u>\$ (2,578)</u>
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23	¹ Calculation found in Standard Filing Requirements, Response 28.			
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				

AMORTIZATION OF DEPRECIATION STUDY

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1H
Page 1 of 1

Line No.	Description	Amount	Amortization Period (years)	Pro Forma Expense
1				
2	Pro Forma Expenses:			
3	Depreciation Study	\$ 50,000	6	\$ 8,333
4				
5	Subtotal	<u>\$ 50,000</u>		<u>\$ 8,333</u>
6				
7	Test Year			-
8				
9	Pro Forma Adjustment			<u>\$ 8,333</u>
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				

CHEMICALS EXPENSE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 11
Page 1 of 1

Line No.	Chemical	Units	Current Invoiced Price	Test Yr Qty	Pro Forma Qty	Pro Forma Expense
1						
2						
3	Sodium Hypochlorite	bulk/gallon	\$ 2.1000	3,964	3,964	\$ 8,324
4	Sodium Hexametaphosphate	pound	0.6500	8,813	8,813	5,728
5	Potassium Hydroxide	bulk/gallon	1.9700	10,210	10,210	20,114
6	Potassium Hydroxide	drums/pounds	0.3000	13,015	13,015	3,905
7					Pro Forma Expense	<u>\$ 38,071</u>
8						
9					Test year Expense	\$ 34,188
10						
11					Pro Forma Expense	<u>\$ 3,883</u>
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						

Aquarion Water Company of New Hampshire
Case No. DW 08-098

[illegible]

MISCELLANEOUS/NON-RECURRING ITEMS

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1K
Page 1 of 1

Line No.		
1		
2		<u>Test Year Amount</u>
3		
4	Elimination Test Year Rate Case Expense Amortization	\$ (33,578)
5	Test Year Leak Detection Services Invoiced in April 08	12,920
6	Eliminate Non Jobbing Revenues	11,348
7	Eliminate misc budget accrual	(2,680)
8	Eliminate non test year ADP invoices	(655)
9		
10		
11	Adjustment for Non-Recurring Items	<u>\$ (12,645)</u>
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		

BUILDING LEASE EXPENSE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1L
Page 1 of 1

Line No.			
1			
2			
3	Proforma Costs at Present Rates	\$	36,592
4			
5	Test Year Expense		32,859
6			
7			
8	Proforma Adjustment	<u>\$</u>	<u>3,733</u>
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

CORPORATE INSURANCE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1M
Page 1 of 1

Line No.	Policy Name	Allocation Methodology	Pro Forma Expense
1			
2	Property	Insured Property	\$ 1,775
3	Fiduciary Liability	Employee Count	1,048
4	Business Travel	Employee Count	41
5	Director's and Officer's Liability	Revenues	3,274
8	Domestic CGL	Per policy	24,875
10	Excess Liability	Production	9,150
11	Administrative Fee	Combined policies	6,173
12	Subtotal		<u>\$ 46,336</u>
13			
15			
16	Worker's Compensation	Per policy	\$ 18,348
17	Percent to Expense		84.70% ¹
18	Adjusted Subtotal		<u>\$ 15,541</u>
19			
20			
21			
22	Automotive	Per policy	<u>\$ 11,220</u>
23			
24			
25	Total Pro Forma Insurance Expense		<u><u>\$ 73,097</u></u>
26			
27	Test Year Expense		57,514
28			
29	Pro Forma Insurance Adjustment		<u><u>\$ 15,583</u></u>
30			
31			
32	¹ Calculation found in Standard Filing Requirements, Response 28.		
33			
34			
35			
36			
37			
38			
39			
40			

AUDIT FEES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1N
Page 1 of 1

Line No.		
1		
2	Proforma Audit Fees	\$ 44,108
3		
4	Test Year Expense	33,328
5		
6	Proforma Adjustment	<u>\$ 10,780</u>
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		

CUSTOMER BILLING

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 10
Page 1 of 1

Line No.		
1		
2	Proforma Customer Billing	\$ 37,078
3		
4	Test Year Expense	41,478
5		
6	Proforma Adjustment	<u>\$ (4,400)</u>
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		

PURCHASED POWER - OIL & GAS

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1P
Page 1 of 1

Line No.			
1			
2			
3	<u>Northern Utility Gas</u>		
4			
5	Test Year Bills Adjusted for Current Rates	\$	2,862
6	Test Year Actual Expense per GL		3,116
7			
8	Pro Forma Gas Adjustment	\$	(254)
9			
10			
11	<u>Amerigas Propane</u>		
12			
13	Test Year Bills Adjusted for Current Rates	\$	4,598
14	Test Year Actual Expense per GL		2,866
15			
16	Pro Forma Propane Adjustment	\$	1,732
17			
18			
19	<u>Lamprey Bros. Fuel Oil</u>		
20			
21	Test Year Bills Adjusted for Current Rates	\$	2,988
22	Test Year Actual Expense per GL		2,557
23			
24	Pro Forma Fuel Oil Adjustment	\$	432
25			
26			
27	Total Pro Forma Adjustment	\$	1,909
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

CIAC AMORTIZATION

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1Q
Page 1 of 1

Line
No.

1		
2	CIAC Balance @ 3/31/08	\$ (2,684,435)
3		
4	Amortization Rate	1.20%
5		
6	Pro Forma CIAC Amortization	<u>\$ (32,213)</u>
7		
8	Test Year CIAC Amortization	(36,495)
9		
10	Pro Forma Adjustment	<u>\$ 4,282</u>
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		

TANK PAINTING AMORTIZATION

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1R
Page 1 of 1

Line
No.

1		
2		
3	<u>Annual Tank Painting Amortization</u>	
4	Exeter Road	\$ 22,871
5	Glade Path	32,300
6	Jenness Beach	3,208
7		<u>\$ 58,380</u>
8		
9	Test Year Expense	55,171
10		
11	Pro Forma Adjustment	<u>\$ 3,208</u>
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		

SHARED FACILITY COSTS

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1S
Page 1 of 1

Line No.	Description	Lindley St. Operations Center	Main St. Corporate Office	Monroe Tpke Customer Service/IT	
1					
2	A				
3	Calculation of Hourly Rate for CT Employees in Respective Buildings				
4	Annualized labor for building employees	\$ 5,580,424	\$ 1,152,907	\$ 4,273,205	
5	Annual hours for employees	175,760	23,920	160,160	
6	Average Hourly Wage Rate	\$ 31.75	\$ 48.20	\$ 26.68	
7					
8	B				
9	Calculation of Hourly Building overhead Cost				
10	Cost Pool (AWC-CT books)				
11	Depreciation	\$ 148,642	\$ 41,067	\$ 94,586	
12	Property Taxes	73,260	29,781	42,775	
13	Return on Investment	351,746	152,092	323,103	
14	Operation & maintenance Expenses	440,509	73,001	424,604	
15	Total Annual Costs	\$ 1,014,157	\$ 295,941	\$ 885,068	
16	Assumed Hours from Above	175,760	23,920	160,160	
17	Total Hourly Building Cost	\$ 5.77	\$ 12.37	\$ 5.53	
18					
19	C = B / A				
20	Calculation of Building Overhead %				
21	Total Hourly Building Cost	\$ 5.77	\$ 12.37	\$ 5.53	
22	Average Hourly Wage Rate	31.75	48.20	26.68	
23	Overhead %	18.17%	25.67%	20.71%	
24					
25	D				
26	Calculation of Allocated cost				
27	CT Building Employee Direct Labor Charged to AWC-NH	\$ 58,280	\$ 21,229	\$ 335	
28	Allocated Customer Service Labor (see Schedule 1V)*			34,736	
29	Allocated IT Labor (see Schedule 1W)**			26,546	
30	Labor Pool	\$ 58,280	\$ 21,229	\$ 61,617	
31	Overhead %	18.17%	25.67%	20.71%	
32	Building Overhead to Allocate to AWC-NH	\$ 10,592	\$ 5,449	\$ 12,762	\$ 28,803
33	Test Year Allocation				34,784
34	Pro Forma Adjustment				\$ (5,981)

*On Schedule 1U, line 7.

**On Schedule 1V, line 6 multiplied by Line 15.

MANAGEMENT ALLOCATION

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1T
Page 1 of 2

Line No.	Test Year	Pro Forma Adjustment	Pro Forma	
1				
2	Corporate Costs			
3				
4	MUI Management Fee	\$ 958,885	\$ (62,218)	\$ 896,667
5	Auditing & Consulting	111,655	(3,855)	107,800
6	Legal	40,701	-	40,701
7	Employee Wages and Benefits	281,840	(32,228)	249,613
8	Bank Fees	149,770	-	149,770
9	Building Overhead	23,103	(11,505)	11,598
10	Other	(12,155)	12,397	242
11				
12	Total	<u>\$ 1,553,799</u>	<u>\$ (97,408)</u>	<u>\$ 1,456,391</u>
13				
14	Allocation Based on Massachusetts Formula		4.18%	(see page 2 of 2)
15				
16	<u>AWC-NH Share of Costs</u>			
17				
18	MUI Management Fee		\$ 37,494	
19	Auditing & Consulting		4,508	
20	Legal		1,702	
21	Employee Wages and Benefits		10,437	
22	Bank Fees		6,263	
23	Building Overhead		485	
24	Other		10	
25				
26	Total Pro Forma Expense		\$ 60,898	
27	Test Year Expense		72,387	
28				
29	Pro Forma Cost Reduction		<u>\$ (11,489)</u>	
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				

MANAGEMENT ALLOCATION

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1T
Page 2 of 2

Line No.	Mass Formula - 2008				
1					
2	Gross Revenues				
3		<u>2007 Act</u>			
4	CT	\$	115,956	84.8%	
5	MA		12,277	9.0%	
6	NH		5,214	3.8%	
7	Utility	\$	133,447	97.5%	
8	NonUtility		3,364	2.5%	
9	Total	\$	136,811	100.0%	
10					
11	Average Gross Plant				
12		<u>12/31/2006</u>		<u>12/31/2007</u>	<u>Average</u>
13	CT	\$	841,597	\$ 878,604	\$ 860,101 87.8%
14	MA		86,554	89,174	87,864 9.0%
15	NH		30,243	32,598	31,421 3.2%
16	Utility	\$	958,394	\$ 1,000,376	\$ 979,385 100.0%
17	NonUtility		443	443	443 0.0%
18	Total	\$	958,837	\$ 1,000,819	\$ 979,828 100.0%
19					
20	Gross Payroll				
21		<u>2007 Act</u>			
22	CT	\$	18,104	87.9%	
23	MA		1,573	7.6%	
24	NH		590	2.9%	
25	Utility	\$	20,267	98.4%	
26	NonUtility		326	1.6%	
27	Total	\$	20,593	100.0%	
28					
29	Weightings				
30		<u>Revenue</u>	<u>Plant</u>	<u>Payroll</u>	<u>Average</u>
31	Utility	97.5%	100.0%	98.4%	98.64%
32	Non Utility	2.5%	0.0%	1.6%	1.36%
33					
34	Customers				
35		<u>2007</u>	<u>Cust %</u>	<u>Util %</u>	<u>Alloc. Amt.</u>
36	CT	179,594	86.8%	98.64%	85.63%
37	MA	18,514	8.9%	98.64%	8.83%
38	NH	8,770	4.24%	98.64%	4.18%
39		206,878			
40					

SHARED CUSTOMER SERVICE COSTS

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1U
Page 1 of 1

Line
No.

1		
2		
3	AWC-CT Shared Customer Service/Collections Labor	\$ 1,604,067
4		
5	% to AWC-NH	<u>2.17%</u>
6		
7	Shared costs to AWC-NH	\$ 34,736
8		
9	Test Year Costs	59,378
10		
11	Pro Forma Adjustment	<u>\$ (24,642)</u>
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		

AWC Customers-12/31/2007		
AWC-MA	18,514	9.14%
AWC-NH ¹	4,385	2.17%
AWC-CT	<u>179,594</u>	<u>88.69%</u>
Total AWC	202,493	100.00%

¹AWC-NH incoming customer service calls are placed directly to the NH office. As such the customer service labor by CT employees on behalf of NH customers is limited. Therefore the customer count for AWC-NH in the above allocation formula is reduced to 50%.

SHARED TECHNOLOGY COSTS

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1V
Page 1 of 1

Line
No.

1		
2		
3	SAP-Return on Investment Allocated per CT Docket 07-05-19	\$ 1,704,915
4	SAP-Depreciation Allocated per CT Docket 07-05-19	1,613,489
5	906204 IT - SAP Software Maintenance	1,015,142
6	906001 IT Labor	626,197
7	906203 IT - SAP License Fees	455,052
8	906002 IT Outside Services	279,409
9	906202 IT - Software Maint	46,929
10	906201 IT - Hardware Maint	82,714
11	906XXX IT - Miscellaneous Expenses	<u>129,426</u>
12		
13	Total Annual Costs	\$ 5,953,272
14		
15	AWC-NH % Share of Costs	<u>4.24%</u>
16		
17	AWC-NH % Share of Costs	\$ 252,372
18		
19	Test year Expense	100,044
20		
21	Pro Forma Adjustment	<u>\$ 152,328</u>
22		
23		

AWC Customers-12/31/2007		
AWC-MA	18,514	8.95%
AWC-NH ¹	8,770	4.24%
AWC-CT	<u>179,594</u>	<u>86.81%</u>
Total AWC	206,878	100.00%

24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40

DEPRECIATION EXPENSE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1W
Page 1 of 1

Line No.	Description	NH PUC ACCT	Test Year Plant	Retirements and Transfers	Pro Forma Additions	Pro Forma Utility Plant	Present Annual Rate	Depreciation Amount	Proposed Annual Rate	Pro Forma Depreciation Amount
1										
2	Organization	101301	\$ 17,700			\$ 17,700	0.00%	-	0.00%	-
3	Miscellaneous Intangible Plant	101303	20,727			20,727	5.00%	\$ 1,036	3.33%	691
4	Source Land and Land Rights	101310	460,591			460,591	0.00%	-	0.00%	-
5	Source Structures and Improvements	101311	611,459			611,459	1.60%	9,783	2.75%	16,815
6	Collecting and Impounding Reservoirs	101312	-			-	0.00%	-	0.00%	-
7	Wells and Springs	101314	2,775,032			2,775,032	1.45%	40,238	3.67%	101,751
8	Supply Mains	101316	182,935			182,935	1.36%	2,488	1.20%	2,195
9	Other Water Source Plant	101317	1,499,100			1,499,100	1.33%	19,938	5.00%	74,955
10	Pumping Land and Land Rights	101320	709			709	0.00%	-	0.00%	-
11	Pumping Structures and Improvements	101321	1,275,322			1,275,322	2.47%	31,500	2.75%	35,071
12	Electric Pumping Equipment	101325	880,695			880,695	4.28%	37,694	3.43%	30,195
13	Diesel Pumping Equipment	101326	32,297			32,297	5.00%	1,615	3.67%	1,184
14	Other Pumping Equipment	101328	34,764			34,764	4.08%	1,418	4.40%	1,530
15	Treatment Structures and Improvements	101331	176,164			176,164	2.47%	4,351	2.75%	4,845
16	Treatment Equipment	101332	282,411			282,411	6.56%	18,526	3.67%	10,355
17	T&D Land and Land Rights	101340	154,202			154,202	0.00%	-	0.00%	-
18	T&D Structures and Improvements	101341	289,440			289,440	2.04%	5,905	2.75%	7,960
19	Distribution Reservoirs and Standpipes	101342	1,272,926			1,272,926	2.04%	25,968	2.00%	25,459
20	Transmission and Distribution Mains	101343	13,946,093			13,946,093	1.36%	189,667	1.20%	167,353
21	Services	101345	4,464,538			4,464,538	2.00%	89,291	1.84%	81,991
22	Meters	101346	740,054			740,054	5.94%	43,959	3.80%	28,122
23	Meter Installations	101347	243,519			243,519	1.54%	3,750	3.80%	9,254
24	Hydrants	101348	592,797			592,797	2.27%	13,456	2.40%	14,227
25	Other T&D Plant	101349	98,704			98,704	1.33%	1,313	5.00%	4,935
26	General Structures and Improvements	101390	590,808			590,808	2.99%	17,665	3.14%	18,568
27	Office Furniture and Equipment	101391	80,398			80,398	3.09%	2,484	7.69%	6,184
28	Computer Equipment - Hardware	101391H	522,662			522,662	12.65%	66,117	20.30%	104,532
29	Computer Equipment - Software	101391S	45,897			45,897	12.65%	5,806	20.30%	9,179
30	Transportation Equipment	101392	292,784			292,784	10.00%	29,278	11.25%	32,938
31	Stores Equipment	101393	17,891			17,891	2.87%	513	5.00%	895
32	Tools, Shop, and Garage Equipment	101394	142,771			142,771	3.46%	4,940	5.00%	7,139
33	Laboratory Equipment	101395	23,907			23,907	6.67%	1,595	6.67%	1,594
34	Power Operated Equipment	101396	162,947			162,947	4.73%	7,707	6.67%	10,863
35	Communications Equipment	101397	286,606			286,606	10.00%	28,661	10.00%	28,661
36	Miscellaneous Equipment	101398	26,780			26,780	6.28%	1,682	6.67%	1,785
37										
38			\$ 32,245,628	-	-	\$ 32,245,628		\$ 708,345	Subtotal	\$ 841,226
39										
40										
41										
42							Pro Forma Expense			\$ 841,226
43							Reserve deficiency amortization			97,396
44							Total			\$ 938,622
45							Test Year Expense			823,706
46							Pro Forma Adjustment			\$ 114,916

PAYROLL TAXES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1X
Page 1 of 1

Line No.		Pro Forma	Test Year	Adjustment
1				
2	FICA			
3	Proposed Wages	\$ 691,938		
4	Add Bonus	18,810		
5				
6	Medicare Tax Base	\$ 710,748		
7	Wages over limit	43,542		
8	Social Security Tax Base	\$ 667,206		
9				
10	Social Security Rate	6.20%	\$ 41,367	
11	Medicare Rate	1.45%	10,306	
12	Pro Forma FICA Expense		\$ 51,673	
13				
14	Federal Unemployment			
15	Employees	13		
16	Tax base	7,000		
17	Rate	0.80%	\$ 728	
18				
19	Employee	1		
20	Tax base	7,000		
21	Rate	0.80%		
22	Percent allocated to AWC NH	0.375	21	
23			\$ 749	
24	State Unemployment			
25	Employees	13		
26	Tax base	8,000		
27	Rate	0.10%	\$ 104	
28				
29	Employee	1		
30	Tax base	14,000		
31	Rate	2.87%		
32	Percent allocated to AWC NH	0.375	151	
33			\$ 255	
34				
35	Total Payroll Taxes	\$ 52,677		
36	% to Expense	84.7%		
37	Payroll Tax Expense	\$ 44,617	\$ 37,553	\$ 7,064
38				
39				
40				

PROPERTY TAX EXPENSE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1Y
Page 1 of 1

Line
No.

1			
2			
3	<u>Most Recent Property Tax Bills</u>		
4			
5	Hampton	\$	79,844
6	North Hampton		110,726
7	Rye		15,829
8	Stratham		30,378
9	State of NH		77,953
10		\$	314,730
11			
12	Test Year Expense		317,710
13			
14	Pro Forma Adjustment	\$	<u>(2,981)</u>
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

INTEREST EXPENSE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 12
Page 1 of 1

Line
No.

1		
2		
3	<u>Interest Expense</u>	
4	Long Term-Sched 4D	\$ 614,948
5	Intercompany - Sched 4E	151,060
6	Total Pro Forma Interest Expense	<u>\$ 766,008</u>
7		
8	Interest Expense per Test Year	707,510
9		
10	Pro Forma Adjustment	<u>\$ 58,498</u>

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40

STATE INCOME TAXES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1AA
Page 1 of 1

Line No.		3/31/2008	Adj	Pro Forma	Increase	Proposed
1						
2	Revenue	\$ 5,143,874	\$ (133,960)	\$ 5,009,914	\$ 1,056,070	\$ 6,065,984
3						
4	O&M Expense	\$ 2,372,599	\$ 203,865	\$ 2,576,464	\$ -	\$ 2,576,464
5	Depreciation	823,706	114,916	938,622	-	938,622
6	Other Taxes	368,901	4,084	372,985	-	372,985
7	Interest Expense	707,510	58,498	766,008	-	766,008
8	Net Other Income	(69,486)	14,974	(54,512)	-	(54,512)
9		<u>\$ 4,203,230</u>	<u>\$ 396,338</u>	<u>\$ 4,599,568</u>	<u>\$ -</u>	<u>\$ 4,599,568</u>
10						
11	Pre-Tax Income	940,644	(530,298)	410,346	1,056,070	1,466,416
12						
13	Flowthrough Differences	2,332	-	2,332	-	2,332
14						
15	Taxable Income	<u>\$ 942,976</u>	<u>\$ (530,298)</u>	<u>\$ 412,678</u>	<u>\$ 1,056,070</u>	<u>\$ 1,468,748</u>
16						
17	State Tax Expense (8.5%)	<u>\$ 80,153</u>	<u>\$ (45,075)</u>	<u>\$ 35,078</u>	<u>\$ 89,766</u>	<u>\$ 124,844</u>
18						
19	Tie to Books	407		407		407
20	Net Tax Per Books	<u>\$ 80,560</u>	<u>\$ (45,075)</u>	<u>\$ 35,485</u>	<u>\$ 89,766</u>	<u>\$ 125,251</u>
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						

FEDERAL INCOME TAXES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 1BB
Page 1 of 1

Line No.		<u>3/31/2008</u>	<u>Adj</u>	<u>Pro Forma</u>	<u>Increase</u>	<u>Proposed</u>
1						
2						
3						
4						
5	State Taxable Income	\$ 942,976	\$ (530,298)	\$ 412,678	\$ 1,056,070	\$ 1,468,748
6						
7	Less NH Tax Expense	(80,560)	45,075	(35,485)	(89,766)	(125,251)
8						
9	Taxable FIT Income	\$ 862,416	\$ (485,223)	\$ 377,193	\$ 966,304	\$ 1,343,498
10						
11	Tax @ 35%	301,846	(169,828)	132,018	338,207	470,224
12	Adjustment Related to 2006 Return	49,249	(49,249)	-	-	-
13	American Water-Regulatory Asset	9,878		9,878		9,878
14	Tie To Books	(1,846)		(1,846)		(1,846)
15						
16		<u>\$ 359,127</u>	<u>\$ (219,077)</u>	<u>\$ 140,050</u>	<u>\$ 338,207</u>	<u>\$ 478,257</u>
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						

COMPARATIVE BALANCE SHEET

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 2
Page 1 of 1

Line No.	Det. Sched.	3/31/2008	3/31/2007	3/31/2006	13 Mo. Avg	Det. Sched.	3/31/2008	3/31/2007	3/31/2006	13 Mo. Avg
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										
34										
35										
36										
37										
38										
39										
40										
41										
42										

ASSETS AND OTHER DEBITS						LIABILITIES AND OTHER CREDITS				
Property, Plant & Equipment						Stockholder's Equity				
Utility Plant	B,C	\$ 32,250,407	\$ 29,705,369	\$ 27,530,667	\$ 30,167,541	Preferred Stock	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800
Work in Progress		549,218	815,776	1,846,953	1,531,110	Common Stock	2,187,075	2,187,075	2,187,075	2,187,075
Accumulated Depreciation	D	(8,423,156)	(7,724,717)	(7,050,480)	(8,113,258)	Paid in Capital	3,558,190	3,558,190	3,558,190	3,558,190
Net Utility Plant		24,376,469	22,796,429	22,327,140	23,585,393	Contributed Capital	480,250	480,250	480,250	480,250
Non-Utility Property & Equipment		96,642	96,642	96,642	96,642	Retained Earnings	2,030,563	1,937,778	1,859,525	2,123,730
Less: Reserve for Depreciation		(96,642)	(96,642)	(96,642)	(96,642)	Total Stockholder's Equity	8,258,878	8,166,093	8,087,840	8,352,045
Net non-Utility Plant		-	0	-	0	Long-term Debt - Bonds	8,900,000	8,900,000	8,900,000	8,900,000
Current and Accrued Assets:						Notes Payable				
Cash		-	-	-	-	To Associated Companies	2,600,000	1,300,000	1,100,000	1,829,167
Accounts Receivable		318,930	383,427	305,872	392,146	Total Notes Payable	2,600,000	1,300,000	1,100,000	1,829,167
Miscellaneous Receivables		37,644	-	-	10,980	Current and Accrued Liabilities:				
Reserve for Uncollectibles		(55,078)	(39,142)	(31,244)	(42,249)	Accounts Payable & Accrued Liabilities	1,449,861	1,578,030	888,825	1,674,496
Receivables from Associated Companies		-	-	-	7,833	Dividends Payable	1,180	1,180	1,180	1,166
Accrued Revenues		357,126	351,826	315,773	497,938	Accrued Bond Interest	138,165	138,165	138,165	174,327
Materials & supplies, at cost	E	99,823	158,155	119,509	167,097	Accrued State Income Taxes	-	-	-	22,659
Prepayments		160,038	177,705	24,546	177,682	Total Current Liabilities	1,589,206	1,717,375	1,028,171	1,872,647
Total Current Assets		918,483	1,031,971	734,456	1,211,426	Deferred Credits				
Deferred Debits:						Deferred Taxes	F 2,853,916	2,886,988	2,813,060	2,892,925
Unamortized Debt Discount and Expense		205,766	215,105	223,645	210,669	Customer Advances for Construction	2,000	11,385	381,695	7,865
Unfunded Deferred Taxes	F	553,821	568,331	574,911	564,099	Total Deferred Credits	2,855,916	2,898,372	3,194,755	2,900,791
Other Deferred Debits	G	542,415	790,068	531,473	688,412	Contributions in Aid of Construction	H 2,392,953	2,420,064	2,080,859	2,405,349
Total Deferred Debits		1,302,002	1,573,505	1,330,029	1,463,180					
TOTAL ASSETS AND OTHER DEBITS		\$ 26,596,954	\$ 25,401,904	\$ 24,391,625	\$ 26,259,999	TOTAL LIABILITIES AND OTHER CREDITS	\$ 26,596,954	\$ 25,401,904	\$ 24,391,625	\$ 26,259,999

COMPARATIVE BALANCE SHEET - 13 MONTHS

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 2A
Page 1 of 1

Line No.	March-07	April-07	May-07	June-07	July-07	August-07	September-07	October-07	November-07	December-07	January-08	February-08	March-08	13 Month Average
1														
2	ASSETS AND OTHER DEBITS													
3														
4	<u>Property, Plant & Equipment</u>													
5	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 31,106,254	\$ 31,141,701	\$ 31,141,701	\$ 32,250,407	\$ 30,167,541
6	815,776	927,659	1,155,945	1,248,866	1,337,355	1,479,945	1,832,282	2,330,861	2,780,020	1,492,004	1,507,537	1,598,350	549,218	1,531,110
7	(7,724,717)	(7,794,274)	(7,863,831)	(7,933,388)	(8,002,945)	(8,072,502)	(8,142,059)	(8,211,616)	(8,281,173)	(8,252,536)	(8,329,212)	(8,401,629)	(8,423,156)	(8,113,258)
8	22,796,429	22,836,754	22,997,484	23,020,848	23,039,779	23,112,812	23,395,593	23,824,614	24,204,216	24,345,721	24,320,026	24,338,421	24,376,469	23,585,393
9														
10	96,642	96,642	96,642	96,642	96,642	96,642	96,642	96,642	96,642	96,642	96,642	96,642	96,642	96,642
11	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)	(96,642)
12	0	0	0	0	0	0	0	0	-	-	-	-	-	0
13														
14	<u>Current and Accrued Assets:</u>													
15	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	383,427	267,726	203,573	541,927	324,606	554,557	630,192	389,594	394,341	426,908	344,811	276,341	318,930	392,146
17	-	-	-	-	-	-	-	-	-	37,644	37,644	37,644	37,644	10,980
18	(39,142)	(39,620)	(40,193)	(36,902)	(36,860)	(37,351)	(37,356)	(37,884)	(35,875)	(53,011)	(52,497)	(52,331)	(55,078)	(42,249)
19	-	47,671	-	38,753	-	-	-	-	-	-	-	-	-	7,833
20	351,826	501,131	778,440	463,642	846,367	566,686	430,577	439,120	447,574	370,653	370,972	405,613	357,126	497,938
21	158,155	161,209	168,019	242,537	220,260	236,277	241,413	162,788	138,139	109,011	96,520	102,000	99,823	167,097
22	177,705	154,843	114,487	228,636	214,433	185,230	187,396	158,075	171,140	203,538	183,733	161,798	160,038	177,682
23	1,031,971	1,092,960	1,222,326	1,478,592	1,568,807	1,505,398	1,452,222	1,119,266	1,115,318	1,094,744	981,183	931,085	918,483	1,211,426
24														
25	<u>Deferred Debits:</u>													
26	215,105	214,394	213,682	212,970	212,259	211,547	210,836	210,124	209,412	208,701	207,189	206,477	205,766	210,669
27	568,331	568,331	568,331	568,331	568,331	568,331	568,331	568,331	568,331	553,821	553,821	553,821	553,821	564,099
28	790,068	778,881	767,695	756,508	745,321	734,134	722,666	717,024	711,383	559,339	553,698	548,056	542,415	688,412
29	1,573,505	1,561,606	1,549,708	1,537,809	1,525,911	1,514,012	1,501,832	1,495,479	1,489,126	1,321,861	1,314,708	1,308,354	1,302,002	1,463,180
30														
31														
32	\$ 25,401,904	\$ 25,493,320	\$ 25,769,518	\$ 26,037,249	\$ 26,134,497	\$ 26,132,222	\$ 26,349,647	\$ 26,439,360	\$ 26,808,661	\$ 26,762,326	\$ 26,615,917	\$ 26,577,840	\$ 26,596,954	\$ 26,259,999
33														
34	LIABILITIES AND OTHER CREDITS													
35														
36	<u>Stockholder's Equity</u>													
37	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)	\$ (2,800)
38	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)	(2,187,075)
39	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)	(3,558,190)
40	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)	(480,250)
41	(1,937,778)	(1,963,174)	(2,095,503)	(2,037,925)	(2,072,279)	(2,165,538)	(2,242,852)	(2,202,964)	(2,285,421)	(2,287,938)	(2,093,341)	(2,053,658)	(2,030,563)	(2,123,730)
42	(8,166,093)	(8,191,489)	(8,323,819)	(8,266,240)	(8,300,594)	(8,393,853)	(8,471,167)	(8,431,279)	(8,513,736)	(8,516,253)	(8,321,656)	(8,281,973)	(8,258,878)	(8,352,045)
43														
44	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)	(8,900,000)
45														
46	<u>Notes Payable</u>													
47	(1,300,000)	(1,500,000)	(1,500,000)	(2,100,000)	(1,800,000)	(1,800,000)	(1,700,000)	(1,600,000)	(1,500,000)	(1,900,000)	(2,200,000)	(2,400,000)	(2,600,000)	(1,829,167)
48	(1,300,000)	(1,500,000)	(1,500,000)	(2,100,000)	(1,800,000)	(1,800,000)	(1,700,000)	(1,600,000)	(1,500,000)	(1,900,000)	(2,200,000)	(2,400,000)	(2,600,000)	(1,829,167)
49														
50	<u>Current and Accrued Liabilities:</u>													
51	(1,578,030)	(1,375,307)	(1,467,001)	(1,256,179)	(1,569,331)	(1,603,210)	(1,802,537)	(1,979,397)	(2,312,458)	(1,955,545)	(1,657,004)	(1,602,033)	(1,449,861)	(1,674,496)
52	(1,180)	(1,152)	(1,166)	(1,180)	(1,152)	(1,166)	(1,180)	(1,152)	(1,166)	(1,180)	(1,152)	(1,166)	(1,180)	(1,166)
53	(138,165)	(187,973)	(237,780)	(171,938)	(221,745)	(88,358)	(138,165)	(187,973)	(237,780)	(171,938)	(221,745)	(88,358)	(138,165)	(174,327)
54	-	-	(5,391)	(10,391)	(13,391)	(20,391)	(20,391)	(20,391)	(27,391)	(54,391)	(54,391)	(51,391)	(51,391)	(22,659)
55	(1,717,375)	(1,564,432)	(1,711,339)	(1,439,688)	(1,805,620)	(1,713,125)	(1,956,273)	(2,188,913)	(2,578,795)	(2,183,054)	(1,934,292)	(1,742,948)	(1,589,206)	(1,872,647)
56														
57	<u>Deferred Credits</u>													
58	(2,886,988)	(2,908,988)	(2,908,988)	(2,908,988)	(2,908,988)	(2,908,988)	(2,908,988)	(2,908,988)	(2,908,988)	(2,858,916)	(2,858,916)	(2,854,916)	(2,853,916)	(2,892,925)
59	(11,385)	(11,385)	(11,385)	(11,385)	(11,385)	(11,385)	(11,385)	(11,385)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(7,865)
60	(2,898,372)	(2,920,373)	(2,920,372)	(2,920,373)	(2,920,373)	(2,920,373)	(2,920,372)	(2,920,372)	(2,910,988)	(2,860,916)	(2,860,916)	(2,856,916)	(2,855,916)	(2,900,791)
61														
62	(2,420,064)	(2,417,026)	(2,413,987)	(2,410,949)	(2,407,911)	(2,404,872)	(2,401,834)	(2,398,796)	(2,405,142)	(2,402,103)	(2,399,053)	(2,396,003)	(2,392,953)	(2,405,349)
63														
64	\$ (25,401,904)	\$ (25,493,320)	\$ (25,769,517)	\$ (26,037,249)	\$ (26,134,497)	\$ (26,132,222)	\$ (26,349,647)	\$ (26,439,360)	\$ (26,808,661)	\$ (26,762,326)	\$ (26,615,917)	\$ (26,577,840)	\$ (26,596,954)	\$ (26,259,999)

UTILITY PLANT

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 2B
Page 1 of 1

Line No.	Description	March-07	April-07	May-07	June-07	July-07	August-07	September-07	October-07	November-07	December-07	January-08	February-08	March-08	13 Month Average
1															
2															
3	Utility Plant														
4	101301 Organization	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700
5	101303 Miscellaneous Intangible Plant	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727
6	101310 Source Land and Land Rights	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591
7	101311 Source Structures and Improvements	559,741	559,741	559,741	559,741	559,741	559,741	559,741	559,741	559,741	611,459	611,459	611,459	611,459	575,654
8	101312 Collecting & Impounding Reservoirs	27,862	27,862	27,862	27,862	27,862	27,862	27,862	27,862	27,862	-	-	-	-	19,289
9	101314 Wells and Springs	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,421,102	2,458,872	2,458,872	2,775,032	2,396,641
10	101316 Supply Mains	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935
11	101317 Other Water Source Plant	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,499,100	1,499,100	1,499,100	1,499,100	1,208,632
12	101320 Pumping Land and Land Rights	709	709	709	709	709	709	709	709	709	709	709	709	709	709
13	101321 Pumping Structures and Improvements	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322
14	101325 Electric Pumping Equipment	861,733	861,733	861,733	861,733	861,733	861,733	861,733	861,733	861,733	863,320	863,320	863,320	860,695	868,173
15	101326 Diesel Pumping Equipment	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297
16	101328 Other Pumping Equipment	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764
17	101331 Treatment Structures and Improvements	136,401	136,401	136,401	136,401	136,401	136,401	136,401	136,401	136,401	176,164	176,164	176,164	176,164	148,636
18	101332 Treatment Equipment	280,746	280,746	280,746	280,746	280,746	280,746	280,746	280,746	280,746	284,939	284,939	284,939	282,411	281,842
19	101340 T&D Land and Land Rights	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202
20	101341 T&D Structures and Improvements	289,414	289,414	289,414	289,414	289,414	289,414	289,414	289,414	289,414	289,440	289,440	289,440	289,440	289,422
21	101342 Distribution Reservoirs and Standpipes	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,272,926	1,244,156
22	101343 Transmission and Distribution Mains	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	13,148,845	13,146,522	13,146,522	13,946,093	12,897,237
23	101345 Services	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,464,491	4,464,491	4,464,491	4,464,491	4,354,580
24	101346 Meters	634,042	634,042	634,042	634,042	634,042	634,042	634,042	634,042	634,042	740,054	740,054	740,054	740,054	666,661
25	101347 Meter Installations	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519
26	101348 Hydrants	567,515	567,515	567,515	567,515	567,515	567,515	567,515	567,515	567,515	567,515	592,797	592,797	592,797	575,294
27	101349 Other T&D Plant	72,685	72,685	72,685	72,685	72,685	72,685	72,685	72,685	72,685	98,704	98,704	98,704	98,704	80,690
28	101390 General Structures and Improvements	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808	560,808	590,808	590,808	590,808
29	101391 Office Furniture and Equipment	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398
30	101391H Computer Equipment - Hardware	535,723	535,723	535,723	535,723	535,723	535,723	535,723	535,723	535,723	544,367	544,367	544,367	522,662	536,713
31	101391S Computer Equipment - Software	40,302	40,302	40,302	40,302	40,302	40,302	40,302	40,302	40,302	45,897	45,897	45,897	45,897	42,023
32	101392 Transportation Equipment	269,359	269,359	269,359	269,359	269,359	269,359	269,359	269,359	269,359	292,784	292,784	292,784	292,784	276,567
33	101393 Stores Equipment	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891
34	101394 Tools, Shop, and Garage Equipment	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,771	142,818
35	101395 Laboratory Equipment	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	23,907	27,746
36	101396 Power Operated Equipment	159,347	159,347	159,347	159,347	159,347	159,347	159,347	159,347	159,347	162,947	162,947	162,947	162,947	160,455
37	101397 Communications Equipment	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	286,606	286,975
38	101398 Miscellaneous Equipment	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	26,780	33,031
39	105000 Property Held for Future Use	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779
40		\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 29,705,369	\$ 31,106,254	\$31,141,701	\$31,141,701	\$ 32,250,406	\$ 30,229,876

Test Year: Twelve Months Ended 03/31/08
Schedule No. 2C
Page 1 of 1

Line No.	Description	March-07	April-07	May-07	June-07	July-07	August-07	September-07	October-07	November-07	December-07	January-08	February-08	March-08	13 Month Average
3	Property Held for Future Use														
4	105000 Property Held for Future Use	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779
5		\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779	\$ 4,779
8	Represents expenditures incurred in 1997 toward the development of an additional source of supply and storage tank.														

ACCUMULATED DEPRECIATION

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 2D
Page 1 of 1

Line No.	Account Number	Account Description	December-05	December-06	December-07	March-08
1						
2		Source of Supply & Pumping Plant				
3	304	Structures & Improvements	327,840	349,264	395,215	399,038
4	305	Collecting & Impounding Reservoirs	-	-	-	-
5	307	Wells & Springs	389,753	413,699	453,580	465,652
6	309	Supply Mains	51,163	54,941	58,719	59,704
7	311	Other Water Source Plant	25,898	41,843	61,102	66,427
8	310	Other Power Production Equipment	-	-	-	-
9	310	Electric Pumping Equipment	422,524	467,753	513,670	515,790
10	310	Diesel Pumping Equipment	18,054	20,055	22,056	22,582
11	310	Hydraulic Pumping Equipment	-	-	-	-
12	310	Other Pumping Equipment	21,408	23,338	25,267	25,773
13		Water Treatment Plant				
14	304	Structures & Improvements	21,910	25,279	29,139	30,299
15	320	Water Treatment Equipment - New	150,543	170,926	191,448	195,265
16		Transmission & Distribution Plant				
17	303	T & D Easements	6,924	7,039	7,153	7,181
18	303	T & D Rights of Way	5,099	5,273	5,448	5,492
19	304	Structures & Improvements	115,390	124,787	134,331	136,815
20	330	Distribution Reservoirs & Standpipes	581,926	622,138	662,350	672,993
21	331	Transmission & Distribution Mains	2,276,979	2,395,666	2,624,136	2,687,999
22	333	Services	1,161,328	1,269,756	1,370,504	1,400,931
23	334	Meters	304,706	304,355	281,073	293,720
24	334	Meter Installation	6,047	11,297	16,548	17,923
25	335	Hydrants	196,331	201,025	215,653	220,362
26	339	Other T & D Plant	1,382	2,207	3,347	3,697
27		General Plant				
28	304	Structures & Improvements	77,277	94,825	112,490	117,199
29	340	Office Furniture & Equipment	4,797	8,120	11,442	12,314
30	340	Computer Equipment	293,554	368,856	445,610	443,827
31	340	Computer Equipment				
32	341	Transportation Equipment, Cars	85,451	112,400	140,521	148,330
33	342	Stores Equipment	1,442	1,768	1,872	2,018
34	343	Tools, Shop & Garage Equipment	54,282	60,387	66,935	68,542
35	344	Laboratory Equipment	16,219	18,390	20,562	16,903
36	345	Power Operated Equipment	23,768	31,483	39,284	41,384
37	346	Communications Equipment	262,837	295,480	328,123	329,642
38	347	Miscellaneous Equipment	10,658	12,808	14,958	15,352
39						
40			6,915,490	7,515,158	8,252,536	8,423,154

Individual Retirements over \$5,000

1) Little River Rd - Main	\$22,148
2) Well #6	\$30,044
3) Well #14 Pump Replacement	\$9,240
4) Hampton Beach Main Repl.	\$73,854

MATERIALS & SUPPLIES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 2E
Page 1 of 1

Line No.		March-07	April-07	May-07	June-07	July-07	August-07	September-07	October-07	November-07	December-07	January-08	February-08	March-08	13 Month Average
1															
2	MATERIALS & SUPPLIES - MONTHLY														
3															
4	154000- SUPPLIES INVENTORY	\$ 139,955	\$ 143,008	\$ 147,818	\$ 224,336	\$ 196,420	\$ 212,437	\$ 217,573	\$ 159,448	\$ 149,761	\$ 128,600	\$ 117,311	\$ 125,655	\$ 126,656	\$ 162,973
5	154001- CHEMICALS	-	-	-	-	-	-	-	(20,500)	(11,622)	-	-	-	-	(2,677)
6	154002- SUPPLIES INVENTORY	-	-	-	-	-	-	-	-	-	(19,590)	(20,791)	(23,655)	(26,834)	(6,454)
7	390154- INVENTORY MIGRATION ACCOUNT	18,201	18,201	18,201	18,201	23,840	23,840	23,840	23,840	-	-	-	-	-	13,255
8															
9		\$ 158,155	\$ 161,209	\$ 166,019	\$ 242,537	\$ 220,260	\$ 236,277	\$ 241,413	\$ 162,788	\$ 138,139	\$ 109,011	\$ 96,520	\$ 102,000	\$ 99,823	\$ 167,097
10															
11															
12															
13		March-08	March-07	March-06	13 Mo. Avg										
14															
15	MATERIALS & SUPPLIES - YEARLY														
16															
17	154000- SUPPLIES INVENTORY	\$ 126,656	\$ 139,955	\$ 115,424	\$ 162,973										
18	154001- CHEMICALS	-	-	4,084	(2,677)										
19	154002- SUPPLIES INVENTORY	(26,834)	-	-	(6,454)										
20	390154- INVENTORY MIGRATION ACCOUNT	-	18,201	-	13,255										
21															
22		\$ 99,823	\$ 158,155	\$ 119,509	\$ 167,097										
23															

* March of 2006 Account 154001 Pipe- Cast Iron, Ductile has become Account 154000 Supplies Inventory
Account 154018 Chemicals has become Account 154001 Chemicals

Test Year: Twelve Months Ended 03/31/08
Schedule No. 2F
Page 1 of 1

[illegible]

DEFERRED DEBITS

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 2G
Page 1 of 1

Line No.	Description	March-07	April-07	May-07	June-07	July-07	August-07	September-07	October-07	November-07	December-07	January-08	February-08	March-08	13 Month Average
1															
2															
3	Deferred Expenses (net of amortization)														
4	186015 Deferred Program Maintenance Costs	\$ 361,250	\$ 356,653	\$ 352,055	\$ 347,457	\$ 342,860	\$ 338,262	\$ 333,665	\$ 329,067	\$ 324,469	\$ 319,872	\$ 315,274	\$ 310,677	\$ 306,079	\$ 333,665
5	186023 Deferred Additional Security Costs	50,055	49,608	49,162	48,715	48,268	47,821	47,374	46,927	46,480	46,033	45,586	45,139	44,692	47,374
6	186032 Deferred Rate Case- AW Cos	60,637	54,675	48,713	42,751	36,789	30,827	24,583	24,167	23,750	23,333	22,917	22,500	22,083	33,030
7	186036 Deferred Water Restriction Costs	20,191	20,010	19,830	19,650	19,470	19,289	19,109	18,929	18,749	18,568	18,388	18,208	18,027	19,109
8	186042 FAS 158 Net (Gain) Loss	58,565	58,565	58,565	58,565	58,565	58,565	58,565	58,565	58,565	(26,711)	(26,711)	(26,711)	(26,711)	33,693
9	186043 FAS 158 Prior Service Costs	34,154	34,154	34,154	34,154	34,154	34,154	34,154	34,154	34,154	15,701	15,701	15,701	15,701	28,772
10	186044 FAS 158 Transition Obligation	205,216	205,216	205,216	205,216	205,216	205,216	205,216	205,216	205,216	162,543	162,543	162,543	162,543	192,770
11		<u>\$ 790,068</u>	<u>\$ 778,881</u>	<u>\$ 767,695</u>	<u>\$ 756,508</u>	<u>\$ 745,322</u>	<u>\$ 734,134</u>	<u>\$ 722,666</u>	<u>\$ 717,024</u>	<u>\$ 711,383</u>	<u>\$ 559,339</u>	<u>\$ 553,698</u>	<u>\$ 548,057</u>	<u>\$ 542,415</u>	<u>\$ 688,412</u>

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 2H
Page 1 of 1

[illegible]

RATE BASE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 3
Page 1 of 1

Line No.	Description	3/31/2008	3/31/2007	3/31/2006	13 Month Average	Pro Forma Adjustments ¹	Pro Forma	Reference
1								
2								
3	Plant in Service	\$ 32,245,628	\$ 29,700,590	\$ 27,530,667	\$ 30,162,763	\$ 2,082,865	\$ 32,245,628	3A
4								
5	Accumulated Depreciation	(8,423,156)	(7,724,717)	(7,050,480)	(8,113,258)	(309,898)	(8,423,156)	3B
6								
7	Net Plant in Service	<u>\$ 23,822,472</u>	<u>\$ 21,975,874</u>	<u>\$ 20,480,187</u>	<u>\$ 22,049,504</u>	<u>\$ 1,772,967</u>	<u>\$ 23,822,472</u>	
8								
9								
10	Add:							
11	Materials & Supplies	99,823	158,155	119,509	167,097		167,097	3B
12	Prepayments	14,864	(4,912)	24,546	16,743		16,743	3B
13	Deferred Expenses (net of amortization)	390,881	492,133	531,473	433,178		433,178	3B
14	Working Capital Allowance	190,568	198,016	156,407	197,976		197,976	3D
15								
16	Total Additions	<u>696,135</u>	<u>843,393</u>	<u>831,935</u>	<u>814,994</u>	<u>-</u>	<u>814,994</u>	
17								
18								
19	Less:							
20	Customer Advances	(2,000)	(11,385)	(381,695)	(7,866)		(7,866)	3C
21	Contributions in Aid of Constructions	(2,392,953)	(2,420,064)	(2,080,859)	(2,405,349)		(2,405,349)	3C
22	Reserve for Deferred Taxes	(2,300,095)	(2,318,657)	(2,238,149)	(2,328,826)		(2,328,826)	3C
23								
24	Total Deductions	<u>(4,695,048)</u>	<u>(4,750,106)</u>	<u>(4,700,703)</u>	<u>(4,742,041)</u>	<u>-</u>	<u>(4,742,041)</u>	
25								
26								
27	Total Rate Base	<u>\$ 19,823,559</u>	<u>\$ 18,069,161</u>	<u>\$ 16,611,418</u>	<u>\$ 18,122,458</u>	<u>\$ 1,772,967</u>	<u>\$ 19,895,425</u>	
28								
29	Utility Operating Income ²	\$ 1,203,016	\$ 971,891	\$ 716,066	\$ 1,203,016		\$ 1,203,016	Sch 1
30								
31	Return on Rate Base (RORB)	6.07%	5.38%	4.31%	6.64%		6.05%	
32								
33								
34								
35								
36								
37								
38								
39								
40								

1) Pro Forma Adjustment adjusts 13 month average of Plant in Service to 3/31/2008 levels.

2) Utility operating income is a rolling 12 month figure.

UTILITY PLANT IN SERVICE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 3A
Page 1 of 1

Line No.	Description	March-07	April-07	May-07	June-07	July-07	August-07	September-07	October-07	November-07	December-07	January-08	February-08	March-08	13 Month Average
1															
2															
3	<u>Plant in Service</u>														
4	101301 Organization	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700
5	101303 Miscellaneous Intangible Plant	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727	20,727
6	101310 Source Land and Land Rights	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591	460,591
7	101311 Source Structures and Improvements	559,741	559,741	559,741	559,741	559,741	559,741	559,741	559,741	559,741	611,459	611,459	611,459	611,459	574,825
8	101312 Collecting & Impounding Reservoirs	27,862	27,862	27,862	27,862	27,862	27,862	27,862	27,862	27,862	-	-	-	-	19,736
9	101314 Wells and Springs	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,338,050	2,421,102	2,458,872	2,458,872	2,775,032	2,383,316
10	101316 Supply Mains	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935	182,935
11	101317 Other Water Source Plant	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,079,534	1,499,100	1,499,100	1,499,100	1,499,100	1,201,908
12	101320 Pumping Land and Land Rights	709	709	709	709	709	709	709	709	709	709	709	709	709	709
13	101321 Pumping Structures and Improvements	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322	1,275,322
14	101325 Electric Pumping Equipment	861,733	861,733	861,733	861,733	861,733	861,733	861,733	861,733	861,733	883,320	883,320	883,320	880,695	867,920
15	101326 Diesel Pumping Equipment	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297	32,297
16	101328 Other Pumping Equipment	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764	34,764
17	101331 Treatment Structures and Improvements	136,401	136,401	136,401	136,401	136,401	136,401	136,401	136,401	136,401	176,164	176,164	176,164	176,164	147,999
18	101332 Treatment Equipment	280,746	280,746	280,746	280,746	280,746	280,746	280,746	280,746	280,746	284,939	284,939	284,939	282,411	281,864
19	101340 T&D Land and Land Rights	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202	154,202
20	101341 T&D Structures and Improvements	289,414	289,414	289,414	289,414	289,414	289,414	289,414	289,414	289,414	289,440	289,440	289,440	289,440	289,422
21	101342 Distribution Reservoirs and Standpipes	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,241,759	1,272,926	1,243,057
22	101343 Transmission and Distribution Mains	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	12,697,344	13,146,845	13,146,522	13,146,522	13,946,093	12,861,864
23	101345 Services	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,305,726	4,464,491	4,464,491	4,464,491	4,464,538	4,352,034
24	101346 Meters	634,042	634,042	634,042	634,042	634,042	634,042	634,042	634,042	634,042	740,054	740,054	740,054	740,054	664,962
25	101347 Meter Installations	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519	243,519
26	101348 Hydrants	567,515	567,515	567,515	567,515	567,515	567,515	567,515	567,515	567,515	592,797	592,797	592,797	592,797	574,889
27	101349 Other T&D Plant	72,685	72,685	72,685	72,685	72,685	72,685	72,685	72,685	72,685	98,704	98,704	98,704	98,704	80,273
28	101390 General Structures and Improvements	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808	590,808
29	101391 Office Furniture and Equipment	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398	80,398
30	101391H Computer Equipment - Hardware	535,723	535,723	535,723	535,723	535,723	535,723	535,723	535,723	535,723	544,367	544,367	544,367	522,662	537,339
31	101391S Computer Equipment - Software	40,302	40,302	40,302	40,302	40,302	40,302	40,302	40,302	40,302	45,897	45,897	45,897	45,897	41,934
32	101392 Transportation Equipment	269,359	269,359	269,359	269,359	269,359	269,359	269,359	269,359	269,359	292,784	292,784	292,784	292,784	276,191
33	101393 Stores Equipment	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891	17,891
34	101394 Tools, Shop, and Garage Equipment	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,821	142,771	142,819
35	101395 Laboratory Equipment	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	28,066	23,907	27,893
36	101396 Power Operated Equipment	159,347	159,347	159,347	159,347	159,347	159,347	159,347	159,347	159,347	162,947	162,947	162,947	162,947	160,397
37	101397 Communications Equipment	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	287,006	286,606	286,990
38	101398 Miscellaneous Equipment	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	33,552	26,780	33,269
39															
40		\$ 29,700,590	\$ 29,700,590	\$ 29,700,590	\$ 29,700,590	\$ 29,700,590	\$ 29,700,590	\$ 29,700,590	\$ 29,700,590	\$ 29,700,590	\$ 31,101,475	\$ 31,136,922	\$ 31,136,922	\$ 32,245,628	\$ 30,162,763

Test Year: Twelve Months Ended 03/31/08
Schedule No. 3B
Page 1 of 1

Line No.	Description	March-07	April-07	May-07	June-07	July-07	August-07	September-07	October-07	November-07	December-07	January-08	February-08	March-08	13 Month Average
1															
2															
3	<u>Accumulated Depreciation</u>														
4	111001 ACCUM DEPRECIATION - UTILITY PLANT	\$ (7,724,717)	\$ (7,794,274)	\$ (7,863,831)	\$ (7,933,388)	\$ (8,002,945)	\$ (8,072,502)	\$ (8,142,059)	\$ (8,211,616)	\$ (8,281,173)	\$ (8,337,291)	\$ (8,409,708)	\$ (8,482,125)	\$ (8,548,423)	\$ (8,138,957)
5	111002 ACCUM DEPR (PROCEEDS FROM SALE)	-	-	-	-	-	-	-	-	-	-	(4,259)	(4,259)	(4,259)	(887)
6	111010 ACCUM DEPR (A/D RETIREMENTS)										84,755	84,755	84,755	129,526	26,986
7		<u>\$ (7,724,717)</u>	<u>\$ (7,794,274)</u>	<u>\$ (7,863,831)</u>	<u>\$ (7,933,388)</u>	<u>\$ (8,002,945)</u>	<u>\$ (8,072,502)</u>	<u>\$ (8,142,059)</u>	<u>\$ (8,211,616)</u>	<u>\$ (8,281,173)</u>	<u>\$ (8,252,536)</u>	<u>\$ (8,329,212)</u>	<u>\$ (8,401,629)</u>	<u>\$ (8,423,156)</u>	<u>\$ (8,113,258)</u>
8															
9	Net Utility Plant	<u>\$ 21,975,874</u>	<u>\$ 21,906,317</u>	<u>\$ 21,836,760</u>	<u>\$ 21,767,203</u>	<u>\$ 21,697,646</u>	<u>\$ 21,628,089</u>	<u>\$ 21,558,532</u>	<u>\$ 21,488,975</u>	<u>\$ 21,419,418</u>	<u>\$ 22,848,939</u>	<u>\$ 22,807,710</u>	<u>\$ 22,735,293</u>	<u>\$ 23,822,472</u>	<u>\$ 22,049,504</u>
10															
11	<u>ADD:</u>														
12															
13	<u>Materials & Supplies</u>														
14	154000 SUPPLIES INVENTORY	\$ 139,955	\$ 143,008	\$ 147,818	\$ 224,336	\$ 196,420	\$ 212,437	\$ 217,573	\$ 159,448	\$ 149,761	\$ 128,600	\$ 117,311	\$ 125,655	\$ 126,656	\$ 162,973
15	154001 CHEMICALS	-	-	-	-	-	-	-	(20,500)	(11,622)	-	-	-	-	(2,677)
16	154002 SUPPLIES INVENTORY	-	-	-	-	-	-	-	-	-	(19,590)	(20,791)	(23,655)	(26,834)	(6,545)
17	390154 INVENTORY MIRGRATION ACCOUNT	18,201	18,201	18,201	18,201	23,840	23,840	23,840	23,840	-	-	-	-	-	13,255
18		<u>\$ 158,155</u>	<u>\$ 161,209</u>	<u>\$ 166,019</u>	<u>\$ 242,537</u>	<u>\$ 220,260</u>	<u>\$ 236,277</u>	<u>\$ 241,413</u>	<u>\$ 162,788</u>	<u>\$ 138,139</u>	<u>\$ 109,011</u>	<u>\$ 98,520</u>	<u>\$ 102,000</u>	<u>\$ 99,823</u>	<u>\$ 167,097</u>
19															
20	<u>Prepayments</u>														
21	165000 MISC PREPAYMENTS	\$ (529)	\$ (1,120)	\$ 3,039	\$ 2,424	\$ 16,808	\$ 16,192	\$ 15,577	\$ 14,961	\$ 15,806	\$ 16,281	\$ 15,638	\$ 15,021	\$ 19,518	\$ 11,677
22	165002 PREPAID PROPERTY TAXES	(10,923)	(39,651)	(67,268)	49,913	23,741	(2,430)	(11,229)	(37,401)	(22,648)	45,372	19,797	(5,778)	(31,293)	(5,724)
23	165003 PREPAID INSURANCE	-	-	-	-	-	-	-	-	-	6,379	12,312	15,415	20,251	3,686
24	165004 PREPAID MAINTENANCE CONTRACTS	3,066	7,598	2,385	2,044	1,703	1,363	1,022	681	341	4,122	8,919	3,373	2,783	
25	165005 PREPAID DPUC ASSESSMENT	2,722	1,814	906	(3)	(911)	(1,820)	9,114	8,088	7,062	6,036	5,010	3,984	2,958	3,510
26	165009 PREPAID D&O INSURANCE	-	-	-	-	-	-	-	-	-	(282)	(564)	(846)	(106)	
27	165011 PREPAID BOND TRUSTEE FEES	752	585	418	251	84	(83)	1,905	1,738	1,571	1,404	1,237	1,070	903	917
28		<u>\$ (4,912)</u>	<u>\$ (30,774)</u>	<u>\$ (60,520)</u>	<u>\$ 54,629</u>	<u>\$ 41,425</u>	<u>\$ 13,222</u>	<u>\$ 16,389</u>	<u>\$ (11,932)</u>	<u>\$ 2,132</u>	<u>\$ 75,472</u>	<u>\$ 57,834</u>	<u>\$ 38,067</u>	<u>\$ 14,864</u>	<u>\$ 16,743</u>
29															
30	<u>Deferred Expenses (net of amortization)</u>														
31															
32	186015 Deferred Program Maintenance Costs	\$ 361,250	\$ 356,653	\$ 352,055	\$ 347,457	\$ 342,860	\$ 338,262	\$ 333,665	\$ 329,067	\$ 324,469	\$ 319,872	\$ 315,274	\$ 310,677	\$ 306,079	\$ 333,665
33	186023 Deferred Additional Security Costs	50,055	49,608	49,162	48,715	48,268	47,821	47,374	46,927	46,480	46,033	45,586	45,139	44,692	47,374
34	186032 Deferred Rate Case- AW Cos	60,637	54,675	48,713	42,751	36,789	30,827	24,583	24,167	23,750	23,333	22,917	22,500	22,083	33,030
35	186036 Deferred Water Restriction Costs	20,191	20,010	19,830	19,650	19,470	19,289	19,109	18,929	18,749	18,568	18,388	18,208	18,027	19,109
36		<u>\$ 492,133</u>	<u>\$ 480,946</u>	<u>\$ 469,760</u>	<u>\$ 458,573</u>	<u>\$ 447,387</u>	<u>\$ 436,199</u>	<u>\$ 424,731</u>	<u>\$ 419,089</u>	<u>\$ 413,448</u>	<u>\$ 407,806</u>	<u>\$ 402,165</u>	<u>\$ 396,524</u>	<u>\$ 390,881</u>	<u>\$ 433,178</u>
37															
38	<u>Working Capital Allowance</u>	<u>\$ 198,016</u>	<u>\$ 199,239</u>	<u>\$ 200,421</u>	<u>\$ 199,921</u>	<u>\$ 201,692</u>	<u>\$ 201,463</u>	<u>\$ 202,421</u>	<u>\$ 201,629</u>	<u>\$ 199,503</u>	<u>\$ 190,470</u>	<u>\$ 192,255</u>	<u>\$ 192,409</u>	<u>\$ 190,568</u>	<u>\$ 197,976</u>
39															
40	Total Additions to Rate Base	<u>\$ 843,393</u>	<u>\$ 810,620</u>	<u>\$ 775,680</u>	<u>\$ 955,660</u>	<u>\$ 910,765</u>	<u>\$ 887,161</u>	<u>\$ 884,954</u>	<u>\$ 771,574</u>	<u>\$ 753,222</u>	<u>\$ 782,759</u>	<u>\$ 748,774</u>	<u>\$ 728,999</u>	<u>\$ 696,135</u>	<u>\$ 814,994</u>
41															

Test Year: Twelve Months Ended 03/31/08
Schedule No. 3C
Page 1 of 1

[illegible]

WORKING CAPITAL

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 3D
Page 1 of 1

Line No.	Description	Mar-06	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	13 Mo. Average
1																
2	Monthly O&M Expenses															
3	Apr-05	\$ 159,955														
4	May-05	142,610														
5	Jun-02	126,521														
6	Jul-05	160,442														
7	Aug-05	162,079														
8	Sep-05	208,535														
9	Oct-05	150,354														
10	Nov-05	167,128														
11	Dec-05	133,200														
12	Jan-06	161,513														
13	Feb-06	206,299														
14	Mar-06	168,653														
15	Apr-06	\$ 171,434														
16	May-06	192,401	\$ 192,401													
17	Jun-06	198,734	198,734	\$ 198,734												
18	Jul-06	193,235	193,235	193,235	\$ 193,235											
19	Aug-06	194,740	194,740	194,740	194,740	\$ 194,740										
20	Sep-06	194,814	194,814	194,814	194,814	194,814	\$ 194,814									
21	Oct-06	208,081	208,081	208,081	208,081	208,081	208,081	\$ 208,081								
22	Nov-06	215,959	215,959	215,959	215,959	215,959	215,959	215,959	\$ 215,959							
23	Dec-06	269,449	269,449	269,449	269,449	269,449	269,449	269,449	269,449	\$ 269,449						
24	Jan-07	159,562	159,562	159,562	159,562	159,562	159,562	159,562	159,562	159,562	\$ 159,562					
25	2/29/2007	232,927	232,927	232,927	232,927	232,927	232,927	232,927	232,927	232,927	232,927	\$ 232,927				
26	Mar-07	234,001	234,001	234,001	234,001	234,001	234,001	234,001	234,001	234,001	234,001	234,001	\$ 234,001			
27	Apr-07		186,650	186,650	186,650	186,650	186,650	186,650	186,650	186,650	186,650	186,650	186,650	\$ 186,650		
28	May-07			207,124	207,124	207,124	207,124	207,124	207,124	207,124	207,124	207,124	207,124	207,124	207,124	
29	Jun-07				192,505	192,505	192,505	192,505	192,505	192,505	192,505	192,505	192,505	192,505	192,505	
30	Jul-07					215,292	215,292	215,292	215,292	215,292	215,292	215,292	215,292	215,292	215,292	
31	Aug-07						191,883	191,883	191,883	191,883	191,883	191,883	191,883	191,883	191,883	
32	Sep-07							206,743	206,743	206,743	206,743	206,743	206,743	206,743	206,743	
33	Oct-07								198,218	198,218	198,218	198,218	198,218	198,218	198,218	
34	Nov-07									189,494	189,494	189,494	189,494	189,494	189,494	
35	Dec-07										156,985	156,985	156,985	156,985	156,985	
36	Jan-08											181,784	181,784	181,784	181,784	
37	Feb-08												234,841	234,841	234,841	
38	Mar-08														211,081	
39																
40	Total O&M	\$ 1,947,289	\$ 2,465,337	\$ 2,480,553	\$ 2,495,276	\$ 2,489,047	\$ 2,511,104	\$ 2,508,247	\$ 2,520,176	\$ 2,510,313	\$ 2,483,848	\$ 2,371,384	\$ 2,393,606	\$ 2,395,520	\$ 2,372,600	\$ 2,464,837
41																
42	Rate¹	8.03%	8.03%												8.03%	8.03%
43																
44	Working Capital	\$ 156,407	\$ 198,016												\$ 190,568	\$ 197,976

1.) Rate based on lag study found in Standard Filing Requirements, response #28.

OVERALL RATE OF RETURN

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 4
Page 1 of 1

Line No.	Description	Component Ratio	Component Cost Rate	Weighted Average Cost Rate
1				
2				
3				
4				
5	Long Term Debt	58.20%	6.66%	3.88%
6				
7	Preferred Stock	0.01%	6.00%	0.00%
8				
9	Common Equity	41.79%	10.23%	4.28%
10				
11	Total	100.00%		8.16%
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				

CAPITAL STRUCTURE FOR RATEMAKING PURPOSES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 4A
Page 1 of 1

Line No.	Description	3/31/2008	Adj	Adj 3/31/2008	Ratio	Component Cost	Weighted Cost
1							
2							
3							
4	Inter-Company Debt	\$ 2,600,000		\$ 2,600,000	13.16%	5.81%	0.77%
5	Long Term Debt	8,900,000		8,900,000	45.04%	6.91%	3.11%
6	Total Debt	\$ 11,500,000		\$ 11,500,000	58.20%	6.66%	3.88%
7							
8							
9	Preferred Stock	\$ 2,800		\$ 2,800	0.01%	6.00%	0.00%
10							
11	Stockholder's Equity:						
12	Common Stock	\$ 2,187,075					
13	Paid in Capital	3,558,190					
14	Contributed Capital	480,250					
15	Retained Earnings	2,030,563					
16	Common Equity	\$ 8,256,078	\$ -	\$ 8,256,078	41.79%	10.23%	4.28%
17							
18							
19							
20	Total Capitalization	\$ 19,758,878	\$ -	\$ 19,758,878	100.00%		8.16%
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

HISTORICAL CAPITAL STRUCTURE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 4B
Page 1 of 1

Line No.	Description	Pro Forma	31-Mar 2008	31-Dec 2007	31-Dec 2006	31-Dec 2005	31-Dec 2004	31-Dec 2003
1								
2								
3	Inter-Company Debt	\$ 2,600,000	\$ 2,600,000	\$ 1,900,000	\$ 1,700,000	\$ 900,000	\$ 5,300,000	\$ 6,600,000
4								
5	Long Term Debt	8,900,000	8,900,000	8,900,000	8,900,000	8,900,000	4,800,000	4,800,000
6								
7	Preferred Stock	2,800	2,800	2,800	2,800	2,800	3,000	7,600
8								
9	Common Stock	8,256,078	8,256,078	8,513,450	8,183,710	8,096,658	6,694,805	5,340,260
10								
11								
12								
13		<u>\$ 19,758,878</u>	<u>\$ 19,758,878</u>	<u>\$ 19,316,250</u>	<u>\$ 18,786,510</u>	<u>\$ 17,899,458</u>	<u>\$ 16,797,805</u>	<u>\$ 16,747,860</u>
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

CAPITALIZATION RATIOS

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 4C
Page 1 of 1

Line No.	Description	Pro Forma	31-Mar 2008	31-Dec 2007	31-Dec 2006	31-Dec 2005	31-Dec 2004	31-Dec 2003
1								
2								
3	Inter-Company Debt	13.16%	13.16%	9.84%	9.05%	5.03%	31.55%	39.41%
4								
5	Long Term Debt	45.04%	45.04%	46.08%	47.37%	49.72%	28.58%	28.66%
6								
7	Preferred Stock	0.01%	0.01%	0.01%	0.01%	0.02%	0.02%	0.05%
8								
9	Common Stock	41.79%	41.79%	44.07%	43.57%	45.23%	39.85%	31.88%
10								
11								
12								
13		<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

WEIGHTED AVERAGE COST OF LONG TERM DEBT

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 4D
Page 1 of 1

[illegible]

WEIGHTED AVERAGE COST OF SHORT TERM DEBT

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 4E
Page 1 of 1

[illegible]

WEIGHTED AVERAGE COST OF PREFERRED STOCK

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 4F
Page 1 of 1

[illegible]

BILL ANALYSIS - TOTAL METERED

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08

Schedule No. 5A

Page 1 of 1

Line No.	Class/Description	Pro Forma at Present Rates			Pro Forma at Proposed Rates			Dollar Change	Total Revenue % Change
		Sales (100CF)	Total Revenue	% Revenue to Total	Sales (100CF)	Total Revenue	% Revenue to Total		
1	Quarterly and Monthly Billing:								
2	Residential	616,885	\$ 2,769,922	55.29%	616,885	\$ 3,332,555	54.94%	\$ 562,632	20.31%
3	Commercial	236,680	897,965	17.92%	236,680	1,117,921	18.43%	219,956	24.50%
4	Industrial	6,005	19,010	0.38%	6,005	23,085	0.38%	4,075	21.44%
5	Other Public Authority	9,528	47,015	0.94%	9,528	58,010	0.96%	10,995	23.38%
6	Public Fire		602,578	12.03%		730,961	12.05%	128,384	21.31%
7	Private Fire		223,467	4.46%		271,078	4.47%	47,611	21.31%
8									
9	Seasonal Billing:								
10	Residential	26,158	227,173	4.53%	26,158	275,508	4.54%	48,334	21.28%
11	Commercial	18,239	90,288	1.80%	18,239	109,507	1.81%	19,219	21.29%
12	Public Authority	5,390	30,193	0.60%	5,390	36,620	0.60%	6,428	21.29%
13	Total		\$ 4,907,610	97.96%		\$ 5,955,245	98.18%	\$ 1,047,634	21.35%
14									
15	Pro Forma Other								
16	Late Payment Fee		\$ 38,610	0.77%		\$ 46,836	0.77%	\$ 8,226	21.31%
	Antenna Rental Income		47,709	0.95%		47,709	0.79%	-	0.00%
17	Misc. Operating Revenues		15,985	0.32%		15,985	0.26%	-	0.00%
18			\$ 102,304	2.04%		\$ 110,530	1.82%	\$ 8,226	8.04%
19									
20									
21	Pro Forma Total								
22	Operating Revenues		\$ 5,009,914	100.00%		\$ 6,065,774	100.00%	\$ 1,055,860	21.08%

BILL ANALYSIS - RESIDENTIAL

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08

Schedule No. 5B

Page 1 of 1

[illegible]

BILL ANALYSIS COMMERCIAL

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 5C
Page 1 of 1

[illegible]

BILL ANALYSIS - INDUSTRIAL

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 5D
Page 1 of 1

[illegible]

BILL ANALYSIS - PUBLIC AUTHORITY

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 5E
Page 1 of 1

[illegible]

Test Year: Twelve Months Ended 03/31/08
Schedule No. 5F
Page 1 of 1

[illegible]

BILL ANALYSIS - PUBLIC FIRE SERVICE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 5G
Page 1 of 1

Line No.	Location	Number of Hydrants	Pro Forma - Present Rates		Pro Forma Proposed Rates		Dollar Change	Total Revenue % Change
			Annual Rates	Revenue	Annual Rates	Revenue		
1								
2	Public Fire Service							
3								
4	Town of Hampton	268	1,252.76	\$ 335,740	1,519.67	\$ 407,272	\$ 71,532	21.31%
5								
6	Town of North Hampton	147	1,252.76	184,156	1,519.67	223,391	39,236	21.31%
7								
8	Rye Beach Precinct	24	1,252.76	30,066	1,519.67	36,472	6,406	21.31%
9								
10	Jenness Beach Precinct	42	1,252.76	52,616	1,519.67	63,826	11,210	21.31%
11								
12								
13	Total Public Fire	<u>481</u>		<u>\$ 602,578</u>		<u>\$ 730,961</u>	<u>\$ 128,384</u>	<u>21.31%</u>
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

BILL ANALYSIS - PRIVATE FIRE SERVICE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 5H
Page 1 of 1

Line No.	Location	Number of Hydrants	Pro Forma - Present Rates		Pro Forma Proposed Rates		Dollar Change	Total Revenue % Change
			Annual Rates	Revenue	Annual Rates	Revenue		
1								
2	Private Fire Service							
3								
4	3" Inch or less	64	295.73 \$	18,927	358.74 \$	22,959	\$ 4,033	21.31%
5								
6	4" Inch	56	503.89	28,218	611.25	34,230	6,012	21.31%
7								
8	6" Inch	110	1,202.14	132,235	1,458.26	160,409	28,173	21.31%
9								
10	8" Inch	14	2,137.62	29,927	2,593.05	36,303	6,376	21.31%
11								
12	10" Inch	-	3,340.95	-	4,052.76	-	-	0.00%
13								
14	12" Inch	3	4,720.25	14,161	5,725.93	17,178	3,017	21.31%
15								
16	Total Private Fire	<u>247</u>		<u>\$ 223,467</u>		<u>\$ 271,078</u>	<u>\$ 47,611</u>	<u>21.31%</u>
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

BILL ANALYSIS - MISCELLANEOUS REVENUES

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 51
Page 1 of 1

[illegible]

REVENUE REQUIREMENT FROM STEP INCREASE

Aquarion Water Company of New Hampshire
Case No. DW 08-098

Test Year: Twelve Months Ended 03/31/08
Schedule No. 6
Page 1 of 1

Line No.	Account Description	Pro Forma 3/31/2008	Proposed Increase	Proposed 3/31/2008
1				
2	Operating Revenues	-	\$ 222,607	\$ 222,607
3				
4	O&M Expenses			-
5	Depreciation	\$ 27,920		27,920
6	Taxes Other	25,742		25,742
7	Income Taxes	(45,707)	90,211	44,505
8	Total Operating Expense	7,955	90,211	98,167
9				
10	Utility Operating Income	\$ (7,955)	\$ 132,395	\$ 124,440
11				
12				
13	Rate Base Investment	\$ 1,525,000		\$ 1,525,000
14				
15				
16				
17				
18	Return on Rate Base	-0.52%		8.16%
19				
20				
21				
22	<u>Tax Calculation</u>			
23	Income before Income Taxes	\$ (53,662)		\$ 168,945
24	Interest Expense	(59,124)		(59,124)
25	State Taxable Income	(112,786)		109,821
26	State Income Tax	(9,587)		9,335
27				
28	Federal Taxable Income	(103,199)		100,486
29	Federal Income Tax	(36,120)		35,170
30				
31	Total Current Income Taxes	(45,707)		44,505
32				
33	Total Income Taxes	\$ (45,707)		\$ 44,505
34				
35				
36				
37				
38				
39				
40				