

**DW 20-112**  
**ABENAKI WATER COMPANY, INC.**  
**BELMONT SEWER, BELMONT WATER,**  
**BOW, TIOGA BELMONT, TIOGA GILFORD**

**Permanent Rate Proceeding**  
**Abenaki Response to Commission Record Requests**

Date Request Received: 11/8/21  
Record Request No. 22

Date of Response: 11/12/21

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REQUEST: With respect to Exhibit 20, Bates Page 8 (report page 2) and the reference to the \$444,000 Purchase Price and Rate Base. Please validate the purchase price for each entity.

RESPONSE: This page of the report was a summary to provide the relative purchase price and rate base of the acquired water systems. For Lakeland and White Rock, the \$444,000 figure was the estimated purchase price provided in the pre-filed direct testimony of Deborah Carson in Docket DW 13-236. This estimate was also reflected in Order No. 25,621 at page 2 (Docket DW 13-236). See Attachment Record Request 22-a for Total Year End Rate Base for 2013 for Lakeland and White Rock. See Attachment Record Request 22-b for Total Purchase Price for Rosebrook for 8/31/21. See Attachment Record Request 22-c for Total Purchase Price for Tioga.

By way of comparison, please see Attachment Record Request 22-b pertaining to Rosebrook. The purchase price/rate base contained on Exhibit 20, Bates Page 8 (report page 2) was estimated at \$400,000. The purchase price calculated for the closing was \$422,304 as of 12/31/15. The Commission approved the acquisition by Order No. 25,934 on August 9, 2016 (Docket DW 16-448), thus the rate base was recalculated prior to closing such that as of 8/31/16 the rate base/purchase price was \$398,578.

At the time of the October 7<sup>th</sup> report, the data for Tioga was inadvertently omitted. That purchase price was calculated as shown on Attachment Record Request 22-c as \$159,866.53 as of 3/31/19. Abenaki assumed the State Revolving Loan fund debt as a part of the total purchase price.

Lakeland Management Company

Record Request #22a Attachment  
Page 1 of 2

Year End Rate Base	<u>2/14/2014</u>		<u>2013</u>	<u>2012</u>
Utility Plant	\$ 633,072		\$ 633,072	\$ 633,072
Accumulated Depreciation	<u>(271,478)</u>	(1)	<u>(269,203)</u>	<u>(250,839)</u>
Net Utility Plant	\$ 361,594		\$ 363,869	\$ 382,233
Material and Supplies	7,931		7,931	7,931
Prepayment	1,935	(2)	2,966	2,318
Cash Working Capital:				
2013 (\$148,793 x 20.55%)	30,577		30,577	
2012 (\$147,432 x 20.55%)				30,297
CIAC - Net	(37,887)	(3)	(38,064)	(39,483)
Accumulated Deferred Income Taxes	<u>(32,134)</u>		<u>(32,134)</u>	<u>(28,432)</u>
Total Year End Rate Base	<u>\$ 332,016</u>		<u>\$ 335,145</u>	<u>\$ 354,864</u>

Notes:

(1) Recorded 1 1/2 months of depreciation expenses (\$18,203 / 12 x 1.5)

(2) Recorded 1 1/2 months of prepayments:

							<u>2/16/2014</u>
Permit to Operate	\$ 300.00	12	1.5	\$ 37.50			\$ 112.50
Insurance	851.00	12	1.5	106.38			371.58
Town of Belmont Prop Taxes	9,347.77	12	1.5	<u>1,168.47</u>			<u>1,168.47</u>
Total decrease				<u>\$ 1,312.35</u>			<u>\$ 1,652.55</u>
PUC Assessment - Water	460.00	12	7.5	287.50	460.00	172.50	
PUC Assessment - Sewer	293.00	12	7.5	183.13	293.00	<u>109.88</u>	
Total increase						<u>\$ 282.38</u>	<u>282.38</u>
Net decrease						<u>\$ 1,029.97</u>	<u>\$ 1,934.93</u>

(3) Recorded 1 1/2 months of amortization of CIAC (\$1,419 / 12 x 1.5)

SPSt. Cyr  
2/10/2014

White Rock Water Company

Record Request #22a Attachment

Page 2 of 2

Year End Rate Base	<u>2/14/2014</u>	<u>2013</u>	<u>2012</u>
Utility Plant	\$ 403,442	\$ 403,442	\$ 394,493
Accumulated Depreciation	<u>(206,664) (1)</u>	<u>(205,158)</u>	<u>(192,772)</u>
Net Utility Plant	\$ 196,778	\$ 198,284	\$ 201,721
Material and Supplies	424	424	424
Prepayment	113 (2)	194	1,879
Cash Working Capital:			
2013 (\$48,764 x 20.55%)	10,021	10,021	
2012 (\$52,381 x 20.55%)			10,764
CIAC - Net	<u>(100,860) (3)</u>	<u>(100,218)</u>	<u>(105,357)</u>
Total Year End Rate Base	<u>\$ 106,476</u>	<u>\$ 108,705</u>	<u>\$ 109,431</u>

Notes:

- (1) Recorded 1 1/2 months of depreciation expenses (\$12,047 / 12 x 1.5)
- (2) Recorded 1 1/2 months of prepayments (\$300 / 12 x 1.5 + \$43.25)
- (3) Recorded 1 1/2 months of amortization of CIAC (\$5,139 / 12 x 1.5)

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2/7/2014

Rosebrook Water Company

Record Request #22b Attachment

Calculation of Purchase Price

	<u>12/31/2015</u>	<u>8/31/2016</u>
Property, Plant & Equipment	\$ 1,355,885	\$ 1,357,653
Accumulated Depreciation	(623,109)	(651,590)
Net Acquisition Adjustment	<u>(16,855)</u>	<u>(14,608)</u>
Net Plant	\$ 715,921	\$ 691,455
Less:		
CIAC	\$ (296,307)	\$ (285,770)
SRF		
Plus:		
Plant M&S	\$ 3,718	\$ 5,408
Net Deferred Assets / Liabilities	(56,409)	(56,409)
Prepayments	<u>16,990</u>	<u>7,660</u>
Total	\$ 383,913	\$ 362,344
10% Premium	<u>\$ 38,391</u>	<u>\$ 36,234</u>
Total Purchased Price	<u>\$ 422,304</u>	<u>\$ 398,578</u>

SPSt. Cyr  
9/20/2016

## Tioga

## Record Request #22c Attachment

Calculation of Purchase Price	Actual	Estimated	Estimated
Fixed Assets	<u>3/31/19</u>	<u>4/1-4/30/19</u>	<u>4/30/2019</u>
303-01 · Land & Land Rights Tioga	1,005.00		
304-01 · Structures & Improve Tioga	75,498.66		
304-02 · Structures & Improve GVWD	48,962.26		
307-01 · Wells & Springs Tioga	19,136.00		
307-02 · Wells & Springs GVWD	22,520.40		
309-01 · Supply Main - Tioga	274.54		
309-02 · Supply Main GVWD	5,610.22		
311-01 · Pumping Equipment Tioga	49,140.35		
311-02 · Pumping Equipment GVWD	51,602.66		
320-01 · Treatment Equipment Tioga	12,422.96		
320-02 · Treatment Equip GVWD	21,969.49		
330-01 · Dist Resevior & Standpipe Tioga	4,194.00		
330-02 · Dist Reservoir & Standpipe GVWD	775.00		
331-01 · Transport & Dist Mains Tioga	9,987.03		
331-02 · Transport & Dist Mains GVWD	18,211.72		
333-01 · Services Tioga	1,458.66		
333-02 · Services GVWD	28,063.70		
334-01 · Meter & Meter Install Tioga	5,906.40		
334-02 · Meter & Meter Install GVWD	895.00		
346-02 · Comm. Equipment GVWD	1,138.95		
Total Fixed Assets	378,773.00	0	378,773.00
108-01 · Accum. Depreciation Tioga	-68,629.41	-667.41	
108-02 · Accum. Depreciation GVWD	-84,153.28	<u>-1006.77</u>	
Total Accum. Depreciation	<u>-152,782.69</u>	<u>-1674.18</u>	<u>-154,456.87</u>
Net Plant	225,990.31	<u>-1674.18</u>	224,316.13
271-01 · CIAC TIOGA	-61,894.00		
271-02 · CIAC GVWD	-79,205.25		
272-01 · Accum Amount CIAC Tioga	27,478.12	289.24	
272-02 · Accum Amount CIAC GVWD	43,867.73	<u>338.71</u>	
Net CIAC	-69,753.40	<u>627.95</u>	-69,125.45
275-01 · Loan NHDES Tioga	-45,516.00	225.00	
275-02 · Loan NHDES GVWD	-36,636.00	<u>225.00</u>	
Principal amount of SRF loans assumed by Buyer	-82,152.00	<u>450.00</u>	-81,702.00
181-01 · Unamortized Debt Exp. Tioga	2,340.64	-16.22	
181-02 · Unamortized Debt Exp GVWD	2,367.65	<u>-16.22</u>	
Total Unamortized Debt Exp related to SRF Loans	4,708.29	<u>-32.44</u>	4,675.85
163-01 · Prepaid Taxes - Tioga	262.50	-189.5	
163-02 · Prepaid Taxes - GVWD	262.50	<u>-148.08</u>	
Total Prepaid Property Taxes	<u>525.00</u>	<u>-337.58</u>	<u>187.42</u>
Total Purchase Price	<u>79,318.20</u>	<u>-966.25</u>	<u>78,351.95</u>

SPSt. Cyr

4/24/2019