

PENNICHUCK WATER WORKS, INC.
COMPUTATION OF REVENUE DEFICIENCY
For The Twelve Months Ended December 31, 2009

STEP INCREASE
Schedule A

	TEST YEAR	PRO FORMA ADJUSTMENTS	PRO FORMA TEST YEAR	STEP INCREASE PRO FORMA ADJUSTMENTS	COMBINED PRO FORMA & STEP INCREASE FORMA TEST YEAR
Consolidated Rate Base	\$ 90,783,662	\$ 6,949,828	\$ 97,733,490	\$ 4,542,496	\$ 102,275,986
RATE of Return	7.38%		7.86%		7.86%
Income Required	\$ 6,699,834	\$ -	\$ 7,677,233		\$ 8,034,059
Adjusted NOI	\$ 5,126,962	\$ 185,896	\$ 5,312,859	\$ (178,615)	\$ 5,134,244
Deficiency	\$ 1,572,872	\$ -	\$ 2,364,375		\$ 2,899,815
Tax Factor	60.39%		60.39%		60.39%
Revenue Deficiency	\$ 2,604,524	\$ -	\$ 3,915,176	\$ 886,638	\$ 4,801,814
Water Revenues	\$ 23,087,262	\$ 1,029,163	\$ 24,116,426	\$ -	\$ 24,116,426
Proposed Revenue Inc	11.28%		16.23%	3.68%	19.91%
New Revenue Levels			\$ 28,031,601		\$ 28,918,240