

Concord Steam
 DG 12 - 242
 Temp Rates

Report of Proposed Temporary Rate Changes
 Test Year Ending December 31, 2011

Rate of Class of Service	Effect of Proposed Changes	# of Customers 2008	Present Rates **	Proposed Temp Rates	Proposed Temp Rate Change Amount*	Proposed Change Percentage
G	Increased	110	4,190,004	5,052,589	862,584	20.59%

* Includes new costs transferred to COE

** Includes proformed revenue adjustments reflected in Schedule 1 of the base rate filing

Effect on customer classes

	Typical use Mlbs/yr	Old Usage rate	New Usage rate	Increase Usage rates only	Increase of Total bill
Small	250	\$ 4,755	\$ 5,835	22.70%	18.07%
Med	1500	\$ 27,102	\$ 33,579	23.90%	18.54%
Large	8000	\$ 134,020	\$ 168,567	25.78%	19.23%

Cost of Energy \$/Mlb	Old COE \$18.50	Added cost to COE \$ 2.46	Old COE Energy	Added cost to COE
		Small	\$ 4,625	\$ 615
		Med	\$ 27,750	\$ 3,690
		Large	\$ 148,000	\$ 19,680

Concord Steam
 DG 12 - 242
 Temp Rates

Computation of Revenue Deficiency for Temporary Rates
 Test Year Ending December 31, 2011

	Actual Test Period	Utility Proformed Adjustments	Proformed Test Period**
Rate Base (Schedule 3)	4,542,272	0	4,542,272
Rate of Return	8.41%		6.00%
Income Required	381,791		272,536
Adjusted Net Operating Income	(289,047)	(122,243)	(411,290)
Tax effect (60.39%)	250,418		178,757
Revenue deficiency	(921,255)		(862,584)
Additional costs recovered through COE			312,984
Net Revenue deficiency			(549,600)
After tax revenue requested	381,791		272,536
÷ .6039 = required taxable income	632,208		451,294
Total Taxes to be paid	250,418		178,757

** With the Utility proformed adjustments included, the required rate of return for the requested dollar amount increase is 1.5%.

New Usage rates based on these sales:	127,272
Existing	
First 500 Mlbs \$	18.54 22.86
500>2000 \$	16.27 20.59
2000>	\$ 13.48 17.80
Revenue from existing usage rate	1,835,476
Additional revenue from rate increase	549,600
New usage rate revenue	2,385,076
Usage rate increase \$/Mlb	4.32
Usage rate increase %	29.94%
Energy revenue	\$ 2,354,528
Total rate % increase	20.59%

**Concord Steam
DG 12 -242**

Report of Proposed Rate Changes
Test Year ending Dec. 31, 2011

Rate of Class of Service	Effect of Proposed Changes	# of Customers 2011	Present Rates **	Proposed Rates	Proposed Rate Change Amount*	Proposed Change Percentage
G	Increased	102	4,190,004	4,739,605	\$ 862,584	20.59%

* Includes new costs transferred to COE

** Includes proformed revenue adjustments reflected in Schedule 1

Effect on customer classes

	Typical use Mlbs/yr	Old Base rate	New Usage rate	Increase base rates only	Energy	Increase of Total bill
Small	250	\$ 4,755	\$ 5,835	22.70%		18.41%
Med	1500	\$ 27,102	\$ 33,579	23.90%		18.90%
Large	8000	\$ 134,020	\$ 168,567	25.78%		19.62%

Cost of Energy \$/Mlb	Cost of Energy based on steam - \$/Mlb Old COE \$17.80	Added cost to COE 2.46	\$20.60 Old COE Energy	Added cost to COE
		Small	\$ 4,450	\$ 615
		Med	\$ 26,700	\$ 3,690
		Large	\$ 142,400	\$ 19,680

Computation of Revenue Deficiency
Test Year ending Dec. 31, 2011

	13 Month ave Test Period	Utility Proformed Adjustments	Total Proformed Test Period
Rate Base (Schedule 3)	\$ 4,542,272	\$ -	\$ 4,542,272
Rate of Return	8.41%		6.00%
Income Required	\$ 381,791		\$ 272,536
Adjusted Net Operating Income	\$ (289,047)	\$ (122,243)	\$ (411,290)
Tax effect (60.39%)	\$ 250,418		\$ 178,757
Revenue deficiency	\$ (921,255)		\$ (862,584)
Additional costs recovered through COE			\$ 312,984
Net Revenue deficiency			\$ (549,600)
After tax revenue requested	\$ 381,791		\$ 272,536
÷ .6039 = required taxable income	632,208		451,294
Total Taxes to be paid	\$ 250,418		\$ 178,757

Mlbs of steam projected to be sold 127,272

Increase in Usage Rate - Revenue ÷ Steam Sales 4.32

New Base rates based on these sales:

	Existing	Proposed	Increase
First 500 Mlbs	\$ 18.54	22.86	23%
500>2000	\$ 16.27	20.59	27%
2000>	\$ 13.48	17.80	32%

Revenue from existing base rate 1,835,476
 Additional revenue from rate increas \$ 549,600
 New base rate revenue 2,385,076
 Base rate increase 29.94%

Energy revenue 2,354,528
 Total rate % increase 20.59% \$ 6.78

Existing Base	Existing Energy	New Usage	New Energy	Total Old	Total New	Increase in Rates
\$ 18.54	\$ 18.50	\$ 22.86	20.96	37.04	\$ 43.82	18.30%
\$ 16.27	\$ 18.50	\$ 20.59	20.96	34.77	\$ 41.55	19.49%
\$ 13.48	\$ 18.50	\$ 17.80	20.96	31.98	\$ 38.76	21.20%

**Concord Steam
DG 12 - 242**

Schedule 1

Operating Income Statement
Test Year Ending December 31, 2011

	Test Year Ended 12/31/11	Proforma Adjustments	Test Year as Proformed 12/31/11	First Preceding Year 12/31/10 7	Second Preceding Year 12/31/09
Operating Revenues					
Usage Rate	2,131,573	(296,097)	1,835,476	2,111,676	2,077,040
Fuel Charge	2,109,242	376,081	2,485,323	2,166,310	2,729,138
Meter Charge	29,750	(490)	29,260	29,934	31,361
Electricity sales	94,733	(50,000)	44,733	122,105	134,430
Other	488,139	(413,665)	74,474	167,427	92,041
Total Revenues	4,853,437	(384,171)	4,469,266	4,597,452	5,064,010
Operating Expenses					
Production					
Fuel Costs (see note 1)	2,199,323		2,199,323	2,144,975	2,606,081
Other (Sched 1-2)	1,200,181	22,273	1,222,454	1,084,870	1,254,613
\$ 3,399,504					
Distribution					
Customer Accounting (Sched 1B)	43,031	1,291	44,322	50,993	52,240
Sales and New Business	3,137		3,137	4,965	4,371
Admin and General(Sched 1a3)	590,784	40,181	630,965	663,843	645,570
Write off uncollectable accounts	18,025	-	18,025	33,311	1,069
Taxes					
Federal Income Tax/BET	(42,868)	0	(42,868)	120,697	(114,421)
Property	120,940		120,940	118,040	138,977
Depreciation	250,327		250,327	241,619	243,763
Amortization	(6,875)		(6,875)	(3,018)	(3,018)
Total Revenue Deductions	4,898,780	(261,927)	4,636,853	4,656,913	5,021,019
Operating Rents, net	243,704		243,704	225,699	225,555
					5,246,574
Net Operating Income	(289,047)	(122,243)	(411,290)	(285,160)	(182,564)
Interest expense - Short Term					
Interest expense - Long term	36,117		36,117	93,873	39,411
Miscellaneous expense	30,722		30,722		23,986
Contributions	26,208		26,208	26,208	26,208
Amortization	15,763	-	15,763	6,225	-
	2,793		2,793	937	698
Net income	(374,442)		(496,685)	(386,195)	(246,659)

Notes

1 Fuel costs include cost of wood, oil and gas fuels as well as all other operating costs that are allowed to be included in the Cost of Energy. These include all wood yard expenses such as loader rental, yard utilities, property taxes, diesel fuel, contract grinding, equipment maintenance, etc. Yard lease cost is in Operating Rents.

**Concord Steam
DG 12 - 242**

Schedule 1
Attachment 1

Proforma Adjustments - Revenue
Test Year Ending December 31, 2011

Steam sales adjustments	Steam sales Mlbs Increase(decrease)	<u>Usage Rate Revenue</u>	
Steam sales - change in customer use	(2,307)	\$ (38,937)	
Change in steam sales due to correction to 30 yr average Degree Day	3,307	\$ 55,825	Note 1
Total change in Mlbs	<u>1,000</u>		
Total Net change in Base Rate Revenue due to correction in Mlb sales		<u>\$ 16,887</u>	
<u>Costs to be included in COE and removed from Usage</u>			
Water and Sewer charges to be included in COE		\$ (214,539)	
Ash disposal		\$ (24,369)	
State Air Permit fees		\$ (37,424)	
Boiler Chemicals		<u>\$ (36,652)</u>	
	Subtotal	<u>\$ (312,984)</u>	
Total change to Usage Rate			\$ (296,097)
Reduction in electricity sales revenue Reduced energy price, reduced capacity price			\$ (50,000)
Adjustments to COE		<u>Cost of Energy</u>	
		\$ 90,081	Note 2
Water and Sewer charges to be included in COE		\$ 200,000	
Ash disposal charges to be included in COE		\$ 22,000	
State Air Permit fees to be included in COE		\$ 42,000	
Boiler Chemicals		<u>\$ 22,000</u>	
Total change to COE			\$ 376,081

Notes:

- 1) Average Usage Rate used \$ 16.88
- 2) Adjustment made due to undercharge of energy component as of December 31, 2011
See Schedule 1-5

**Concord Steam
DG 12 - 242**

Schedule 1
Attachment 2

Proforma Adjustments - Expenses
Test Year Ending December 31, 2011

Production expenses

Cost of increased steam production		\$	1,322
See Schedule 1.4 (\$/Mlb)	\$	1.32	
Increase in Mlbs (Sched 1-C)		1,000	
Production Labor change		\$	20,951
Change in Production Expense		\$	22,273

Expenses included in Cost of Energy

Yard Lease	\$	141,792	
Diesel Fuel Yard/trucking	\$	14,624	
Electricity	\$	3,522	
Loader rental	\$	51,597	
Mechanical repairs	\$	500	
Small tools	\$	300	
Truck/Loader/scale maintenance	\$	13,000	
Contract Grinding/Hauling	\$	25,000	
Misc Prepaid Yard expenses	\$	500	
Propane heat	\$	5,000	
Veh Registration	\$	1,600	
Cleaning supplies	\$	150	
Software consultant	\$	600	
Highway use tax	\$	550	
Property tax	\$	24,000	
Wood Broker	\$	35,000	
			\$ 317,735

Administrative and General Expenses
Test Year Ending December 31, 2011

	12 Months Ended 12/31/11	Proforma Adjustments	Proformed 12 Months Ended 12/31/11
General Office Salaries	25,557	767	26,324
General Office Supplies and Expense	24,202	1,210	25,412
Supervision Fees and Special Services	99,692	4,985	104,677
Regulatory Commission Expense	54,955	2,748	57,703
Insurance	105,691	5,285	110,976
Employees Welfare and Relief	192,021	19,202	211,223
Miscellaneous General Expense	53,372	2,669	56,041
Maintenance of General Property	4,263	213	4,476
Transportation Expense	31,031	3,103	34,134
	<u>590,784</u>	<u>40,181</u>	<u>630,965</u>
Total	<u>590,784</u>	<u>40,181</u>	<u>630,965</u>

**Concord Steam
DG 12 - 242**

Schedule 1
Attachment 4

Incremental operating cost of steam sold

Test Year Ending December 31, 2011

	Annual cost based on sale of 144,000 Mlbs	Incremental cost to Produce Additional 50,000 Mlbs	Cost per Mlb
Water and Sewer	\$ 212,519	\$ 42,504	\$ 0.85
Boiler chemicals	\$ 36,665	\$ 7,333	\$ 0.15
Electricity	\$ 87,293	\$ 8,729	\$ 0.17
Air Permit fees	\$ 37,628	\$ 7,526	\$ 0.15
Total	\$ 374,105	\$ 66,092	\$ 1.32

**Concord Steam
DG 12 - 242**

Schedule 1
Attachment 5

Calculation of Revenue from Energy Charge
Test Year Ending December 31, 2011

	Mlbs Steam 2011 Sales	Cost of Energy \$/Mlb	Revenue From Energy Charge	Cost of Energy	Over/(under) charge
January	25,506	16.64	424,428	\$ 347,145	\$ 77,283
February	25,720	16.64	427,973	\$ 297,010	\$ 130,963
March	17,909	16.64	297,903	\$ 262,973	\$ 34,930
April	9,763	16.64	162,462	\$ 165,122	\$ (2,659)
May	4,480	16.64	73,699	\$ 102,684	\$ (28,985)
June	1,527	16.64	25,405	\$ 87,878	\$ (62,473)
July	1,041	16.64	17,322	\$ 75,489	\$ (58,167)
August	1,200	16.64	19,964	\$ 85,983	\$ (66,019)
September	1,329	16.64	22,118	\$ 83,940	\$ (61,822)
October	7,770	16.64	129,291	\$ 164,175	\$ (34,884)
November	11,885	15.63	185,770	\$ 238,224	\$ (52,454)
December	18,141	17.80	322,907	\$ 288,701	\$ 34,206
	126,271		2,109,242	\$ 2,199,323	\$ (90,081)

Concord Steam
DG 12 - 242

Schedule 1A

PROPERTY TAXES
Test Year Ending December 31, 2011

Detail of property taxes paid to the city of Concord, State of NH and Town of Pembroke:

Tax Period:	State Utility	City	Pembroke Wood Yard (in COE)	Combined
	\$ 24,109	\$ 96,831	\$ 24,168	\$ 145,108
Total property taxes	24,109	96,831	24,168	145,108

Payroll
 Test Year Ending December 31, 2011

	12 Months Ended 12/31/11	Proforma Adjustments (Note 1)	Proformed 12 Months Ended 12/31/11
Operation			
Production	608,606	18,258	626,864
Storage		-	-
Distribution	151,288	4,539	155,827
Customer Accounts	43,031	1,291	44,322
Customer Service		-	-
Sales		-	-
Admin and General	<u>25,557</u>	<u>767</u>	<u>26,324</u>
Total Operation	<u>828,482</u>	<u>24,854</u>	<u>853,336</u>
Maintenance			
Production	<u>89,759</u>	<u>2,693</u>	<u>92,452</u>
Total Maintenance	<u>89,759</u>	<u>2,693</u>	<u>92,452</u>
Total Payroll	<u><u>918,241</u></u>	<u><u>27,547</u></u>	<u><u>945,788</u></u>

Note:

- 1) 3% Increase in labor rates

Concord Steam
DG 12 - 242

Degree Day Correction

Schedule 1-C

	2011 Actual Sales Mlbs	Steam sold non heating	Steam sold heating	Sales Adjustments	Actual Deg Days 2011	Deg Days 30 yr ave	Adjusted Base rate Sales
Jan-11	25,506	1,200	24,306	(532)	1443	1359	23,559
Feb-11	25,720	1,200	24,520	(474)	1265	1162	23,249
Mar-11	17,909	1,200	16,709	(349)	998	973	17,141
Apr-11	9,763	1,200	8,563	(204)	550	593	10,229
May-11	4,480	1,200	3,280	(141)	227	295	5,322
Jun-11	1,527	1,527	-118	(118)	93	85	1,301
Jul-11	1,041	971	0	(70)	0	16	971
Aug-11	1,200	1,114	0	(86)	7	35	1,029
Sep-11	1,329	1,329	0	-	100	177	1,329
Oct-11	7,770	1,200	6,570	(43)	528	510	7,503
Nov-11	11,885	1,200	10,685	(127)	615	786	14,729
Dec-11	18,141	1,200	16,941	(163)	1000	1173	20,909
	126,271	14,541	111,457	-2,307	6826	7164	127,272
			125,998		6726	7028	

Difference in degree days - 2011 vs average 95.28%
Diff in degree days - 2011 vs ave - no summer 95.70%

Adjusted total sales before DD correction 123,965

Change in steam sales due to degree day corrections only 3,307

Net change in steam sales afer all corrections and adjustments 1,000

Concord Steam
DG 12 - 242

Schedule 1D

FEDERAL AND STATE INCOME TAXES
Test Year Ending December 31, 2011

	Total 2011
Federal and state income tax	-
Deferred income taxes	<u>(42,868)</u>
Total taxes	<u><u>\$ (42,868)</u></u>

Balance Sheets
Assets and Deferred Charges
Test Year Ending December 31, 2011

	12/31/11	12/31/10	12/31/09	12/31/08
Fixed Capital - Steam Plant				
Distribution Equipment	\$ 3,941,716	\$ 3,799,720	\$ 3,822,779	\$ 3,059,472
Production Equipment	6,773,039	6,598,342	6,462,331	6,421,349
Structures	706,590	703,890	703,891	703,891
General Equipment	313,196	313,917	313,974	313,974
Land	2,655	2,655	2,655	2,655
Intangible Property	139	139	139	139
Unfinished Construction	88,710	90,639	88,710	67,203
	<u>11,826,046</u>	<u>11,509,302</u>	<u>11,394,479</u>	<u>10,568,683</u>
Less Depreciation Reserve	<u>6,001,809</u>	<u>5,765,888</u>	<u>5,517,083</u>	<u>5,274,897</u>
Total Fixed Capital	<u>5,824,237</u>	<u>5,743,414</u>	<u>5,877,396</u>	<u>5,293,786</u>
Current Assets				
Cash	-	-	-	-
Special deposits	12,250			
Accounts Receivable	662,810	855,092	985,135	969,349
Materials and Supplies	210,811	297,665	493,342	376,938
Prepayments	14,536	31,385	25,807	40,296
Income tax refund	0	870	0	0
Total Current Assets	<u>900,407</u>	<u>1,185,012</u>	<u>1,504,284</u>	<u>1,386,583</u>
Deferred Debits				
Unamortized Debt Discount and Expense	3,957	6,750	9,543	
Deferred Tax Assets	641,131	586,294	565,323	440,446
	<u>645,088</u>	<u>593,044</u>	<u>574,866</u>	<u>440,446</u>
Total Assets	<u>\$ 7,369,732</u>	<u>\$ 7,521,470</u>	<u>\$ 7,956,546</u>	<u>\$ 7,120,815</u>

Balance Sheets
Stockholders Equity and Liabilities
Test Year Ending December 31, 2011

	12/31/11	12/31/10	12/31/09	12/31/08
Capitalization				
Common Stock	\$ 91,200	\$ 91,200	\$ 91,200	\$ 91,200
Capital Surplus	220,653	220,653	220,653	220,653
Earned Surplus	2,585,543	2,849,888	2,914,561	3,199,708
Total Capitalization	<u>2,897,396</u>	<u>3,161,741</u>	<u>3,226,414</u>	<u>3,511,561</u>
Long-Term Debt				
Bonds and Notes	<u>552,762</u>	<u>656,479</u>	<u>754,125</u>	<u>851,001</u>
Current and Accrued Liabilities				
Notes Payable	862,642	983,786	1,571,199	607,000
Accounts Payable	955,878	742,925	908,445	530,255
Payables to Affiliated Companies	200,000	200,000	28,160	70,248
Customers' Deposits	600	0	194,214	14,044
Taxes Accrued	(7,037)	(870)	1,737	6,138
Cash Overdrafts	123,236	2,808	18,065	250,558
Miscellaneous Current Liabilities	33,282	56,058	14,642	40,025
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Current and Accrued Liabilities	<u>2,168,601</u>	<u>1,984,707</u>	<u>2,736,462</u>	<u>1,518,268</u>
Deferred Credits				
Deferred Income Taxes	<u>1,168,377</u>	<u>1,156,409</u>	<u>1,137,613</u>	<u>1,135,035</u>
Reserves				
Amortization	0	0	0	0
Contribution in Aid of Construction	<u>671,975</u>	<u>671,975</u>	<u>171,975</u>	<u>171,975</u>
Contribution in Aid of Construction	<u>(89,379)</u>	<u>(79,711)</u>	<u>(70,043)</u>	<u>(67,025)</u>
Total Reserves	<u>582,596</u>	<u>592,264</u>	<u>101,932</u>	<u>104,950</u>
Total Stockholders Equity and Liabilities	<u>\$ 7,369,732</u>	<u>\$ 7,551,600</u>	<u>\$ 7,956,546</u>	<u>\$ 7,120,815</u>

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Concord Steam
DG 12 - 242

Schedule 2A

MATERIALS AND SUPPLIES
Test Year Ending December 31, 2011

Oil inventory	\$	119,569
Wood	\$	9,983
Parts and supplies inventory	\$	78,350
Chemicals - fuel and water treatment	\$	2,909
	\$	<u>210,811</u>

CONTRIBUTION IN AID OF CONSTRUCTION
Test Year Ending December 31, 2011

Contribution in Aid of Construction

Balance at beginning of year	\$ (671,975)
Change during year	<u>-</u>
Balance end of year	<u><u>\$ (671,975)</u></u>

Rate Base
Test Year Ending December 31, 2011

	Jurisdictional Test Year Average	Jurisdictional 13 month Average	Adjustments	Total Proformed Test year
Plant in service (Sched 3B)	11,546,639	11,536,795	0	11,536,795
Less: accumulated Depreciation	(5,896,498)	(5,886,451)	0	(5,886,451)
Plant Held for future use				
Net Utility Plant	5,650,141	5,650,344	0	5,650,344
Plus				
Cash working capital Schedule 3-A	579,638	579,638		579,638
Materials and supplies Schedule 3-B	182,882	191,712		191,712
Prepayments	30,151	30,246		30,246
Less				
Deferred Taxes (Sched 2)	1,157,406	1,157,330		1,157,330
Investment tax credit				
Customer deposits (Sched 3-B)	(100)	(92)		(92)
Customer advances				
Contribution in aid of construction	671,975	671,975		671,975
CIAC accum amortization	(80,517)	(80,455)		(80,455)
Rate Base	4,533,014	4,542,272		4,542,272
Net Operating Income applied to rate base	(289,047)	(289,047)		(411,290)
Rate of return	-6.38%	-6.36%		-9.05%

<p>Proformed test year now equal to 13 month ave. Misc adjustments were removed.</p>
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Concord Steam
DG 12 - 242

Schedule 3-A

Cash Working Capital
Test Year Ending December 31, 2011

Operational Expenses for Proformed Test Year Schedule 1	\$ 4,880,557
Less: Depreciation and Amortization Schedule 1	\$ 243,452
Monthly Average	\$ 386,425
1.5 Times Average	\$ 579,638

Concord Steam
DG 12 - 242

Schedule 3-B

Rate Base Components

	Dec-10	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Test Year Average	13 Month Average
Intangible Property															
Organization	139	139	139	139	139	139	139	139	139	139	139	139	139	139	139
Miscellaneous Intangible Property															
Total Intangible Property	139	139	139	139	139	139	139	139	139	139	139	139	139	139	139
Land															
Distribution System Land	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655
Total Land	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655	2,655
Structures															
Production Plant Structures	668,707	668,707	668,707	668,707	671,407	671,407	671,407	671,407	671,407	671,407	671,407	671,407	671,407	670,732	670,576
General and Misc Structures	35,184	35,184	35,184	35,184	35,184	35,184	35,184	35,184	35,184	35,184	35,184	35,184	35,184	35,184	35,184
Total Structures	703,890	703,890	703,890	703,890	706,590	706,590	706,590	706,590	706,590	706,590	706,590	706,590	706,590	705,915	705,760
Production Equipment															
Plant Equipment	6,598,342	6,602,242	6,602,484	6,602,484	6,608,572	6,609,573	6,623,691	6,634,893	6,666,524	6,672,447	6,718,317	6,731,424	6,773,039	6,653,808	6,649,541
Total Production Equipment	6,598,342	6,602,242	6,602,484	6,602,484	6,608,572	6,609,573	6,623,691	6,634,893	6,666,524	6,672,447	6,718,317	6,731,424	6,773,039	6,653,808	6,649,541
Distribution Equipment															
Mains	3,281,548	3,282,728	3,283,088	3,283,448	3,283,498	3,283,758	3,291,033	3,318,254	3,351,112	3,358,281	3,360,665	3,360,740	3,370,395	3,318,917	3,316,042
Services	399,726	400,181	400,181	400,181	400,181	400,214	405,339	405,539	405,539	406,388	407,831	408,168	415,150	404,574	404,201
Customer's Meters and Installations	118,445	118,445	119,469	139,939	150,094	152,521	152,521	152,521	152,521	152,521	152,521	152,521	156,171	145,981	143,863
Total Distribution Equipment	3,799,720	3,801,354	3,802,738	3,823,568	3,833,773	3,836,493	3,848,894	3,876,314	3,909,173	3,917,191	3,921,018	3,921,429	3,941,716	3,869,472	3,864,106
General Equipment															
Office Equipment	31,526	31,526	31,526	31,526	31,526	31,526	31,526	31,526	31,526	31,526	31,526	31,526	28,503	31,274	31,293
Transportation Equipment	249,859	249,859	249,859	249,859	249,859	249,859	249,859	249,859	249,859	249,859	249,859	249,859	249,859	249,859	249,859
Shop Equipment	11,824	11,824	11,824	11,824	11,824	11,824	11,824	11,824	11,824	11,824	11,824	11,824	11,746	11,817	11,818
Laboratory Equipment	3,643	3,643	3,643	3,643	3,643	3,643	3,643	3,643	3,643	3,643	3,643	3,643	3,643	3,643	3,643
General Tools and Implements	2,990	2,990	2,990	2,990	2,990	2,990	2,990	2,990	5,370	5,370	5,370	5,370	5,370	3,982	3,906
Misc. General Equipment	14,075	14,075	14,075	14,075	14,075	14,075	14,075	14,075	14,075	14,075	14,075	14,075	14,075	14,075	14,075
Total General Equipment	313,917	313,917	313,917	313,917	313,917	313,917	313,917	313,917	316,297	316,297	316,297	316,297	313,196	314,650	314,594
Total Plant in Service	11,418,663	11,424,198	11,425,824	11,446,654	11,465,647	11,469,368	11,495,886	11,534,509	11,601,378	11,615,319	11,665,016	11,678,535	11,737,336	11,546,639	11,536,795
Accumulated Depreciation	(5765888)	(5786060)	(5806233)	(5826406)	(5846579)	(5866751)	(5886924)	(5907097)	(5927270)	(5947442)	(5967615)	(5987788)	(6001809)	(5,896,498)	(5,886,451)
Cash Working Capital	579,638	579,638	579,638	579,638	579,638	579,638	579,638	579,638	579,638	579,638	579,638	579,638	579,638	579,638	579,638
Materials and Supplies															
Oil Inventory	59,162	70,307	76,240	56,918	52,179	69,412	68,636	67,151	65,666	62,696	67,552	75,760	119,569	71,007	70,096
Wood	155,305	125,844	121,066	35,972	9,796	(1,855)	8,390	(1,631)	22,501	9,726	14,480	21,322	9,983	31,299	40,838
Parts and Supplies	78,350	78,350	78,350	78,350	78,350	78,350	78,350	78,350	78,350	78,350	78,350	78,350	78,350	78,350	78,350
Chemicals/salt	4,847	11,668	3,875	3,996	4,679	2,042	(1,332)	919	(1,301)	(3,160)	2,144	267	2,909	2,226	2,427
Total Materials and Supplies	297,665	286,169	279,531	175,236	145,005	147,949	154,044	144,788	165,216	147,613	162,526	175,698	210,811	182,882	191,712
Prepayments (Annual Report at Table 18)	31,385	29,055	19,120	9,185	25,884	15,948	66,585	56,490	46,394	36,299	26,204	16,108	14,536	30,151	30,246
Deferred Taxes (Annual Report at Table 32)	(1,156,409)	(1,156,409)	(1,156,409)	(1,156,409)	(1,156,409)	(1,156,409)	(1,156,409)	(1,156,409)	(1,156,409)	(1,156,409)	(1,156,409)	(1,156,409)	(1,168,377)	(1,157,406)	(1,157,330)
Customer Deposits (at Annual Report p. 101)	-	-	-	-	-	-	-	-	-	-	-	600	600	100	92
Contr. in Aid of Constr. (CIAC) (Table 10)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)	(671,975)
Less Accum. Amort of CIAC (Table 10)	79,711	79,711	79,711	79,711	79,711	79,711	79,711	79,711	79,711	79,711	79,711	79,711	89,379	80,517	80,455
Sub-total CIAC less Amortization	(592,264)	(592,264)	(592,264)	(592,264)	(592,264)	(592,264)	(592,264)	(592,264)	(592,264)	(592,264)	(592,264)	(592,264)	(582,596)	(591,458)	(591,520)
Rate Base	4,812,791	4,784,327	4,749,207	4,635,634	4,620,922	4,597,480	4,660,556	4,659,655	4,716,684	4,682,754	4,717,096	4,714,119	4,790,138	4,694,048	4,703,182

Calculation of Operating Revenues
Test Year Ending December 31, 2011

Revenues	2011 Actual		2011 as Proformed		
	Base Rate	Mlbs Steam	Revenue	Mlbs Steam	Revenue
January		25,506	\$ 422,079	23,559	\$ 339,766
February		25,720	428,341	23,249	335,297
March		17,909	299,620	17,141	247,198
April		9,763	170,206	10,229	147,519
May		4,480	78,590	5,322	76,752
June		1,527	25,653	1,301	18,769
July		1,041	17,677	971	14,001
August		1,200	20,316	1,029	14,834
September		1,329	22,101	1,329	19,169
October		7,770	135,301	7,503	108,201
November		11,885	204,184	14,729	212,424
December		18,141	307,504	20,909	301,546
		126,271	2,131,573	127,272	1,835,476

Fuel Charge	2,109,242	2,485,323
Meter Charge	29,260	29,260
Other	488,139	74,474
Electricity Sales	94,733	44,733

Proposed revenues	
Additional revenue requested	549,600
2011 Usage revenue as proformed	1,835,476
Total requested revenue from Usage Rates	2,385,076
Total Revenue from Fuel Charge and Other	2,589,057
Total Revenue from Electricity Sales	94,733
Total Proposed Revenues	5,068,867

Concord Steam
DG 12

Sched 4A

Monthly Sales Amounts
Test Year Ending December 31, 2011

	Residential Usage	Residential Energy	Commercial & industrial Usage	Commercial & industrial Energy	Public Authority Usage	Public Authority Energy	Sales Discounts	Total Energy Charges	Total Meter Charges	Total Usage Rate	Total Sales
January	454	406	178,131	159,979	266,764	264,042	(23,269)	424,428	3,580	422,079	850,087
February	394	353	170,623	153,204	275,774	274,416	(18,451)	427,973	3,555	428,341	859,869
March	253	226	120,064	108,064	194,305	189,613	(15,002)	297,903	3,625	299,620	601,148
April	115	103	65,267	58,389	109,901	103,970	(5,077)	162,462	3,530	170,206	336,199
May	0	0	28,608	25,593	53,072	48,105	(3,089)	73,699	2,660	78,590	154,949
June	0	0	14,820	13,301	13,486	12,104	(2,653)	25,405	865	25,653	51,923
July	0	0	9,760	8,760	9,540	8,562	(1,623)	17,322	665	17,677	35,665
August	0	0	10,766	9,663	11,478	10,301	(1,927)	19,964	665	20,316	40,945
September	0	0	10,532	9,453	14,111	12,665	(2,542)	22,118	705	22,101	44,924
October	0	0	48,342	43,388	92,880	85,903	(5,921)	129,291	3,210	135,301	267,802
November	113	95	77,882	65,975	140,812	119,700	(14,623)	185,770	3,345	204,184	393,299
December	69	66	113,967	109,418	216,788	213,424	(23,320)	322,907	3,345	307,504	633,756
	\$ 1,398	\$ 1,249	\$ 848,762	\$ 765,187	\$ 1,398,910	\$ 1,342,806	\$ (117,498)	\$ 2,109,242	\$ 29,750	\$ 2,131,573	\$ 4,270,565

Rate Case Expenses

Estimated

Accountants	\$	2,000
Legal	\$	8,000
Total	\$	10,000

Overall Rate of Return

	Component Ratio	Component Cost Rate	Weighted Ave Cost Rate
Common Stock	69.42%	9.75%	6.77%
Preferred Stock	0.00%	0.00%	0
Long Term Debt	10.20%	5.56%	0.57%
Short Term Debt	20.38%	5.25%	1.07%
		TOTAL	8.41%

Capital Structure for Rate Making Purposes

Item	Amount	Ratio
Common Equity		
Stock	91,200	
Surplus	220,653	
Retained Earnings	3,451,217	
(Capital Stock Expense)	-	
Total	<u>3,763,070</u>	69.42%
Preferred Stock Equity		
Stock	-	
(Capital Stock Expense)	-	
Total	<u>-</u>	0.00%
Long Term Debt	552,762	
Mortgage Debt	-	
Long Term Notes	-	
Bonds	-	
Capitalized Lease	-	
(Unamortized Premium and Discount)	-	
(Unamortized Expenses)	-	
Total	<u>552,762</u>	10.20%
Short Term Debt	1,104,929	20.38%
Notes Payable	-	0.00%
Deferred Taxes	-	0.00%
Total Capital	5,420,761	100.00%

Historical Capital Structure for Ratemaking Purposes

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Common Equity	2,897,396	3,161,741	3,226,414	3,511,561	3,571,398	3,528,196	3,829,711	3,833,451	2,453,000
Preferred Stock Equity	-	-	-	-	-	-	-	-	-
Long Term Debt	552,762	656,479	754,125	851,001	921,081	918,206	189,363	395,924	486,323
Short Term Debt	862,642	983,786	1,571,199	607,000	482,500	504,500	390,500	-	160,000
Deferred Taxes	1,168,377	1,156,409	1,137,613	1,135,035	1,125,281	1,078,994	1,042,405	738,813	710,956
Total	<u>5,481,177</u>	<u>5,958,415</u>	<u>6,689,351</u>	<u>6,104,597</u>	<u>6,100,260</u>	<u>6,029,896</u>	<u>5,451,979</u>	<u>4,968,188</u>	<u>3,810,279</u>

Cost of Long Term Debt
 Year end 12/31/11

		Interest Rate	Maturity	Amount Authorized	Outstanding Amount	Annual Interest cost
TD Bank	11/8/06	4.07%	10/1/13	\$ 995,580	545,810	30,409
	4/9/08	2.90%	4/2/13	\$ 23,063	\$ 6,952	313
				TOTAL	552,762	30,722

Average total interest rate for year 5.56%

Cost of Short Term Debt
Test Year Ending December 31, 2011

	Interest Rate	Term	Amount Authorized	Outstanding Amount	Annual Interest cost
Line of Credit	5.25%	Annual	1,200,000	1,104,929	36,117

Concord Steam
DG 12 - 242

Schedule 6
Exhibit 7

Cost of Preferred Stock
Test Year Ending December 31, 2011

Not applicable - no preferred stock issued