EXHIBIT 2

STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

RE: HAMPSTEAD AREA WATER COMPANY, INC.

DW-12-170

Q. <u>PETITION FOR APPROVAL PERMANENT RATES</u>

<u>PRE-FILED TESTIMONY OF STEPHEN P. ST. CYR</u>

Q. Please state your name and address.

A. Stephen P. St. Cyr of Stephen P. St. Cyr & Associates, 17 Sky Oaks Drive, Biddeford, Me. 04005.

Q. Please state your present employment position and summarize your professional and educational background.

A. I am presently employed by St. Cyr & Associates, which primarily provides accounting, management, regulatory and tax services. The Company devotes a significant portion of the practice to serving utilities. The Company has a number of regulated water and sewer utilities among its cliental. I have prepared and presented a number of rate case filings before the New Hampshire Public Utilities Commission ("PUC"). Prior to establishing St. Cyr & Associates, I worked in the utility industry for 16 years, holding various managerial accounting and regulatory positions. I have a Business Administration degree with a concentration in accounting from Northeastern University in Boston, MA. I obtained my CPA certificate in Maryland.

Q. Is St. Cyr & Associates presently providing services to Hampstead Area Water Company (Company)?

A. Yes. St. Cyr & Associates assists the Company in its year end closing and preparation of financial statement and tax returns. St. Cyr & Associates assists the Company in various regulatory filings including expansion of its franchise, financing of construction projects and adjusting rates. It has been engaged to prepare the various revenue / rates exhibits, supporting schedules and written testimony.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to support the Company's efforts to increase rates to its customers so as to reflect in rates its 2012 additions to plant and its 2011 expenses adjusted for known and measurable changes.

Q. Does the Company have PUC approval of the financing for the 2012 additions?

A. Yes. On October 8, 2011 the Company filed a petition with the Commission seeking authority to borrow up to $180,000 in long term debt. The Company proposed to borrow from the State Revolving Loan Fund ("SRF"). The purpose of the proposed financing is to replace 100 service lines in its core system within the Town of Atkinson. On December 8, 2011 the PUC approved the borrowing of SRF in Order #25,299. The Company started the replacement project in June 2012 and expects to complete it in October 2012.

Also, On August 31, 2011 the Company filed a petition with the PUC requesting PUC approval to finance various 2011 capital additions including replacing meters, mains, services, pumps, media, filters, etc. Funding was provided by its affiliated company, LBDI. On January 10, 2012 the PUC approved the borrowing from LBDI in Order # 25,316. Funding from this financing will be used for the 2012 additions.

Q. How do the SRF and LBDI financings impact this rate filing?

A. The Company has proformed the impact of the 2012 SRF and LBDI financings into the rate filing as a step adjustment. The step adjustment is shown on schedule 6 and will be discussed later in my testimony.

Q. Is there anything that you would like to discuss before you continue your testimony?

A. Yes. A number of the expense proforma adjustments are related to the Settlers Ridge additions, the Fairfield Water System, and DES recommendations. I would like to discuss those events first.

Settlers Ridge Water System

On September 10, 2010 HAWC filed a petition seeking authority to borrow $536,505 in long term debt from its affiliate, Lewis Builders Development, Inc. ("LBDI"). HAWC used the proceeds of the financing to acquire four wells and construct a pump house and other equipment in order to provide service from these new wells. The PUC approved the acquisition of assets and the financing in order no. 25,195 dated February 18, 2011. The wells, pumphouse, and other equipment went into service in June 2011. The test year reflected only 6 or 7 months of related expenses.

Fairfield Water System

On September 26, 2011 the Company filed a petition for authority to provide water service in a fifteen-unit residential development located on Fairfield Lane in the Town of Sandown. The Fairfield Homeowners Association requested that HAWC acquire and operate its existing system. The original costs of the water system are $70,055 and HAWC will record that amount as a Contribution in Aid of Construction ("CIAC"). On January 18, 2012 the PUC approved the acquisition of assets, the expansion of the franchise area and the charging of existing rates. The acquisition of the asset took place during the 1st quarter 2012. The test year does not reflect any operating and maintenance expenses related to this system.

DES recommendations regarding water loss

The Company has been involved in an ongoing effort to reduce water loss. While the Company has made progress, it needs to make further progress and expend funds to do so. During 2011 DES made specific recommendations to assist HAWC with reducing water loss and achieving compliance. The specific recommendations pertained to source meters, service meters, water accounting, leak detection, and pressure management. While there are some expenses related to water loss in the test year, the Company expects to increase its effort and, as a result, increase its expenses.

Q. Is there anything else that you would like to address before you address the rate filing and the rate schedules?

A. No.

Q. Are you familiar with the pending rate application of the Company and with the various exhibits submitted as Schedules 1 through 7 inclusive, with related pages and attachments?

A. Yes, I am. The exhibits were prepared by me, utilizing the financial records of the Company with the assistance of Company personnel.

Q. What is the test year that the Company is using in this filing?

A. The Company is utilizing the twelve months ended December 31, 2011.

Q. Would you summarize the schedule entitled AComputation of Revenue Deficiency for the Test Year ended December 31, 2011?

A. Yes. This schedule summarizes the supporting schedules. The actual revenue deficiency for the test period amounts to ($3,301). It is based upon a 5 quarter average balance for 2011 of $4,625,212 as summarized in Schedule 3. The Company is utilizing its actual rate of return of 5.44% for the actual test year. The actual rate of return of 5.44% when multiplied by the rate base of $4,625,212, results in an operating income requirement of $251,493. As shown on Schedule 1, the actual net operating income for the test period was $254,794. The operating income requirement less the net operating income results in an operating income deficiency of ($3,301). The tax effect on the operating income deficiency is $0, resulting in a revenue deficiency of ($3,301).

The proforma revenue deficiency for the test year amounts to $0. The Company made various adjustments to its rate base, mostly related to adjusting the 5 quarter average balances to 2011 year end balances. The Company adjusted the rate of return to reflect its proforma capital structure, its proforma cost of debt, and a 10.75% cost of equity. The net of the adjustments to the capital structure and the adjustments to the cost rates results in a rate of return of 4.97%. As such, the rate of return of 4.97%, when multiplied by the rate base of $5,008,787, results in an operating income requirement of $248,751. The Company increased its revenue by $59,021 in order to allow the Company to recover its expenses and to earn a fair and reasonable return on its investment.

Q. Would you please summarize Schedule 1, AStatement of Income,@ for the twelve months ended December 31, 2011?

A. The first column (column b) of Schedule 1 shows the actual operating results of the Company from January 1, 2011 through December 31, 2011. The Company has filed its 2011 NHPUC Annual Report, which further supports the rate filing. During the twelve months ended December 31, 2011, the Company operating revenues amounted to $1,561,311, a decrease of $100,417, or 6%. The decrease in operating revenue in 2011 was due to the recovery of rate case expenditures in

2010. The decrease was partially offset by an increase in revenue from metered sales to general customers. The increase in revenue from metered sales to general customers is due to an increase in the number of customers, partially offset by a decrease in the amount of water consumed. The Company customer base has remained stable. The Company had 3,039 customers at December 31, 2011.

The Company's operating expenses consists of operation and maintenance expenses, depreciation and amortization expenses, and taxes. Total 2011 operating expenses amounted to $1,306,517, a decrease of $9,314 or .7%.

Operation and maintenance expenses decreased $53,971, primarily due to decreases in regulatory expenses, purchased power and customer accounts. The Company has also experienced increases in depreciation expenses and taxes other than income taxes.

The Company's net operating income amounted to $254,794.

The Company reviewed a number of expense accounts in its preparation of the rate filing. In its review, the Company determined that certain expenses needed to be adjusted in order to reflect what would be considered normal and reoccurring.

Q. Please explain each of the proforma adjustments made to revenue as shown on Schedule 1, in the second column (column c) and further supported on Schedule 1A.

A. The Company made three proforma adjustments to revenue.

<u>Operating Revenues</u>

1. Rate Case Surcharge

During 2011 the Company recovered a small amount of rate case expenditures approved by the PUC. As such, the Company is eliminating the recovery of such expenditures.

2. Fairfield Customers

As explained earlier, in 2012, the Company completed the purchase of the Fairfield water system. The Company began charging Fairfield customers for water on March 26, 2012. There are no revenues associated with Fairfield customers in the test year. As such, the Company applied the annual system average to the 15 customers and adjusted revenue by $7,186 (15 x $479.09)

3. Revenue

The proforma adjustment to revenue represents the additional revenue of $52,343 needed to recover the increase in its expenses and to earn a reasonable return on its rate base.

The total proforma adjustment to revenue amounts to $59,021.

Q. Did the Company make any proforma adjustments to expenses?

A. Yes. The Company made a number of proforma adjustments to expenses as follows:

Operating and Maintenance Expenses

Again, as explained earlier, in 2011 the Company purchased the wells, pumphouse and other equipment at Settlers Ridge, and in 2012, the Company completed the purchase of the Fairfield water systems. Expenses associated with these "new water systems" are either partially reflected or not reflected in 2011 test year expenses. As such, management has used its judgment to estimate various increases and reflected such increases as proforma adjustments to operating and maintenance expenses. The specific proforma adjustments are #s, 4, 5, 6, 7, 8, and 13.

Also, as explained earlier, during 2011 DES made specific recommendations to assist HAWC with reducing water loss and achieving compliance. Expenses associated with the DES recommendations are not fully reflected in 2011 test year expenses. As such, management has used its judgment to estimate various increases and reflected such increases as proforma adjustments to operating and maintenance expenses. The specific proforma adjustments are #s, 9, 10, 11, 12 and 13.

Unrelated to Settlers Ridge, Fairfield or the DES recommendations, the Company made a few other adjustments related to regulatory commission expenses, outside services and miscellaneous expenses. Adjustment 14 adjusts regulatory expenses for ($508). The adjustment corresponds to the adjustment 1. Adjustment 15 adjusts outside services for anticipated expenses incurred during the PUC audit of the test year. The Company anticipates incurring $3,000 and proposes to reflect $1,000 in the test year, essentially recovering the audit related expenses over a 3 year period. Adjustment 16 adjusts miscellaneous expenses. During the test year the Company's miscellaneous expenses amounted to ($259) due to cash discounts and other miscellaneous items. The adjustment of $500 restores the test year expense to a minimal amount of $241.

The total proforma adjustment to operating and maintenance expenses amounts to $50,492.

Depreciation Expenses

In 2011 the Company recorded $16,932 of depreciation expense on 2011 additions to plant. This amount represents a half year depreciation on such assets. Adjustment 17 represents a half year depreciation so that the test year can fully reflect depreciation on the 2011 additions.

Amortization of CIAC

In 2011 the Company recorded ($303) of amortization of CIAC on 2011 contributions. This amount represents a half year amortization on such contributions. Adjustment 18 represents a half year amortization of CIAC so that the test year can fully reflect amortization of CIAC on the 2011 contributions.

Amortization Expenses – 2008 Ice Storm

In 2011 the Company recorded $7,625 of amortization expense related to the 2008 ice storm. In July 2012 the Company expects to complete the recovery of the 2008 ice storm costs. As such, the Company is eliminating the $7,625.

Amortization Expense – 2011 System Evaluation

In 2011 the Company undertook a project to provide water to affected homeowners in the area of the Beede Superfund Site. HAWC and Beede representatives worked closely to provide an extension of the Rainbow Ridge Water system. However, the Beede group found an alternative source of water that was in closer proximity and the evaluation came to an end. The Company incurred $16,786 in evaluating the project. The costs associated with the Rainbow Ridge Water System extension project were relative to planning and meeting with the Beede Superfund Group. These costs included meeting with various engineers and project representatives, drafting proposals and contracts, and preparing surveyed plans and details. Such costs were prudently incurred and should be recovered. As such, the Company proposed to recover $16,786 over 3 years and has made an adjustment for $5,595.

The Company made no other proforma adjustments to expenses. The total proforma adjustments to expenses amount to $65,064.

The Company did review a number of other operating expenses, but decided that the expenses are reasonable and reoccurring, and provide a proper basis in which to establish future rates.

Q. Does column d of Schedule 1 represent the sum of the actual test year amounts (column b) plus the proforma adjustments (column c)?

A. Yes it does.

Q. Does column e and f represent the revenue and expenses for the twelve months ended December 31, 2010 and 2009, respectively?

A. Yes it does.

Q. Would you please explain Schedule 2 entitled ABalance Sheet@?

A. Yes. This schedule shows the year end balances reflected on the balance sheets of the Company for 2011, 2010 and 2009.

Utility Plant consists of numerous structures, wells, pumps, tanks, mains, services, meters, vehicles, and other plant. At December 31, 2011 the Company had utility plant of $13,517,250. Utility Plant consisted of $13,345,420 and $171,830 of utility plant in service and construction work in progress, respectively. In 2011 the Company added $792,914 to plant consisting of structures, wells, pumping equipment, water treatment equipment and transmission and distribution plant. The Company also retired plant amounting to $35,142 in 2011. Accumulated Depreciation represents the depreciation on these same assets from the date of purchase through December 31, 2011, using a straight line depreciation method over the estimated useful life.

The Company's current assets amount to $671,991, which includes $124,053 of cash, $386,931 of accounts receivable, $57,599 of prepaid expenses and $103,408 accrued utility revenues. The Company also has deferred assets including $89,120 of unamortized debt expense, $50,596 of miscellaneous deferred debits and $21,055 of deferred tax assets.

The Company's Equity Capital consists of $16,767 of common stock, $2,104,354 of other paid in capital, and retained earnings of ($1,232,715). The Company's sole shareholder is Christine Lewis Morse. The number of shares authorized and outstanding is 300 and 100, respectively, with no par value. The Company's other long term debt outstanding amounts to $4,838,650. TD Bank and the State of New Hampshire hold most of the debt. In 2011 the Company refinanced an existing TD Bank loan and finance debt previously held by Lewis Builders Development. The Company was able to achieve lower interest rates on both loans. The Company's current and accrued liabilities amount to $101,648, which includes $74,005 of payables. The Company has net contribution in aid of construction of $4,620,081. The Company and its customers continue to benefit from CIAC, primarily from Lewis Builders.

Q. Would you please explain Schedule 3 entitled ARate Base@?

A. Columns (b) - (f) show the actual balances of the rate base items as per the Company's quarterly, internal financial statements. Column (g) shows the actual 5 quarter average balances, except for cash working capital, which reflects the cash working capital for 2011. Column (h) shows the 2011 proforma adjustments. Column (i) shows the proforma 2011 balances.

The rate base consists of Utility Plant, less Accumulated Depreciation, plus Cash Working Capital, Material & Supplies, Prepayments, Accumulated Deferred Income Taxes and Net Contributions in Aid of Construction. The actual 5 quarter average rate base amounts to $4,625,212. The Company made eight adjustments to rate base. Four of the eight adjustments pertain to adjusting the 5 quarter average balances to the year end balance. In order to properly reflect rate base, all of its plant and plant related items at year end are completed and providing service to customers. A substance part of the plant is non revenue producing. The portion of the plant that is revenue producing, the Company has made an adjustment to revenue. To not fully reflect plant and the related items in rate base would be to not allow recovery of a portion of the assets. The specific proforma adjustments related to year end rate base are 21, 22, 25, and 26.

Two of the eight adjustments pertain to adjusting the year end balance for the additional half year of depreciation and amortization of CIAC. These adjustments pertain to test year expense adjustments for depreciation (adjustment 17) and amortization of CIAC (adjustment 18). Since the Company has proposed adjusting depreciation expense and amortization of CIAC to reflect a full year's expense, the Company also has to adjust accumulated depreciation and accumulated amortization of CIAC for a like amount. The specific proforma adjustments related to the additional half year of expense are numbers 23 and 27.

The proforma adjustment to material & supplies (adjustment 24) amounts to $23,455. At December 31, 2011 the Company's materials & supplies balance is reflected in its CWIP balance. Schedule 3C shows the balance at the end of each quarter for the 5 quarters ended December 31, 2011 and the actual 5 quarter average balance. The Company is utilizing the 5 quarter average because of the fluctuation in the balance throughout the year.

The final adjustment to rate base is the adjustment to cash working capital amounting to $6,226. Working capital is determined by utilizing a percentage that represents the lag between the time in which the Company bills its customers and receives the cash from such billing and the time that it pays for expenses to provide services. It is derived by applying 45/365 days or 12.33% to operating expenses. The computation of working capital is shown on schedule 3B. The proforma adjustments results in a cash working capital of $112,651.

Q. Would you please explain Schedule 4 entitled ARate of Return Information@?

A. The Company's overall rates of return are 5.44% and 4.97% for 2011 actual and 2011 proformed, respectively. It is derived from the weighted average cost rates associated with actual and proformed long term debt and equity. The Company's capital structure consists of Equity and Debt Capital. The Company has no short term debt.

Its Actual Equity Capital consists of $16,767 of Common Stock, $2,104,354 of Other Paid in Capital, and Retained Earnings of ($1,232,715). The Company has $4,838,650 of long term debt at year end. It consists of two TD Bank loans, two SRF loans and other loans.

The Company's overall capital structure is more weighted to debt. In recent years, the Company has converted affiliate debt to additional paid in capital and owner has contributed some additional paid in capital. Recent rate increases and the proposed rate increase should continue to improve earning, increase retained earnings and increase the equity portion of the capital structure. The Company made no adjustments to the capital structure.

Q. Would you please explain Schedule 5A and 5B entitled Actual Long Term Debt" and "Proforma Long Term Debt", respectively.

A. Schedule 5A shows the date of the notes, the borrower and lender, the original note amount, note term, interest rate, outstanding balance at 12/31/11 and 12/31/10, the 2011 interest expense, and cost rate. The total outstanding balance at 12/31/11 is $4,838,649. The total 2011 interest expense is $224,786. The total cost rate is 4.65%. In 2011 the Company refinanced an existing loan in the amount of $1,380,000 with TD Bank, resulting in a lower interest rate. The refinancing was approved by the PUC in order no. 25,254 dated July 22, 2011. Also, in 2011, the Company borrowed $1,200,000 from TD Bank to refinance existing loans totaling $750,000 and to finance a new loan of $450,000, resulting in a lower interest rate. The financing was approved by the PUC in order no. 25,272 dated September 28, 2011.

Schedule 5B utilizes the same data as schedule 5A. The Company made no changes to the outstanding debt balance at 12/31/11. However, it did adjust interest expenses for changes that took place in 2011. Most notably, it eliminated the interest related to "Associated Companies" due to refinancing such debt with TD Bank. It also adjusted the interest on the two TD Bank loans to reflect the first year's interest expense. In addition, the Company began paying the 2009 NH

DES SRF loan for the interconnection of the Hampstead and Atkinson water systems in June 2011 and adjusted the interest to reflect the first year's interest expense. After making such adjustments, the proforma total cost rate is $3.90%.

Q. What is the Company using for the cost of common equity?

A. The Company is using the PUC determined cost of common equity of 9.75% plus 1.00%. The Company believes that the 9.75% is appropriate for national, publicly traded, multi-state water utilities. It also believes that it is not one of them. It is medium size, private water company that serves the southeast portion of New Hampshire. It is owned by a single individual. It is fortunate to have an affiliated company that manages it and has construction resources and technical ability to support the water systems. Even with the management and construction resources, it is difficult for a medium size company to meet the increasing regulatory requirements. In management's judgment, the Company believes that an additional percentage point is necessary due to the increased risks associated with the Company size and resources available to meet the Company's requirements. As such, the Company is using a 10.75% cost of equity.

Q. What is the proforma weighted average cost rate?

A. The proforma weighted average cost rate is 4.97%

Q. Do you have any other comments on the proforma weighted average cost rate?

A. Yes. Even with the higher equity costs rate, the overall rate of return is lower due to the lower debt costs.

Q. Generally, please explain the nature and purpose of the step increase.

A. In 2011 the Company sought and received approval from both the DES and PUC to borrow state revolving funds to replace service lines. Also, in 2011, the Company sought and received approval from the PUC to borrow funds to make various system improvements. Among the various system improvements, the Company plans to replace 2 well, various pumps, filters, mains, meters and a vehicle. This work is planned for 2012. This step increase allows the Company to recover its investment in plant and reflect such costs in revenue and rates.

Q. Would you explain Schedule 6 and the supporting schedules related to the step increase?

A. Yes. Schedule 6 summarizes the supporting schedules related to the revenue requirement associated with the step increase. It shows total additions to rate base of $386,569. It utilizes a rate of return of 4.55%. When the rate of return of 4.55% is applied to the additions to rate base of $386,569, it results in an additional operating income requirement of $17,606. To the additional operating income requirement, the Company adds additional operating expenses resulting in a step adjustment in revenue of $42,723.

Schedule 6a shows the projected 2012 additions, retirements and contribution in aid of construction and the related depreciation and amortization. In total, the Company projects additions to plant of $428,500, retirements from plant of $103,121 and contributions in aid of construction of $30,428. The Company anticipates that the annual depreciation will increase $19,938 ($23,890 - $3,952) and annual amortization of CIAC will increase $884.

Schedule 6b shows an overall weighted average cost of 4.55%. It consists of a weighted average costs of 1.36% associated with the SRF loan and a weighted average cost of 3.19% associated with the Lewis loan.

Schedule 6c shows the anticipated increase in taxes associated with the net additions to plant. It shows an increase in state utility property taxes of $1,504. It shows an increase in local property taxes of $4,412. It also shows an increase in state business enterprise tax of $146.

Q. What is the combined increase in revenue?

A. The combined increase in revenue is $101,744. It consists of $59,021 from the proposed permanent rate increase and $42,723 from the proposed step rate increase. The Combined increase in revenues is shown on Schedule 7.

Q. Please explain the schedule entitled the Report of Proposed Rate Changes of the rate filing.

A. The Report of Proposed Rate Changes shows the rate class, the effect of the revenue change, the number of customers, the authorized present revenue, the proposed revenue, the proposed change amount, and percentage. The proposed change amount is $101,744 or 6.99%. All of the change amounts apply to general customers. The average general customer will receive an annual increase of $33.48, resulting in an average annual bill of $512.57.

Q. Is the Company proposing to change the rate design?

A. No. The Company has applied the proposed rate increase to all its metered customers. The Company is not proposing to change its fire protection rates.

Q. Please explain the calculation of rates.

A. The total revenue requirement including the proposed rate increase and step increase amounts to $1,663,055. The Company reduces the total revenue requirement by the amount of revenue from fire protection and other water revenue, resulting total revenue requirement from general customers of $1,557,695. First, the Company calculates the portion of revenue from the base rates. In doing so, it applies the overall percent increase of 6.99% to the existing annual amounts per meter size to develop a new, proposed annual amount per meter size. It then takes the new, proposed annual amount times the number of meters to determine the revenue requirement from base rate, namely $415,464. Second, the Company takes the remaining revenue of $1,142,232 to be realized from consumption. It divides the remaining revenue from the 2011 actual consumption to determine the consumption rate per 100 cubic feet, namely 5.07.

Q. Is there anything else that you would like to discuss?

A. Yes. The Company is generally aware of the water infrastructure and conservation adjustment ("WICA") being utilized by Aquarion Water Company and approved by the PUC. Assuming that the Company is successful at getting its 2011 and 2012 additions reflected in rates, such an adjustment would not be necessary for

2011 and 2012. However, the Company would like to discuss with the PUC Staff and any other parties, the possibility of establishing such a mechanism for 2013, 2014 and 2015. Such a mechanism would only apply once an addition is completed and providing service to customers. It would be generally be directed at additions, i.e., meters, services, mains, pumping equipment, etc. that are incurred every year. The Company would welcome input from the PUC Staff and other parties.

Q. Is there anything else that you would like to discuss?

Yes, the Company has engaged the services of Stephen P. St. Cyr & Assoc. The Company has agreed to an hourly fee of $115.00 (plus out of pocket costs) for work performed in preparation of the rate filing and pursuit of the rate increase during the rate proceeding. The Company will also utilize the services, i.e., management, legal, accounting, etc., of its affiliate, Lewis Builders Development, in the preparation of the rate filing and throughout the rate proceeding. The Company will make every effort to minimize its rate case expenses.

Q. Is there anything further that you would like to discuss?

A. Yes. The Company requests that its existing rates be used for consideration as temporary rates in this filing effective as of July 1, 2012.

Q. Would you please summarize what the Company is requesting in this docket?

A. Yes, the Company is requesting a permanent revenue increase of $59,021, effective July 1, 2012. The permanent revenue increase of $59,021 enables the

Company to earn a 4.97% proforma rate of return on its investment, reflected in a proforma rate base of $5,008,787. Also, the Company is requesting a step increase of $42,723, effective upon completion of the work anticipated on September 30, 2013. The step increase of $42,723 enables the Company to earn a 4.55% rate of return on its investment, reflected in a projected rate base of $386,569. The average annual amount for a general customer will increase from $479.09 to $512.57, an increase of $33.48 or 6.99%.

Q. Does this conclude your testimony?

A. Yes.