

2018 Financing with CoBank - Rosebrook Pressure Reduction Project**Preliminary Calculation of Revenue Requirement**

Total Plant Additions	\$ 940,000
Less: 1/2 Year Depreciation	<u>(9,275)</u>
Net Plant Additions	\$ 930,725
Rate of Return	<u>5.05%</u>
Increase in Net Operating Income Requirement	\$ 47,031
Add: Annual Depreciation Expense	18,549
Annual Property Taxes	<u>11,516</u>
Increase in Revenue Requirement	\$ <u>77,097</u>
2017 Operating Revenues	\$ <u>276,888</u>
% Increase in Annual Water Revenues	<u>27.84%</u>

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2018 Financing with CoBank - Rosebrook Pressure Reduction Project

Weighted Average Cost of Capital for Rosebrook Pressure Reduction Project

<u>Financing</u>	<u>Amount</u>	<u>Percent</u>	<u>Interest Rate</u>	<u>Interest Expense</u>	<u>Amortization of Fin Costs</u>	<u>Total Interest</u>	<u>Cost Rate</u>	<u>Weighted Average Cost of Capital</u>
CoBank	\$940,000	100.00%	5.00%	\$47,000	\$500	\$47,500	5.05%	5.05%

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2018 Financing with CoBank - Rosebrook Pressure Reduction Project

Plant / Accumulated Depreciation / Depreciation Expense

PUC Account	Item	Total Estimated Costs	Depr Rate	Annual Depr Exp	One-Half Year Depr	Tax Value as Percent NetUtilPlant	Combined Property Tax Rate	Annual Prop Tax Expense
	Well Pump Replacement							
307	Well #1 Vertical Turbine Pump							
307	Well #2 Submersible Pump							
304	Electrical / Controls							
304	Mechanical / Piping							
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	Storage Tank Booster Station							
304	Building (16 Ft. x 18 ft.)	106,490	2.50%	2,662	1,331	55.32%	36.26	2,110
304	Site Work / Grading	51,766	2.50%	1,294	647	55.32%	36.26	1,025
304	Driveway / Access	29,581	2.50%	740	370	55.32%	36.26	586
304	Electric Service	36,976	2.50%	924	462	55.32%	36.26	732
307	Pumps / Mechanical	66,556	10.00%	6,656	3,328	55.32%	36.26	1,268
304	Electrical	29,581	2.50%	740	370	55.32%	36.26	586
304	Emergency Generator	51,766	2.50%	1,294	647	55.32%	36.26	1,025
304	Piping / Valves	51,766	2.50%	1,294	647	55.32%	36.26	1,025
304	Telemetry / Controls	29,581	2.50%	740	370	55.32%	36.26	586
		454,062		16,343	8,172			8,945
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	Crawford Ridge Booster Station							
304	Building (14 Ft. x 16 ft.)							
304	Site Work / Grading							
304	Driveway / Access							
304	Electric Service							
307	Pumps / Mechanical							
304	Electrical							
304	Emergency Generator							
304	Piping / Valves							
304	Telemetry / Controls							
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	Mt. Washington Place Booster Station							
304	Building (14 Ft. x 16 ft.)							
304	Site Work / Grading							
304	Driveway / Access							
304	Electric Service							
307	Pumps / Mechanical							
304	Electrical							
304	Emergency Generator							
304	Piping / Valves							
304	Telemetry / Controls							
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	Dedicated Tank Water Main							
331	8 Inch Ductile Water Main	454,770	2.00%	1,692	846	55.32%	36.26	9,106
331	8 Inch Gate Valves	7,084	2.00%	198	99	55.32%	36.26	140
331	3" Bit Pavement Trench Patch	17,001	2.00%	119	59	55.32%	36.26	340
335	Hydrant	7,084	2.00%	198	99	55.32%	36.26	140
		485,938		2,206	1,103			2,572
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	Pressure Reducing Valves (Rosebroo Lane, Mt. Adams Lane)							
331	Pressure Reducing Valve Vaults							
331	Pressure Reducing Valves							
331	Gate Valves / Bypass Piping							
331	Pavement Replacement							
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	Total Construction Costs	940,000		18,549	9,275			11,516
303	Land Easement		0.00%	-	-	55.32%	36.26	-
	Total Project Costs	940,000		18,549	9,275			11,516
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	Tax Value as percent of Total Net Utility Plant	848,200		1,533,175		55.32%		
	Combined Property Tax Rate (State and Town)	\$ 6.60		\$ 29.66			\$ 36.26	

2016 Financing with CoBank - Rosebrook Pressure Reduction Project

Horizon Engineering, Inc.'s Preliminary Opinion of Probable Costs
System Improvements for Limited Pressure Reduction

Item	Total Costs	Allocation within Proj Item	Adjusted Total Costs	Allocation of Indirect Costs	Adjusted Total Costs
General Conditions/Mobilization	\$ 25,000		\$ 25,000	\$ (25,000)	\$ -
Well Pump Replacement					
Well #1 Vertical Turbine Pump					
Well #2 Submersible Pump					
Electrical / Controls					
Mechanical / Piping					
Storage Tank Booster Station					
Building (16 Ft. x 18 ft.)	\$ 72,000	\$ 3,166	\$ 75,166	\$ 31,324	\$ 106,490
Site Work / Grading	35,000	1,539	36,539	15,227	51,766
Driveway / Access	20,000	879	20,879	8,701	29,581
Electric Service	25,000	1,099	26,099	10,876	36,976
Pumps / Mechanical	45,000	1,979	46,979	19,577	66,556
Electrical	20,000	879	20,879	8,701	29,581
Emergency Generator	35,000	1,539	36,539	15,227	51,766
Piping / Valves	35,000	1,539	36,539	15,227	51,766
Telemetry / Controls	20,000	879	20,879	8,701	29,581
Connection to Existing	5,000	(5,000)	-	-	-
Surface Restoration	7,500	(7,500)	-	-	-
Erosion Control	1,000	(1,000)	-	-	-
	<u>\$ 320,500</u>	<u>\$ (0)</u>	<u>\$ 320,500</u>	<u>\$ 133,562</u>	<u>\$ 454,062</u>
Crawford Ridge Booster Station					
Building (14 Ft. x 16 ft.)					
Site Work / Grading					
Driveway / Access					
Electric Service					
Pumps / Mechanical					
Electrical					
Emergency Generator					
Piping / Valves					
Telemetry / Controls					
Connection to Existing					
Surface Restoration					
Erosion Control					
Mt. Washington Place Booster Station					
Building (14 Ft. x 16 ft.)					
Site Work / Grading					
Driveway / Access					
Electric Service					
Pumps / Mechanical					
Electrical					
Emergency Generator					
Piping / Valves					
Telemetry / Controls					
Connection to Existing					
Surface Restoration					
Erosion Control					
Dedicated Tank Water Main					
8 Inch HDPE Water Main	\$ 237,500	\$ 83,500	\$ 321,000	\$ 133,770	\$ 454,770
Directional Bore River Crossing	40,000	(40,000)	-	-	-
Ledge Removal	22,500	(22,500)	-	-	-
8 Inch Gate Valves	5,000		5,000	2,084	7,084
Connection to Existing	9,000	(9,000)	-	-	-
3" Bit Pavement Trench Patch	12,000		12,000	5,001	17,001
Hydrant	5,000		5,000	2,084	7,084
Surface Restoration	10,000	(10,000)	-	-	-
Erosion Control	2,000	(2,000)	-	-	-
	<u>\$ 343,000</u>	<u>\$ -</u>	<u>\$ 343,000</u>	<u>\$ 142,938</u>	<u>\$ 485,938</u>
Pressure Reducing Valves (Rosebrook Lane, Mt. Adams Lane)					
Pressure Reducing Valve Vaults					
Pressure Reducing Valves					
Gate Valves / Bypass Piping					
Connection to Existing					
Pavement Replacement					
Traffic Control					
Surface Restoration					
Erosion Control					
Subtotal Construction Costs	\$ 688,500	\$ (0)	\$ 688,500	\$ 251,500	\$ 940,000
15% Contingency	103,275	525	103,800	(103,800)	-
Total Construction Costs	<u>\$ 791,775</u>	<u>\$ 525</u>	<u>\$ 792,300</u>	<u>\$ 147,700</u>	<u>\$ 940,000</u>
Land Easement - Unknown?					
Legal	10,000		10,000	(10,000)	-
20% Engineering	137,700		137,700	(137,700)	-
Total Project Costs	<u>\$ 939,475</u>	<u>\$ 525</u>	<u>\$ 940,000</u>	<u>\$ -</u>	<u>\$ 940,000</u>
Rounded Project Costs	<u>\$ 940,000</u>				

Abenaki Water Company

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2018 Financing with CoBank - Rosebrook Pressure Reduction Project

Total Costs of Projects \$ 940,000

Source of Funds:

CoBank \$ 940,000

Use of Funds:

2019 Pressure Reduction Project - Phase 1 \$ 940,000

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6/15/2018

2018 Financing with CoBank - Rosebrook Pressure Reduction Project

Estimated Financing Costs on portion of the CoBank Loan

	<u>Fin Costs</u>
CoBank	\$ 5,000
Stephen P. St. Cyr & Associates	<u>5,000</u>
Total Financing Costs	\$ 10,000
Life of Loan	<u>20 Yrs.</u>
Annual Amortization Expense	<u>\$ 500</u>

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