

# **TAB 12**

## **1604.06 and 1604.07 Filing Requirement Schedules**

**PITTSFIELD AQUEDUCT COMPANY, INC.**  
**COMPUTATION OF REVENUE DEFICIENCY**  
**For the Twelve Months Ended December 31, 2019**

**Schedule A**  
Perm-Conventional

|  | TEST YEAR    | PRO FORMA<br>ADJUSTMENTS | PRO FORMA<br>TEST YEAR |
|--|--------------|--------------------------|------------------------|
| Consolidated Rate Base (Sch 3)           | \$ 3,234,472 | \$ (2,263,803)           | \$ 970,669             |
| RATE of Return (1)                       | 3.81%        |                          | 3.81%                  |
| Income Required                          | \$ 123,107   |                          | \$ 36,945              |
| Adjusted Net Operating Income (Sch 1)    | \$ 46,620    | \$ (47,800)              | \$ (1,180)             |
| Deficiency                               | \$ 76,487    |                          | \$ 35,765              |
| Tax Factor (2)                           | 72.92%       |                          | 72.92%                 |
| Revenue Deficiency                       | \$ 104,896   |                          | \$ 49,048              |
| Water Revenues                           | \$ 771,874   | \$ (147,539)             | \$ 624,336             |
| Add: City Bond Fixed Revenue Requirement | \$ -         |                          | \$ 147,539             |
| Water Revenues with CBFRR                | \$ 771,874   |                          | \$ 771,874             |
| Proposed Revenue Inc.                    | 13.59%       |                          | 6.35%                  |
| New Revenue Levels                       | \$ 876,770   |                          | \$ 820,922             |

Notes:

(1) See Schedule 1 in the 1604.08 Schedules

(2) See Tax Factor Tab in 1604.06 schedules

**Pittsfield Aqueduct Company**  
**Schedule A**  
**Computation of Revenue Deficiency**  
**For The Twelve Months Ended December 31, 2019**

Schedule A  
Proposed

|   | 12 Months<br>Ending 12/31/19 | PRO FORMA<br>Adjustments to<br>2019 Test Year | PRO FORMA 12<br>Months Ending<br>12/31/19 | Perm Rate<br>PRO FORMA<br>Adjustments based<br>on FIVE YEAR<br>AVE | Perm Rate Based<br>on Five Year Ave |
|---|------------------------------|---|---|--|-------------------------------------|
| City Bond Fixed Revenue Requirement (CBFRR)                             | \$ 147,539 (1)               | \$ -  | \$ 147,539                                | \$ -   | \$ 147,539                          |
| Material Operating Expense Revenue Requirement (MOERR)                  | \$ 605,988 (2)               | \$ (7,518) (4)                                | \$ 598,470                                | \$ 66  | \$ 598,536                          |
| Material Operating Expense Factor (MOEF)                                | 1.0                          |   | 1.0                                       |  | 1.060                               |
| Material Operating Expense Revenue Requirement (MOERR)                  | \$ 605,988                   |   | \$ 598,470                                |  | \$ 634,448                          |
| Non Material Operating Expense Revenue Requirement (NOERR)              | \$ 8,993                     | \$ -  | \$ 8,993                                  | \$ -   | \$ 8,993                            |
| Debt Service Revenue Requirement (DSRR 1.0)                             | \$ 67,791 (3)                | \$ 36   | \$ 67,828                                 | \$ -   | \$ 67,828                           |
| Principal and Interest Coverage Requirement                             | 1.00                         | 1.00  | 1.00                                      | -  | 1.10                                |
| Total Debt Service Requirement with 0.1 DSRR included                   | <u>\$ 67,791</u>             | <u>\$ 36</u>                                  | <u>\$ 67,828</u>                          | <u>\$ -</u>  | <u>\$ 74,611</u>                    |
| Revenue Requirement   | \$ 830,311                   | \$ (7,482)                                    | \$ 813,837                                | \$ 66  | \$ 865,590                          |
| Less Other Operating Revenues   | <u>\$ 2,663</u>              | <u>\$ -</u>                                   | <u>\$ 2,663</u>                           | <u>\$ -</u>  | <u>\$ 2,663</u>                     |
| Revenues required from Customer Classes                                 | \$ 827,648                   | \$ (7,482)                                    | \$ 811,174                                | \$ 66  | \$ 862,927                          |
|   |                              |   |   |  |                                     |
| Total Current Revenues, exclusive of other revenues and excluding CBFRR | \$ 624,336                   | \$ -  | \$ 624,336                                | \$ 4,270   | \$ 628,606                          |
| Add: City Bond Fixed Revenue Requirement                                | <u>\$ 147,539</u>            | <u>\$ -</u>                                   | <u>\$ 147,539</u>                         | <u>\$ -</u>  | <u>\$ 147,539</u>                   |
| Current Water Revenues with CBFRR                                       | \$ 771,874                   | \$ -  | \$ 771,874                                | \$ 4,270   | \$ 776,144                          |
| Proposed Percent Revenue Increase                                       | 7.23%                        |   | 5.09%                                     |  | 11.18%                              |

Principal and Interest Coverage Requirement - 1.10

Notes:

- (1) The CBFRR includes the revenues necessary to repay the City Bond per 1604.06 Sch 1 Attach A Pg 2
- (2) Operating Expense Revenue requirement is the sum of the Total Operating Expenses, Property Tax Expense, and Amortization Expense from 1604.06 Sch 1
- (3) Annual Principal and Interest payments for debt associated with all plant in service as of 12/31/2019 per 1604.08, Schedule 5
- (4) 2019 Test Year Proforma per 1604.06 Sch 1
- (5) Annual Principal and Interest payments for repayment of intercompany debt as of 12/31/2019 per 1604.08, Schedule 5

**Pittsfield Aqueduct Company**  
**Overall Rate of Return**  
**For the Twelve Months Ended December 31, 2019**

**Rate of Return - Sch 1A**

| <u>Capital Component</u>      | <u>Amount</u>       | <u>Ratio</u>   | <u>Rate</u> |     | <u>Average<br/>Cost<br/>Rate</u> |
|-------------------------------|---------------------|----------------|-------------|-----|----------------------------------|
| Long-term Debt                | \$ 1,312,186        | 64.58%         | 3.25%       | (2) | 2.10%                            |
| Intercompany Debt (3)         | \$ 14,674           | 0.72%          | 3.31%       |     | 0.02%                            |
| Preferred Stock               | \$ -                | 0.00%          | 0.00%       |     | 0.00%                            |
| Common Equity                 | \$ 705,066          | 34.70%         | 4.85%       | (1) | 1.68%                            |
| <b>Overall Rate of Return</b> | <u>\$ 2,031,926</u> | <u>100.00%</u> |             |     | <u><b>3.81%</b></u>              |

**Notes:**

(1) The return on equity based on Order 25,292 in DW 11-026 is as follows:

|                                     |              |
|-------------------------------------|--------------|
| Average 2019 30 year Treasury bonds | 1.85%        |
| Plus 3.0%                           | <u>3.00%</u> |
| Total                               | <u>4.85%</u> |

(2) Per Order 25,230 in DW 10-091, the interest rate as reflected on Schedules 5 is calculated on debt net of debt issuance costs



**PITTSFIELD AQUEDUCT COMPANY, INC.**  
**OPERATING INCOME STATEMENT**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 1**  
Perm-Conventional

|                                     | Account Number | TWELVE MONTHS<br>12/31/19 | PRO FORMA<br>ADJUSTMENTS | PRO FORMA 12 MONTHS<br>12/31/19 | TWELVE MONTHS<br>12/31/18 | TWELVE MONTHS<br>12/31/17 |
|-------------------------------------|----------------|---------------------------|--------------------------|---------------------------------|---------------------------|---------------------------|
| Water Sales                         | 461 & 462      | \$ 771,874                | \$ (147,539) (8)         | \$ 624,336                      | \$ 788,388                | \$ 788,657                |
| Other Operating Revenue             | 471            | 2,663                     | -                        | 2,663                           | 3,171                     | 3,435                     |
| Total Revenues                      |                | <u>774,537</u>            | <u>(147,539)</u>         | <u>626,999</u>                  | <u>791,559</u>            | <u>792,092</u>            |
| Production Expenses                 | 601 to 652     | 131,316                   | 1,537 (1)                | 132,853                         | 128,290                   | 116,764                   |
| Transmission & Distribution Expense | 660 to 678     | 61,179                    | 3,117 (2)                | 64,296                          | 73,811                    | 82,996                    |
| Customer Acct & Collection Exp      | 902 to 904     | 15,594                    | (422) (3)                | 15,173                          | 12,552                    | 18,126                    |
| Administrative & General Expense    | 920 to 950     | 26,789                    | 623 (2)                  | 27,413                          | 23,978                    | 19,654                    |
| Inter Div Management Fee            | 930            | 174,537                   | 1,385 (3)                | 175,922                         | 183,320                   | 172,080                   |
| Total Operating Expense             |                | <u>409,416</u>            | <u>6,241</u>             | <u>415,657</u>                  | <u>421,952</u>            | <u>409,621</u>            |
| Depreciation Exp/Acq Adj (Credit)   | 403            | 101,572                   | (27,111) (4)             | 74,462                          | 101,836                   | 103,390                   |
| Amortization Expense: CIAC          | 405            | (22,985)                  | -                        | (22,985)                        | (22,986)                  | (23,072)                  |
| Amortization Expense                | 407            | 37,435                    | (34,349) (5)             | 3,086                           | 36,630                    | 35,923                    |
| Property Taxes                      | 408.1          | 187,692                   | (230) (6)                | 187,462                         | 181,659                   | 211,656                   |
| Income Tax                          | 409 to 410     | 14,787                    | (44,289) (7)             | (29,502)                        | 110,837                   | 17,053                    |
| Total Operating Deductions          |                | <u>318,501</u>            | <u>(105,979)</u>         | <u>212,522</u>                  | <u>407,975</u>            | <u>344,950</u>            |
| Net Operating Income                |                | <u>\$ 46,620</u>          | <u>\$ (47,800)</u>       | <u>\$ (1,180)</u>               | <u>\$ (38,368)</u>        | <u>\$ 37,521</u>          |

**Notes:**

- (1) adjust production expenses for personnel and salary increases and electricity per Schedule 1, Attachment B
- (2) adjust distribution expenses for personnel and salary increases per Schedule 1, Attachment C
- (3) adjust for customer account and collection costs per Schedule 1, Attachment D
- (4) adjust depreciation for additions/deletions to plant assets and the elimination of equity related assets per Schedule 1, Attachment K
- (5) adjust amortization expenses for the elimination of the amortization of the acquisition premium.
- (6) adjust property taxes for additions/deletions to plant assets and valuation adjustment per Schedule 1, Attachment G
- (7) reflect income tax effect on proforma adjustments calculated per Schedule 1, Attachment L
- (8) adjust revenue to eliminate City Bond Fixed Revenue Requirement (CBFRR) per Schedule 1, Attachment A, Page 1

**PITTSFIELD AQUEDUCT COMPANY**  
**OPERATING INCOME STATEMENT**  
For the Twelve Months Ended December 31, 2019

Schedule 1  
Proposed

|                                      | Account Number | TWELVE MONTHS<br>12/31/19 | PRO FORMA<br>Adjustments to<br>Test Year | PRO FORMA 12<br>MONTHS<br>12/31/19 | PRO FORMA<br>Adjustments<br>based on Five<br>Year Ave | Perm Rate Based<br>on Five Year Ave | TWELVE MONTHS<br>12/31/18 | TWELVE MONTHS<br>12/31/17 |
|--------------------------------------|----------------|---------------------------|--|------------------------------------|---|-------------------------------------|---------------------------|---------------------------|
| Water Sales                          | 460 to 462     | \$ 771,874                | \$ -                                     | \$ 771,874                         | \$ 4,270 (9)  | \$ 776,144                          | \$ 788,388                | \$ 788,657                |
| Other Operating Revenue              | 471            | 2,663                     | -  | 2,663                              |   | 2,663                               | 3,171                     | 3,435                     |
| <b>Total Revenues</b>                |                | <b>774,537</b>            | <b>-</b>                                 | <b>774,537</b>                     | <b>4,270 -</b>  | <b>778,807</b>                      | <b>791,559</b>            | <b>3,435</b>              |
| <b>Operating Expenses</b>            |                |                           |  |                                    |   |                                     |                           |                           |
| Production Expenses                  | 601 to 652     | 131,316                   | 1,537 (1)                                | 132,853                            | 66 (10)   | 132,919                             | 128,290                   | 116,764                   |
| Transmission & Distribution Expenses | 660 to 678     | 61,179                    | 3,117 (2)                                | 64,296                             | -   | 64,296                              | 73,811                    | 82,996                    |
| Customer Acct & Collection Exp       | 902 to 904     | 15,594                    | (422) (3)                                | 15,173                             |   | 15,173                              | 12,552                    | 18,126                    |
| Administrative & General Expense     | 920 to 950     | 26,789                    | 623 (4)                                  | 27,413                             |   | 27,413                              | 23,978                    | 19,654                    |
| Inter Div Management Fee             | 930            | 174,537                   | 1,385 (5)                                | 175,922                            |   | 175,922                             | 183,320                   | 172,080                   |
| Amortization Expense                 | 407            | 3,086                     | - (6)                                    | 3,086                              |   | 3,086                               | 3,088                     | 3,088                     |
| Property Taxes                       | 408.1          | 187,692                   | (230) (7)                                | 187,462                            |   | 187,462                             | 181,659                   | 211,656                   |
| Income Tax                           | 409 to 410     | 14,787                    | (13,529) (8)                             | 1,258                              | -   | 1,258                               | 110,837                   | 17,053                    |
| <b>Total Operating Expense</b>       |                | <b>614,981</b>            | <b>(7,518)</b>                           | <b>607,463</b>                     | <b>66</b>   | <b>607,529</b>                      | <b>717,535</b>            | <b>641,418</b>            |

**Notes:**

- (1) adjust production expenses for personnel and salary increases and electricity per Schedule 1, Attachment B
- (2) adjust distribution expenses for personnel and salary increases per Schedule 1, Attachment C
- (3) adjust for customer account and collection costs per Schedule 1, Attachment D
- (4) adjust for Admin & General expenses per Schedule 1, Attachment E
- (5) adjust Management Fees Schedule 1 Attachment F
- (6) adjust amortization expenses for additions/deletions and eliminations to deferred charges per Schedule 1, Attachment H
- (7) adjust property taxes for additions/deletions to plant assets and valuation adjustment per Schedule 1, Attachment G
- (8) reflect income tax effect on proforma adjustments calculated per Schedule 1, Attachment J
- (9) normalize test year revenues to reflect 5 Year Ave sales per Schedule 1C
- (10) normalize test year production expenses to reflect of the 5 Year Ave per Schedule 1, Attachment B

**Pittsfield Aqueduct Company  
Pro Forma Adjustment Income or Expense  
Total Revenues  
For the Twelve Months Ended December 31, 2019**

**Schedule 1  
Attachment A  
Page 1**

**I Water Sales**

- A.** Per Order 25,292 in DW 11-026, the following pro forma adjustment eliminates the annualized water sales associated with the City Bond Fixed Revenue Requirement (CBFRR). Includes PAC payment for its share of the \$5,000,000 Rate Stabilization Fund per Sch 1 Attach A Pg 2

**Therefore:**

\$ (147,539)

**TOTAL WATER SALES PRO FORMA:**

\$ (147,539)

**Pittsfield Aqueduct Company**  
**PRO FORMA Adjustments to Revenue Requirement**  
**Calculation of PAC's share of City Bond Fixed Revenue Requirement**

Schedule 1  
Attachment A  
Page 2

**Revenue**

<sup>1</sup> To recognize adjustment of fixed annual revenue requirement to meet City Bond obligation.

|  |                    |
|--|--------------------|
| Total City Bond  | \$ 150,570,000     |
| Bond Interest Rate   | 4.09%              |
| Bond Period  | 30 yrs.            |
| Total City Bond  | \$ 150,570,000     |
| Less Rate Stabilization fund                               | <u>\$5,000,000</u> |
| Amount of City Bond to be prorated between Utilities CBFRR | \$ 145,570,000     |
| PAC Share of CBFRR   | <u>1.66%</u>       |
| PAC Prorata share  | \$2,423,594        |
| Add back PAC Pro Rata Share of Rate Stabilization Reserve  | <u>\$ 100,000</u>  |
| Total PAC Pro Rata Share for CBFRR/MARA                    | \$ 2,523,594       |
| Bond Interest Rate   | 4.09%              |
| Bond Period  | 30 yrs.            |
| PAC CBFRR Revenue Requirement                              | <u>\$ 147,539</u>  |

**Notes:**

**(1) Pro Rata Calculation as follows:**

|  |                      |                |
|--|----------------------|----------------|
| PWW & Southwood Equity (12/31/2011) <b>(2)</b> | \$ 56,442,675        | 88.12%         |
| PEU Equity (12/31/2011)                        | \$ 6,540,063         | 10.21%         |
| PAC Equity (12/31/2011)                        | <u>\$ 1,066,353</u>  | <u>1.66%</u>   |
|  | <u>\$ 64,049,091</u> | <u>100.00%</u> |

**5. Calculation of RSF Percentage based on Revenue requirements from DW13-126, 13-128 and 13-130**

|                                    |  |
|------------------------------------|--|
| RSF amount funded by City Bond -   | \$ 5,000,000                                   |
| PWW Revenue Requirement -          | \$27,689,214 per DW13-130 Settlement Agreement |
| PEU Revenue Requirement -          | \$6,913,261 per DW13-126 Settlement Agreement  |
| PAC Revenue Requirement -          | \$745,186 per DW13-128 Settlement Agreement    |
| PAC Share of RSF as a percentage - | 2.11%  |
| PAC Share of RSF in \$\$ -         | \$ 100,000                                     |

**(2) Consists of Equity as of 12/31/2011 as follows:**

|           |                      |
|-----------|----------------------|
| PWW       | \$ 54,395,626        |
| Southwood | <u>\$ 2,047,049</u>  |
| Total     | <u>\$ 56,442,675</u> |

**Pittsfield Aqueduct Company**  
**Pro Forma Adjustment Income or Expense**  
**Production Expenses**  
**For the Twelve Months Ended December 31, 2019**

Schedule 1  
Attachment B

**I Union Contract**

- A.** In 2018, the Company signed a three year contract with the United Steelworkers Union which called for a 3.45% increase 1/1/2020.  
To calculate the pro forma adjustments for Production union payroll, the payroll data was extracted from the work order detail report for the year 2019. (See Schedule 1B)

|          |                                  |                 |
|----------|----------------------------------|-----------------|
|          | Wage increase granted on 01/1/20 | 1,010           |
| Benefits | 66.20%                           | <u>668</u>      |
|          |                                  | <u>\$ 1,678</u> |

**Therefore:**

**\$ 1,678**

**II Operating and Maintenance Expenses:**

- B.** During 2019, the Company negotiated a new electricity supply charge rate (per kilowatt hour) effective November 1, 2019 for G and GV Accounts  
The calculation of the pro forma adjustment is as follows:

|                |                  |                  |                  |          |
|----------------|------------------|------------------|------------------|----------|
|                | 2019 Purchased   |                  |                  |          |
| 2019 Total KWH | Power Total \$\$ | 2019 Supply Rate | 2020 Supply Rate | Decrease |
| 31,192 \$      | 8,032 \$         | 0.07403 \$       | 0.06950 \$       | (141)    |

**Therefore:**

**\$ (141)**

- C.** Adjustment to Electric supply charge associated with 5 Year Average Flows

|                |                 |               |               |                    |
|----------------|-----------------|---------------|---------------|--------------------|
|                | % Change from   |               |               |                    |
| 2019 Total KWH | 2019 TY to 5 Yr | Change in KWH | 2020 KWH Rate | Change in Electric |
| 31,192         | Ave.            |               |               | Supply Costs       |
|                | 3.47%           | 1,081         | 0.06095 \$    | 66                 |

**Therefore:**

**\$ 66**

**TOTAL PRODUCTION EXPENSES PRO FORMA:**

|                        |                     |
|------------------------|---------------------|
| <u><b>\$ 1,537</b></u> | <u><b>\$ 66</b></u> |
|------------------------|---------------------|

**Pittsfield Aqueduct Company**  
**Pro Forma Adjustment Income or Expense**  
**Transmission and Distribution Expenses**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 1**  
**Attachment C**

**I Union Contract**

**A.** In 2019, the Company signed a two year contract with the United Steelworkers Union which called for a 3.45% increase 1/1/2020.

To calculate the pro forma adjustments for Distribution union payroll, the payroll data was extracted from the work order detail report for the year 2019. (See Schedule Union 1B)

|          |                                  |                 |
|----------|----------------------------------|-----------------|
|          | Wage increase granted on 01/1/20 | 1,875           |
| Benefits | 66.20%                           | <u>1,241</u>    |
|          |                                  | <u>\$ 3,117</u> |

**Therefore:** **\$ 3,117**

**TOTAL TRANSMISSION AND DISTRIBUTION EXPENSES PRO FORMA:** **\$ 3,117**

**Pittsfield Aqueduct Company**  
**Pro Forma Adjustment Income or Expense**  
**Customer Account and Collection Expense**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 1**  
**Attachment D**

**I Customer Account and Collection**

**A.** In October of 2020 the cost of bill and notice processing decreased/increased in accordance with the Company's vendor change from Curtis1000 to DMM. These cost increases were partially offset by a decrease in postage. The following pro forma adjustment annualizes the impact on costs as follows:

| Activity                         | Quantity <sup>1</sup> | 2020 Rate |        | 2019 Rate |        | Rate Change | Pro Forma       |
|----------------------------------|-----------------------|-----------|--------|-----------|--------|-------------|-----------------|
| Bill (Paper, Print and Insert)   | 7,534                 | \$        | 0.1250 | \$        | 0.1400 | \$ (0.02)   | \$ (113)        |
| Notice (Paper, Print and Insert) | 876                   | \$        | 0.3400 | \$        | 0.1400 | \$ 0.20     | \$ 175          |
| Bill Envelopes                   | 8,410                 | \$        | 0.0270 | \$        | 0.0375 | \$ (0.01)   | \$ (88)         |
| Bill Return Envelope             | 8,410                 | \$        | 0.0235 | \$        | 0.0339 | \$ (0.01)   | \$ (87)         |
|                                  |                       |           |        |           |        |             | <u>\$ (113)</u> |
| Bill Postage                     | 7,534                 | \$        | 0.4090 | \$        | 0.4500 | \$ (0.04)   | \$ (309)        |
| Notice Postage                   | 876                   | \$        | 0.4500 | \$        | 0.4500 | \$ -        | \$ -            |
|                                  |                       |           |        |           |        |             | <u>\$ (309)</u> |

Total Decrease in expenses    \$        (422)

**Therefore:** \$        (422)

**Total Customer Account and Collection Pro Forma:        \$        (422)**

1. Number of bills processed in 2019

**Pittsfield Aqueduct Company  
Pro Forma Adjustment Income or Expense  
Administrative and General Expense  
For the Twelve Months Ended December 31, 2019**

**Schedule 1  
Attachment E**

**I Insurance**

**A.** In 2020 the Company's insurance expense is increased.

The pro forma adjustment to reflect the increased costs is as follows:

|                        |                  |
|------------------------|------------------|
| 2019 Insurance Expense | \$ 10,654        |
| 2020 Insurance Expense | <u>\$ 11,196</u> |
|                        | <u>\$ 542</u>    |

|                   |               |
|-------------------|---------------|
| <b>Therefore:</b> | <b>\$ 542</b> |
|-------------------|---------------|

**II Regulatory Commission Expense**

**A** In 2019, the Company recorded regulatory commission expense based on quarterly assessments. Based on the latest assessment, the Company expects to incur higher levels in 2020 as follows:

|                              |                 |
|------------------------------|-----------------|
| 2019 Regulatory Expense      | \$ 2,985        |
| 2020 NHPUC Annual Assessment | <u>\$ 3,066</u> |
|                              | <u>\$ 81</u>    |

|                   |              |
|-------------------|--------------|
| <b>Therefore:</b> | <b>\$ 81</b> |
|-------------------|--------------|

|  |                      |
|--|----------------------|
| <b>TOTAL ADMINISTRATIVE &amp; GENERAL EXPENSE PRO FORMA:</b> | <b><u>\$ 623</u></b> |
|--|----------------------|



**Pittsfield Aqueduct Company**  
**Pro Forma Adjustment Income or Expense**  
**Management Fee Expense**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 1**  
**Attachment F**

**I Management Fee Allocated to Affiliates (Rule 1601.01, Section 26)**

- A** In the test year, PWV adjusted compensation for non-union salary & wages that occurred on April 1, 2020 per Sch Non Union 1B. A portion of the increases will flow through the management fee (1604.01 Section 26) and be allocated to PAC including benefits, as follows:

|                             |                         |
|-----------------------------|-------------------------|
| Non Union Payroll Pro Forma | \$ (88,648)             |
| Benefits Pro Forma          | <u>\$ (45,432)</u>      |
| Total Pro Forma             | <u>\$ (134,080)</u>     |
| % Allocated to PAC          | 1.42% <u>\$ (1,904)</u> |

**Therefore:** **\$ (1,904)**

- B.** Under the current lease at Manchester Street, lease payments remained constant. The CAM charges increased in 2019. The following pro forma adjustment annualizes the current lease payments:

|                           |                      |
|---------------------------|----------------------|
| 2020 Estimated Expense    | \$ 335,532           |
| 2019 Lease Expense        | <u>\$ 338,567</u>    |
| Increase in Lease Expense | <u>\$ (3,035)</u>    |
| % Allocated to PAC        | 1.42% <u>\$ (43)</u> |

**Therefore:** **\$ (43)**

- C.** In 2020, the Company is expecting a increase in pension expenses and health retirement plans based on actuarial valuation. The pro forma adjustment to reflect the increased costs is as follows:

|                        |                          |
|------------------------|--------------------------|
|                        | <u>Health Retirement</u> |
| 2020 Estimated Expense | 353,640.00               |
| 2019 Actual Expense    | <u>331,492.85</u>        |
| Increased Expense      | <u>\$ 22,147</u>         |
| % Allocated to PAC     | 1.42% <u>\$ 314</u>      |

**Therefore:** **\$ 314**

- D.** In 2020, Pennichuck Water Works Revenues increased as a result of Order #26,383 in DW19-084 which results in a shifting of Tier 1 expenses between the regulated Utilities resulting in a pro forma increase in the Company's share of PWV's Mgt Fee

**Therefore:** **\$ 3,018**

**TOTAL MANAGEMENT FEE EXPENSE PRO FORMA:**

**\$ 1,385**

**Pittsfield Aqueduct Company  
Pro Forma Adjustment Income or Expense  
Property and Other Taxes Expense  
For the Twelve Months Ended December 31, 2019**

**Schedule 1  
Attachment G**

**I PROPERTY TAXES**

- A.** To reflect a pro forma property tax adjustment for the net change in property taxes for the Town of Pittsfield and the State of New Hampshire. Schedule 1A reflects the tax rate, taxes paid in the test year, the pro forma adjustments for increases in property taxes based on the tax year for each community, and the consolidated property tax adjustment.

**Therefore:**

\$ (230)

**TOTAL PROPERTY AND OTHER TAXES EXPENSE PRO FORMA:**

\$ (230)

**Pittsfield Aqueduct Company**  
**Pro Forma Adjustment Income or Expense**  
**Amortization Account**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 1**  
**Attachment H**

No deferred assets were added to PAC during the test year or will be added during the 12 months after the test year. No deferred assets on the Company's books were fully amortized during the test year or will be fully amortized during the 12 months following the test year.

**TOTAL AMORTIZATION EXPENSE PRO FORMA:**

|      |
|------|
| \$ - |
|------|

Pittsfield Aqueduct Company  
Non Material Operating Expenses as defined in DW17-128  
For the Twelve Months Ended December 31, 2019

Schedule 1  
Attachment I

|  |                          | January | February | March | April | May  | June | July  | August | September | October | November | December |          | <b>2019 Totals</b> |
|--|--------------------------|---------|----------|-------|-------|------|------|-------|--------|-----------|---------|----------|----------|----------|--------------------|
| 921002                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 921003                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 921004                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 923000                                 | OUTSIDE SERVICES         | -       | -        | -     | 1     | -    | -    | 8,971 | -      | -         | -       | -        | -        | 8,972.36 | 8,972.36           |
| 926001                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 926500                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 926501                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 926502                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 926505                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 926600                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 926610                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 930100                                 | #N/A                     | -       | -        | -     | -     | -    | -    | -     | -      | -         | -       | -        | -        | -        | -                  |
| 930101                                 | #N/A                     | #N/A    | #N/A     | #N/A  | #N/A  | #N/A | #N/A | #N/A  | #N/A   | #N/A      | #N/A    | #N/A     | #N/A     | #N/A     | #N/A               |
| 930200                                 | PUBLIC RELATIONS         | 20      | -        | -     | -     | -    | -    | -     | -      | -         | -       | -        | -        | 20.18    | 20.18              |
| 930300                                 | MEALS                    | -       | -        | -     | -     | -    | -    | -     | -      | -         | -       | -        | -        | -        | -                  |
| 930410                                 | CHARITABLE CONTRIBUTIONS | -       | -        | -     | -     | -    | -    | -     | -      | -         | -       | -        | -        | -        | -                  |
| Total of Non RSF backed O&M Expenses - |                          |         |          |       |       |      |      |       |        |           |         |          |          | \$       | 8,992.54           |

**Pittsfield Aqueduct Company**  
**Pro Forma Adjustment Income or Expense**  
**Income Taxes Account**  
**Proposed Rate Making - Cash Income Taxes**  
**For the Twelve Months Ended December 13, 2019**

**Schedule 1**  
**Attach J**

**I INCOME TAX EXPENSE**

- A.** To reflect the pro forma adjustment to book basis income taxes versus actual tax payments made to Federal and State Governments in 2019

| Pittsfield Aqueduct Company Book Basis 2019 Federal and State Income Taxes |           |                 |          |          |
|--|-----------|-----------------|----------|----------|
|  | 2019 Book | 2019 Actual Tax |          |          |
|  | Basis (1) | Payments (2)    | Proforma |          |
| PROV/FED INC TAX/CURRENT   | \$ 8,125  | \$ -            | \$       | (8,125)  |
| PROVS FOR NH BUS PRFTS TAX CUR   | \$ 2,114  | \$ -            | \$       | (2,114)  |
| PROV/FED INC TAX/DEFERRED  | \$ 3,468  | \$ -            | \$       | (3,468)  |
| PROV NH INCOME TAX DEFERRED  | \$ (178)  | \$ -            | \$       | 178      |
| NH BUSINESS ENTERPRISE TAX   | \$ 1,258  | \$ 1,258        | \$       | 0        |
| INVESTMENT TAX CREDITS   |           | \$ -            | \$       | -        |
| TOTALS   | \$ 14,787 | \$ 1,258        | \$       | (13,529) |

Notes:

- (1) Taxes based on 2019 Profit and Loss Statement which reflects taxes calculated on PWV's book basis pretax income at the Federal and State statutory income tax basis
- (2) Cash payments made by to the Federal and State Governments based on 2019 Corporate Tax Returns based on PAC's share of PCP BET tax of 1.00% of the actual 2019 tax payment in the amount of \$ 125,825

**Pittsfield Aqueduct Company, Inc**  
**Pro Forma Adjustment Income or Expense**  
**Depreciation Account**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 1**  
**Attachment K**

**I DEPRECIATION**

- A.** In 2019, the Company added depreciable assets and only 1/2 year depreciation expense was reflected in the test year. An additional 1/2 year depreciation expense is added per the following per forma adjustment in order to reflect a full year depreciation expense in the test year. (Schedule 3, Attachment A, Exhibit 1)

**Therefore:** \$ 274

- B.** In the test year, the Company disposed of depreciable assets. The total depreciation expense reflected in the test year for these assets was as follows: (Schedule 3, Attachment A, Exhibit 3)

**Therefore:** \$ (59)

- C.** In Order 25,292 (DW11-026) dated November 23, 2011, the NHPUC approved a settlement agreement in which the settling parties agreed to a proforma adjustment for depreciation expense related to certain amount of equity related assets. The Company is reflecting the proforma adjustment as follows:

|                                     |               |
|-------------------------------------|---------------|
| Equity related assets as of 1/25/12 | 1,063,241     |
| Composite Depreciation Rate         | <u>2.57%</u>  |
|                                     | <u>27,325</u> |

**Therefore:** \$ (27,325)

**TOTAL DEPRECIATION EXPENSE PRO FORMA:**

\$ (27,111)

**Pittsfield Aqueduct Company, Inc**  
**Pro Forma Adjustment Income or Expense**  
**Income Taxes Account**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 1**  
**Attachment L**

**I INCOME TAXES**

**A.** To reflect the pro forma adjustment to record the income tax effect of the pro forma adjustments for the test year.

**Therefore:**

|        |                          |                  |
|--------|--------------------------|------------------|
| (Sch1) | Water Sales              | \$ (147,539)     |
| (Sch1) | Other Operating Revenues | -                |
|        | Total Revenues           | <u>(147,539)</u> |

|                  |                          |                    |
|------------------|--------------------------|--------------------|
| Less:            | Expenses                 |                    |
| (Sch1, Attach B) | Production Expense       | 1,537              |
| (Sch1, Attach C) | Distribution Expense     | 3,117              |
| (Sch1, Attach D) | Customer Accounting      | (422)              |
| (Sch1, Attach E) | Administrative & General | 623                |
| (Sch1, Attach F) | Management Fee           | 1,385              |
| (Sch1, Attach G) | Total Prop & Other Taxes | 2,513              |
| (Sch1, Attach K) | Depreciation             | (27,111)           |
| (Sch1, Attach F) | Amortization <b>(1)</b>  | <u>34,349</u>      |
|                  | Total                    | <u>\$ (15,992)</u> |

Pro Forma NHBP Tax @ 8.5%.

**Therefore:**

|    |           |      |           |                     |
|----|-----------|------|-----------|---------------------|
| \$ | (163,531) | 7.7% |           | <u>\$ (12,592)</u>  |
|    |           |      | Sub Total | <u>\$ (150,939)</u> |

Pro Forma FIT Tax 34%

**Therefore:**

|    |           |     |           |                    |
|----|-----------|-----|-----------|--------------------|
| \$ | (150,939) | 21% |           | <u>\$ (31,697)</u> |
|    |           |     | Sub Total | <u>\$ (31,697)</u> |

**TOTAL INCOME TAXES PRO FORMA:**

\$ (44,289)

**Note:**

(1) Per Order 25,292 in DW 11-026, the Schedule 1, Attachment F, Adjustment I C, eliminates the amortization of the Municipal Acquisition Regulatory Asset (MARA). The MARA amortization was not tax affected/subject to tax and is considered a permanent difference item between book and taxable income. Therefore, the Amortization Pro Form Amount reflected does not include the elimination of the MARA amortization as it has no tax impact:

|  |                    |
|--|--------------------|
| Total Amortization Expense Pro Forma     |                    |
| (Schedule 1, Attachment H)               | \$ -               |
| Less: MARA Amortization (Adjustment I C) | <u>\$ (34,349)</u> |
| Net Amortization Expense Pro Forma       | <u>\$ 34,349</u>   |

**Pittsfield Aqueduct Company**  
**Property Taxes**  
**For the Twelve Months Ended December 31, 2019**

Schedule 1A

| TOWN          | TAX YEAR               | TEST YEAR             | TOTAL BILL<br>FOR TAX<br>YEAR 2019 | TOTAL<br>EXPENSE FOR<br>2019 | PRO FORMA<br>PROPERTY<br>TAX | PROPERTY TAX<br>ADJUSTMENTS<br>(1) | PRO FORMA<br>PROPERTY TAX<br>ADJUSTMENT | Dec-18    | Jun-19    | Dec-19    |
|---------------|------------------------|-----------------------|------------------------------------|------------------------------|------------------------------|------------------------------------|---|-----------|-----------|-----------|
| PITTSFIELD    | 04/01/19 -<br>03/31/20 | 01/01/19-<br>12/31/19 |                                    |                              |                              |                                    |   |           |           |           |
| 000017-000000 |                        |                       | \$ 142,462                         | \$ 143,147                   |                              |                                    |   | 72,601.00 | 72,508.00 | 69,954.00 |
| 000042-000000 |                        |                       | 294                                | 296                          |                              |                                    |   | 150.00    | 150.00    | 144.00    |
| 000001-000000 |                        |                       | 497                                | 499                          |                              |                                    |   | 253.00    | 253.00    | 244.00    |
| 000013-000000 |                        |                       | 788                                | 792                          |                              |                                    |   | 402.00    | 401.00    | 387.00    |
| 000014-000000 |                        |                       | 1,034                              | 1,039                        |                              |                                    |   | 526.00    | 526.00    | 508.00    |
| 000006-000000 |                        |                       | 1,902                              | 1,911                        |                              |                                    |   | 969.00    | 968.00    | 934.00    |
| 000007-000000 |                        |                       | 1,279                              | 1,285                        |                              |                                    |   | 651.00    | 651.00    | 628.00    |
| 000008-000000 |                        |                       | 1,313                              | 1,319                        |                              |                                    |   | 669.00    | 668.00    | 645.00    |
| 000010-000000 |                        |                       | 1,414                              | 1,421                        |                              |                                    |   | 721.00    | 720.00    | 694.00    |
| 000010-000001 |                        |                       | 494                                | 497                          |                              |                                    |   | 252.00    | 251.00    | 243.00    |
| 000012-000001 |                        |                       | 574                                | 577                          |                              |                                    |   | 292.00    | 292.00    | 282.00    |
| 000013-000000 |                        |                       | 1,653                              | 1,661                        |                              |                                    |   | 842.00    | 841.00    | 812.00    |
| 000014-000000 |                        |                       | 1,469                              | 1,476                        |                              |                                    |   | 749.00    | 748.00    | 721.00    |
| 000015-000000 |                        |                       | 1,598                              | 1,606                        |                              |                                    |   | 814.00    | 813.00    | 785.00    |
| 000016-000000 |                        |                       | 1,098                              | 1,104                        |                              |                                    |   | 560.00    | 559.00    | 539.00    |
| 000003-000000 |                        |                       | 7,477                              | 7,513                        |                              |                                    |   | 3,811.00  | 3,806.00  | 3,671.00  |
| 000002-000000 |                        |                       | 1,073                              | 1,078                        |                              |                                    |   | 547.00    | 546.00    | 527.00    |
| 000003-000000 |                        |                       | 469                                | 471                          |                              |                                    |   | 239.00    | 239.00    | 230.00    |
|               |                        |                       | \$ 166,888                         | \$ 167,690                   | (802)                        | \$ 470                             | (332)                                   | 85,048.00 | 84,940.00 | 81,948.00 |
| STATE OF NH   | 04/01/19 -<br>03/31/20 | 01/01/19-<br>12/31/19 | \$ 19,254                          | \$ 19,254                    | \$ -                         | 101                                | \$ 101                                  | 19,841.00 |           | 19,254.00 |
|               |                        |                       | \$ 186,142                         | \$ 186,944                   | \$ (802)                     | \$ 572                             | \$ (230)                                |           |           |           |

(1) Net value of change in property taxes for plant added or retired in 2019 per Sch 1A, Attach A and Attach B.



**Pittsfield Aqueduct Company**  
**Taxable Assets Additions**  
**For Twelve Months Ended December 31, 2019**

Schedule 1A Attachment A

| Asset ID  | Description                              | Placed In Service                     | Book Cost         | Tax Rate | Local Property Tax |
|---|--|---------------------------------------|-------------------|----------|--------------------|
| <b>Town or Department: Pittsfield</b>                     |  |                                       |                   |          |                    |
| <b>Asset Type: PAC ELECTRIC PUMPING EQUIPMENT: PUMPS</b>  |  |                                       |                   |          |                    |
| Asset GL Acct #: 311210-6000-001                          |  |                                       |                   |          |                    |
| 600-00000050  | Pittsfield: Boost Pump and Motor Rebuild | 7/1/2019                              | \$1,320.90        | 30.66    | 40.50              |
| <b>Subtotal: 311210-6000-001</b>                          |  |                                       | <b>\$1,320.90</b> |          | <b>40.50</b>       |
| <b>Asset Type: PAC TRANS DIST MAINS - 6" &amp; LARGER</b> |  |                                       |                   |          |                    |
| Asset GL Acct #: 331100-6000-001                          |  |                                       |                   |          |                    |
| 600-00000059  | Catamount RD Water Main Phase 2          | 10/1/2019                             | (\$4.50)          | 30.66    | (0.14)             |
| 600-00000060  | Broadway Street Main Replacement         | 10/1/2019                             | \$509.40          | 30.66    | 15.62              |
| <b>Subtotal: 331100-6000-001</b>                          |  |                                       | <b>\$504.90</b>   |          | <b>(0.14)</b>      |
| <b>Asset Type: PAC SERVICES</b>                           |  |                                       |                   |          |                    |
| Asset GL Acct #: 333100-6000-001                          |  |                                       |                   |          |                    |
| 600-00000063  | Fairview Road (#49): Pittsfield - 1in    | 11/1/2019                             | \$4,365.71        | 30.66    | 133.85             |
| <b>Subtotal: 333100-6000-001</b>                          |  |                                       | <b>\$4,365.71</b> |          | <b>133.85</b>      |
| <b>Asset Type: PAC RENEWED SERVICES</b>                   |  |                                       |                   |          |                    |
| Asset GL Acct #: 333200-6000-001                          |  |                                       |                   |          |                    |
| 600-00000048  | Catamount Road (#47): Pittsfield 1in.    | 3/1/2019                              | \$5,076.26        | 30.66    | 155.64             |
| <b>Subtotal: 333200-6000-001</b>                          |  |                                       | <b>\$5,076.26</b> |          | <b>155.64</b>      |
| <b>Asset Type: PAC METERS</b>                             |  |                                       |                   |          |                    |
| Asset GL Acct #: 334000-6000-001                          |  |                                       |                   |          |                    |
| 600-00000047  | 5/8in. Pac Install New Meter: Pittsf     | 1/1/2019                              | \$74.59           | 30.66    | 2.29               |
| 600-00000052  | 5/8in Install New Meter                  | 7/1/2019                              | \$74.59           | 30.66    | 2.29               |
| 600-00000056  | 5/8in. Pac Install New Meter: Pittsf     | 9/1/2019                              | \$74.59           | 30.66    | 2.29               |
| 600-00000057  | 5/8in Pac Install New Meter: Pittsf      | 10/1/2019                             | \$74.59           | 30.66    | 2.29               |
| 600-00000061  | 650 - 5/8in. Pac Install New Meter: Pitt | 11/1/2019                             | \$298.37          | 30.66    | 9.15               |
| 600-00000064  | 1in. Pac Install New Meter: Pittsfield   | 12/1/2019                             | \$200.30          | 30.66    | 6.14               |
| <b>Subtotal: 334000-6000-001</b>                          |  |                                       | <b>\$797.03</b>   |          | <b>24.44</b>       |
| <b>Asset Type: PAC RADIOS FOR METERING EQUIPMENT</b>      |  |                                       |                   |          |                    |
| Asset GL Acct #: 334100-6000-001                          |  |                                       |                   |          |                    |
| 600-00000049  | Pac Neptune Radio Replacements: Pi       | 5/1/2019                              | \$93.82           | 30.66    | 2.88               |
| 600-00000051  | 654 - Pac Neptune Radio Replacements     | 7/1/2019                              | \$96.88           | 30.66    | 2.97               |
| 600-00000053  | PAC Neptune Radio Replacements           | 8/1/2019                              | \$96.88           | 30.66    | 2.97               |
| 600-00000058  | 654 - Pac Neptune Radio Replacements: Pi | 10/1/2019                             | \$96.88           | 30.66    | 2.97               |
| 600-00000062  | 654 - Pac Neptune Radio Replacements: Pi | 11/1/2019                             | \$200.80          | 30.66    | 6.16               |
| 600-00000065  | Pac Neptune Radio Replacements           | 12/1/2019                             | \$100.40          | 30.66    | 3.08               |
| <b>Subtotal: 334100-6000-001</b>                          |  |                                       | <b>\$685.66</b>   |          | <b>21.02</b>       |
| <b>Asset Type: PAC COMMUNICATION EQUIPMENT</b>            |  |                                       |                   |          |                    |
| Asset GL Acct #: 346000-6000-001                          |  |                                       |                   |          |                    |
| 600-00000054  | Install Cellular Alarm                   | 8/1/2019                              | \$5,324.17        | 30.66    | 163.24             |
| 600-00000055  | Install Cellular Alarm                   | 9/1/2019                              | \$135.07          | 30.66    | 4.14               |
| <b>Subtotal: 346000-6000-001</b>                          |  |                                       | <b>5,459.24</b>   |          | <b>167.38</b>      |
| <b>Subtotal: Pittsfield</b>                               |  | <b>Value of Plant added in 2019 -</b> | <b>17,704.80</b>  |          | <b>542.83</b>      |

**Pittsfield Acqueduct Company**  
**Taxable Assets for Asset Dispositions**  
**For the Twelve Months Ended December 31, 2019**

Schedule 1A Attachment B

| Description                              | Placed In Service | Disposal Date | Cost                   | Tax Rate     | Local Property Tax  |
|--|-------------------|---------------|------------------------|--------------|---------------------|
| Catamount Road (#47): Pittsfield - 1 CT  | 7/1/1978          | 6/30/2019     | <u>\$115.56</u>        | 30.66        | <u>3.54</u>         |
|  |                   |               | <u><b>115.56</b></u>   |              | <u><b>3.54</b></u>  |
| 5/8 New Meter Exchanges: Pittsfield      | 9/1/2014          | 12/31/2019    | \$125.59               | 30.66        | 3.85                |
| 5/8 Meters: Pittsfield - (6)             | 9/1/2005          | 6/30/2019     | \$585.60               | 30.66        | 17.95               |
| 5/8 Meters: Pittsfield - (2)             | 9/1/2005          | 12/31/2019    | \$195.26               | 30.66        | 5.99                |
| 5/8 Meters: Pittsfield - (2)             | 9/1/2005          | 3/31/2019     | \$195.26               | 30.66        | 5.99                |
| 5/8 Meters: Pittsfield - (4)             | 9/1/2005          | 12/31/2019    | <u>\$390.52</u>        | 30.66        | <u>11.97</u>        |
|  |                   |               | <u><b>1,492.23</b></u> |              | <u><b>45.75</b></u> |
| Neptune Radio Replacements: Pittsfield   | 4/1/2013          | 10/31/2019    | \$81.40                | 30.66        | 2.50                |
| Neptune Radio Installs: Pittsfield - (2) | 9/1/2005          | 9/30/2019     | \$190.01               | 30.66        | 5.83                |
| Neptune Radio Installs: Pittsfield - (1) | 9/1/2005          | 3/31/2019     | \$95.00                | 30.66        | 2.91                |
| Neptune Radio Installs: Pittsfield - (1) | 9/1/2005          | 6/30/2019     | \$95.01                | 30.66        | 2.91                |
| Neptune Radio Installs: Pittsfield - (3) | 9/1/2005          | 12/31/2019    | <u>\$293.16</u>        | <u>30.66</u> | <u>8.99</u>         |
|  |                   |               | <u><b>754.58</b></u>   |              | <u><b>23.14</b></u> |
| Plant Retired in 2019 -                  |                   |               | <u><b>2,362.37</b></u> |              | <u><b>72.43</b></u> |

**Pittsfield Acqueduct Company  
Non Union Payroll Summary  
PRO FORMA Adjustments  
For the Twelve Months Ended December 31, 2019**

**Schedule Non Union 1B**

|                                 | <b>Twelve Months<br/>Ending 12/31/19</b> | <b>Annualized<br/>2020 Non<br/>Union Salaries</b> | <b>Total Proformed<br/>Twelve Months<br/>12/31/19</b> |
|---------------------------------|--|---|---|
| Production Non Union Salaries   | \$ 846,007                               | \$ 716,706  | \$ (129,301)  |
| Distribution Non Union Salaries | 470,415                                  | 433,552   | \$ (36,863)   |
| Engineering Salaries            | 547,501                                  | 537,918   | \$ (9,583)  |
| Admin & General Salaries        | <u>3,144,575</u>                         | <u>3,231,674</u>                                  | \$ <u>87,099</u>                                      |
| Total Non Union Salaries        | 5,008,498                                | 4,919,850   | (88,648)  |

**Notes:**

- (1) The Company is reflecting the salary changes for 12 months to reflect the Company's full costs on a going forward basis based on the changes to PWW salaries that occurred in April of 2020

**Pittsfield Aqueduct Company**  
**PAYROLL SUMMARY**  
**Pro Forma Adjustments**  
**For the Twelve Months Ended December 31, 2019**

**Schedule Union 1B**

|                               | <b>Twelve<br/>Months<br/>Ending<br/>12/31/19</b> | <b>Wage Increase<br/>Effective<br/>1/1/20</b> | <b>Total<br/>Proforma for<br/>Payroll</b> |
|-------------------------------|--|---|---|
| Production Labor Expense \$   | 29,268   | 3.45%   | \$ 1,010                                  |
| Distribution Labor Expense \$ | 54,356   | 3.45%   | \$ 1,875                                  |
| Total                         | <u>\$ 83,624</u>                                 | -   | <u>- \$ 2,885</u>                         |

**Notes:**

(1) The Company is reflecting salary and wage changes for 12 months to reflect the Company's full costs on a going forward basis.

| 2019 Workorder Costs   |             |              |               |            |             |             |             |             |             |             |              |               |
|--|-------------|--------------|---------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|---------------|
| Source: 2019 Mgt Fee   |             |              |               |            |             |             |             |             |             |             |              |               |
|  | Production  |              | Distribution  |            | Jobbing     |             |             | Jobbing     |             | Jobbing     |              | Total         |
|  | PWW Capital | 070 WTP      | 080 OPS       | Fleet      | PWW Jobbing | PWS         | PWS Jobbing | PAC Capital | PAC         | PEU Capital | PEU          |               |
|  | Maintenance | Maintenance  | Maintenance   |            | Maintenance | Maintenance |             | Maintenance | Maintenance | Maintenance | Maintenance  |               |
| Labor  | 58,274.36   | 894,072.37   | 1,745,057.06  | 77,818.68  | 48,707.59   | 425,823.36  | 56,554.82   | 3,732.23    | 83,624.18   | 27,095.30   | 762,210.60   | 4,182,970.55  |
| Contractor Clearing  | 114,695.11  | -            | -             | 166,958.84 | 11,722.11   | -           | 473,888.18  | 2,696.82    | -           | 100,281.44  | -            | 870,242.50    |
| Inventory: Pipes & Fittings  | 26,534.47   | 499.80       | 74,290.19     | -          | 22,408.08   | 76.73       | 921.42      | 456.88      | 723.69      | 10,361.10   | 17,887.35    | 154,159.71    |
| Inventory: Meters  | 222,176.17  | -            | 2,846.41      | -          | -           | -           | 2,352.80    | 1,540.41    | 320.12      | 89,738.39   | 2,923.76     | 321,898.06    |
| Inventory: Misc T&D  | 55.17       | -            | 40.56         | -          | -           | -           | -           | -           | -           | -           | 25.97        | 121.70        |
| Inventory: Chemicals   | -           | 913,828.98   | -             | -          | -           | -           | 10,233.07   | -           | -           | -           | 66,041.51    | 990,103.56    |
| Inventory: Fleet   | -           | -            | -             | 3,220.49   | -           | -           | -           | -           | -           | -           | -            | 3,220.49      |
| Inventory: Backup Gen Fuel   | -           | -            | -             | -          | -           | -           | -           | -           | -           | -           | -            | -             |
| Misc T&D Supplies  | -           | -            | -             | -          | -           | -           | -           | -           | -           | -           | -            | -             |
| Truck  | 24,529.25   | 89,684.75    | 332,620.75    | 2,024.75   | 20,294.75   | 134,802.50  | 14,904.70   | 1,345.75    | 8,863.75    | 10,028.50   | 228,599.00   | 867,698.45    |
| Backhoe  | 7,582.75    | 677.50       | 37,128.00     | -          | 6,201.75    | 194.75      | 612.50      | 433.75      | 1,058.25    | 3,250.50    | 12,870.25    | 70,010.00     |
| Compressor   | -           | -            | 4,189.50      | -          | -           | -           | -           | -           | -           | -           | 1,083.00     | 5,272.50      |
| Inspection Fees  | -           | -            | -             | -          | 123,612.00  | -           | -           | -           | -           | -           | -            | 123,612.00    |
| Overhead   | 9,112.72    | -            | -             | -          | 39,004.45   | -           | -           | 252.98      | -           | 5,054.04    | -            | 53,424.19     |
| Labor Overhead   | 37,229.44   | 565,411.37   | 1,103,574.08  | 49,212.53  | 47,320.49   | 264,601.01  | 36,260.73   | 2,439.34    | 44,507.85   | 17,366.31   | 488,205.04   | 2,656,128.19  |
| Misc General Equipment   | -           | -            | -             | -          | -           | -           | -           | -           | -           | -           | -            | -             |
| Total Costs  | 500,189.44  | 2,464,174.77 | 3,299,746.55  | 299,235.29 | 319,271.22  | 825,498.35  | 595,728.22  | 12,898.16   | 139,097.84  | 263,175.58  | 1,579,846.48 | 10,298,861.90 |
| Total Costs w/o OH & CWIP  | 376,381.61  | 2,464,174.77 | 3,299,746.55  | 132,276.45 | 268,544.66  | 825,498.35  | 121,840.04  | 9,948.36    | 139,097.84  | 157,840.10  | 1,579,846.48 | 9,375,195.21  |
| % of Total   | 4.86%       | 23.93%       | 32.04%        | 2.91%      | 3.10%       | 8.02%       | 5.78%       | 0.13%       | 1.35%       | 2.56%       | 15.34%       | 100.00%       |
| % of Total w/o OH & CWIP   | 4.01%       | 26.28%       | 35.20%        | 1.41%      | 2.86%       | 8.81%       | 1.30%       | 0.11%       | 1.48%       | 1.68%       | 16.85%       | 100.00%       |
| Ovhd Allocable to Work Orders                                      |             |              |               |            |             |             |             |             |             |             |              |               |
| 2,627,831  | 127,627     | 628,752      | 841,955       | 76,352     | 81,464      | 210,632     | 152,004     | 3,291       | 35,492      | 67,151      | 403,109      | 2,627,829     |
| Totals by Company:   |             |              |               |            |             |             |             |             |             |             |              |               |
| PWW  | 127,627     | 628,752      | 841,955       | 76,352     | 81,464      |             |             |             |             |             |              | 1,756,150     |
| PEU  |             |              |               |            |             |             |             |             |             | 67,151      | 403,109      | 470,260       |
| PAC  |             |              |               |            |             |             |             | 3,291       | 35,492      |             |              | 38,783        |
| PWS  |             |              |               |            |             | 210,632     | 152,004     |             |             |             |              | 362,636       |
| Total Overhead   | 127,627     | 628,752      | 841,955       | 76,352     | 81,464      | 210,632     | 152,004     | 3,291       | 35,492      | 67,151      | 403,109      | 2,627,829     |
|  |             |              |               |            |             |             |             |             |             |             |              | 100.0%        |
| % Labor  | 1.39%       | 21.37%       | 41.72%        | 1.86%      | 1.16%       | 10.18%      | 1.35%       | 0.09%       | 2.00%       | 0.65%       | 18.22%       | 100.00%       |
| **070, 080 & Fleet Labor Overhead has been calculated per Charlie. |             |              |               |            |             |             |             |             |             |             |              |               |
|  |             |              |               |            |             |             |             |             |             |             |              | 1.00          |
|  |             | Cap Labor    | Labor Expense |            |             |             |             |             |             |             |              |               |
| Total Union Labor per Synergen                                     | 4,282,934   |              |               |            |             |             |             |             |             |             |              |               |
| Total Labor per Schedule   | 4,182,971   |              | 4,182,971     |            |             |             |             |             |             |             |              |               |
| Spec Projects  |             | 99,964       |               |            |             |             |             |             |             |             |              |               |
| Union Labor Capitalized  |             |              |               |            |             |             |             |             |             |             |              |               |
| PWW Capital  | 58,274      |              |               |            |             |             |             |             |             |             |              |               |
| PAC Capital  | 3,732       |              |               |            |             |             |             |             |             |             |              |               |
| PEU Capital  | 27,095      | 89,102       | (89,102)      |            |             |             |             |             |             |             |              |               |
| Totals   |             |              |               |            |             |             |             |             |             |             |              |               |
| Totals   |             | 189,066      | 4,093,869     | 4,282,934  |             |             |             |             |             |             |              |               |

**Pittsfield Aqueduct Company  
2019 Test Year Revenues and Pumpage PRO FORMA**

Schedule 1C

| Revenue Type  | 2019 Test Year<br>Billed Revenues | 2019 TY<br>Revenue<br>Proformas<br>based on Five<br>Yr Ave | Proforma Rate<br>Case 2019 TY<br>Revenues based<br>on Five Yr Ave |
|---|-----------------------------------|--|---|
| Total PAC Volumetric Charges -                            | \$ 355,443                        | \$ 4,270   | \$ 359,713  |
| Total PAC Meter Charges (Fixed Fee) -                     | \$ 211,560                        |  | \$ 211,560  |
| Total PAC Municipal Fire Protection Charges (Fixed Fee) - | \$ 175,804                        |  | \$ 175,804  |
| Total PAC Private Fire Protection Charges (Fixed Fee) -   | \$ 29,067                         |  | \$ 29,067   |
| Total Billed 2019 PEU Revenues -                          | \$ 771,874                        | \$ 4,270   | \$ 776,144  |

| PAC Volumetric Sales and Pumpage in CCF's   |           |           |           |           |           |  |  |  |
|---|-----------|-----------|-----------|-----------|-----------|--|--|--|
|   | 2015      | 2016      | 2017      | 2018      | 2019      | 2019<br>Volumetric<br>Sales &<br>Pumpage<br>Proforma's<br>(CCF)2 | Proformed Five<br>Year Average<br>2019 Volumetric<br>Sales &<br>Pumpage2 | Actual Five<br>Year Average<br>Volumetric<br>Sales &<br>Pumpage2 |
| Total PAC volumetric sales (CCF)  | \$ 52,620 | \$ 58,012 | \$ 57,018 | \$ 57,011 | \$ 55,342 | 659  | 56,001   | 56,001   |
| PAC WTP production (CCF) -  | \$ 68,174 | \$ 73,983 | \$ 62,615 | \$ 61,037 | \$ 58,667 | 2,106  | 60,773   | 60,773   |
| % Unaccounted for PAC -   | 22.8%     | 21.6%     | 8.9%      | 6.6%      | 5.7%      |  |  |  |
| Increase (reduction) in CCF's production for the year from 5 Year Average(2) -    | 7,401     | 13,210    | 1,842     | 264       | (2,106)   |  |  |  |
| Increase (reduction) in CCF's production from for the year Extreme Year -         | (5,809)   | -         | (11,368)  | (12,946)  | (15,316)  |  |  |  |
| Percent Increase (reduction) in production for the year from 5 Year Average(2) -  | 12.2%     | 21.7%     | 3.0%      | 0.4%      | -3.5%     |  |  |  |
| Percent Increase (reduction) in CCF's production for the year from Extreme Year - | -7.9%     | 0.0%      | -15.4%    | -17.5%    | -20.7%    |  |  |  |

Notes:

1. Revenues proformed to 5 year average consumption for volumetric charges only.

2019 PAC Volumetric Rate - \$ 6.48 per CCF

2. Five year production average is based on three years production, 2017, 2018 and 2020 due to the elimination of unaccounted for water that resulted in higher production during 2014 and 2015

Pittsfield Aqueduct Company  
**BALANCE SHEET**  
**ASSETS AND DEFERRED CHARGES**  
For the Twelve Months Ended December 31, 2019

Schedule 2

|                                   | Account Number | 12/31/2019                 | 13 MONTH<br>TEST YR<br>AVERAGE | 12/31/2018                 | 12/31/2017                 |
|-----------------------------------|----------------|----------------------------|--------------------------------|----------------------------|----------------------------|
| <b><u>PLANT ASSETS</u></b>        |                |                            |                                |                            |                            |
| Plant in Service                  | 301 to 348     | 4,668,042                  | 4,661,211                      | 4,654,389                  | 4,654,736                  |
| Work in process                   | 105            | <u>6,177</u>               | <u>7,005</u>                   | <u>6,708</u>               | <u>828</u>                 |
| Utility Plant                     |                | 4,674,219                  | 4,668,216                      | 4,661,096                  | 4,655,563                  |
| Accumulated depreciation          | 108            | <u>1,568,525</u>           | <u>1,521,605</u>               | <u>1,472,217</u>           | <u>1,389,966</u>           |
| Net Plant                         |                | 3,105,694                  | 3,146,610                      | 3,188,879                  | 3,265,597                  |
| Net Acquisition Adjustment        | 114 & 115      | <u>-</u>                   | <u>-</u>                       | <u>-</u>                   | <u>-</u>                   |
| Total Net Utility Plant           |                | 3,105,694                  | 3,146,610                      | 3,188,879                  | 3,265,597                  |
| <b><u>CURRENT ASSETS</u></b>      |                |                            |                                |                            |                            |
| Cash & Special Deposits           | 131 & 133      | -                          | -                              | -                          | -                          |
| Accounts receivable-billed, net   | 141 & 143      | 25,808                     | 36,028                         | 41,583                     | 47,316                     |
| Accounts receivable-unbilled, net | 173            | 75,932                     | 74,377                         | 79,074                     | 75,385                     |
| Accounts receivable-other         | 142            | -                          | -                              | -                          | -                          |
| Materials & Supplies              | 151            | -                          | -                              | -                          | -                          |
| Prepaid expenses                  | 162            | 150                        | 362                            | 233                        | 2,819                      |
| Prepaid property taxes            | 163 & 236      | 40,974                     | 24,781                         | 42,524                     | 34,407                     |
| Prepaid taxes                     | 162.3          | <u>-</u>                   | <u>-</u>                       | <u>-</u>                   | <u>-</u>                   |
|                                   |                | 142,864                    | 135,548                        | 163,414                    | 159,927                    |
| <b><u>OTHER ASSETS</u></b>        |                |                            |                                |                            |                            |
| Debt issuance expenses            | 181            | 21,205                     | 21,579                         | 21,953                     | 20,208                     |
| Other & Def Charges               | 182,184,186    | <u>1,191,387</u>           | <u>1,214,964</u>               | <u>1,237,794</u>           | <u>1,274,424</u>           |
|                                   |                | 1,212,592                  | 1,236,543                      | 1,259,747                  | 1,294,631                  |
| <b>TOTAL ASSETS</b>               |                | <b><u>\$ 4,461,150</u></b> | <b><u>\$ 4,518,701</u></b>     | <b><u>\$ 4,612,040</u></b> | <b><u>\$ 4,720,155</u></b> |

**Pittsfield Aqueduct Company**  
**BALANCE SHEET**  
**EQUITY AND LIABILITIES**  
For the Twelve Months Ended December 31, 2019

Schedule 2A

|   | Account<br>Number | 12/31/2019          | 13 MONTH<br>TEST YR<br>AVERAGE | 12/31/2018          | 12/31/2017          |
|---|-------------------|---------------------|--------------------------------|---------------------|---------------------|
| <b>STOCKHOLDERS' EQUITY</b>                       |                   |                     |                                |                     |                     |
| Common stock                                      | 201               | 100                 | 100                            | 100                 | 100                 |
| Paid in capital                                   | 211               | 1,899,596           | 1,905,092                      | 1,935,318           | 2,064,824           |
| Retained earnings                                 | 215               | (131,389)           | (135,298)                      | (137,454)           | (23,553)            |
|   |                   | 1,768,307           | 1,769,893                      | 1,797,964           | 2,041,371           |
| <b>LONG TERM DEBT</b>                             |                   |                     |                                |                     |                     |
| Bonds, notes and mortgages                        | 221               | 164,458             | 166,403                        | 168,331             | 171,163             |
| Intercompany advances                             | 223               | 1,162,402           | 1,189,012                      | 1,257,695           | 1,200,423           |
| Other Long Term Debt                              | 224               | -                   | -                              | -                   | -                   |
| <b>CURRENT LIABILITIES</b>                        |                   |                     |                                |                     |                     |
| Accounts payable                                  | 231               | 3,262               | 15,990                         | 1,956               | 7,622               |
| Accrued property taxes                            | 236               | -                   | -                              | 2,258               | -                   |
| Accrued interest payable                          | 237               | -                   | -                              | -                   | -                   |
| Other accrued expenses                            | 241               | 319                 | 1,710                          | 317                 | 318                 |
| Income taxes payable                              | 236               | -                   | -                              | -                   | -                   |
| Customer deposits & other                         | 235               | -                   | -                              | -                   | -                   |
|   |                   | 3,581               | 17,700                         | 4,530               | 7,940               |
| <b>OTHER LIABILITIES AND<br/>DEFERRED CREDITS</b> |                   |                     |                                |                     |                     |
| Deferred Income Tax                               | 282               | 711,559             | 709,835                        | 709,691             | 602,444             |
| Customer advances                                 | 252               | -                   | -                              | -                   | -                   |
| CIAC, net   | 271 & 272         | 650,844             | 662,336                        | 673,829             | 696,815             |
| Other long term liabilities                       |                   | -                   | -                              | -                   | -                   |
|   |                   | 1,362,403           | 1,372,171                      | 1,383,520           | 1,299,259           |
| <b>TOTAL EQUITY AND LIABILITIES</b>               |                   | <b>\$ 4,461,150</b> | <b>\$ 4,515,180</b>            | <b>\$ 4,612,040</b> | <b>\$ 4,720,155</b> |



**Pittsfield Aqueduct Company**  
**ACCUMULATED DEPRECIATION**  
**For The Twelve Months Ended December 31, 2018 - 2019**

Schedule 2 Attach A

| ACCOUNT CLASSIFICATION                     | Asset Account Number | 12/31/19            | 12/31/18            |
|--|----------------------|---------------------|---------------------|
| Structures                                 | 301                  | \$ 584,374          | \$ 555,151          |
| Land                                       | 303                  | -                   | \$ -                |
| Pumping and Distribution Equipment         | 304 to 310           | 43,003              | 37,664              |
| Transmission and Distribution Mains        | 311 to 320           | 1,016,040           | 968,874             |
| Services                                   | 331                  | 85,800              | 81,531              |
| Meters                                     | 333                  | 80,797              | 77,319              |
| Hydrants                                   | 334                  | 46,689              | 43,810              |
| Intangible Plant                           | 335                  | 64,218              | 60,440              |
| Other Equipment                            | 339 to 348           | 84,250              | 81,258              |
| <b>TOTAL</b>                               |                      | <b>\$ 2,005,171</b> | <b>\$ 1,906,047</b> |
| Accumulated Depreciation - Loss            |                      | \$ (192,442)        | \$ (191,955)        |
| Accumulated Depreciation - Cost of Removal |                      | \$ (242,562)        | \$ (241,875)        |
| <b>GRAND TOTAL</b>                         |                      | <b>\$ 1,570,167</b> | <b>\$ 1,472,217</b> |

**Accum Depr - Plant in Service**

|   |                 |              |
|---|-----------------|--------------|
| Per BNA (includes Lshld Impvmnts)               | \$ 2,005,171    | \$ 1,906,047 |
| Per Consolidating FS                            | 1,998,383       | 1,906,047    |
| Plus Lshld Impvmnts                             | -               | -            |
| Plus Intangible Plant                           | -               | -            |
| Variance due to fixed asset software conversion | -               | -            |
| Diff in Open Bal Acq Adj                        | -               | -            |
| Difference                                      | <b>\$ 6,788</b> | <b>\$ -</b>  |

|        |   | 2018               | 2019               |
|--------|---|--------------------|--------------------|
| 108001 | ACCUM DEPREC: COST OF REM -PAC                  | 241,875.23         | 242,561.67         |
| 108002 | ACCUM DEPRECIATION: LOSS -PAC                   | 191,954.99         | 192,442.06         |
|        | Variance due to fixed asset software conversion | -                  | -                  |
| 108000 | ACCUMULATED DEPRECIATION: PAC                   | (1,906,047.48)     | (1,998,382.89)     |
|        |   | <b>(1,472,217)</b> | <b>(1,563,379)</b> |
|        |   | 1,472,217          | 1,570,167          |

**Pittsfield Aqueduct Company**  
**Depreciation Expense [Depreciation]**  
**GAAP**

For the Period January 1, 2019 to December 31, 2019

**All Assets**

Schedule 2 Attach A Support

| Asset GL Acct #         | Book Cost           | Depr & AFYD<br>This Period | Beginning Accum<br>Depr | Current Depr &<br>AFYD | Net Sec 179/Sec<br>179A | Net Additions<br>Deletions | Ending<br>Accum Depr |
|-------------------------|---------------------|----------------------------|-------------------------|------------------------|-------------------------|----------------------------|----------------------|
| <b>Intangible Plant</b> |                     |                            |                         |                        |                         |                            |                      |
| 301000-6000-001         | 75,550.65           | 3,777.54                   | 60,440.49               | 3,777.54               | 0.00                    | 0.00                       | 64,218.03            |
|                         | <b>75,550.65</b>    | <b>3,777.54</b>            | <b>60,440.49</b>        | <b>3,777.54</b>        | <b>-</b>                | <b>-</b>                   | <b>64,218.03</b>     |
| <b>Land</b>             |                     |                            |                         |                        |                         |                            |                      |
| 303100-6000-001         | 44,180.00           | 0.00                       | 0.00                    | 0.00                   | 0.00                    | 0.00                       | 0.00                 |
| 303300-6000-001         | 16,153.19           | 0.00                       | 0.00                    | 0.00                   | 0.00                    | 0.00                       | 0.00                 |
|                         | <b>60,333.19</b>    | <b>-</b>                   | <b>-</b>                | <b>-</b>               | <b>-</b>                | <b>-</b>                   | <b>-</b>             |
| <b>Structures</b>       |                     |                            |                         |                        |                         |                            |                      |
| 304100-6000-001         | 71,250.05           | 1,875.00                   | 27,337.43               | 1,875.00               | 0.00                    | 0.00                       | 29,212.43            |
| 304700-6000-001         | 1,080.00            | 33.96                      | 220.63                  | 33.96                  | 0.00                    | 0.00                       | 254.59               |
| 304800-6000-001         | 935,239.10          | 19,118.16                  | 443,586.18              | 19,118.16              | 0.00                    | 0.00                       | 462,704.34           |
| 305000-6000-001         | 137,331.50          | 2,459.82                   | 20,501.62               | 2,459.82               | 0.00                    | 0.00                       | 22,961.44            |
| 306000-6000-001         | 38,270.60           | 846.72                     | 9,404.31                | 846.72                 | 0.00                    | 0.00                       | 10,251.03            |
| 309000-6000-001         | 309,352.70          | 4,890.00                   | 54,100.58               | 4,890.00               | 0.00                    | 0.00                       | 58,990.58            |
|                         | <b>1,492,523.95</b> | <b>29,223.66</b>           | <b>555,150.75</b>       | <b>29,223.66</b>       | <b>-</b>                | <b>-</b>                   | <b>584,374.41</b>    |
| <b>Pump/Dist Equip</b>  |                     |                            |                         |                        |                         |                            |                      |
| 310000-6000-001         | 55,407.06           | 2,662.44                   | 16,802.11               | 2,662.44               | 0.00                    | 0.00                       | 19,464.55            |
| 311200-6000-001         | 1,651.09            | 70.56                      | 786.67                  | 70.56                  | 0.00                    | 0.00                       | 857.23               |
| 311210-6000-001         | 15,425.94           | 619.14                     | 2,483.25                | 619.14                 | 0.00                    | 29.03                      | 3,131.42             |
| 320200-6000-001         | 17,042.89           | 565.56                     | 3,111.50                | 565.56                 | 0.00                    | 0.00                       | 3,677.06             |
| 320310-6000-001         | 41,963.48           | 1,391.58                   | 14,480.87               | 1,391.58               | 0.00                    | 0.00                       | 15,872.45            |
|                         | <b>131,490.46</b>   | <b>5,309.28</b>            | <b>37,664.40</b>        | <b>5,309.28</b>        | <b>-</b>                | <b>29.03</b>               | <b>43,002.71</b>     |
| <b>Trans/Dist Mains</b> |                     |                            |                         |                        |                         |                            |                      |
| 331000-6000-001         | 5,000.00            | 122.64                     | 1,833.52                | 122.64                 | 0.00                    | 0.00                       | 1,956.16             |
| 331001-6000-001         | 3,788.88            | 77.16                      | 1,195.38                | 77.16                  | 0.00                    | 0.00                       | 1,272.54             |
| 331002-6000-001         | 124,788.30          | 3,215.33                   | 14,369.05               | 3,215.33               | 0.00                    | 0.00                       | 17,584.38            |
| 331003-6000-001         | 2,833.21            | 68.58                      | 994.89                  | 68.58                  | 0.00                    | 0.00                       | 1,063.47             |
| 331100-6000-001         | 603,751.20          | 10,314.41                  | 101,983.28              | 10,314.41              | 0.00                    | 27.75                      | 112,325.44           |
| 331150-6000-001         | 316,734.00          | 4,765.08                   | 96,732.18               | 4,765.08               | 0.00                    | 0.00                       | 101,497.26           |
| 331200-6000-001         | 216.00              | 5.96                       | 50.67                   | 5.96                   | 0.00                    | 0.00                       | 56.63                |
| 331250-6000-001         | 9,998.74            | 301.44                     | 2,578.05                | 301.44                 | 0.00                    | 0.00                       | 2,879.49             |
| 331251-6000-001         | 91,666.80           | 2,511.59                   | 10,887.22               | 2,511.59               | 0.00                    | 0.00                       | 13,398.81            |
| 331252-6000-001         | 284.49              | 6.60                       | 93.04                   | 6.60                   | 0.00                    | 0.00                       | 99.64                |
| 331400-6000-001         | 805,338.48          | 18,465.94                  | 570,124.84              | 18,465.94              | 0.00                    | 0.00                       | 588,590.78           |
| 331401-6000-001         | 390,239.50          | 7,282.98                   | 168,032.26              | 7,282.98               | 0.00                    | 0.00                       | 175,315.24           |
|                         | <b>2,354,639.60</b> | <b>47,137.71</b>           | <b>968,874.38</b>       | <b>47,137.71</b>       | <b>-</b>                | <b>27.75</b>               | <b>1,016,039.84</b>  |
| <b>Services</b>         |                     |                            |                         |                        |                         |                            |                      |
| 333004-6000-001         | 3,700.02            | 92.11                      | 637.47                  | 92.11                  | 0.00                    | 0.00                       | 729.58               |
| 333100-6000-001         | 117,207.78          | 2,670.94                   | 62,581.41               | 2,670.94               | 0.00                    | -62.32                     | 65,190.03            |
| 333200-6000-001         | 67,128.44           | 1,506.21                   | 18,312.29               | 1,506.21               | 0.00                    | 61.91                      | 19,880.41            |
|                         | <b>188,036.24</b>   | <b>4,269.26</b>            | <b>81,531.17</b>        | <b>4,269.26</b>        | <b>-</b>                | <b>(0.41)</b>              | <b>85,800.02</b>     |
| <b>Meters</b>           |                     |                            |                         |                        |                         |                            |                      |
| 334000-6000-001         | 84,230.55           | 3,804.06                   | 42,441.82               | 3,804.06               | 0.00                    | -863.29                    | 45,382.59            |
| 334100-6000-001         | 61,640.83           | 939.58                     | 34,876.70               | 939.58                 | 0.00                    | -402.03                    | 35,414.25            |
|                         | <b>145,871.38</b>   | <b>4,743.64</b>            | <b>77,318.52</b>        | <b>4,743.64</b>        | <b>-</b>                | <b>(1,265.32)</b>          | <b>80,796.84</b>     |
| <b>Hydrants</b>         |                     |                            |                         |                        |                         |                            |                      |
| 335000-6000-001         | 79,503.27           | 2,200.16                   | 33,227.01               | 2,200.16               | 0.00                    | 0.00                       | 35,427.17            |
| 335005-6000-001         | 184.00              | 4.20                       | 51.12                   | 4.20                   | 0.00                    | 0.00                       | 55.32                |
| 335100-6000-001         | 25,375.00           | 675.24                     | 10,531.46               | 675.24                 | 0.00                    | 0.00                       | 11,206.70            |
|                         | <b>105,062.27</b>   | <b>2,879.60</b>            | <b>43,809.59</b>        | <b>2,879.60</b>        | <b>-</b>                | <b>-</b>                   | <b>46,689.19</b>     |
| <b>Other Equipment</b>  |                     |                            |                         |                        |                         |                            |                      |
| 339000-6000-001         | 1,495.00            | 13.68                      | 1,255.01                | 13.68                  | 0.00                    | 0.00                       | 1,268.69             |
| 343000-6000-001         | 9,687.95            | 518.10                     | 8,392.70                | 518.10                 | 0.00                    | 0.00                       | 8,910.80             |
| 344000-6000-001         | 31,159.42           | 1,618.39                   | 16,406.66               | 1,618.39               | 0.00                    | -1,032.55                  | 16,992.50            |
| 346000-6000-001         | 30,662.09           | 1,338.29                   | 14,640.44               | 1,338.29               | 0.00                    | 143.66                     | 16,122.39            |
| 347110-6000-001         | 24,555.64           | 0.00                       | 24,555.64               | 0.00                   | 0.00                    | 0.00                       | 24,555.64            |
| 348000-6000-001         | 16,974.54           | 391.98                     | 16,007.73               | 391.98                 | 0.00                    | 0.00                       | 16,399.71            |
|                         | <b>114,534.64</b>   | <b>3,880.44</b>            | <b>81,258.18</b>        | <b>3,880.44</b>        | <b>-</b>                | <b>(888.89)</b>            | <b>84,249.73</b>     |
|                         | <b>4,668,042.38</b> | <b>101,221.13</b>          | <b>1,906,047.48</b>     | <b>101,221.13</b>      | <b>-</b>                | <b>(2,097.84)</b>          | <b>2,005,170.77</b>  |

**Pittsfield Aqueduct Company**  
**OTHER DEFERRED CHARGES - OTHER ASSETS**  
For the Twelve Months Ended December 31, 2019

Schedule 2  
Attachment C

| ACCOUNT # | DESCRIPTION                    | 12/31/19         | 12/31/18         | 12/31/17         | EXPLANATION |
|-----------|--------------------------------|------------------|------------------|------------------|-------------|
| 186100    | ACQUISITION PREMIUM - MARA     | 1,186,226        | 1,220,575        | 1,254,117        |             |
| 186240    | SARBANES-OXLEY                 | -                | -                | -                | Note 1      |
| 186245    | TILTON HILL ROAD MAIN BREAK    | -                | -                | -                |             |
| 186255    | MAIN BREAK - OCTOBER 2003      | -                | -                | -                |             |
| 186260    | SOUTH MAIN LEAK RESEARCH       | -                | -                | -                |             |
| 186265    | ABATEMENT                      | -                | 8,971            | 8,971            |             |
| 186300    | GRANT APPLICATION - 2008       | -                | -                | -                |             |
| 186350    | LOUDON RD MAIN BREAK           | -                | -                | -                |             |
| 186360    | FAIRVIEW ROAD MAIN BREAK       | -                | -                | -                |             |
| 186380    | RATE CASE EXPENSE: 2007        | -                | -                | -                |             |
| 186385    | 2010 DEFERRED RATE CASE EXP    | -                | -                | -                |             |
| 186390    | RATE CASE EXPENSE: 2012        | -                | -                | -                |             |
| 186450    | CONCORD HILL ROAD SERVICE REPR | -                | -                | -                |             |
| 186650    | EMINENT DOMAIN                 | 3,669            | 3,669            | 3,669            |             |
| 186675    | WEB SITE UPGRADE 2006          | -                | -                | -                |             |
| 186680    | WEB-SITE UPGRADE 2011          | -                | -                | -                |             |
| 186285    | BERRY POND BATHYMETRIC SURVEY  | 5,161            | 8,248            | 11,335           |             |
| 186698    | BERRY POND BATHYMETRIC SURVEY  | -                | -                | -                |             |
| 186998    | EMINENT DOMAIN ALLOWANCE       | (3,669)          | (3,669)          | (3,669)          |             |
|           | <b>TOTAL 186</b>               | <b>1,191,387</b> | <b>1,237,794</b> | <b>1,274,424</b> |             |

**Notes:**

- (1) Order 25,292 (DW 11-026) approved the establishment and amortization of the regulatory asset known as the MARA for the Company. MARA is treated as an Equity-Related Item that is removed for the traditional ratemaking process and is subject to recovery only through the CBFRR.

Pittsfield Aqueduct Company  
Net Book Value [Amortization]  
For the Period January 1, 2019 to December 31, 2019  
Deferred Assets Additions  
GAAP

Schedule 2 Attach B Pg 1

| Asset ID   | ASSET BALANCES |             |             |             | AMORTIZATION |             |                |             |              |                | Years | Months | Full Year<br>Amort | Pro Forma<br>Adjustment (1) | Adjusted<br>Book Value |
|--|----------------|-------------|-------------|-------------|--------------|-------------|----------------|-------------|--------------|----------------|-------|--------|--------------------|-----------------------------|------------------------|
|  | Beginning      | Additions   | Deletions   | Ending      | Beg. Balance | Amort. Exp  | Oth. Additions | Deletions   | End. Balance | Net Book Value |       |        |                    |                             |                        |
| Asset GL Acct #: 184100-7000-00 Life Yr Mo: 0 yr 0 mo  | 0.00           | 0.00        | 0.00        | 0.00        | 0.00         | 0.00        | 0.00           | 0.00        | 0.00         | 0.00           |       |        |                    |                             |                        |
| <b>Subtotal: 184100-7000-001</b>                       | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b>    |       |        |                    |                             |                        |
| Asset GL Acct #: 186100-7000-00 Life Yr Mo: 0 yr 0 mo  | 0.00           | 0.00        | 0.00        | 0.00        | 0.00         | 0.00        | 0.00           | 0.00        | 0.00         | 0.00           |       |        |                    |                             |                        |
| <b>Subtotal: 186100-7000-001</b>                       | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b>    |       |        |                    |                             |                        |
| Asset GL Acct #: 186265-7000-001 Life Yr Mo: 0 yr 0 mo | 0.00           | 0.00        | 0.00        | 0.00        | 0.00         | 0.00        | 0.00           | 0.00        | 0.00         | 0.00           |       |        |                    |                             |                        |
| 70000-008795   | 0.00           | 0.00        | 0.00        | 0.00        | 0.00         | 0.00        | 0.00           | 0.00        | 0.00         | 0.00           |       |        |                    |                             |                        |
| <b>Subtotal: 186265-7000-001</b>                       | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b>    |       |        |                    |                             |                        |
| Asset GL Acct #: 186400-7000-00 Life Yr Mo: 0 yr 0 mo  | 0.00           | 0.00        | 0.00        | 0.00        | 0.00         | 0.00        | 0.00           | 0.00        | 0.00         | 0.00           |       |        |                    |                             |                        |
| <b>Subtotal: 186400-7000-001</b>                       | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b>    |       |        |                    |                             |                        |
| Asset GL Acct #: 186410-7000-00 Life Yr Mo: 0 yr 0 mo  | 0.00           | 0.00        | 0.00        | 0.00        | 0.00         | 0.00        | 0.00           | 0.00        | 0.00         | 0.00           |       |        |                    |                             |                        |
| 51.38  | 0.00           | 0.00        | 0.00        | 0.00        | 0.00         | 0.00        | 0.00           | 0.00        | 0.00         | 0.00           |       |        |                    |                             |                        |
| <b>Subtotal: 186410-7000-001 (7)</b>                   | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b>    |       |        |                    |                             |                        |
| Asset GL Acct #: 186500-7000-00 Life Yr Mo: 25 yr 0 mo | 0.00           | 0.00        | 0.00        | 0.00        | 0.00         | 0.00        | 0.00           | 0.00        | 0.00         | 0.00           |       |        |                    |                             |                        |
| <b>Subtotal: 186500-7000-001 (1)</b>                   | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b>    |       |        |                    |                             |                        |
| Asset GL Acct #: 186730-7000-00 Life Yr Mo: 0 yr 0 mo  | 0.00           | 0.00        | 0.00        | 0.00        | 0.00         | 0.00        | 0.00           | 0.00        | 0.00         | 0.00           |       |        |                    |                             |                        |
| <b>Subtotal: 186730-7000-001 (1)</b>                   | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b>    |       |        |                    |                             |                        |
| <b>Grand Total</b>                                     | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b>  | <b>0.00</b>    |       |        |                    |                             |                        |

\*Life is original life of deferred asset, subsequent entries should expire the same month as original.

Pittsfield Aqueduct Company  
Net Book Value [Amortization]  
For the Period January 1, 2019 to December 31, 2019  
Deferred Assets  
GAAP

Schedule 2 Attach B Support

|                                  |  | ASSET BALANCES   |             |             |                  | AMORTIZATION     |                 |                |             |                  |                 |  |
|----------------------------------|--|------------------|-------------|-------------|------------------|------------------|-----------------|----------------|-------------|------------------|-----------------|--|
| Asset ID                         | Description                              | Beginning        | Additions   | Deletions   | Ending           | Beg. Balance     | Amort. Exp      | Oth. Additions | Deletions   | End. Balance     | Net Book Value  |  |
| Asset GL Acct #: 186285-6000-001 | Life Yr Mo: 10 yr 0 mo                   |                  |             |             |                  |                  |                 |                |             |                  |                 |  |
| 60000-001077                     | Berry Pond Water Quality Evaluation & Ba | 1,169.24         | 0.00        | 0.00        | 1,169.24         | 857.29           | 116.86          | 0.00           | 0.00        | 974.15           | 195.09          |  |
| 60000-001078                     | Berry Pond Water Quality Evaluation & Ba | 4,000.00         | 0.00        | 0.00        | 4,000.00         | 2,932.59         | 399.78          | 0.00           | 0.00        | 3,332.37         | 667.63          |  |
| 60000-001079                     | Berry Pond Water Quality Evaluation & Ba | 12,000.00        | 0.00        | 0.00        | 12,000.00        | 8,797.84         | 1,199.28        | 0.00           | 0.00        | 9,997.12         | 2,002.88        |  |
| 60000-001080                     | Berry Pond Water Quality Evaluation & Ba | 8,000.00         | 0.00        | 0.00        | 8,000.00         | 5,865.34         | 799.50          | 0.00           | 0.00        | 6,664.84         | 1,335.16        |  |
| 60000-001081                     | Berry Pond Water Quality Evaluation & Ba | 123.89           | 0.00        | 0.00        | 123.89           | 90.77            | 12.38           | 0.00           | 0.00        | 103.15           | 20.74           |  |
| 60000-001082                     | Berry Pond Water Quality Evaluation & Ba | 542.50           | 0.00        | 0.00        | 542.50           | 397.80           | 54.22           | 0.00           | 0.00        | 452.02           | 90.48           |  |
| 60000-001083                     | Berry Pond Water Quality Evaluation & Ba | 146.16           | 0.00        | 0.00        | 146.16           | 107.23           | 14.58           | 0.00           | 0.00        | 121.81           | 24.35           |  |
| 60000-001100                     | Berry Pond Water Quality Evaluation & Ba | 343.43           | 0.00        | 0.00        | 343.43           | 243.18           | 34.32           | 0.00           | 0.00        | 277.50           | 65.93           |  |
| 60000-001119                     | Berry Pond Water Quality Evaluation & Ba | 1,924.14         | 0.00        | 0.00        | 1,924.14         | 1,389.39         | 201.00          | 0.00           | 0.00        | 1,590.39         | 333.75          |  |
| 60000-001143                     | Berry Pond Water Quality Evaluation & Ba | 1,846.52         | 0.00        | 0.00        | 1,846.52         | 1,305.13         | 203.52          | 0.00           | 0.00        | 1,508.65         | 337.87          |  |
| 60000-001147                     | Berry Pond Water Quality Evaluation & Ba | 470.44           | 0.00        | 0.00        | 470.44           | 330.91           | 52.26           | 0.00           | 0.00        | 383.17           | 87.27           |  |
| <b>Subtotal: 186285-6000-001</b> |  | <b>30,566.32</b> | <b>0.00</b> | <b>0.00</b> | <b>30,566.32</b> | <b>22,317.47</b> | <b>3,087.70</b> | <b>0.00</b>    | <b>0.00</b> | <b>25,405.17</b> | <b>5,161.15</b> |  |
| <b>Grand Total</b>               |  | <b>30,566.32</b> | <b>0.00</b> | <b>0.00</b> | <b>30,566.32</b> | <b>22,317.47</b> | <b>3,087.70</b> | <b>0.00</b>    | <b>0.00</b> | <b>25,405.17</b> | <b>5,161.15</b> |  |

**Pittsfield Aqueduct Company**  
**CONTRIBUTIONS IN AID OF CONSTRUCTION**  
For the Twelve Months Ended December 31, 2019

Schedule 2C

|        |  | 2015               | 2016               | 2017               | 2018               | 2019               |
|--------|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| 271200 | CONTRIBUTIONS IN AID OF CONST          | 750,287            | 750,287            | 750,287            | 750,287            | 750,287            |
| 271201 | CIAC-WATER FILTRATION GRANT            | 398,350            | 398,350            | 398,350            | 398,350            | 398,350            |
|        | <b>TOTAL CIAC</b>                      | <b>1,148,636</b>   | <b>1,148,636</b>   | <b>1,148,636</b>   | <b>1,148,636</b>   | <b>1,148,636</b>   |
| 272101 | RESERVE FOR AMORT OF CIAC:PAC          | (405,848)          | (428,749)          | (451,821)          | (474,807)          | (495,877)          |
|        | <b>TOTAL RESERVE FOR AMORT OF CIAC</b> | <b>(405,848)</b>   | <b>(428,749)</b>   | <b>(451,821)</b>   | <b>(474,807)</b>   | <b>(495,877)</b>   |
|        | <br><b>GRAND TOTAL OF CIAC</b>         | <br><b>742,788</b> | <br><b>719,887</b> | <br><b>696,815</b> | <br><b>673,829</b> | <br><b>652,759</b> |

**PITTSFIELD AQUEDUCT COMPANY**  
**COMPUTATION OF RATE BASE**  
For the Twelve Months Ended December 31, 2019

Schedule 3

| Description              | Test Year<br>Average<br>(Sch 3B) | Year End<br>Rate Base      | Pro Forma<br>Adjustments<br>Permanent Rates | Pro Forma<br>Test Year   |
|--------------------------|----------------------------------|----------------------------|---|--------------------------|
| Plant in Service         | \$ 4,661,211                     | \$ 4,668,042               | \$ (1,061,202) (1)                          | \$ 3,600,009             |
| Accum Deprec             | 1,956,283                        | 2,005,171                  | (59) (2)                                    | 1,956,224                |
| Accum Deprec: Loss       | 192,334                          | 194,062                    | -   | 192,334                  |
| Accum Deprec: COR        | 242,345                          | 242,584                    | -   | 242,345                  |
| CIAC                     | 1,148,636                        | 1,148,636                  | -   | 1,148,636                |
| Amort of CIAC            | 486,300                          | 497,793                    | -   | 486,300                  |
|                          | <u>2,477,271</u>                 | <u>2,448,674</u>           | <u>(1,061,143)</u>                          | <u>1,416,128</u>         |
| ADD:                     |                                  |                            |   |                          |
| Working Cap              | 49,026                           | 31,334                     | 769 (3)                                     | 49,795                   |
| Materials & Supplies     | -                                | 5,901                      | -   | -                        |
| Prepayments              | 1,829                            | 31,188                     | -   | 1,829                    |
| Other & Deferred Charges | <u>1,214,964</u>                 | <u>1,458,586</u>           | <u>(1,203,429) (4)</u>                      | <u>11,535</u>            |
|                          | 1,265,819                        | 1,527,009                  | (1,202,660)                                 | 63,159                   |
| DEDUCT:                  |                                  |                            |   |                          |
| Customer Advances        | -                                | -                          | -   | -                        |
| Customer Deposits        | -                                | -                          | -   | -                        |
| Deferred Income Tax      | <u>508,618</u>                   | <u>525,781</u>             | <u>-</u>                                    | <u>508,618</u>           |
|                          | 508,618                          | 525,781                    | -   | 508,618                  |
| <b>TOTAL Rate Base</b>   | <u><u>\$ 3,234,472</u></u>       | <u><u>\$ 3,449,901</u></u> | <u><u>\$ (2,263,803)</u></u>                | <u><u>\$ 970,669</u></u> |

**Notes:**

- (1) adjust test year average to year end for non-revenue producing assets and elimination of equity related assets per Schedule 3, Attachment A
- (2) adjust for plant additions per Schedule 3, Attachment C
- (3) reflect impact of the expense proforma adjustments on working capital per Schedule 3, Attachment D
- (4) adjust for the elimination of MARA per Schedule 3, Attachment B

**Pittsfield Aqueduct Company, Inc**  
**Pro Forma Adjustment to Rate Base**  
**Plant in Service**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 3**  
**Attachment A**

**I PLANT IN SERVICE**

- A.** Schedule 3, Attachment A, Exhibit 2, details additions to plant in service that were completed within the test year. All items are capital improvements that are necessitated by mandates, SDWA, regulation, replacement of aging infrastructure or upgrades to the system. All of these plant additions are considered non-revenue producing in nature. The pro forma adjustment reflects the difference between the total cost of the assets added and the portion reflected in the thirteen month average.

**Therefore:** **\$ 3,698**

- B** Schedule 3, Attachment A, Exhibit 4, details retirements to plant in service that were completed within the test year. All of these plant retirements are considered non-revenue producing in nature. These non revenue producing capital retirements were calculated as part of the thirteen month average of plant in service for the test year. The pro forma adjustment reflects the difference between the total cost of the assets retired and the portion reflected in the thirteen month average.

**Therefore:** **\$ (1,659)**

- C.** Per Order 25,292 in DW 11-026, eliminate the equity related assets as of 1/25/12. The amounts can be found in Schedule 3(b) page 6 of 6 of the Pennichuck Corporation's 90 day filing dated 4/13/12 and detailed as follows:

|                      |                     |
|----------------------|---------------------|
| Paid in Capital      | \$ 237,129          |
| Retained Earnings    | <u>\$ 826,112</u>   |
| Total Equity 1/25/12 | <u>\$ 1,063,241</u> |

**Therefore:** **(1,063,241)**

**TOTAL PRO FORMA PLANT IN SERVICE**

**\$ (1,061,202)**



**Pittsfield Aqueduct Company, Inc**  
**Pro Forma Adjustment to Rate Base**  
**Deferred Debits**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 3**  
**Attachment B**

**II DEFERRED DEBITS**

- A.** Per Order 25,292 in DW 11-026, the following pro forma adjustment eliminates the Municipal Acquisition Regulatory Asset (MARA) from rate base calculated on a 13 month average.  
(See Schedule 3B - by Account Name)

**Therefore:** **\$ (1,203,429)**

|   |                                     |
|---|-------------------------------------|
| <b>TOTAL PRO FORMA UNAMORTIZED DEFERRED ASSETS:</b> | <u><u><b>\$ (1,203,429)</b></u></u> |
|---|-------------------------------------|

**Pittsfield Aqueduct Company, Inc**  
**Pro Forma Adjustment to Rate Base**  
**Accumulated Depreciation**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 3**  
**Attachment C**

**I ACCUMULATED DEPRECIATION**

**A** To reflect the additional 1/2 year depreciation expense  
pro forma for capital assets added in the test year  
(See Schedule 3, Attachment A, Exhibit 1)

\$ -

**A** To reflect the elimination of 1/2 year depreciation expense  
pro forma for capital assets retired in the test year  
(See Schedule 3, Attachment A, Exhibit 3)

(59)

**TOTAL ACCUMULATED DEPRECIATION PRO FORMA:**

\$ (59)

Pittsfield Aqueduct Company, Inc  
Pro Forma Adjustment to Rate Base  
Working Capital  
For the Twelve Months Ended December 31, 2019

Schedule 3  
Attachment D

**I WORKING CAPITAL**

- A. A pro forma adjustment for working capital is calculated at 45 days divided by 365 days or 12.33%. Total pro forma operation and maintenance expenses (Schedule 1) are for the twelve months of the test year.

**Therefore:**

|                                 |       | Working             |
|---------------------------------|-------|---------------------|
| <u>Total O &amp; M Expenses</u> |       | <u>Capital Rate</u> |
| \$                              | 6,241 | 12.33%              |
|                                 |       | \$ 769              |

**TOTAL PRO FORMA WORKING CAPITAL:**

\$ 769

PITTSFIELD AQUEDUCT COMPANY  
**COMPUTATION OF WORKING CAPITAL (O&M) ALLOWANCE**  
For The Thirteen Months Ended December 31, 2019

Schedule 3A

|                                      | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Average |
|--------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Production Expenses                  | 7,478  | 13,606 | 11,570 | 9,929  | 8,321  | 13,542 | 7,967  | 10,385 | 9,010  | 8,525  | 11,178 | 14,260 | 13,022 | 10,676  |
| Transmission & Distribution Expenses | 701    | 3,114  | 4,479  | 2,963  | 1,475  | 3,866  | 12,563 | 7,408  | 4,094  | 1,255  | 6,246  | 11,452 | 2,265  | 4,760   |
| Engineering Expense                  | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0       |
| Customer Acct & Collection Exp       | 1,385  | 855    | 642    | 1,092  | 571    | 1,125  | 1,372  | 3,029  | 1,075  | 944    | 1,184  | 1,857  | 1,848  | 1,306   |
| Administrative & General Expense     | 1,527  | 1,443  | 1,748  | 1,494  | 1,492  | 1,501  | 1,497  | 10,462 | 1,325  | 1,414  | 1,475  | 1,475  | 1,463  | 2,178   |
| Inter Div Management Fee             | 10,243 | 12,745 | 10,780 | 23,421 | 14,204 | 14,144 | 13,311 | 13,911 | 13,487 | 12,352 | 13,827 | 16,125 | 16,230 | 14,214  |
| Total Operating Expense              | 21,333 | 31,764 | 29,219 | 38,900 | 26,064 | 34,177 | 36,710 | 45,195 | 28,991 | 24,490 | 33,909 | 45,169 | 34,828 | 33,135  |
| Allocation Factor                    | 12.33% | 12.33% | 12.33% | 12.33% | 12.33% | 12.33% | 12.33% | 12.33% | 12.33% | 12.33% | 12.33% | 12.33% | 12.33% |         |
| Working Capital                      | 2,630  | 3,916  | 3,603  | 4,796  | 3,214  | 4,214  | 4,526  | 5,573  | 3,575  | 3,020  | 4,181  | 5,569  | 4,294  | 4,085   |
| Annualized                           | 31,565 | 46,998 | 43,233 | 57,556 | 38,564 | 50,569 | 54,316 | 66,870 | 42,895 | 36,235 | 50,172 | 66,832 | 51,532 | 49,026  |

**PITTSFIELD AQUEDUCT COMPANY**  
**COMPUTATION OF THIRTEEN MONTH AVERAGE BALANCE**  
**For The Thirteen Months Ended December 31, 2019**

Schedule 3B

| DESCRIPTION                  | Dec-18           | Jan-19           | Feb-19           | Mar-19           | Apr-19           | May-19           | Jun-19           | Jul-19           | Aug-19           | Sep-19           | Oct-19           | Nov-19           | Dec-19           | Average          |
|------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Plant in Service             | 4,654,389        | 4,654,463        | 4,654,463        | 4,659,249        | 4,659,249        | 4,659,343        | 4,658,547        | 4,660,039        | 4,665,460        | 4,665,480        | 4,666,075        | 4,670,940        | 4,668,042        | 4,661,211        |
| Accum Deprec                 | 1,906,047        | 1,914,516        | 1,922,983        | 1,931,288        | 1,939,761        | 1,948,235        | 1,956,137        | 1,964,604        | 1,973,098        | 1,981,484        | 1,989,977        | 1,998,383        | 2,005,171        | 1,956,283        |
| Accum Deprec: Loss           | 191,955          | 191,955          | 191,955          | 192,075          | 192,075          | 192,075          | 192,305          | 192,305          | 192,305          | 192,384          | 192,442          | 192,442          | 194,062          | 192,334          |
| Accum Deprec: COR            | 241,875          | 241,884          | 241,884          | 242,448          | 242,448          | 242,448          | 242,448          | 242,456          | 242,456          | 242,464          | 242,529          | 242,562          | 242,584          | 242,345          |
| CIAC                         | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        | 1,148,636        |
| Reserve of CIAC Amort        | 474,807          | 476,723          | 478,638          | 480,554          | 482,469          | 484,385          | 486,300          | 488,215          | 490,131          | 492,046          | 493,962          | 495,877          | 497,793          | 486,300          |
| O&M Allowance                | 31,565           | 46,998           | 43,233           | 57,556           | 38,564           | 50,569           | 54,316           | 66,870           | 42,895           | 36,235           | 50,172           | 66,832           | 51,532           | 49,026           |
| Materials & Supplies         | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Prepayments                  | 233              | 756              | 784              | 1,963            | 2,612            | 2,439            | 2,566            | 2,667            | 2,958            | 2,869            | 2,473            | 1,301            | 150              | 1,829            |
| Other & Def Charges          | 1,237,794        | 1,234,736        | 1,231,611        | 1,228,485        | 1,225,360        | 1,222,236        | 1,219,111        | 1,207,014        | 1,203,889        | 1,200,763        | 1,197,638        | 1,194,512        | 1,191,387        | 1,214,964        |
| Cust Advance                 | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Cust Deposit                 | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Deferred Income Tax          | 508,474          | 508,474          | 508,474          | 508,474          | 508,474          | 508,474          | 508,474          | 508,474          | 508,474          | 508,474          | 508,474          | 508,474          | 510,342          | 508,618          |
| Regulatory Liability         | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          | 201,217          |
| Unamortized ITC              | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Deferred Rental Credits      | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
|                              | <b>3,068,243</b> | <b>3,074,671</b> | <b>3,061,257</b> | <b>3,072,715</b> | <b>3,044,688</b> | <b>3,046,931</b> | <b>3,041,127</b> | <b>3,036,636</b> | <b>3,008,668</b> | <b>2,992,430</b> | <b>2,996,986</b> | <b>3,007,755</b> | <b>2,980,184</b> | <b>3,033,255</b> |
| <b>MARA</b>                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| MARA                         | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MARA                         | 1,220,575        | 1,217,775        | 1,214,907        | 1,212,039        | 1,209,170        | 1,206,302        | 1,203,434        | 1,200,566        | 1,197,698        | 1,194,830        | 1,191,962        | 1,189,094        | 1,186,226        | 1,203,429        |
| Total MARA                   | <u>1,220,575</u> | <u>1,217,775</u> | <u>1,214,907</u> | <u>1,212,039</u> | <u>1,209,170</u> | <u>1,206,302</u> | <u>1,203,434</u> | <u>1,200,566</u> | <u>1,197,698</u> | <u>1,194,830</u> | <u>1,191,962</u> | <u>1,189,094</u> | <u>1,186,226</u> | <u>1,203,429</u> |
| Catamount Road               | (40,287)         | (40,168)         | (40,049)         | (39,929)         | (39,810)         | (39,691)         | (39,572)         | (39,453)         | (39,333)         | (39,214)         | (39,095)         | (38,976)         | (38,857)         | (39,572)         |
| <b>Total Forgivable Debt</b> | <u>(40,287)</u>  | <u>(40,168)</u>  | <u>(40,049)</u>  | <u>(39,929)</u>  | <u>(39,810)</u>  | <u>(39,691)</u>  | <u>(39,572)</u>  | <u>(39,453)</u>  | <u>(39,333)</u>  | <u>(39,214)</u>  | <u>(39,095)</u>  | <u>(38,976)</u>  | <u>(38,857)</u>  | <u>(39,572)</u>  |

**Pittsfield Acqueduct Inc.**  
**Asset Additions**  
**For the Twelve Months Ended December 31, 2019**

Schedule 3  
Attachment A  
Exhibit 1

| Asset ID  | Asset Description                        | Placed In Service | Book Cost        | Years | Months | Half Yr Dep   |
|---|--|-------------------|------------------|-------|--------|---------------|
| <b>Town or Department: Barnstead</b>                      |  |                   |                  |       |        |               |
| <b>Asset Type: PAC COMMUNICATION EQUIPMENT</b>            |  |                   |                  |       |        |               |
| Asset GL Acct #: 346000-6000-001                          |  |                   |                  |       |        |               |
| 600-00000054  | Install Cellular Alarm - SCADA           | 8/1/2019          | 5,324.17         | 19    | 0      | 140.11        |
| 600-00000055  | Install Cellular Alarm - SCADA           | 9/1/2019          | 135.07           | 19    | 0      | 3.55          |
| <b>Subtotal: 346000-6000-001</b>                          |  |                   | <b>5,459.24</b>  |       |        | <b>143.66</b> |
| <b>Asset Type: PAC ELECTRIC PUMPING EQUIPMENT: PUMPS</b>  |  |                   |                  |       |        |               |
| Asset GL Acct #: 311210-6000-001                          |  |                   |                  |       |        |               |
| 600-00000050  | Pittsfield: Boost Pump and Motor Rebuild | 7/1/2019          | 1,320.90         | 22    | 9      | 29.03         |
| <b>Subtotal: 311210-6000-001</b>                          |  |                   | <b>1,320.90</b>  |       |        | <b>29.03</b>  |
| <b>Asset Type: PAC METERS</b>                             |  |                   |                  |       |        |               |
| Asset GL Acct #: 334000-6000-001                          |  |                   |                  |       |        |               |
| 600-00000047  | 5/8in. Pac Install New Meter: Pittsf     | 1/1/2019          | 74.59            | 20    | 11     | 1.78          |
| 600-00000052  | 5/8in Install New Meter                  | 7/1/2019          | 74.59            | 20    | 11     | 1.78          |
| 600-00000056  | 5/8in. Pac Install New Meter: Pittsf     | 9/1/2019          | 74.59            | 20    | 11     | 1.78          |
| 600-00000057  | 5/8in Pac Install New Meter: Pittsf      | 10/1/2019         | 74.59            | 20    | 11     | 1.78          |
| 600-00000061  | 650 - 5/8in. Pac Install New Meter: Pitt | 11/1/2019         | 298.37           | 20    | 11     | 7.13          |
| 600-00000064  | 1in. Pac Install New Meter: Pittsfield   | 12/1/2019         | 200.30           | 20    | 11     | 4.79          |
| <b>Subtotal: 334000-6000-001</b>                          |  |                   | <b>797.03</b>    |       |        | <b>19.05</b>  |
| <b>Asset Type: PAC RADIOS FOR METERING EQUIPMENT</b>      |  |                   |                  |       |        |               |
| Asset GL Acct #: 334100-6000-001                          |  |                   |                  |       |        |               |
| 600-00000049  | Pac Neptune Radio Replacements: Pi       | 5/1/2019          | 93.82            | 20    | 11     | 2.24          |
| 600-00000051  | 654 - Pac Neptune Radio Replacements     | 7/1/2019          | 96.88            | 20    | 11     | 2.32          |
| 600-00000053  | PAC Neptune Radio Replacements           | 8/1/2019          | 96.88            | 20    | 11     | 2.32          |
| 600-00000058  | 654 - Pac Neptune Radio Replacements: Pi | 10/1/2019         | 96.88            | 20    | 11     | 2.32          |
| 600-00000062  | 654 - Pac Neptune Radio Replacements: Pi | 11/1/2019         | 200.80           | 20    | 11     | 4.80          |
| 600-00000065  | Pac Neptune Radio Replacements           | 12/1/2019         | 100.40           | 20    | 11     | 2.40          |
| <b>Subtotal: 334100-6000-001</b>                          |  |                   | <b>685.66</b>    |       |        | <b>16.39</b>  |
| <b>Asset Type: PAC RENEWED SERVICES</b>                   |  |                   |                  |       |        |               |
| Asset GL Acct #: 333200-6000-001                          |  |                   |                  |       |        |               |
| 600-00000048  | Catamount Road (#47): Pittsfield 1in.    | 3/1/2019          | 5,076.26         | 41    | 0      | 61.91         |
| <b>Subtotal: 333200-6000-001</b>                          |  |                   | <b>5,076.26</b>  |       |        | <b>61.91</b>  |
| <b>Asset Type: PAC SERVICES</b>                           |  |                   |                  |       |        |               |
| Asset GL Acct #: 333100-6000-001                          |  |                   |                  |       |        |               |
| 600-00000063  | Fairview Road (#49): Pittsfield - 1in    | 11/1/2019         | 4,365.71         | 41    | 0      | 53.24         |
| <b>Subtotal: 333100-6000-001</b>                          |  |                   | <b>4,365.71</b>  |       |        | <b>53.24</b>  |
| <b>Asset Type: PAC TRANS DIST MAINS - 6" &amp; LARGER</b> |  |                   |                  |       |        |               |
| Asset GL Acct #: 331100-6000-001                          |  |                   |                  |       |        |               |
| 600-00000059  | Catamount RD Water Main Phase 2          | 10/1/2019         | -4.50            | 63    | 8      | (0.04)        |
| 600-00000060  | Broadway Street Main Replacement         | 10/1/2019         | 509.40           | 63    | 8      | 4.00          |
| <b>Subtotal: 331100-6000-001</b>                          |  |                   | <b>504.90</b>    |       |        | <b>3.97</b>   |
| <b>Grand Total</b>  |  |                   | <b>18,209.70</b> |       |        | <b>274.01</b> |

**Pittsfield Acqueduct Inc.**  
**Non Revenue Producing Capital Additions**  
**For the Twelve Months Ended December 31, 2019**

Schedule 3  
Attachment A  
Exhibit 2

| Asset ID  | Asset Description                                   | Placed In Service | 13      | Book Cost        | Test Yr Period | Test Yr Amount  | Annualized Differential Pro Forma |
|---|---|-------------------|---------|------------------|----------------|-----------------|-----------------------------------|
| <b>Town or Department: Barnstead</b>                      |   |                   |         |                  |                |                 |                                   |
| <b>Asset Type: PAC COMMUNICATION EQUIPMENT</b>            |   |                   |         |                  |                |                 |                                   |
| Asset GL Acct #: 346000-6000-001                          |   |                   |         |                  |                |                 |                                   |
| 600-00000054  | Install Cellular Alarm - SCADA                      | 8/1/2019          | 1 13 12 | 5,324.17         | 12/13          | 4,914.62        | 409.55                            |
| 600-00000055  | Install Cellular Alarm - SCADA                      | 9/1/2019          | 2 13 11 | 135.07           | 11/13          | 114.29          | 20.78                             |
| <b>Subtotal: 346000-6000-001</b>                          |   |                   |         | <b>5,459.24</b>  |                | <b>5,028.91</b> | <b>430.33</b>                     |
| <b>Asset Type: PAC ELECTRIC PUMPING EQUIPMENT: PUMPS</b>  |   |                   |         |                  |                |                 |                                   |
| Asset GL Acct #: 311210-6000-001                          |   |                   |         |                  |                |                 |                                   |
| 600-00000050  | Pittsfield: Boost Pump and Motor Rebuild            | 7/1/2019          | 2 13 11 | 1,320.90         | 11/13          | 1,117.68        | 203.22                            |
| <b>Subtotal: 311210-6000-001</b>                          |   |                   |         | <b>1,320.90</b>  |                | <b>1,117.68</b> | <b>203.22</b>                     |
| <b>Asset Type: PAC METERS</b>                             |   |                   |         |                  |                |                 |                                   |
| Asset GL Acct #: 334000-6000-001                          |   |                   |         |                  |                |                 |                                   |
| Life Yr Mo: 62 yr 6 mo                                    |   |                   |         |                  |                |                 |                                   |
| 600-00000047  | 5/8in. Pac Install New Meter-Replace Failed: Pittsf | 1/1/2019          | 8 13 5  | 74.59            | 5/13           | 28.69           | 45.90                             |
| 600-00000052  | 5/8in. Pac Install New Meter-Replace Failed: Pittsf | 7/1/2019          | 10 13 3 | 74.59            | 3/13           | 17.21           | 57.38                             |
| 600-00000056  | 5/8in. Pac Install New Meter-Replace Failed: Pittsf | 9/1/2019          | 8 13 5  | 74.59            | 5/13           | 28.69           | 45.90                             |
| 600-00000057  | 5/8in. Pac Install New Meter-Replace Failed: Pittsf | 10/1/2019         | 8 13 5  | 74.59            | 5/13           | 28.69           | 45.90                             |
| 600-00000064  | 1 in. Pac Install New Meter-Replace Failed: Pittsf  | 12/1/2019         | 10 13 3 | 200.30           | 3/13           | 46.22           | 154.08                            |
| <b>Subtotal: 334000-6000-001</b>                          |   |                   |         | <b>498.66</b>    |                | <b>149.50</b>   | <b>349.16</b>                     |
| <b>Asset Type: PAC RADIOS FOR METERING EQUIPMENT</b>      |   |                   |         |                  |                |                 |                                   |
| Asset GL Acct #: 334100-6000-001                          |   |                   |         |                  |                |                 |                                   |
| 600-00000049  | Pac Neptune Radio Replacements: Pi                  | 5/1/2019          | 8 13 5  | 93.82            | 5/13           | 36.08           | 57.74                             |
| 600-00000051  | 654 - Pac Neptune Radio Replacements                | 7/1/2019          | 10 13 3 | 96.88            | 3/13           | 22.36           | 74.52                             |
| 600-00000053  | PAC Neptune Radio Replacements                      | 8/1/2019          | 8 13 5  | 96.88            | 5/13           | 37.26           | 59.62                             |
| 600-00000058  | 654 - Pac Neptune Radio Replacements: Pi            | 10/1/2019         | 8 13 5  | 96.88            | 5/13           | 37.26           | 59.62                             |
| 600-00000062  | 654 - Pac Neptune Radio Replacements: Pi            | 11/1/2019         | 8 13 5  | 200.80           | 5/13           | 77.23           | 123.57                            |
| 600-00000065  | Pac Neptune Radio Replacements                      | 12/1/2019         | 10 13 3 | 100.40           | 3/13           | 23.17           | 77.23                             |
| <b>Subtotal: 334100-6000-001</b>                          |   |                   |         | <b>685.66</b>    |                | <b>233.36</b>   | <b>452.30</b>                     |
| <b>Asset Type: PAC RENEWED SERVICES</b>                   |   |                   |         |                  |                |                 |                                   |
| Asset GL Acct #: 333200-6000-001                          |   |                   |         |                  |                |                 |                                   |
| 600-00000048  | Catamount Road (#47): Pittsfield 1in.               | 3/1/2019          | 5 13 8  | 5,076.26         | 8/13           | 3,123.85        | 1,952.41                          |
| <b>Subtotal: 333200-6000-001</b>                          |   |                   |         | <b>5,076.26</b>  |                | <b>3,123.85</b> | <b>1,952.41</b>                   |
| <b>Asset Type: PAC TRANS DIST MAINS - 6" &amp; LARGER</b> |   |                   |         |                  |                |                 |                                   |
| Asset GL Acct #: 331100-6000-001                          |   |                   |         |                  |                |                 |                                   |
| 600-00000059  | Catamount RD Water Main Phase 2                     | 10/1/2019         | 8 13 5  | -4.50            | 5/13           | (1.73)          | (2.77)                            |
| 600-00000060  | Broadway Street Main Replacement                    | 10/1/2019         | 8 13 5  | 509.40           | 5/13           | 195.92          | 313.48                            |
| <b>Subtotal: 331100-6000-001</b>                          |   |                   |         | <b>504.90</b>    |                | <b>194.19</b>   | <b>310.71</b>                     |
| <b>Subtotal: Plaistow (1)</b>                             |   |                   |         | <b>13,545.62</b> |                | <b>9,847.50</b> | <b>3,698.12</b>                   |
| <b>Grand Total</b>  |   |                   |         | <b>13,545.62</b> |                | <b>9,847.50</b> | <b>3,698.12</b>                   |

**Pittsfield Acqueduct Inc.**  
**Asset Dispositions**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 3**  
**Attachment A**  
**Exhibit 3**

| Description                              | Placed In Service | Disposal Date | Cost            | Depr            | Net<br>Proceeds | Accum Loss        | Years    | Months   | Depr Exp     | Half Year Depr Exp |
|--|-------------------|---------------|-----------------|-----------------|-----------------|-------------------|----------|----------|--------------|--------------------|
| PH METER                                 | 7/1/1998          | 12/31/2019    | 407.51          | 407.51          | -               | -                 | 20.00    | -        | -            | -                  |
| Purchase New DR5000 Analyzer - Quartz Po | 6/1/2012          | 12/31/2019    | 678.95          | 237.67          | -               | (441.28)          | 20.00    | -        | 16.97        | 16.98              |
| Purchase New DR5000 Analyzer - db POUR-T | 6/1/2012          | 12/31/2019    | 1,107.00        | 387.37          | -               | (719.63)          | 20.00    | -        | 27.68        | 27.66              |
|  |                   |               | <b>2,193.46</b> | <b>1,032.55</b> | <b>-</b>        | <b>(1,160.91)</b> |          |          | <b>44.65</b> | <b>44.64</b>       |
| 5/8 New Meter Exchanges: Pittsfield      | 9/1/2014          | 12/31/2019    | 125.59          | 30.00           | -               | (95.59)           | 20.00    | 11.00    | 3.00         | 3.00               |
| 5/8 Meters: Pittsfield - (6)             | 9/1/2005          | 6/30/2019     | 585.60          | 394.39          | -               | (191.21)          | 20.00    | 11.00    | 13.82        | 6.91               |
| 5/8 Meters: Pittsfield - (2)             | 9/1/2005          | 12/31/2019    | 195.26          | 114.48          | -               | (80.78)           | -        | -        | -            | -                  |
| 5/8 Meters: Pittsfield - (2)             | 9/1/2005          | 3/31/2019     | 195.26          | 114.49          | -               | (80.77)           | -        | -        | -            | -                  |
| 5/8 Meters: Pittsfield - (4)             | 9/1/2005          | 12/31/2019    | 390.52          | 228.97          | -               | (161.55)          | -        | -        | -            | -                  |
|  |                   |               | <b>1,492.23</b> | <b>882.33</b>   | <b>-</b>        | <b>(609.90)</b>   |          |          | <b>16.82</b> | <b>9.91</b>        |
| Neptune Radio Replacements: Pittsfield   | 4/1/2013          | 10/31/2019    | 81.40           | 23.21           | -               | (58.19)           | 20.00    | 11.00    | 1.95         | 1.92               |
| Neptune Radio Installs: Pittsfield - (2) | 9/1/2005          | 9/30/2019     | 190.01          | 111.56          | -               | (78.45)           | -        | -        | -            | -                  |
| Neptune Radio Installs: Pittsfield - (1) | 9/1/2005          | 3/31/2019     | 95.00           | 55.78           | -               | (39.22)           | -        | -        | -            | -                  |
| Neptune Radio Installs: Pittsfield - (1) | 9/1/2005          | 6/30/2019     | 95.01           | 55.78           | -               | (39.23)           | -        | -        | -            | -                  |
| Neptune Radio Installs: Pittsfield - (3) | 9/1/2005          | 12/31/2019    | 293.16          | 172.10          | -               | (121.06)          | -        | -        | -            | -                  |
|  |                   |               | <b>754.58</b>   | <b>418.43</b>   | <b>-</b>        | <b>(336.15)</b>   |          |          | <b>1.95</b>  | <b>1.92</b>        |
| Catamount Road (#47): Pittsfield - 1 CT  | 7/1/1978          | 6/30/2019     | 115.56          | 115.56          | -               | -                 | 41.00    | -        | 2.91         | 2.88               |
|  |                   |               | <b>115.56</b>   | <b>115.56</b>   | <b>-</b>        | <b>-</b>          |          |          | <b>2.91</b>  | <b>2.88</b>        |
|  |                   |               | <b>4,555.83</b> | <b>2,448.87</b> | <b>-</b>        | <b>(2,106.96)</b> | <b>-</b> | <b>-</b> | <b>66.33</b> | <b>59.35</b>       |
|  |                   |               | <b>4,555.83</b> | <b>2,448.87</b> | <b>-</b>        | <b>(2,106.96)</b> | <b>-</b> | <b>-</b> | <b>66.33</b> | <b>59.35</b>       |



**Pittsfield Acqueduct Inc.**  
**Non Revenue Producing Capital Retirements**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 3**  
**Attachment A**  
**Exhibit 4**

| Asset ID   | Description                              | Placed In Service | Disposal Date | 13      | Book Cost       | Test Yr Period | Test Yr Amount  | Annualized Differential Pro Forma |
|--|--|-------------------|---------------|---------|-----------------|----------------|-----------------|-----------------------------------|
| <b>Town or Department: Barnstead</b>                 |  |                   |               |         |                 |                |                 |                                   |
| <b>Asset Type: LABORATORY EQUIPMENT</b>              |  |                   |               |         |                 |                |                 |                                   |
| Asset GL Acct #: 344000-6000-001                     |  |                   |               |         |                 |                |                 |                                   |
| 60000-000041   | PH METER                                 | 7/1/1998          | 12/31/2019    | 3 13 10 | 407.51          | 10/13          | 313.47          | 94.04                             |
| 60000-001131   | Purchase New DR5000 Analyzer - Quartz Po | 6/1/2012          | 12/31/2019    | 3 13 10 | 678.95          | 10/13          | 522.27          | 156.68                            |
| 60000-001133   | Purchase New DR5000 Analyzer - db POUR-T | 6/1/2012          | 12/31/2019    | 6 13 7  | 1,107.00        | 7/13           | 596.08          | 510.92                            |
| <b>Subtotal: 344000-6000-001</b>                     |  |                   |               |         | <b>2,193.46</b> |                | <b>1,431.82</b> | <b>761.64</b>                     |
| <b>Asset Type: PAC METERS</b>                        |  |                   |               |         |                 |                |                 |                                   |
| Asset GL Acct #: 334000-6000-001                     |  |                   |               |         |                 |                |                 |                                   |
| 60000-001299   | 5/8 New Meter Exchanges: Pittsfield      | 9/1/2014          | 12/31/2019    | 9 13 4  | 125.59          | 4/13           | 38.64           | 86.95                             |
| 60000-00199.41-001                                   | 5/8 Meters: Pittsfield - (6)             | 9/1/2005          | 6/30/2019     | 3 13 10 | 585.60          | 10/13          | 450.46          | 135.14                            |
| 60000-0199.494                                       | 5/8 Meters: Pittsfield - (2)             | 9/1/2005          | 12/31/2019    | 3 13 10 | 195.26          | 10/13          | 150.20          | 45.06                             |
| 60000-0199.494-003                                   | 5/8 Meters: Pittsfield - (2)             | 9/1/2005          | 3/1/2019      | 3 13 10 | 195.26          | 10/13          | 150.20          | 45.06                             |
| 60000-0199.496                                       | 5/8 Meters: Pittsfield - (4)             | 9/1/2005          | 12/31/2019    | 3 13 10 | 390.52          | 10/13          | 300.40          | 90.12                             |
| <b>Subtotal: 334000-6000-001</b>                     |  |                   |               |         | <b>1,492.23</b> |                | <b>1,089.90</b> | <b>402.33</b>                     |
| <b>Asset Type: PAC RADIOS FOR METERING EQUIPMENT</b> |  |                   |               |         |                 |                |                 |                                   |
| Asset GL Acct #: 334100-6000-001                     |  |                   |               |         |                 |                |                 |                                   |
| 60000-001183   | Neptune Radio Replacements: Pittsfield   | 4/13/2013         | 10/31/2019    | 6 13 7  | 81.40           | 7/13           | 43.83           | 37.57                             |
| 60000-0199.513                                       | Neptune Radio Installs: Pittsfield - (2) | 9/1/2005          | 9/30/2019     | 12 13 1 | 190.01          | 1/13           | 14.62           | 175.39                            |
| 60000-0199.513-005                                   | Neptune Radio Installs: Pittsfield - (1) | 9/1/2005          | 3/31/2019     | 3 13 10 | 95.00           | 10/13          | 73.08           | 21.92                             |
| 60000-0199.513-006                                   | Neptune Radio Installs: Pittsfield - (1) | 9/1/2005          | 6/30/2019     | 3 13 10 | 95.01           | 10/13          | 73.08           | 21.93                             |
| 60000-0199.595-001                                   | Neptune Radio Installs: Pittsfield - (3) | 9/1/2005          | 12/31/2019    | 9 13 4  | 293.16          | 4/13           | 90.20           | 202.96                            |
| <b>Subtotal: 334100-6000-001</b>                     |  |                   |               |         | <b>754.58</b>   |                | <b>294.81</b>   | <b>459.77</b>                     |
| <b>Asset Type: PAC SERVICES</b>                      |  |                   |               |         |                 |                |                 |                                   |
| Asset GL Acct #: 333100-6000-001                     |  |                   |               |         |                 |                |                 |                                   |
| 60000-000108.8                                       | Catamount Road (#47): Pittsfield - 1 CT  | 7/1/1978          | 6/30/2019     | 4 13 9  | 115.56          | 9/13           | 80.00           | 35.56                             |
| <b>Subtotal: 333100-6000-001</b>                     |  |                   |               |         | <b>115.56</b>   |                | <b>80.00</b>    | <b>35.56</b>                      |
| <b>Subtotal: Barnstead</b>                           |  |                   |               |         | <b>4,555.83</b> |                | <b>2,896.53</b> | <b>1,659.30</b>                   |
| <b>Grand Total</b>                                   |  |                   |               |         | <b>4,555.83</b> |                | <b>2,896.53</b> | <b>1,659.30</b>                   |

# **TAB 13**

## **1604.08 Rate of Return Schedules**

**Pittsfield Aqueduct Company  
Overall Rate of Return Proforma  
For the Twelve Months Ended December 31, 2019**

Schedule 1

| <u>Capital Component</u>      | <u>Amount</u><br><u>12/31/19</u> | <u>Proforma</u> | <u>Proforma Amount</u><br><u>12/31/19</u> | <u>Proforma</u><br><u>Component Ratio</u> | <u>Component</u><br><u>Cost Rate</u><br><u>12/31/2019</u> | <u>Proforma</u><br><u>Component Cost</u><br><u>Rate</u> | <u>Proforma</u><br><u>Average Cost</u><br><u>Rate</u> |
|-------------------------------|----------------------------------|-----------------|---|---|---|---|---|
| Long-term Debt (3)            | 1,312,186 (3)                    | -               | 1,312,186                                 | 64.58%                                    | 3.25%   | 3.25%   | 2.10%   |
| Intercompany Debt (3)         | 14,674                           | -               | 14,674                                    | 0.72%                                     | 3.31%   | 3.31% (1)   | 0.02%   |
| Preferred Stock               | -                                |                 |   | 0.00%                                     | 0.00%   | 0.00%   | 0.00%   |
| Common Equity                 | 1,768,307                        | (1,063,241) (4) | 705,066                                   | 34.70%                                    | 4.85%   | 4.85% (2)   | 1.68%   |
| <b>Overall Rate of Return</b> | <b><u>\$ 3,095,167</u></b>       |                 | <b><u>\$ 2,031,926</u></b>                | <b><u>100.00%</u></b>                     |   |   | <b><u>3.81%</u></b>                                   |

**Notes:**

(1) The interest reflected is the effective interest rates for 2019 per Schedule F-35 of the Annual Report.

(2) The return on equity based on methodology used in Order 25,292 in DW 11-026 is as follows:

|                                    |              |
|------------------------------------|--------------|
| Average prior 12 mos (Aug 2019-Jul |              |
| 2020) 30 year Treasury bonds       | 1.85%        |
| Plus 3.0%                          | 3.00%        |
| Total                              | <u>4.85%</u> |

(3) Inclusive of 2018 pcp/PAC LONG term intercompany approved in DW18-033

(4) Per Order 25,292 in DW 11-026, eliminate the MARA and related equity per Schedule 2 as required by DW11-026

**Pittsfield Aqueduct Company**  
**Capital Structure for Ratemaking Purposes**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 2**

|                       | <u>Test Year</u>    | <u>Pro Forma</u><br><u>Adjustments</u> | <u>Pro Forma</u><br><u>Test Year</u> | <u>Component</u><br><u>Ratio</u> |
|-----------------------|---------------------|--|--------------------------------------|----------------------------------|
| Long-term Debt        | 1,312,186           | -                                      | 1,312,186                            | <b>64.58%</b>                    |
| Intercompany Debt     | \$ 14,674           | -                                      | 14,674                               | <b>0.72%</b>                     |
| <u>Common Equity:</u> |                     |  |                                      |                                  |
| Common Stock          | 100                 | (100)                                  | -                                    |                                  |
| Paid In Capital       | 1,899,596           | (1,063,241) (1)                        | 836,355                              |                                  |
| Comprehensive Income  | -                   | -                                      | -                                    |                                  |
| Retained Earnings     | <u>(131,389)</u>    |  | <u>(131,389)</u>                     |                                  |
| Total Common Equity   | 1,768,307           |  | 704,966                              | <b>34.70%</b>                    |
| Total Capital         | <u>\$ 3,095,167</u> |  | <u>\$ 2,031,826</u>                  | 100.00%                          |

**Notes:**

- (1) Per Order 25,292 in DW 11-026, eliminate the MARA and related equity:
- |                               |                  |
|-------------------------------|------------------|
| Equity as of 1/25/            | 826,112          |
| Paid in Capital as of 1/25/12 | <u>237,129</u>   |
|                               | <u>1,063,241</u> |

**Pittsfield Aqueduct Company**  
**Historical Capital Structure**  
**For the Twelve Months Ended December 31, 2015 - 2019**

**Schedule 3**

|                      | <u><b>2019</b></u>  | <u><b>2018</b></u>  | <u><b>2017</b></u>  | <u><b>2016</b></u>  | <u><b>2015</b></u>  |
|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Bonds                | -                   | -                   | -                   | -                   | -                   |
| Intercompany Note    | 1,147,728           | 1,172,125           | 776,850             | 776,850             | 776,850             |
| Other LTD            | 164,458             | 168,331             | 171,163             | 58,117              | -                   |
| Long-term Debt       | <u>\$ 1,312,186</u> | <u>\$ 1,340,456</u> | <u>\$ 948,013</u>   | <u>\$ 834,967</u>   | <u>\$ 776,850</u>   |
| Intercompany Debt    | 14,674              | 85,570              | 423,622             | 443,407             | 465,569             |
| Common Equity:       |                     |                     |                     |                     |                     |
| Common Stock         | 100                 | 100                 | 100                 | 100                 | 100                 |
| Paid In Capital      | 1,899,596           | 1,935,318           | 2,064,824           | 2,185,204           | 2,224,208           |
| Comprehensive Income | -                   | -                   | -                   | -                   | -                   |
| Retained Earnings    | (131,389)           | (137,454)           | (23,553)            | 3,028               | 52,358              |
| Total Common Equity  | <u>\$ 1,768,307</u> | <u>\$ 1,797,964</u> | <u>\$ 2,041,371</u> | <u>\$ 2,188,332</u> | <u>\$ 2,276,666</u> |
| Total Capital        | <u>\$ 3,095,167</u> | <u>\$ 3,223,990</u> | <u>\$ 3,413,005</u> | <u>\$ 3,466,706</u> | <u>\$ 3,519,085</u> |
| Long-term Debt       | 42.39%              | 41.58%              | 27.78%              | 24.09%              | 22.08%              |
| Total Common Equity  | 57.13%              | 55.77%              | 59.81%              | 63.12%              | 64.69%              |
| Intercompany Debt    | <u>0.47%</u>        | <u>2.65%</u>        | <u>12.41%</u>       | <u>12.79%</u>       | <u>13.23%</u>       |
| Total Capital        | <u>100.00%</u>      | <u>100.00%</u>      | <u>100.00%</u>      | <u>100.00%</u>      | <u>100.00%</u>      |

**Pittsfield Aqueduct Company  
Historical Capitalization Ratios  
For the Twelve Months Ended December 31, 2015 - 2019**

**Schedule 4**

|                     | <b><u>2019</u></b> | <b><u>2018</u></b> | <b><u>2017</u></b> | <b><u>2016</u></b> | <b><u>2015</u></b> |
|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Long-term Debt      | 42.39%             | 41.58%             | 27.78%             | 24.09%             | 22.08%             |
| Total Common Equity | 57.13%             | 55.77%             | 59.81%             | 63.12%             | 64.69%             |
| Intercompany Debt   | <u>0.47%</u>       | <u>2.65%</u>       | <u>12.41%</u>      | <u>12.79%</u>      | <u>13.23%</u>      |
| Total Capital       | <u>100.00%</u>     | <u>100.00%</u>     | <u>100.00%</u>     | <u>100.00%</u>     | <u>100.00%</u>     |

Pittsfield Aqueduct Company  
Weighted Average Cost of Long-Term Debt  
For the Twelve Months Ended December 31, 2019

Schedule 5

| Holder                         | Term | Maturity | Coupon Rate | Outstanding Balance as of 12/31/19 | New Debt Added in 2020 | Annual Interest (1) | Annual Amortization Issue Costs | All In Annual Cost | Effective Rate | 2019 TY Principal Payments(9) | 2019 TY Interest Payments | 2019 TY Principal and Interest Payments | 2019 Pro Form Adj to 2019 TY Principal | 2019 Pro Form Adj to 2019 TY Interest | 2019 TY Pro Form Principal and Interest Payments | 2020 Principal Payments | 2020 Interest Payments | 2020 Principal and Interest Payments |
|--------------------------------|------|----------|-------------|------------------------------------|------------------------|---------------------|---------------------------------|--------------------|----------------|-------------------------------|---------------------------|---|--|---------------------------------------|--|-------------------------|------------------------|--------------------------------------|
| SRF Catamount Road             | 30   | 04/30/48 | 3.168%      | 164,458                            |                        | 5,210               | 673                             | 5,883              | 3.58%          | \$ 2,443                      | \$ 3,265                  | \$ 5,708                                | 113 \$                                 | (77) \$                               | \$ 5,744   | \$ 2,556                | \$ 3,188               | \$ 5,744                             |
| Intercompany Loan from PCP (1) | 30   | 05/31/48 | 3.200%      | 1,147,728                          | -                      | 36,727              | 75                              | 36,802             | 3.21%          | \$ 24,111                     | \$ 37,973                 | \$ 62,084                               | 0 \$                                   | - \$                                  | \$ 62,084  | \$ 24,111               | \$ 37,973              | \$ 62,084                            |
| TOTAL                          |      |          |             | 1,312,186                          | -                      | 41,937              | 748                             | 42,685             | 3.25%          | \$ 26,554                     | \$ 41,238                 | \$ 67,791                               | 113 \$                                 | (77) \$                               | \$ 67,828  | \$ 26,667               | \$ 41,161              | \$ 67,828                            |

Notes:  
(1) Intercompany debt aapproved in DW18-033 - \$ 1,186,000  
Loan Term - 30 Year  
Loan Interest Rate - 3.20%  
Annual P&I - \$62,084

**Pittsfield Aqueduct Company**  
**Short-Term and Long-Term Intercompany Debt**  
**For the Thirteen Months Ended December 31, 2019**

Schedule 6

|   | Dec-18    | Jan-19    | Feb-19    | Mar-19    | Apr-19    | May-19    | Jun-19    | Jul-19    | Aug-19    | Sep-19    | Oct-19    | Nov-19    | Dec-19    | 13 Month Average |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------------|
| NOTE PAYABLE - PCP 2018 1.1M LOAN                 | 1,147,728 | 1,145,660 | 1,143,586 | 1,141,506 | 1,139,421 | 1,137,331 | 1,135,234 | 1,133,133 | 1,131,025 | 1,128,912 | 1,126,794 | 1,124,669 | 1,122,540 | 1,135,195        |
| NOTE PAYABLE - PCP 2018 1.1M LOAN-CURRENT PORTION | 24,396    | 24,462    | 24,527    | 24,592    | 24,658    | 24,723    | 24,789    | 24,856    | 24,922    | 24,988    | 25,055    | 25,122    | 25,189    | 24,791           |
| TOTAL LONG TERM INTERCOMPANY DEBT                 | 1,172,125 | 1,170,121 | 1,168,113 | 1,166,098 | 1,164,079 | 1,162,054 | 1,160,024 | 1,157,988 | 1,155,947 | 1,153,901 | 1,151,849 | 1,149,791 | 1,147,728 | 1,159,986        |
| INTERCO PAY/REC: PAC/PCP                          | 72,615    | (2,878)   | 5,839     | (50,214)  | (100,125) | (160,809) | (105,101) | (173,857) | (203,044) | (260,915) | (339,032) | (368,432) | 1,719     | (129,556)        |
| INTERCO PAY/REC: PAC/TSC                          | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -                |
| INTERCO PAY/REC: PAC/PWS                          | -         | -         | -         | -         | -         | (63)      | (63)      | (63)      | (64)      | (64)      | (64)      | (64)      | -         | (34)             |
| AP INTERCO PAY/REC: PEU/PAC                       | -         | 335       | 335       | 335       | 335       | 335       | 335       | 3,099     | 4,699     | 4,460     | 6,674     | 12,977    | -         | 2,609            |
| INTERCO PAY/REC: PAC/PWW                          | -         | 25,931    | 48,422    | 92,458    | 114,971   | 141,261   | 168,609   | 199,694   | 226,148   | 249,157   | 275,416   | 311,404   | -         | 142,575          |
| INTERCO LOAN PWW/PAC: RSF                         | 12,955    | 12,955    | 12,955    | 12,955    | 12,955    | 12,955    | 12,955    | 12,955    | 12,955    | 12,955    | 12,955    | 12,955    | 12,955    | 12,955           |
| INTERCO PAY/REC: PAC/PEU                          | -         | 0         | 1         | 2         | 3         | 4         | 1,006     | 1,003     | 1,014     | 1,027     | 1,070     | 1,091     | -         | 478              |
| INTERCO ADV-PCP PROMNOTE 5/18                     | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -                |
| INTERCO LOAN PAC- INTERGRATED                     | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -                |
| INTERCOMPANY SHORT TERM DEBT                      | 85,570    | 36,343    | 67,551    | 55,535    | 28,138    | (6,318)   | 77,740    | 42,830    | 41,708    | 6,621     | (42,981)  | (30,069)  | 14,674    | 29,026           |
| TOTAL INTERCOMPANY DEBT                           | 1,257,695 | 1,206,464 | 1,235,664 | 1,221,634 | 1,192,217 | 1,155,736 | 1,237,764 | 1,200,818 | 1,197,655 | 1,160,521 | 1,108,868 | 1,119,722 | 1,162,402 | 1,189,012        |



**Pittsfield Aqueduct Company**  
**Weighted Average Cost of Preferred Stock**  
**For the Twelve Months Ended December 31, 2012**

**Schedule 7**

| Security | Term | Maturity | Rate | Outstanding<br>Balance | Annual<br>Dividends | Annual<br>Amortization | All In Annual<br>Cost | Effective<br>Rate |
|----------|------|----------|------|------------------------|---------------------|------------------------|-----------------------|-------------------|
|----------|------|----------|------|------------------------|---------------------|------------------------|-----------------------|-------------------|

**NOT APPLICABLE**

**Pittsfield Aqueduct Company**  
**Return on Common Equity**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 8**

**Source:** 30 yr treasury rates used by S&P

| Date                   | Open | High | Low | Close          |
|------------------------|------|------|-----|----------------|
| Aug 2019               |      |      |     | 2.1200%        |
| Sept 2019              |      |      |     | 2.1600%        |
| Oct 2019               |      |      |     | 2.1900%        |
| Nov 2019               |      |      |     | 2.2800%        |
| Dec 2019               |      |      |     | 2.3000%        |
| Jan 2020               |      |      |     | 2.2200%        |
| Feb 2020               |      |      |     | 1.9700%        |
| Mar 2020               |      |      |     | 1.4600%        |
| Aprl 2020              |      |      |     | 1.2700%        |
| May 2020               |      |      |     | 1.3800%        |
| Jun 2020               |      |      |     | 1.4900%        |
| Jul 2020               |      |      |     | <u>1.3100%</u> |
| 30 year Treasury bonds |      |      |     | <u>1.8458%</u> |
| Average                |      |      |     | <u>1.8458%</u> |
| Plus                   |      |      |     | <u>3.0000%</u> |
| Cost of Equity         |      |      |     | <u>4.8458%</u> |

Used rates in the 12 months prior to the rate filing

# **TAB 14**

**Permanent Rate Tariff Pages**

GENERAL SERVICE – METERED  
TOWN OF PITTSFIELD  
SCHEDULE GM

Application:

This schedule is applicable to all metered water service in the Town of Pittsfield, NH, except municipal and private fire protection.

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of the New Hampshire Public Utilities Commission for Water Service.

Rates:

A minimum customer charge shall be made for each customer to whom service is rendered under this tariff, based on the meter size shown below:

| <u>Size</u> | <u>Monthly<br/>Minimum<br/>Charge</u> |
|-------------|---------------------------------------|
| 5/8"        | \$ <del>24.49</del> 27.23             |
| 3/4"        | <del>34.89</del> 38.79                |
| 1"          | <del>52.69</del> 58.58                |
| 1 1/2"      | <del>95.09</del> 105.72               |
| 2"          | <del>147.10</del> 163.55              |
| 3"          | <del>273.29</del> 303.84              |
| 4"          | <del>447.87</del> 497.94              |
| 6"          | <del>893.36</del> 993.24              |
| 8"          | <del>1,485.85</del> 1,651.97          |

Volumetric Rate:

In addition to the minimum charge, the volumetric charge, based on usage shall be:

Volumetric Charge ~~\$7.20~~\$6.48 per 100 cu. ft.

Terms of Payments:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: July 22, 2014~~November 16, 2020~~ Issued by: Donald L. Ware  
Donald L. Ware

Effective: July 22, 2014~~December 17, 2020~~ Title: Chief Operating Officer

Authorized by NHPUC Order No. 25,695 Docket No. DW 13-128, dated July 22, 2014.

MUNICIPAL FIRE PROTECTION SERVICE  
TOWN OF PITTSFIELD  
SCHEDULE FP-M

Application:

This rate is applicable to municipal fire protection in the Town of Pittsfield.

Character of Service:

The Company will exercise due effort to maintain at all times the normal pressures on the distribution system, but the Company shall not be held liable for the failure of either the supply or distribution division of its system to furnish its normal quantity of water at adequate pressure when such failure is due to the elements, natural causes, breaks, leaks, unusual or recurrent drafts, or the excess or unlawful use of water.

Rate:

The monthly charge for municipal fire protection service shall be made up of two parts, as follows:

Monthly  
Charge

1. Hydrant Charge

For each hydrant connected to the distribution system

~~\$105.54~~ ~~94.93~~ per month

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year, and will be the basis for computing the "inch-foot" charge for the entire year with one-twelfth to be billed each month.

Charge for each inch-foot unit to be

~~\$0.22237~~ ~~0.20004~~ per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: ~~July 22, 2014~~ November 16, 2020 Issued by: Donald L. Ware  
Donald L. Ware

Effective: ~~July 22, 2014~~ December 17, 2020 Title: Chief Operating Officer

Authorized by NHPUC Order No. 25,695 Docket No. DW 13-128, dated July 22, 2014.

PRIVATE FIRE PROTECTION SERVICE  
TOWN OF PITTSFIELD  
SCHEDULE FP-P

Application:

This schedule is applicable to fire protection in the Town of Pittsfield other than municipal, such as private hydrants, fire hose outlets and sprinkler systems, connected to the Company's distribution system.

Character of Service:

The Company will exercise due effort to maintain at all times the normal pressures on the distribution system, but the Company shall not be held liable for the failure of either the supply or distribution division of its system to furnish its normal quantity of water at adequate pressure when such failure is due to the elements, natural causes, breaks, leaks, unusual or recurrent drafts, or the excess or unlawful use of water.

Rates - MONTHLY:

Monthly  
Charge

|                                       |                                    |
|---------------------------------------|------------------------------------|
| For each 4-inch connection or service | \$ <del>67.68</del> <b>75.25</b>   |
| For each 6-inch connection or service | \$ <del>194.21</del> <b>215.92</b> |
| For each 8-inch connection or service | \$ <del>412.47</del> <b>458.58</b> |

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: ~~July 22, 2014~~ **November 16, 2020** Issued by: Donald L. Ware  
Donald L. Ware

Effective: ~~July 22, 2014~~ **December 17, 2020** Title: Chief Operating Officer

Authorized by NHPUC Order No. 25,695 Docket No. DW 13-128, dated July 22, 2014.

**RATE SCHEDULE**

## GENERAL SERVICE – NON-METERED

## TOWN OF PITTSFIELD

Pittsfield Aqueduct Company, Inc. (PAC) will charge current unmetered customers a monthly rate as specified below based on the average single family residential usage as specified below until such time as meters are installed.

Commercial, Industrial and Private Fire Protection customers will be charged an average Rate as calculated for a similar customer in PAC.

PAC will make every effort to install meters in a timely manner and in no such case should these rates remain in force for more than a twelve month period.

|   | <u><b>Temporary Rate</b></u>   |
|---|--------------------------------|
| 5/8" Meter Charge                       | \$24.49 <b>27.23</b> per month |
| Volumetric Charge                       | \$ 6.48 <b>7.20</b>            |
| Average Single Family Residential Usage | <u>5.83 <b>5.19</b> CCF</u>    |
|   | <u>\$ 37.78 <b>37.37</b></u>   |
| Total Monthly Charge                    | \$ 62.27 <b>64.60</b>          |
| Annually                                | \$ 747.24 <b>775.20</b>        |

Issued: July 22, 2014 **November 16, 2020** Issued by: Donald L. Ware  
Donald L. Ware

Effective: July 22, 2014 **December 17, 2020** Title: Chief Operating Officer

Authorized by NHPUC Order No. 25,695 Docket No. DW 13-128, dated July 22, 2014.

NHPUC NO. 5 WATER

~~Proposed Second~~ **Third** Revised 46

PITTSFIELD AQUEDUCT COMPANY, INC.

Superseding ~~First~~ **Second** Page 46

GENERAL SERVICE – METERED  
TOWN OF PITTSFIELD FIRE DEPARTMENT  
SCHEDULE GM

Application:

This schedule is applicable to metered water service for the Fire Department in the Town of Pittsfield, NH.

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of the New Hampshire Public Utilities Commission for Water Service.

Rates:

The Fire Department for the Town of Pittsfield shall be charged only for usage over 14 ccf of water per month. There will be no charge for the monthly customer charge.

Volumetric Rate:

The volumetric charge based on usage over 14 ccf shall be:

Volumetric Charge: \$~~7.206~~**48** per 100 cu. ft.

Terms of Payments:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: ~~July 22, 2014~~ **November 16, 2020**

Issued by: Donald L. Ware  
Donald L. Ware

Effective: ~~July 22, 2014~~ **December 17, 2020**

Title: Chief Operating Officer

Authorized by ~~NHPUC Order No. 25,695 Docket No. DW 13-128, dated July 22, 2014.~~



GENERAL SERVICE – METERED  
TOWN OF PITTSFIELD  
SCHEDULE GM

Application:

This schedule is applicable to all metered water service in the Town of Pittsfield, NH, except municipal and private fire protection.

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of the New Hampshire Public Utilities Commission for Water Service.

Rates:

A minimum customer charge shall be made for each customer to whom service is rendered under this tariff, based on the meter size shown below:

| <u>Size</u> | <u>Monthly<br/>Minimum<br/>Charge</u> |
|-------------|---------------------------------------|
| 5/8"        | \$ 27.23                              |
| 3/4"        | 38.79                                 |
| 1"          | 58.58                                 |
| 1 1/2"      | 105.72                                |
| 2"          | 163.55                                |
| 3"          | 303.84                                |
| 4"          | 497.94                                |
| 6"          | 993.24                                |
| 8"          | 1,651.97                              |

Volumetric Rate:

In addition to the minimum charge, the volumetric charge, based on usage shall be:

|                   |                        |
|-------------------|------------------------|
| Volumetric Charge | \$7.20 per 100 cu. ft. |
|-------------------|------------------------|

Terms of Payments:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 16, 2020

Issued by: Donald L. Ware

Effective: December 17, 2020

Title: Chief Operating Officer

MUNICIPAL FIRE PROTECTION SERVICE  
TOWN OF PITTSFIELD  
SCHEDULE FP-M

Application:

This rate is applicable to municipal fire protection in the Town of Pittsfield.

Character of Service:

The Company will exercise due effort to maintain at all times the normal pressures on the distribution system, but the Company shall not be held liable for the failure of either the supply or distribution division of its system to furnish its normal quantity of water at adequate pressure when such failure is due to the elements, natural causes, breaks, leaks, unusual or recurrent drafts, or the excess or unlawful use of water.

Rate:

The monthly charge for municipal fire protection service shall be made up of two parts, as follows:

Monthly  
Charge

1. Hydrant Charge

For each hydrant connected to the  
distribution system

\$105.54 per month

2. Inch-Foot Charge

The number of "inch-foot" units in the distribution system is to be obtained by multiplying the number of linear feet of pipe of each diameter (6" and larger) by the diameter in inches. The total number of "inch-foot" units in the distribution system will be determined as of January 1st each year, and will be the basis for computing the "inch-foot" charge for the entire year with one-twelfth to be billed each month.

Charge for each inch-foot unit to be

\$0.22237 per year

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 16, 2020

Issued by: Donald L. Ware

Effective: December 17, 2020

Title: Chief Operating Officer

PRIVATE FIRE PROTECTION SERVICE  
TOWN OF PITTSFIELD  
SCHEDULE FP-P

Application:

This schedule is applicable to fire protection in the Town of Pittsfield other than municipal, such as private hydrants, fire hose outlets and sprinkler systems, connected to the Company's distribution system.

Character of Service:

The Company will exercise due effort to maintain at all times the normal pressures on the distribution system, but the Company shall not be held liable for the failure of either the supply or distribution division of its system to furnish its normal quantity of water at adequate pressure when such failure is due to the elements, natural causes, breaks, leaks, unusual or recurrent drafts, or the excess or unlawful use of water.

Rates - MONTHLY:Monthly  
Charge

|                                       |           |
|---------------------------------------|-----------|
| For each 4-inch connection or service | \$ 75.25  |
| For each 6-inch connection or service | \$ 215.92 |
| For each 8-inch connection or service | \$ 458.58 |

Terms of Payment:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 16, 2020

Issued by: Donald L. Ware

Effective: December 17, 2020

Title: Chief Operating Officer

**RATE SCHEDULE****GENERAL SERVICE – NON-METERED****TOWN OF PITTSFIELD**

Pittsfield Aqueduct Company, Inc. (PAC) will charge current unmetered customers a monthly rate as specified below based on the average single family residential usage as specified below until such time as meters are installed.

Commercial, Industrial and Private Fire Protection customers will be charged an average Rate as calculated for a similar customer in PAC.

PAC will make every effort to install meters in a timely manner and in no such case should these rates remain in force for more than a twelve month period.

|   |                    |
|---|--------------------|
| 5/8" Meter Charge                       | \$ 27.23 per month |
| Volumetric Charge                       | \$ 7.20            |
| Average Single Family Residential Usage | <u>5.19 CCF</u>    |
|   | <u>\$ 37.37</u>    |
| Total Monthly Charge                    | <u>\$ 64.60</u>    |
| Annually                                | <u>\$ 775.20</u>   |

Issued: November 16, 2020Issued by: Donald L. WareEffective: December 17, 2020Title: Chief Operating Officer

GENERAL SERVICE – METERED  
TOWN OF PITTSFIELD FIRE DEPARTMENT  
SCHEDULE GM

Application:

This schedule is applicable to metered water service for the Fire Department in the Town of Pittsfield, NH.

Character of Service:

Service shall consist of the production, treatment, and distribution of water for all residential, commercial and industrial requirements of customers whose premises abut any public street, road or way in which the Company has mains; provided, however, that such service shall only be rendered pursuant to the Terms and Conditions prescribed in other sections of this Tariff and the Rules of the New Hampshire Public Utilities Commission for Water Service.

Rates:

The Fire Department for the Town of Pittsfield shall be charged only for usage over 14 ccf of water per month. There will be no charge for the monthly customer charge.

Volumetric Rate:

The volumetric charge based on usage over 14 ccf shall be:

Volumetric Charge:

\$7.20 per 100 cu. ft.

Terms of Payments:

Bills under this rate are net; will be rendered monthly, and are due and payable at the office of the Company on the due date as stated on water bill.

Issued: November 16, 2020

Issued by: Donald L. Ware

Effective: December 17, 2020

Title: Chief Operating Officer

# **TAB 15**

**Summary of Puc 1604.01(a) 'Contents of a Full Rate Case' Documents**

**Summary (Index) of Full Rate Case Schedules per Puc 1604.01(a)**

| <b>TAB</b> | <b>Document</b>  | <b>Authority</b>   |                            |
|------------|--|--------------------|----------------------------|
| 16         | Internal Financial Reports   | Puc 1604.01(a)(1)  |                            |
| 17         | Annual Reports to Stockholders                                     | Puc 1604.01(a)(2)  | Data Not Exist             |
| 18         | Federal Income Tax Reconciliation                                  | Puc 1604.01(a)(3)  |                            |
| 19         | Detailed Tax Factor Computation                                    | Puc 1604.01(a)(4)  |                            |
| 20         | Detailed Charitable Contribution                                   | Puc 1604.01(a)(5)  | Data Not Exist             |
| 21         | List of Advertising  | Puc 1604.01(a)(6)  | Data Not Exist             |
| 22         | Most Recent Cost of Service Study                                  | Puc 1604.01(a)(7)  |                            |
| 23         | Most Recent Construction Budget                                    | Puc 1604.01(a)(8)  |                            |
| 24         | Chart of Accounts if Different than NHPUC                          | Puc 1604.01(a)(9)  | Data Not Exist             |
| 25         | Securities and Exchange Commission 10K and 10Q                     | Puc 1604.01(a)(10) | Data Not Exist             |
| 26         | Membership Fees, Dues and Lobbying Expenses                        | Puc 1604.01(a)(11) |                            |
| 27         | Depreciation Study   | Puc 1604.01(a)(12) |                            |
| 28         | Management and Financial Audits                                    | Puc 1604.01(a)(13) |                            |
| 29         | Officer and Director Compensation                                  | Puc 1604.01(a)(14) | Data Not Exist, See Tab 33 |
| 30         | Officer and Executive Incentive Plans                              | Puc 1604.01(a)(15) | Data Not Exist             |
| 31         | List of Amount of Voting Stock                                     | Puc 1604.01(a)(16) | Data Not Exist             |
| 32         | Payments for Contractual Services in Excess of \$50,000            | Puc 1604.01(a)(17) |                            |
| 33         | Amount of Assets and Costs Allocated to Non-Utility Operations     | Puc 1604.01(a)(18) |                            |
| 34         | Balance Sheets and Income Statements for Previous Two Years        | Puc 1604.01(a)(19) |                            |
| 35         | Quarterly Income Statements for Previous Two Years                 | Puc 1604.01(a)(20) |                            |
| 36         | Quarterly Sales Volumes  | Puc 1604.01(a)(21) |                            |
| 37         | Projected Need for External Capital                                | Puc 1604.01(a)(22) |                            |
| 38         | Capital Budget - Sources and Uses                                  | Puc 1604.01(a)(23) |                            |
| 39         | Outstanding Short-Term Debt on Monthly Basis for Each Indebtedness | Puc 1604.01(a)(24) | See Tab 13                 |
| 40         | Certificate of Details of Management Fee Information               | Puc 1604.01(a)(25) | See Tabs 3 and 33          |

## **TAB 16**

**1604.01(a)(1) Internal Financial Reports for the first and last month of the test year; for the entire test year; and for the 12 months or 5 quarters prior to the test year.**



**PITTSFIELD AQUEDUCT**  
**Profit and Loss Statement**  
**January - December 2018**

|                                | Jan-18     | Feb-18     | Mar-18     | Apr-18     | May-18     | Jun-18     | Jul-18     | Aug-18      | Sep-18     | Oct-18     | Nov-18     | Dec-18       | Total 2018   |
|--------------------------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|--------------|--------------|
| WATER SALES                    | 58,394.71  | 44,269.22  | 56,034.50  | 54,365.32  | 48,460.88  | 56,518.10  | 59,832.11  | 49,624.81   | 54,389.32  | 46,758.82  | 54,217.60  | 58,963.27    | 641,828.66   |
| CBFRR REVENUES                 | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25   | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25    | 146,559.00   |
| MISC OPERATING REVENUE         | 171.00     | 580.00     | 226.00     | 66.00      | 132.00     | 344.00     | 192.00     | 601.00      | 161.00     | 252.00     | 325.00     | 121.00       | 3,171.00     |
| TOTAL REVENUES                 | 70,778.96  | 57,062.47  | 68,473.75  | 66,644.57  | 60,806.13  | 69,075.35  | 72,237.36  | 62,439.06   | 66,763.57  | 59,224.07  | 66,755.85  | 71,297.52    | 791,558.66   |
| PRODUCTION EXPENSES            | 13,059.18  | 7,357.20   | 13,140.51  | 6,415.20   | 8,473.86   | 6,641.67   | 8,657.13   | 18,528.22   | 11,670.85  | 13,040.88  | 13,827.39  | 7,477.64     | 128,289.73   |
| TRANSMISSION AND DISTRIB EXP   | 6,570.42   | 2,147.10   | 3,210.88   | 5,732.28   | 6,699.67   | 7,536.33   | 14,487.27  | 12,641.60   | 2,704.69   | 7,716.14   | 3,663.99   | 700.85       | 73,811.22    |
| CUSTOMER ACCT & COLLECTION EXP | 223.17     | 737.19     | 828.64     | 1,672.26   | 651.59     | 952.91     | 2,160.49   | 1,170.13    | 604.95     | 599.61     | 1,566.52   | 1,384.84     | 12,552.30    |
| ADMINISTRATIVE & GENERAL EXP   | 1,764.14   | 4,397.96   | 1,851.25   | 1,770.53   | 1,567.72   | 1,770.63   | 1,862.51   | 1,917.80    | 1,878.64   | 2,028.41   | 1,641.70   | 1,527.05     | 23,978.34    |
| INTERCO MGMT FEE: PWV          | 15,908.00  | 14,926.00  | 15,261.00  | 14,200.00  | 16,372.00  | 14,730.00  | 17,336.00  | 15,862.00   | 13,076.00  | 15,150.00  | 15,434.00  | 10,425.00    | 178,680.00   |
| INTERCOMPANY MGMT FEE: PCP     | 510.00     | 369.00     | 614.00     | 413.00     | 347.00     | 320.00     | 249.00     | 488.00      | 443.00     | 394.00     | 675.00     | (182.00)     | 4,640.00     |
| TOTAL OPERATING EXPENSES       | 38,034.91  | 29,934.45  | 34,906.28  | 30,203.27  | 34,111.84  | 31,951.54  | 44,752.40  | 50,607.75   | 30,378.13  | 38,929.04  | 36,808.60  | 21,333.38    | 421,951.59   |
| DEPRECIATION EXPENSE: PAC      | 8,492.61   | 8,499.38   | 8,497.51   | 8,496.53   | 8,499.85   | 8,500.86   | 8,505.84   | 8,506.34    | 8,413.77   | 8,489.51   | 8,469.30   | 8,464.88     | 101,836.38   |
| AMORTIZATION EXPENSE: CIAC     | (1,915.58) | (1,915.53) | (1,915.60) | (1,915.51) | (1,915.50) | (1,915.61) | (1,915.58) | (1,915.53)  | (1,915.60) | (1,915.51) | (1,915.38) | (1,915.47)   | (22,986.40)  |
| AMORT: ACQUISITION PREMIUM     | 2,740.25   | 2,800.17   | 2,800.17   | 2,800.17   | 2,800.17   | 2,800.18   | 2,800.17   | 2,800.17    | 2,800.17   | 2,800.17   | 2,800.17   | 2,800.17     | 33,542.13    |
| AMORT EXP - DEFERRED CHARGES   | 257.31     | 257.33     | 257.31     | 257.33     | 257.31     | 257.32     | 257.31     | 257.32      | 257.31     | 257.31     | 257.31     | 257.32       | 3,087.79     |
| GAIN FROM FORGIVENESS SRF DEBT | -          | -          | -          | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)    | (119.19)   | (119.19)   | (119.19)   | (119.19)     | (1,072.71)   |
| NH BET TAX                     | -          | -          | -          | -          | -          | -          | -          | -           | -          | -          | -          | 28,405.91    | 28,405.91    |
| LOCAL PROPERTY TAXES           | 13,208.16  | 13,208.16  | 13,208.17  | 13,208.16  | 18,566.17  | 15,887.18  | 15,887.16  | 15,887.16   | 15,887.18  | 15,886.83  | 15,940.51  | 14,883.67    | 181,658.51   |
| INCOME TAXES                   | 1,967.23   | 450.01     | 2,180.57   | 2,950.53   | 175.74     | 2,976.68   | 335.02     | (3,916.10)  | 2,802.53   | (1,592.72) | 982.14     | 101,525.37   | 110,837.00   |
| TOTAL OPERATING DEDUCTIONS     | 62,784.89  | 53,233.97  | 59,934.41  | 55,881.29  | 62,376.39  | 60,338.96  | 70,503.13  | 72,107.92   | 58,504.30  | 62,735.44  | 63,223.46  | 175,636.04   | 857,260.20   |
| NET OPERATING INCOME           | 7,994.07   | 3,828.50   | 8,539.34   | 10,763.28  | (1,570.26) | 8,736.39   | 1,734.23   | (9,668.86)  | 8,259.27   | (3,511.37) | 3,532.39   | (104,338.52) | (65,701.54)  |
| INTEREST EXPENSE               | (279.57)   | (279.57)   | (279.57)   | (279.57)   | (279.06)   | (278.55)   | (278.04)   | (277.52)    | (277.01)   | (276.49)   | (275.98)   | (275.46)     | (3,336.39)   |
| AMORTIZATION OF DEBT EXPENSE   | -          | -          | -          | -          | (55.95)    | (62.18)    | (62.70)    | (62.35)     | (62.35)    | (62.35)    | (62.35)    | (62.33)      | (492.56)     |
| INTERCOMPANY INTEREST          | (5,200.42) | (5,147.14) | (5,235.77) | (5,403.21) | (425.49)   | (3,245.34) | (3,298.83) | (3,251.11)  | (3,234.69) | (3,204.00) | (3,371.01) | (3,353.25)   | (44,370.26)  |
| TOTAL INTEREST EXPENSE, NET    | (5,479.99) | (5,426.71) | (5,515.34) | (5,682.78) | (760.50)   | (3,586.07) | (3,639.57) | (3,590.98)  | (3,574.05) | (3,542.84) | (3,709.34) | (3,691.04)   | (44,862.82)  |
| NET INCOME (OR LOSS)           | 2,514.08   | (1,598.21) | 3,024.00   | 5,080.50   | (2,330.76) | 5,150.32   | (1,905.34) | (13,259.84) | 4,685.22   | (7,054.21) | (176.95)   | (108,029.56) | (113,900.75) |

**PITTSFIELD AQUEDUCT COMPANY  
THIRTEEN MONTH BALANCE SHEET**

|   | Dec-17              | Jan-18              | Feb-18              | Mar-18              | Apr-18              | May-18              | Jun-18              | Jul-18              | Aug-18              | Sep-18              | Oct-18              | Nov-18              | Dec-18              | #REF!               |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>ASSETS</b>                           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| LAND                                    | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           |
| STRUCTURES                              | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        |
| EQUIPMENT                               | 133,958.03          | 133,958.03          | 133,958.03          | 133,958.03          | 133,958.03          | 133,958.03          | 133,958.03          | 133,958.03          | 133,958.03          | 133,958.03          | 134,908.33          | 134,908.33          | 130,169.56          | 133,885.91          |
| TRANSMISSION & DISTRIBUTION             | 2,772,115.52        | 2,772,115.52        | 2,777,659.00        | 2,778,447.07        | 2,778,447.07        | 2,780,587.32        | 2,780,680.18        | 2,784,434.13        | 2,784,483.52        | 2,784,557.02        | 2,786,993.68        | 2,787,362.72        | 2,786,037.30        | 2,781,070.77        |
| MISCELLANEOUS EQUIPMENT                 | 120,254.36          | 120,254.36          | 120,254.36          | 120,254.36          | 120,254.36          | 120,254.36          | 119,818.30          | 119,818.30          | 119,818.30          | 109,773.86          | 109,773.86          | 109,773.86          | 109,773.86          | 116,928.96          |
| INTANGIBLE PLANT                        | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           |
| <b>TOTAL PLANT IN SERVICE</b>           | <b>4,654,735.70</b> | <b>4,654,735.70</b> | <b>4,660,279.18</b> | <b>4,661,067.25</b> | <b>4,661,067.25</b> | <b>4,663,207.50</b> | <b>4,662,864.30</b> | <b>4,666,618.25</b> | <b>4,666,667.64</b> | <b>4,657,647.00</b> | <b>4,660,083.66</b> | <b>4,660,452.70</b> | <b>4,654,388.51</b> | <b>4,660,293.43</b> |
| ACCUMULATED DEPRECIATION                | 1,389,966.34        | 1,398,458.95        | 1,406,352.70        | 1,414,572.16        | 1,423,068.69        | 1,431,568.54        | 1,439,633.34        | 1,447,722.07        | 1,455,900.40        | 1,453,928.85        | 1,461,388.27        | 1,469,816.57        | 1,472,217.26        | 1,435,738.01        |
| <b>NET PLANT IN SERVICE</b>             | <b>3,264,769.36</b> | <b>3,256,276.75</b> | <b>3,253,926.48</b> | <b>3,246,495.09</b> | <b>3,237,998.56</b> | <b>3,231,638.96</b> | <b>3,223,230.96</b> | <b>3,218,896.18</b> | <b>3,210,767.24</b> | <b>3,203,718.15</b> | <b>3,198,695.39</b> | <b>3,190,636.13</b> | <b>3,182,171.25</b> | <b>3,224,555.42</b> |
| CWIP-CONTRACTOR CLEARING                | 827.50              | 827.50              | 827.50              | 827.50              | 827.50              | 827.50              | 827.50              | 827.50              | 827.50              | 1,860.70            | 5,673.70            | 5,673.70            | 6,707.50            | 2,104.85            |
| <b>TOTAL PLANT</b>                      | <b>3,265,596.86</b> | <b>3,257,104.25</b> | <b>3,254,753.98</b> | <b>3,247,322.59</b> | <b>3,238,826.06</b> | <b>3,232,466.46</b> | <b>3,224,058.46</b> | <b>3,219,723.68</b> | <b>3,211,594.74</b> | <b>3,205,578.85</b> | <b>3,204,369.09</b> | <b>3,196,309.83</b> | <b>3,188,878.75</b> | <b>3,226,660.28</b> |
| <b>CURRENT ASSETS</b>                   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| ACCOUNTS RECEIVABLE, NET                | 46,208.41           | 18,308.29           | 17,379.77           | 47,762.30           | 17,365.11           | 17,131.20           | 23,676.68           | 10,488.97           | 9,223.63            | 44,638.56           | 15,079.18           | 47,643.74           | 41,108.16           | 27,385.69           |
| PREPAID EXPENSES AND OTHER              | 37,225.73           | 27,519.38           | 15,627.61           | 3,720.93            | 3,569.23            | 4,260.20            | 46,280.68           | 31,709.82           | 17,639.62           | 3,225.42            | 3,059.06            | 58,955.67           | 42,757.32           | 22,734.67           |
| A/R: UNBILLED WATER REVENUE             | 76,493.00           | 83,326.00           | 76,050.00           | 72,633.00           | 77,196.00           | 75,085.00           | 75,031.00           | 82,965.00           | 79,300.00           | 75,058.00           | 71,660.00           | 70,221.00           | 79,549.00           | 76,505.15           |
| <b>TOTAL CURRENT ASSETS</b>             | <b>159,927.14</b>   | <b>129,153.67</b>   | <b>109,057.38</b>   | <b>124,116.23</b>   | <b>98,130.34</b>    | <b>96,476.40</b>    | <b>144,988.36</b>   | <b>125,163.79</b>   | <b>106,163.25</b>   | <b>122,921.98</b>   | <b>89,798.24</b>    | <b>176,820.41</b>   | <b>163,414.48</b>   | <b>126,625.51</b>   |
| <b>OTHER ASSETS</b>                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| UNAMORTIZED DEBT EXPENSE                | 20,207.67           | 20,207.67           | 20,207.67           | 20,207.67           | 21,803.67           | 22,389.72           | 22,327.54           | 22,264.84           | 22,202.49           | 22,140.14           | 22,077.79           | 22,015.44           | 21,953.11           | 21,538.88           |
| DEFERRED CHARGES                        | 20,306.66           | 20,049.35           | 19,792.02           | 19,534.71           | 19,277.38           | 19,020.07           | 18,762.75           | 18,505.44           | 18,248.12           | 17,990.81           | 17,733.50           | 17,476.19           | 17,218.87           | 18,762.76           |
| ACQUISITION PREMIUM - MARA              | 1,254,116.97        | 1,251,376.72        | 1,248,576.55        | 1,245,776.38        | 1,242,976.21        | 1,240,176.04        | 1,237,375.86        | 1,234,575.69        | 1,231,775.52        | 1,228,975.35        | 1,226,175.18        | 1,223,375.01        | 1,220,574.84        | 1,237,371.26        |
| <b>TOTAL OTHER ASSETS</b>               | <b>1,294,631.30</b> | <b>1,291,633.74</b> | <b>1,288,576.24</b> | <b>1,285,518.76</b> | <b>1,284,057.26</b> | <b>1,281,585.83</b> | <b>1,278,466.15</b> | <b>1,275,345.97</b> | <b>1,272,226.13</b> | <b>1,269,106.30</b> | <b>1,265,986.47</b> | <b>1,262,866.64</b> | <b>1,259,746.82</b> | <b>1,277,672.89</b> |
| <b>TOTAL ASSETS</b>                     | <b>4,720,155.30</b> | <b>4,677,891.66</b> | <b>4,652,387.60</b> | <b>4,656,957.58</b> | <b>4,621,013.66</b> | <b>4,610,528.69</b> | <b>4,647,512.97</b> | <b>4,620,233.44</b> | <b>4,589,984.12</b> | <b>4,597,607.13</b> | <b>4,560,153.80</b> | <b>4,635,996.88</b> | <b>4,612,040.05</b> | <b>4,630,958.68</b> |
| <b>EQUITY AND LIABILITIES</b>           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| COMMON STOCK                            | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              |
| ADDITIONAL PAID IN CAPITAL              | 2,064,823.84        | 2,064,823.84        | 2,064,823.84        | 1,935,317.84        | 1,935,317.84        | 1,935,317.84        | 1,935,317.84        | 1,935,317.84        | 1,935,317.84        | 1,935,317.84        | 1,935,317.84        | 1,935,317.84        | 1,935,317.84        | 1,965,203.84        |
| RETAINED EARNINGS BEG - PAC             | -                   | (23,553.03)         | (23,553.03)         | (23,553.03)         | (23,553.03)         | (23,553.03)         | (23,553.03)         | (23,553.03)         | (23,553.03)         | (23,553.03)         | (23,553.03)         | (23,553.03)         | (23,553.03)         | (21,741.26)         |
| NET PROFIT (OR LOSS)                    | (23,553.03)         | 2,514.08            | 915.87              | 3,939.87            | 9,020.37            | 6,689.61            | 11,839.93           | 9,934.59            | (3,325.25)          | 1,359.97            | (5,694.24)          | (5,871.19)          | (113,900.75)        | (8,163.86)          |
| <b>TOTAL EQUITY</b>                     | <b>2,041,370.81</b> | <b>2,043,884.89</b> | <b>2,042,286.68</b> | <b>1,915,804.68</b> | <b>1,920,885.18</b> | <b>1,918,554.42</b> | <b>1,923,704.74</b> | <b>1,921,799.40</b> | <b>1,908,539.56</b> | <b>1,913,224.78</b> | <b>1,906,170.57</b> | <b>1,905,993.62</b> | <b>1,797,964.06</b> | <b>1,935,398.72</b> |
| LTD:SRF Catamount Road                  | 169,800.69          | 169,403.69          | 169,204.69          | 169,004.69          | 125,821.69          | 125,618.69          | 125,406.69          | 125,202.69          | 124,997.69          | 124,791.69          | 124,585.69          | 124,378.69          | 124,170.69          | 138,645.23          |
| FORGIVABLE DEBT: CATAMOUNT ROAD         | -                   | -                   | -                   | -                   | 41,240.53           | 41,121.34           | 41,002.15           | 40,882.96           | 40,763.77           | 40,644.58           | 40,525.39           | 40,406.20           | 40,287.01           | 28,221.07           |
| <b>TOTAL LONG TERM DEBT</b>             | <b>169,800.69</b>   | <b>169,403.69</b>   | <b>169,204.69</b>   | <b>169,004.69</b>   | <b>167,062.22</b>   | <b>166,740.03</b>   | <b>166,408.84</b>   | <b>166,085.65</b>   | <b>165,761.46</b>   | <b>165,436.27</b>   | <b>165,111.08</b>   | <b>164,784.89</b>   | <b>164,457.70</b>   | <b>166,866.30</b>   |
| <b>CURRENT LIABILITIES</b>              |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| INTERCO ADV-PCP PROM NOTE 5/18          | 776,850.00          | 776,850.00          | 776,850.00          | 776,850.00          | 776,850.00          | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 298,788.46          |
| NOTE PAYABLE - PCP 2018 1.1M LOAN       | -                   | -                   | -                   | -                   | -                   | 1,186,000.00        | 1,184,033.61        | 1,182,061.98        | 1,180,085.09        | 1,178,102.93        | 1,176,115.48        | 1,174,122.73        | 1,172,124.67        | 725,588.19          |
| CURRENT PORTION LTD: SRF CATAMOUNT ROAD | 1,362.00            | 1,759.00            | 1,958.00            | 2,158.00            | 2,359.00            | 2,369.00            | 2,387.00            | 2,396.00            | 2,406.00            | 2,416.00            | 2,425.00            | 2,434.00            | 2,443.00            | 2,220.92            |
| FORGIVABLE DEBT: STD CATAMOUNT ROAD     | -                   | -                   | -                   | -                   | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 990.19              |
| INTERCO DIV PAY/REC PAC/PCP             | 410,666.98          | 334,684.54          | 278,961.03          | 378,696.01          | 308,218.02          | (157,412.39)        | (116,875.14)        | (185,912.61)        | (241,545.16)        | (253,874.94)        | (338,651.92)        | (268,502.39)        | 72,615.09           | 17,005.16           |
| INTERCO PAY/REC: PAC/PWW                | -                   | 33,919.26           | 66,197.40           | 98,087.59           | 122,599.30          | 155,201.71          | 184,426.54          | 227,382.64          | 262,456.67          | 287,435.24          | 321,691.08          | 348,213.29          | -                   | 162,123.90          |
| INTERCO LOAN PWW/PAC: RSF               | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           |
| INTERCO PAY/REC: PAC/PEU                | -                   | -                   | -                   | -                   | (58.56)             | 1,266.61            | 41.42               | 1,266.61            | 5,198.15            | 5,198.15            | 5,210.06            | 10,227.73           | -                   | 1,806.82            |
| HARDSHIP CASES: CREDITS                 | (48.97)             | (48.97)             | (48.97)             | (48.97)             | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | (15.07)             |
| ACCOUNTS PAYABLE & ACCR EXP             | 7,939.93            | 7,140.97            | 8,596.02            | 9,938.43            | 17,058.02           | 35,068.06           | 1,235.15            | 4,918.54            | 12,357.61           | 3,264.60            | 27,593.86           | 6,149.80            | 4,530.48            | 11,214.73           |
| <b>TOTAL CURRENT LIABILITIES</b>        | <b>1,209,724.68</b> | <b>1,167,259.54</b> | <b>1,145,468.22</b> | <b>1,278,635.80</b> | <b>1,241,469.36</b> | <b>1,235,552.84</b> | <b>1,269,633.60</b> | <b>1,246,498.18</b> | <b>1,231,748.42</b> | <b>1,236,927.00</b> | <b>1,208,768.58</b> | <b>1,287,030.18</b> | <b>1,266,098.26</b> | <b>1,232,678.05</b> |
| <b>OTHER DEFERRED CREDITS</b>           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| CONTRIBUTIONS IN AID OF CONST           | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        |
| RESERVE FOR AMORT OF CIAC:PAC           | (451,821.06)        | (453,736.64)        | (455,652.17)        | (457,567.77)        | (459,483.28)        | (461,398.78)        | (463,314.39)        | (465,229.97)        | (467,145.50)        | (469,061.10)        | (470,976.61)        | (472,891.99)        | (474,807.46)        | (463,314.36)        |
| DEFERRED INCOME TAXES                   | 401,226.77          | 401,226.77          | 401,226.77          | 401,226.77          | 401,226.77          | 401,226.77          | 401,226.77          | 401,226.77          | 401,226.77          | 401,226.77          | 401,226.77          | 401,226.77          | 508,474.08          | 409,476.56          |
|   | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          |
| <b>TOTAL DEFERRED CREDITS</b>           | <b>1,299,259.12</b> | <b>1,297,343.54</b> | <b>1,295,428.01</b> | <b>1,293,512.41</b> | <b>1,291,596.90</b> | <b>1,289,681.40</b> | <b>1,287,765.79</b> | <b>1,285,850.21</b> | <b>1,283,934.68</b> | <b>1,282,019.08</b> | <b>1,280,103.57</b> | <b>1,278,188.19</b> | <b>1,383,520.03</b> | <b>1,296,015.61</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>     | <b>4,720,155.30</b> | <b>4,677,891.66</b> | <b>4,652,387.60</b> | <b>4,656,957.58</b> | <b>4,621,013.66</b> | <b>4,610,528.69</b> | <b>4,647,512.97</b> | <b>4,620,233.44</b> | <b>4,589,984.12</b> | <b>4,597,607.13</b> | <b>4,560,153.80</b> | <b>4,635,996.88</b> | <b>4,612,040.05</b> | <b>4,630,958.68</b> |

**PITTSFIELD AQUEDUCT**  
**Profit and Loss Statement**  
**January - December 2019**

|                                | Jan-19     | Feb-19     | Mar-19     | Apr-19     | May-19     | Jun-19     | Jul-19     | Aug-19     | Sep-19     | Oct-19     | Nov-19     | Dec-19     | Total 2019  |
|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| WATER SALES                    | 45,658.28  | 49,501.00  | 53,484.04  | 54,027.41  | 48,594.97  | 52,436.55  | 51,352.46  | 59,488.60  | 55,654.33  | 48,881.22  | 52,248.13  | 53,988.18  | 625,315.17  |
| CBFRR REVENUES                 | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 12,213.25  | 146,559.00  |
| MISC OPERATING REVENUE         | 121.00     | 20.00      | 202.00     | 310.00     | 135.00     | 315.00     | 112.00     | 201.00     | 478.00     | 218.00     | 324.00     | 227.00     | 2,663.00    |
| TOTAL REVENUES                 | 57,992.53  | 61,734.25  | 65,899.29  | 66,550.66  | 60,943.22  | 64,964.80  | 63,677.71  | 71,902.85  | 68,345.58  | 61,312.47  | 64,785.38  | 66,428.43  | 774,537.17  |
| PRODUCTION EXPENSES            | 13,605.80  | 11,570.15  | 9,928.72   | 8,321.49   | 13,542.40  | 7,967.34   | 10,385.27  | 9,010.13   | 8,525.11   | 11,177.68  | 14,259.56  | 13,022.47  | 131,316.12  |
| TRANSMISSION AND DISTRIB EXP   | 3,114.49   | 4,478.79   | 2,963.20   | 1,474.65   | 3,865.64   | 12,563.12  | 7,407.61   | 4,093.93   | 1,255.10   | 6,245.54   | 11,451.85  | 2,265.30   | 61,179.22   |
| CUSTOMER ACCT & COLLECTION EXP | 855.14     | 642.23     | 1,092.36   | 571.11     | 1,124.63   | 1,371.54   | 3,029.08   | 1,075.01   | 943.65     | 1,184.27   | 1,857.25   | 1,847.97   | 15,594.24   |
| ADMINISTRATIVE & GENERAL EXP   | 1,443.43   | 1,748.01   | 1,494.48   | 1,492.44   | 1,500.57   | 1,496.68   | 10,461.86  | 1,324.99   | 1,413.74   | 1,474.97   | 1,475.29   | 1,462.62   | 26,789.08   |
| INTERCO MGMT FEE: PWV          | 12,366.00  | 10,361.00  | 22,921.00  | 13,798.00  | 13,746.00  | 12,941.00  | 13,635.00  | 13,145.00  | 12,020.00  | 13,510.00  | 15,713.00  | 15,863.00  | 170,019.00  |
| INTERCOMPANY MGMT FEE: PCP     | 379.00     | 419.00     | 500.00     | 406.00     | 398.00     | 370.00     | 276.00     | 342.00     | 332.00     | 317.00     | 412.00     | 367.00     | 4,518.00    |
| TOTAL OPERATING EXPENSES       | 31,763.86  | 29,219.18  | 38,899.76  | 26,063.69  | 34,177.24  | 36,709.68  | 45,194.82  | 28,991.06  | 24,489.60  | 33,909.46  | 45,168.95  | 34,828.36  | 409,415.66  |
| DEPRECIATION EXPENSE: PAC      | 8,468.02   | 8,467.71   | 8,474.61   | 8,473.60   | 8,474.06   | 8,468.00   | 8,466.34   | 8,494.65   | 8,496.77   | 8,516.95   | 8,405.47   | 8,365.98   | 101,572.16  |
| AMORTIZATION EXPENSE: CIAC     | (1,915.46) | (1,915.39) | (1,915.46) | (1,915.39) | (1,915.38) | (1,915.47) | (1,915.46) | (1,915.39) | (1,915.45) | (1,915.39) | (1,915.37) | (1,915.47) | (22,985.08) |
| AMORT: ACQUISITION PREMIUM     | 2,800.17   | 2,868.09   | 2,868.07   | 2,868.07   | 2,868.08   | 2,868.08   | 2,868.08   | 2,868.07   | 2,868.09   | 2,868.07   | 2,868.07   | 2,868.09   | 34,349.03   |
| AMORT EXP - DEFERRED CHARGES   | 257.30     | 257.31     | 257.31     | 257.31     | 255.99     | 257.32     | 257.30     | 257.31     | 257.30     | 257.31     | 257.30     | 257.32     | 3,086.38    |
| GAIN FROM FORGIVENESS SRF DEBT | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (1,430.28)  |
| NH BET TAX                     | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | 1,258.00    |
| LOCAL PROPERTY TAXES           | 15,828.09  | 15,828.09  | 15,828.06  | 15,828.09  | 15,810.09  | 15,810.09  | 15,810.09  | 15,810.09  | 15,792.07  | 15,311.42  | 15,311.42  | 14,724.39  | 187,691.99  |
| INCOME TAXES                   | 25.82      | 1,746.68   | 236.89     | 3,893.08   | 215.04     | 604.63     | (2,057.45) | 4,569.23   | 4,842.20   | 536.43     | (1,532.85) | 449.30     | 13,529.00   |
| TOTAL OPERATING DEDUCTIONS     | 57,108.61  | 56,352.48  | 64,530.05  | 55,349.26  | 59,765.93  | 62,683.14  | 68,504.53  | 58,955.83  | 54,711.39  | 59,365.06  | 68,443.80  | 60,716.78  | 726,486.86  |
| NET OPERATING INCOME           | 883.92     | 5,381.77   | 1,369.24   | 11,201.40  | 1,177.29   | 2,281.66   | (4,826.82) | 12,947.02  | 13,634.19  | 1,947.41   | (3,658.42) | 5,711.65   | 48,050.31   |
| INTEREST EXPENSE               | (274.94)   | (274.42)   | (273.90)   | (273.38)   | (272.85)   | (272.33)   | (271.80)   | (271.27)   | (270.74)   | (270.21)   | (269.68)   | (269.15)   | (3,264.67)  |
| AMORTIZATION OF DEBT EXPENSE   | (62.33)    | (62.33)    | (62.33)    | (62.33)    | (62.33)    | (62.33)    | (62.33)    | (62.33)    | (62.33)    | (62.33)    | (62.33)    | (62.33)    | (747.96)    |
| INTERCOMPANY INTEREST          | (3,277.86) | (3,247.85) | (3,268.34) | (3,209.20) | (3,131.21) | (3,187.22) | (3,246.49) | (3,179.50) | (3,132.30) | (3,038.68) | (3,004.62) | (3,049.73) | (37,973.00) |
| TOTAL INTEREST EXPENSE, NET    | (3,615.13) | (3,584.60) | (3,604.57) | (3,544.91) | (3,466.39) | (3,521.88) | (3,580.62) | (3,513.10) | (3,465.37) | (3,371.22) | (3,336.63) | (3,381.21) | (38,720.96) |
| NET INCOME (OR LOSS)           | (2,731.21) | 1,797.17   | (2,235.33) | 7,656.49   | (2,289.10) | (1,240.22) | (8,407.44) | 9,433.92   | 10,168.82  | (1,423.81) | (6,995.05) | 2,330.44   | 6,064.68    |

**PITTSFIELD AQUEDUCT COMPANY  
THIRTEEN MONTH BALANCE SHEET**

|   | Dec-18              | Jan-19              | Feb-19              | Mar-19              | Apr-19              | May-19              | Jun-19              | Jul-19              | Aug-19              | Sep-19              | Oct-19              | Nov-19              | Dec-19              | 13 Month<br>Average |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>ASSETS</b>                           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| LAND                                    | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           | 60,333.19           |
| STRUCTURES                              | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        | 1,492,523.95        |
| EQUIPMENT                               | 130,169.56          | 130,169.56          | 130,169.56          | 130,169.56          | 130,169.56          | 130,169.56          | 130,169.56          | 131,490.46          | 131,490.46          | 131,490.46          | 131,490.46          | 131,490.46          | 131,490.46          | 130,719.94          |
| TRANSMISSION & DISTRIBUTION             | 2,786,037.30        | 2,786,111.89        | 2,786,111.89        | 2,790,897.89        | 2,790,897.89        | 2,790,991.71        | 2,790,195.54        | 2,790,367.01        | 2,790,463.89        | 2,790,348.47        | 2,790,943.44        | 2,795,808.32        | 2,795,104.49        | 2,789,931.27        |
| MISCELLANEOUS EQUIPMENT                 | 109,773.86          | 109,773.86          | 109,773.86          | 109,773.86          | 109,773.86          | 109,773.86          | 109,773.86          | 109,773.86          | 115,098.03          | 115,233.10          | 115,233.10          | 115,233.10          | 113,039.64          | 111,582.35          |
| INTANGIBLE PLANT                        | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           |
| <b>TOTAL PLANT IN SERVICE</b>           | <b>4,654,388.51</b> | <b>4,654,463.10</b> | <b>4,654,463.10</b> | <b>4,659,249.10</b> | <b>4,659,249.10</b> | <b>4,659,342.92</b> | <b>4,658,546.75</b> | <b>4,660,039.12</b> | <b>4,665,460.17</b> | <b>4,665,479.82</b> | <b>4,666,074.79</b> | <b>4,670,939.67</b> | <b>4,668,042.38</b> | <b>4,660,641.35</b> |
| ACCUMULATED DEPRECIATION                | 1,472,217.26        | 1,480,676.99        | 1,489,144.70        | 1,496,765.02        | 1,505,238.62        | 1,513,712.68        | 1,521,384.51        | 1,529,842.56        | 1,538,337.21        | 1,546,635.68        | 1,555,006.84        | 1,563,379.16        | 1,568,524.89        | 1,517,695.10        |
| <b>NET PLANT IN SERVICE</b>             | <b>3,182,171.25</b> | <b>3,173,786.11</b> | <b>3,165,318.40</b> | <b>3,162,484.08</b> | <b>3,154,010.48</b> | <b>3,145,630.24</b> | <b>3,137,162.24</b> | <b>3,130,196.56</b> | <b>3,127,122.96</b> | <b>3,118,844.14</b> | <b>3,111,067.95</b> | <b>3,107,560.51</b> | <b>3,099,517.49</b> | <b>3,142,946.24</b> |
| CWIP:CONTRACTOR CLEARING                | 6,707.50            | 6,707.50            | 6,707.50            | 6,707.50            | 6,707.50            | 6,707.50            | 6,707.50            | 12,031.67           | 6,842.57            | 6,707.50            | 6,176.50            | 6,176.50            | 6,176.50            | 7,073.94            |
| <b>TOTAL PLANT</b>                      | <b>3,188,878.75</b> | <b>3,180,493.61</b> | <b>3,172,025.90</b> | <b>3,169,191.58</b> | <b>3,160,717.98</b> | <b>3,152,337.74</b> | <b>3,143,869.74</b> | <b>3,142,228.23</b> | <b>3,133,965.53</b> | <b>3,125,551.64</b> | <b>3,117,244.45</b> | <b>3,113,737.01</b> | <b>3,105,693.99</b> | <b>3,150,020.18</b> |
| <b>CURRENT ASSETS</b>                   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| ACCOUNTS RECEIVABLE, NET                | 41,108.16           | 19,658.82           | 48,066.73           | 40,742.86           | 39,362.86           | 16,748.64           | 46,025.06           | 25,162.40           | 49,243.72           | 40,626.13           | 18,847.91           | 50,983.40           | 25,308.33           | 36,381.39           |
| PREPAID EXPENSES AND OTHER              | 42,757.32           | 29,104.98           | 14,959.13           | 1,963.35            | 2,611.69            | 59,047.69           | 45,018.41           | 30,962.76           | 17,096.77           | 2,869.48            | 55,932.51           | 41,124.00           | 55,932.51           | 25,399.79           |
| A/R: UNBILLED WATER REVENUE             | 79,549.00           | 73,321.00           | 67,899.00           | 71,096.00           | 78,080.00           | 77,386.00           | 73,158.00           | 75,852.00           | 75,893.00           | 78,789.00           | 75,287.00           | 70,637.00           | 76,432.00           | 74,745.58           |
| <b>TOTAL CURRENT ASSETS</b>             | <b>163,414.48</b>   | <b>122,084.80</b>   | <b>130,924.86</b>   | <b>113,802.21</b>   | <b>120,054.55</b>   | <b>153,182.33</b>   | <b>164,201.47</b>   | <b>131,977.16</b>   | <b>142,233.49</b>   | <b>122,284.61</b>   | <b>96,608.32</b>    | <b>177,552.91</b>   | <b>142,864.33</b>   | <b>136,526.77</b>   |
| <b>OTHER ASSETS</b>                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| UNAMORTIZED DEBT EXPENSE                | 21,953.11           | 21,890.78           | 21,828.45           | 21,766.12           | 21,703.79           | 21,641.46           | 21,579.13           | 21,516.80           | 21,454.47           | 21,392.14           | 21,329.81           | 21,267.48           | 21,205.15           | 21,610.30           |
| DEFERRED CHARGES                        | 17,218.87           | 16,961.57           | 16,704.26           | 16,446.95           | 16,189.64           | 15,933.65           | 15,676.33           | 6,447.69            | 6,190.38            | 5,933.08            | 5,675.77            | 5,418.47            | 5,161.15            | 12,066.39           |
| ACQUISITION PREMIUM - MARA              | 1,220,574.84        | 1,217,774.67        | 1,214,906.58        | 1,212,038.51        | 1,209,170.44        | 1,206,302.36        | 1,203,434.28        | 1,200,566.20        | 1,197,698.13        | 1,194,830.04        | 1,191,961.97        | 1,189,093.90        | 1,186,225.81        | 1,204,862.66        |
| <b>TOTAL OTHER ASSETS</b>               | <b>1,259,746.82</b> | <b>1,256,627.02</b> | <b>1,253,439.29</b> | <b>1,250,251.58</b> | <b>1,247,063.87</b> | <b>1,243,877.47</b> | <b>1,240,689.74</b> | <b>1,228,530.69</b> | <b>1,225,342.98</b> | <b>1,222,155.26</b> | <b>1,218,967.55</b> | <b>1,215,779.85</b> | <b>1,212,592.11</b> | <b>1,238,539.34</b> |
| <b>TOTAL ASSETS</b>                     | <b>4,612,040.05</b> | <b>4,559,205.43</b> | <b>4,556,390.05</b> | <b>4,533,245.37</b> | <b>4,527,836.40</b> | <b>4,549,397.54</b> | <b>4,548,760.95</b> | <b>4,502,736.08</b> | <b>4,501,542.00</b> | <b>4,469,991.51</b> | <b>4,432,820.32</b> | <b>4,507,069.77</b> | <b>4,461,150.43</b> | <b>4,525,086.29</b> |
| <b>EQUITY AND LIABILITIES</b>           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| COMMON STOCK                            | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              | 100.00              |
| ADDITIONAL PAID IN CAPITAL              | 1,935,317.84        | 1,935,317.84        | 1,899,595.84        | 1,899,595.84        | 1,899,595.84        | 1,899,595.84        | 1,899,595.84        | 1,899,595.84        | 1,899,595.84        | 1,899,595.84        | 1,899,595.84        | 1,899,595.84        | 1,899,595.84        | 1,905,549.51        |
| RETAINED EARNINGS BEG - PAC             | (23,553.03)         | (137,453.78)        | (137,453.78)        | (137,453.78)        | (137,453.78)        | (137,453.78)        | (137,453.78)        | (137,453.78)        | (137,453.78)        | (137,453.78)        | (137,453.78)        | (137,453.78)        | (137,453.78)        | (127,962.05)        |
| NET PROFIT (OR LOSS)                    | (113,900.75)        | (2,731.21)          | (934.04)            | (3,169.37)          | 4,487.12            | 2,198.02            | 957.80              | (7,449.64)          | 1,984.28            | 12,153.10           | 10,729.29           | 3,734.24            | 6,064.68            | (7,661.76)          |
| <b>TOTAL EQUITY</b>                     | <b>1,797,964.06</b> | <b>1,795,232.85</b> | <b>1,761,308.02</b> | <b>1,759,072.69</b> | <b>1,766,729.18</b> | <b>1,764,440.08</b> | <b>1,763,199.86</b> | <b>1,754,792.42</b> | <b>1,764,226.34</b> | <b>1,774,395.16</b> | <b>1,772,971.35</b> | <b>1,765,976.30</b> | <b>1,768,306.74</b> | <b>1,770,025.69</b> |
| NOTE PAYABLE - PCP 2018 1.1M LOAN       | 1,147,728.22        | 1,145,659.78        | 1,143,585.80        | 1,141,506.31        | 1,139,421.27        | 1,137,330.67        | 1,135,234.49        | 1,133,132.73        | 1,131,025.36        | 1,128,912.37        | 1,126,793.74        | 1,124,669.47        | 1,122,539.53        | 1,136,250.02        |
| LTD:SRF Catamount Road                  | 124,170.69          | 123,961.69          | 123,752.69          | 123,542.69          | 123,331.69          | 123,119.69          | 122,906.69          | 122,693.69          | 122,479.69          | 122,264.69          | 122,048.69          | 121,831.69          | 121,614.69          | 123,008.69          |
| FORGIVABLE DEBT: CATAMOUNT ROAD         | 40,287.01           | 40,167.82           | 40,048.63           | 39,929.44           | 39,810.25           | 39,691.06           | 39,571.87           | 39,452.68           | 39,333.49           | 39,214.30           | 39,095.11           | 38,975.92           | 38,856.73           | 39,631.47           |
| <b>TOTAL LONG TERM DEBT</b>             | <b>1,312,185.92</b> | <b>1,309,789.29</b> | <b>1,307,387.12</b> | <b>1,304,978.44</b> | <b>1,302,563.21</b> | <b>1,300,141.42</b> | <b>1,297,713.05</b> | <b>1,295,279.10</b> | <b>1,292,838.54</b> | <b>1,290,391.36</b> | <b>1,287,937.54</b> | <b>1,285,477.08</b> | <b>1,283,010.95</b> | <b>1,298,890.17</b> |
| <b>CURRENT LIABILITIES</b>              |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| ST NOTE PAYABLE - PCP 2018 1.1M LOAN    | 24,396.45           | 24,461.50           | 24,526.75           | 24,592.15           | 24,657.73           | 24,723.48           | 24,789.41           | 24,855.51           | 24,921.79           | 24,988.25           | 25,054.89           | 25,121.70           | 25,188.69           | 24,757.47           |
| CURRENT PORTION LTD: SRF CATAMOUNT ROAD | 2,443.00            | 2,453.00            | 2,462.00            | 2,471.00            | 2,480.00            | 2,490.00            | 2,500.00            | 2,509.00            | 2,518.00            | 2,527.00            | 2,537.00            | 2,547.00            | 2,556.00            | 2,494.75            |
| FORGIVABLE DEBT: STD CATAMOUNT ROAD     | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            | 1,430.28            |
| INTERCO DIV PAY/REC PAC/PCP             | 72,615.09           | (2,878.21)          | 5,839.26            | (50,214.08)         | (100,124.60)        | (160,808.66)        | (105,101.02)        | (173,857.37)        | (203,044.26)        | (260,914.56)        | (339,032.03)        | (368,431.58)        | 1,719.17            | (140,496.00)        |
| INTERCO PAY/REC: PAC/PWS                | -                   | -                   | -                   | -                   | -                   | (63.08)             | (63.24)             | (63.40)             | (63.55)             | (63.70)             | (63.83)             | (63.95)             | -                   | (37.06)             |
| INTERCO PAY/REC: PAC/PWW                | -                   | 25,931.34           | 48,421.51           | 92,457.95           | 114,970.52          | 141,260.86          | 168,609.48          | 199,694.20          | 226,148.02          | 249,157.47          | 275,415.72          | 311,403.84          | -                   | 154,455.91          |
| INTERCO LOAN PWW/PAC: RSF               | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           | 12,954.74           |
| INTERCO PAY/REC: PAC/PEU                | -                   | 334.97              | 335.67              | 336.51              | 337.35              | 338.19              | 1,340.29            | 4,101.58            | 5,712.81            | 5,486.68            | 7,744.40            | 14,067.82           | -                   | 3,344.69            |
| ACCOUNTS PAYABLE & ACCR EXP             | 4,530.48            | 7,891.10            | 12,035.52           | 7,391.97            | 25,979.66           | 88,547.28           | 9,360.62            | 10,928.00           | 5,702.66            | 3,357.65            | 21,504.47           | 94,136.12           | 3,580.92            | 24,280.46           |
| <b>TOTAL CURRENT LIABILITIES</b>        | <b>118,370.04</b>   | <b>72,578.72</b>    | <b>108,005.73</b>   | <b>91,420.52</b>    | <b>82,685.68</b>    | <b>110,873.09</b>   | <b>115,820.56</b>   | <b>82,552.54</b>    | <b>76,280.49</b>    | <b>38,923.81</b>    | <b>7,545.64</b>     | <b>93,165.97</b>    | <b>47,429.80</b>    | <b>83,185.23</b>    |
| <b>OTHER DEFERRED CREDITS</b>           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| CONTRIBUTIONS IN AID OF CONST           | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        | 1,148,636.41        |
| RESERVE FOR AMORT OF CIAC:PAC           | (474,807.46)        | (476,722.92)        | (478,638.31)        | (480,553.77)        | (482,469.16)        | (484,384.54)        | (486,300.01)        | (488,215.47)        | (490,130.86)        | (492,046.31)        | (493,961.70)        | (495,877.07)        | (497,792.54)        | (485,342.30)        |
| DEFERRED INCOME TAXES                   | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          | 508,474.08          |
|   | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          | 201,217.00          |
| <b>TOTAL DEFERRED CREDITS</b>           | <b>1,383,520.03</b> | <b>1,381,604.57</b> | <b>1,379,689.18</b> | <b>1,377,773.72</b> | <b>1,375,858.33</b> | <b>1,373,942.95</b> | <b>1,372,027.48</b> | <b>1,370,112.02</b> | <b>1,368,196.63</b> | <b>1,366,281.18</b> | <b>1,364,365.79</b> | <b>1,362,450.42</b> | <b>1,362,402.94</b> | <b>1,372,985.19</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>     | <b>4,612,040.05</b> | <b>4,559,205.43</b> | <b>4,556,390.05</b> | <b>4,533,245.37</b> | <b>4,527,836.40</b> | <b>4,549,397.54</b> | <b>4,548,760.95</b> | <b>4,502,736.08</b> | <b>4,501,542.00</b> | <b>4,469,991.51</b> | <b>4,432,820.32</b> | <b>4,507,069.77</b> | <b>4,461,150.43</b> | <b>4,525,086.29</b> |

## **TAB 17**

**1604.01(a)(2) Annual Reports to Stockholders and statistical supplements, if any, for the most recent 2 years.**

This data does not exist for PAC.

## **TAB 18**

**1604.01(a)(3) Federal Income Tax Reconciliation for the test year**

**Pittsfield Aqueduct Company, Inc.**  
**Federal Income Tax Reconciliation**  
**For the Twelve Months Ended December 31, 2019**

**Provided pursuant to NHPUC Rule 1604.01(3)**

|  |                         |
|--|-------------------------|
| Net income per books for the test year                       | \$ 7,324                |
| Addback provision for Federal and State income taxes         | 13,529                  |
| Pretax Book Income before permanent items                    | <u>20,853</u>           |
| Permanent Items:   |                         |
| 50% meals & entertainment expenses                           | -                       |
| Amortization of Municipal Acquisition Regulatory Asset (MARA | 34,349                  |
| Disqualifying Dispositions (ISO's)                           | -                       |
|  | <u>34,349</u>           |
| Taxable Income   | <u>55,202</u>           |
| NHBPT  | 11,593                  |
| Federal Income Tax   | -                       |
| Amortization of Investment Tax Credit                        | -                       |
| Total Income Taxes   | <u><u>\$ 11,593</u></u> |

**Note:** The following are temporary differences (Schedule M-1 items) that are recorded in Deferred Income Taxes:

|   |                       |
|---|-----------------------|
| Accelerated depreciation/Amortization of CIAC | (2,129)               |
| Book/Tax Difference on disposal of assets     | -                     |
| Prior Year's Charitable Contributions         | -                     |
| Prepaid Expenses                              | 2                     |
| A/R Reserve                                   | (715)                 |
| Deferred Debits                               | <u>(4,829)</u>        |
|   | <u><u>(7,671)</u></u> |

## **TAB 19**

**1604.01(a)(4) Detailed NH and Fed Tax Factor Computations on the incremenet of revenue needed to produce a given increment of net operating income.**



**Computation of Detailed Tax Factor  
Pittsfield Aqueduct, Inc.  
December 31, 2019**

**Provided pursuant to NHPUC Rule 1604.01(4)**

|   |               |
|---|---------------|
| Taxable Income  | 100.00%       |
| Less: NH Business Profits Tax                                       | <u>7.70%</u>  |
| Federal Taxable Income  | 92.30%        |
| Federal Income Tax Rate   | <u>21.00%</u> |
| Effective Federal Income Tax Rate                                   | 19.38%        |
| Add: NH Business Profits Tax  | <u>7.70%</u>  |
| Effective Tax Rate  | <u>27.08%</u> |
| Percent of Income Available if No Tax                               | 100.00%       |
| Effective Tax Rate  | <u>27.08%</u> |
| Percent Used as a Divisor in Determining<br>the Revenue Requirement | <u>72.92%</u> |

## TAB 20

**1604.01(a)(5) Detailed Charitable Contributions charged in the test year above the line showing the donee, amount, and account charged. (contributions of \$50 or more)**

This data does not exist for PAC.

## TAB 21

**1604.01(a)(6) List of Advertising charges in the test year above the line showing expenditures by media, subject matter, and account charged. (expenditures of \$50 or more)**

This data does not exist for PAC.

## **TAB 22**

**1604.01(a)(7) Most Recent Cost of Service Study if not previously filed in an adjudicative proceeding.**

Last COSS was filed in DW 08-052 and is attached.

**Pittsfield Aqueduct Company, Inc.  
Pittsfield Division**

**Report on  
Cost of Service Allocations  
and Rate Design**

**AUS Consultants**

**By**

**John R. Palko  
Principal**

**155 Gaither Drive, Suite A  
Mount Laurel, NJ 08054**

**May 2008**

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Report on  
Cost of Service Allocations  
and Rate Design

Introduction

This report sets forth the procedures, findings, and results of a cost of service allocation and rate design study for the Pittsfield Division of Pittsfield Aqueduct Company, Inc. (PAC or the Company). As of the end of calendar year 2007, the Company provided water service to a total of 635 customers via its water system located in Pittsfield, New Hampshire.

This cost of service allocation and rate design study is based on the total pro forma revenue requirement for the twelve months ending December 31, 2007 as will be requested by the Company in its planned rate filing before the New Hampshire Public Utilities Commission.

Revenue Requirement

Every public utility must receive total revenues sufficient to ensure proper operation and maintenance, development and perpetuation of its system and facilities, and preservation of its financial integrity. Without adequate revenues, the public utility would not be able to provide safe and adequate service to its customers. The total revenue requirement of a public utility is synonymous with its total cost of service and represents the amount of monies which must be recovered from its customer base through a system of periodic rates and charges for utility service.

Cost of service allocation and rate design studies for investor-owned water utilities reporting to a regulatory authority are often conducted in conjunction with the processing of a rate relief application at which time it is usually necessary to develop a pro forma revenue requirement. Such is the case in the present study which is based on the pro forma operations for the test year ended December 31, 2007, as developed by the management of the Company.

For the purpose of this study, the total pro forma revenue requirement, as developed by the Company for the test year ended December 31, 2007, may be summarized as follows:

| <u>Item</u>                       | <u>Amount</u>    |
|-----------------------------------|------------------|
| Operation and Maintenance Expense | \$396,029        |
| Depreciation and Amortization     | 65,699           |
| Taxes Other Than Income Tax       | 37,366           |
| Net Operating Income              | 145,140          |
| Income Taxes                      | <u>17,205</u>    |
| Total Revenue Requirement         | <u>\$661,439</u> |

As subsequently discussed herein, this study results in the allocation of the \$661,439 revenue requirement to functional costs and rate elements. It is noted that some \$5,372 of the revenue requirement is projected to be obtained from other revenue or miscellaneous service revenue leaving a net revenue requirement of \$656,067 to be recovered from a schedule of rates and charges for water service. This is the revenue amount the Company is requesting in temporary rates to relieve its net operating losses.

#### Plant Investment

The Company maintains its plant investment accounts in accordance with the fixed capital reporting requirements of the New Hampshire Public Utilities Commission.

Under this system, the original cost and the depreciation expense for utility plant in service as of December 31, 2007 may be summarized as follows:

| <u>Plant in Service</u>        | <u>Original Cost</u> | <u>Depreciation Expense</u> |
|--------------------------------|----------------------|-----------------------------|
| Source of Supply and Pumping   | \$198,584            | \$3,064                     |
| Water Treatment                | 948,654              | 22,684                      |
| Transmission and Distribution  | 2,458,491            | 44,587                      |
| General                        | 81,192               | 2,789                       |
| Intangible                     | <u>75,551</u>        | <u>3,778</u>                |
| Total Utility Plant in Service | <u>\$3,762,472</u>   | <u>\$76,902</u>             |

As subsequently discussed herein, the above original cost elements and depreciation expense elements are allocated to a group of functional costs. The results of these allocations then become an input into the allocation of the pro forma revenue requirement.

#### Cost of Service Allocation

The pro forma revenue requirement (or equivalently, the total cost of service) was allocated to three broad functional cost categories, namely Volume Cost, Customer Cost, and Direct Fire Cost. These allocations are set forth in detail on the accompanying Schedules P1 through P6.

The Volume Cost Component, in the study developed herein, encompasses all the volume related elements of the cost of service. That is, the Volume Cost Component includes both costs associated with serving customers under average load conditions and costs associated with meeting rate-of-use requirements in excess of average. Stated in another manner, volume costs comprise all costs other than customer costs or direct fire costs.



The Customer Cost Component includes those costs associated with connecting and serving customers irrespective of the volume of water used or the demand requirements imposed on the system. Customer costs generally comprise capital and operating costs related to services, meters, and customer installations and meter reading, billing, and collecting expenses. In the present study, a portion of the costs and expenses related to transmission and distribution mains and distribution reservoirs were also allocated to the Customer Cost Component.

The Direct Fire Cost Component includes those costs associated with the installation, operation, and maintenance of fire hydrants together with a portion of the costs and expenses related to transmission and distribution mains and distribution reservoirs.

The accompanying Schedule P1 sets forth the allocation of utility plant in service at December 31, 2007. The results of the utility plant allocation are used to allocate property insurance and property taxes.

The results of the utility plant allocation are also an input into the rate base allocation. The accompanying Schedule P2 sets forth the allocation of the rate base at December 31, 2007. The results of the rate base allocation are used to allocate capital related elements of the revenue requirement such as net operating income and income taxes.

The accompanying Schedule P3 sets forth the allocation of the depreciation expense at December 31, 2007. The results of this allocation are used to allocate the pro forma depreciation and amortization expense.

The Customer Cost Component includes those costs associated with connecting and serving customers irrespective of the volume of water used or the demand revenue requirement allocation.

The accompanying Schedule P5 sets forth the allocation of the pro forma operating expense and other revenue requirements. Other revenue has been deducted from the revenue requirement allocations resulting in a net revenue requirement allocation. As shown on Schedule P5, the Volume Cost component accounts for 60.02% of the net revenue requirement while the Customer Cost Component accounts for 26.70% and the Direct Fire Cost Component accounts for 13.28%.

The right-most columns of Schedules P1 through P5 are headed "Allocation Code" and set forth the codes for the specific allocation factors used in this study. The allocation codes are simply reference numbers which designate groups of percentages which are used to allocate the total amount of any given cost element to the several cost functions. The accompanying Schedule P6 lists the allocation codes and percentage factors and contains a brief written description of the allocation bases.

#### Allocation of Mains and Distribution Reservoirs

As noted previously herein, portions of the costs and expenses related to transmission and distribution mains and distribution reservoirs were allocated to both the Customer Cost Component and the Direct Fire Cost Component in addition to being allocated to the Volume Cost Component. As shown by Allocation Code 04 on Schedule P6, 45% of the main costs and expenses were allocated to volume with 30% allocated to customer and 25% allocated to direct fire. These percentages were determined through an analysis of the inch-feet of mains in service at December 31, 2007.

The accompanying Schedule P7 sets forth the lengths of transmission and distribution mains in service as of December 31, 2007. As shown on Page 1 of Schedule P7, there were a total of 71,164 feet of transmission and distribution mains in service as of December 31, 2007. Page 1 of Schedule P7 illustrates both the reduction of all larger size mains to a 2" diameter and the calculation of inch-feet of mains. An inch-foot is simply the length of main in feet multiplied by the size of the diameter in inches. As shown on Page 1 of Schedule P7, there was an actual total of 484,910 inch-feet as of December 31, 2007. Under the reduction in size, there are only 142,328 inch-feet or about 30% of the actual number. This 30% is the customer cost portion of the mains. In essence, reducing the mains to 2" in diameter is similar to developing a minimum size system. This is also similar to the minimum size distribution system concept used in electric cost of service analyses.

Page 2 of Schedule P7 sets forth the methodology used to determine the direct fire cost portion of mains. All mains larger than 4" were reduced to the next smaller size. Generally, without fire protection, mains can be sized at least one size smaller. As shown on Page 2 of Schedule P7, this reduction results in 355,642 inch-feet which is 26.66% less than the actual number. That is, approximately 25% (26.66% rounded down) of the main size is directly related to fire protection. This 25% is the direct fire cost portion of the mains.

#### Private Fire Protection/Municipal Fire Protection

The Direct Fire Cost Component contains costs related to the provision of both private fire protection and municipal fire protection. The accompanying Schedule P8 sets forth the allocation of direct fire costs to private and municipal fire protection. The

allocations are primarily based on the relative numbers of hydrants and the weighted fire protection units.

The accompanying Schedule P9 illustrates the development of the percentage factors used in the allocation of direct fire costs to private fire and municipal fire.

The accompanying Schedule P10 sets forth the calculation of the weighted fire protection units. As noted thereon, the weighting factors are based on the ratio of the cross-sectional area of a given service size to the cross-sectional area of a 6" service, with hydrants assumed to have 6" branches.

In addition to the direct fire costs, certain elements of both the volume cost and the customer cost are related to the provision of both private fire protection service and municipal fire protection service. The accompanying Schedule P11 illustrates the allocation of volume costs and customer costs to private fire and municipal fire.

Customer costs were allocated to fire based on the relative numbers of bills and the weighted number of services. The accompanying Schedule P12 shows the numbers of bills and the calculation of weighted services. Weighted services are based on the ratio of service diameters.

In order to allocate volume costs to fire, reference was made to the AWWA Water Rates Manual M1, Fourth Edition. Chapter 5 therein, "Rate Design for Small Water Utilities", indicates that it is appropriate and reasonable for a water utility with 635 customers to obtain approximately 30% of its revenues from fire protection charges. This recommendation was used as a guideline to allocate some of the volume costs to fire. As noted at the bottom of Schedule P11, a conservative approach was taken by setting fire

protection revenue to 20% of the total revenue requirement; this resulted in \$42,746 of volume costs being allocated to fire.

After allocating direct fire to private and municipal fire and allocating volume and customer costs to fire, the resulting allocation, as shown at the bottom of Schedule P11, indicates that 53.50% of the revenue requirement is attributable to volume costs, 26.50% is attributable to customer costs, 2.42% is attributable to private fire, and 17.58% is attributable to municipal fire. This information allows for the development of a rate design to generate the revenue requirement.

#### Revenues From Present Rates

Before designing a schedule of developed rates based on the allocations set forth herein, revenues under present rates were calculated. This calculation was based on the reported numbers of meters and fire protection units in service at December 31, 2007 together with the reported billable volumetric water usage during calendar year 2007.

The accompanying Schedule P13 sets forth the calculation of revenues under present rates. As shown on Page 3 of Schedule P13, 48.34% of present rate revenue is obtained from general water service volumetric charges, 20.38% is obtained from general water service customer (or minimum) charges, 4.65% is obtained from private fire protection charges, and 26.63% is obtained from municipal fire protection charges.

#### The Existing Pittsfield Division Rate Schedule

The present rate schedule used by the Company for general water service comprises a monthly minimum customer charge which varies by meter size together with a uniform volumetric usage charge applied to all water used.

With respect to private fire protection service, there is a monthly charge which varies by connection or service size.

With respect to municipal fire protection service, there are two parts to the total charge for service. At present, there is a \$66.63 monthly charge per hydrant combined with an effective annual inch-foot charge of \$0.14040 applied to mains 6" and larger in diameter. (It is noted that per Schedule FP-M of the tariff, the inch-foot charge is stated as \$0.03510; however, this charge is billed four times per year, resulting in an effective annual \$0.14040 inch-foot charge. It is suggested that the tariff language be modified to avoid any confusion or mis-interpretation in the billing procedures.)

The rates and charges presently set forth in the PAC tariff were used in the calculation of present rate revenues on Schedule P13 and may be found thereon.

#### Rate Design

The design of rates, based on the allocations set forth and discussed herein, is presented on the accompanying Schedule P14.

Page 1 of Schedule P14 addresses both municipal and private fire protection. As noted thereon, the present revenue from municipal fire protection is about 5.2% greater than the cost of service indications while the present revenue from private fire protection is about 33.4% greater than the cost of service indications. Therefore, no changes were developed for either municipal or private fire protection rates and charges.

Page 2 of Schedule P14 sets forth the rate design for the customer or minimum charges. As shown thereon, an increase of about 87.3% is indicated. The monthly rates for all meter sizes have been increased by this percentage.

Page 3 of Schedule P14 sets forth the design of the volumetric usage rate. The volumetric rate is the “balance wheel” in the rate design. It provides the remaining amount of the pro forma net revenue requirement after deducting the developed revenues from municipal fire protection, private fire protection and customer charges. The developed volumetric rate is about 54.2% greater than the existing volumetric rate.

#### Revenues from Developed Rates

The accompanying Schedule P15 sets forth the calculation of revenues under the developed rates. As shown on Page 3 of Schedule P15, 51.77% of developed rate revenue is obtained from general water service volumetric charges, 26.51% is obtained from general water service customer (or minimum) charges, 3.23% is obtained from private fire protection charges, and 18.49% is obtained from municipal fire protection charges. The developed rates, when applied to the billing parameters, generate \$656,038 in revenue. This revenue amount is about \$29 less than the net revenue requirement of \$656,067. This difference is only 0.004% and is considered negligible.

#### Closure

The results of the studies set forth and discussed herein can provide guidelines to be utilized in restructuring the Company’s rates and charges for service. However, it must be remembered that cost of service allocations are the products of analyses based in part on judgment and experience and as such, while their results are a substantial aid in the design of rates, they are not meant to be literal, exact “gospel truth” type answers. Seldom, if ever, are rates exactly in line with the costs of service at any given time nor is it usually possible to design rate structures which are in complete exact agreement with all aspects of a cost of service allocation study. Generally, minor differences will exist

just as a matter of normal circumstances. In addition, attempts to exactly meet the cost of service indications in one rate adjustment can impose extremely large and undue burdens on individual customers or customer groups. Most rate consultants favor a process of gradually bringing deficiency in revenue generation in line with cost of service indications so as to avoid or ameliorate undue or abrupt changes in rate structure. Actual rate and tariff design, in addition to relying on the results of cost of service allocation analyses, should also include consideration of policy matters, impact and extent of rate changes, past historical practice, future planning, special customer characteristics and regulatory and contract requirements.



Pittsfield Aqueduct Company, Inc.  
Pittsfield Division

Schedules P1 through P15

to Accompany

Report on  
Cost of Service Allocations  
and Rate Design

AUS Consultants

By

John R. Palko  
Principal

155 Gaither Drive, Suite A  
Mount Laurel, NJ 08054

May 2008

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Allocation of Utility Plant in Service at December 31, 2007

| <u>Acc't Description</u>                          | <u>Total Cost</u> | <u>Volume</u> | <u>Customer</u> | <u>Direct Fire</u> | <u>Allocation Code</u> |
|---|-------------------|---------------|-----------------|--------------------|------------------------|
| <b><u>Source of Supply and Pumping Plant</u></b>  |                   |               |                 |                    |                        |
| 303 Land and Land Rights                          | 44,180            | 44,180        | 0               | 0                  | 01                     |
| 304 Structures and Improvements                   | 71,250            | 71,250        | 0               | 0                  | 01                     |
| 305 Collecting and Impounding Reservoirs          | 48,493            | 48,493        | 0               | 0                  | 01                     |
| 306 Lake, River and Other Intakes                 | 29,050            | 29,050        | 0               | 0                  | 01                     |
| 307 Wells and Springs                             | 0                 | 0             | 0               | 0                  | 01                     |
| 309 Supply Mains                                  | 4,551             | 4,551         | 0               | 0                  | 01                     |
| 310 Power Generation Equipment                    | 0                 | 0             | 0               | 0                  | 01                     |
| 311 Pumping Equipment                             | 1,060             | 1,060         | 0               | 0                  | 01                     |
| Total Supply and Pumping Plant                    | 198,584           | 198,584       | 0               | 0                  |                        |
| <b><u>Water Treatment Plant</u></b>               |                   |               |                 |                    |                        |
| 304 Structures and Improvements                   | 934,998           | 934,998       | 0               | 0                  | 01                     |
| 320 Water Treatment Equipment                     | 13,656            | 13,656        | 0               | 0                  | 01                     |
| Total Water Treatment Plant                       | 948,654           | 948,654       | 0               | 0                  |                        |
| <b><u>Transmission and Distribution Plant</u></b> |                   |               |                 |                    |                        |
| 330 Distribution Reservoirs                       | 0                 | 0             | 0               | 0                  | 04                     |
| 331 Transmission and Distribution Mains           | 2,086,126         | 938,757       | 625,838         | 521,531            | 04                     |
| 333 Services                                      | 153,162           | 0             | 153,162         | 0                  | 02                     |
| 334 Meters and Meter Installations                | 140,371           | 0             | 140,371         | 0                  | 02                     |
| 335 Hydrants                                      | 77,338            | 0             | 0               | 77,338             | 03                     |
| Subtotal Transmission and Distribution Plant      | 2,456,997         | 938,757       | 919,371         | 598,869            |                        |
| Percents Code 05                                  | 100.00%           | 38.21%        | 37.42%          | 24.37%             |                        |
| 339 Other Plant and Miscellaneous Equipment       | 1,494             | 571           | 559             | 364                | 05                     |
| Total Transmission and Distribution Plant         | 2,458,491         | 939,328       | 919,930         | 599,233            |                        |
| Subtotal Above Plant                              | 3,605,729         | 2,086,566     | 919,930         | 599,233            |                        |
| Percents Code 06                                  | 100.00%           | 57.87%        | 25.51%          | 16.62%             |                        |
| <b><u>General Plant</u></b>                       |                   |               |                 |                    |                        |
| 340 Office Furniture and Equipment                | 0                 | 0             | 0               | 0                  | 06                     |
| 343 Tools Shop and Garage Equipment               | 9,688             | 5,606         | 2,471           | 1,611              | 06                     |
| 344 Laboratory Equipment                          | 3,939             | 2,279         | 1,005           | 655                | 06                     |
| 346 Communication Equipment                       | 28,612            | 16,558        | 7,299           | 4,755              | 06                     |
| 347 Computer Equipment                            | 25,899            | 14,988        | 6,607           | 4,304              | 06                     |
| 348 Miscellaneous Equipment                       | 13,054            | 7,554         | 3,330           | 2,170              | 06                     |
| Total General Plant                               | 81,192            | 46,985        | 20,712          | 13,495             |                        |
| <b><u>Intangible Plant</u></b>                    |                   |               |                 |                    |                        |
| 301 Organization                                  | 75,551            | 43,721        | 19,273          | 12,557             | 06                     |
| 302 Franchise                                     | 0                 | 0             | 0               | 0                  | 06                     |
| Total Intangible Plant                            | 75,551            | 43,721        | 19,273          | 12,557             |                        |
| Total Utility Plant in Service                    | 3,762,472         | 2,177,272     | 959,915         | 625,285            |                        |
| Percents Code 06                                  | 100.00%           | 57.87%        | 25.51%          | 16.62%             |                        |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Allocation of Rate Base at December 31, 2007

| <u>Acc't Description</u>                           | <u>Total Cost</u> | <u>Volume</u> | <u>Customer</u> | <u>Direct Fire</u> | <u>Allocation Code</u> |
|--|-------------------|---------------|-----------------|--------------------|------------------------|
| Total Utility Plant in Service                     | 3,762,472         | 2,177,272     | 959,915         | 625,285            |                        |
| <b><u>Accumulated Depreciation</u></b>             |                   |               |                 |                    |                        |
| Organization                                       | (18,888)          | (10,930)      | (4,818)         | (3,140)            | 06                     |
| Structures   | (243,274)         | (243,274)     | 0               | 0                  | 01                     |
| Pumping and Distribution Equipment                 | (5,901)           | (5,901)       | 0               | 0                  | 01                     |
| Transmission and Distribution Mains                | (503,944)         | (226,775)     | (151,183)       | (125,986)          | 04                     |
| Services   | (59,462)          | 0             | (59,462)        | 0                  | 02                     |
| Meters   | (21,260)          | 0             | (21,260)        | 0                  | 02                     |
| Hydrants   | (17,247)          | 0             | 0               | (17,247)           | 03                     |
| Other Equipment                                    | (44,990)          | (26,036)      | (11,477)        | (7,477)            | 06                     |
| Accumulated Depreciation - Loss                    | 111,293           | 64,405        | 28,391          | 18,497             | 06                     |
| Accumulated Depreciation - Cost of Removal         | 3,019             | 1,747         | 770             | 502                | 06                     |
| Total Accumulated Depreciation                     | (800,654)         | (446,764)     | (219,039)       | (134,851)          |                        |
| <b><u>Contributions In Aid of Construction</u></b> |                   |               |                 |                    |                        |
| CIAC - Mains                                       | (750,286)         | (337,629)     | (225,086)       | (187,571)          | 04                     |
| CIAC - Water Filtration                            | (398,350)         | (398,350)     | 0               | 0                  | 01                     |
| Amortize CIAC - Mains                              | 143,887           | 64,749        | 43,166          | 35,972             | 04                     |
| Amortize CIAC - Water Filtration                   | 76,393            | 76,393        | 0               | 0                  | 01                     |
| Total CIAC   | (928,356)         | (594,837)     | (181,920)       | (151,599)          |                        |
| Subtotal Above Rate Base Items                     | 2,033,462         | 1,135,671     | 558,956         | 338,835            |                        |
| <b><u>Additions to Rate Base</u></b>               |                   |               |                 |                    |                        |
| Working Capital                                    | 57,288            | 36,985        | 15,233          | 5,070              | 09                     |
| Materials & Supplies                               | 0                 | 0             | 0               | 0                  | 06                     |
| Prepaid Insurance                                  | 6,738             | 3,899         | 1,719           | 1,120              | 06                     |
| Prepaid Property Taxes                             | 4,314             | 2,497         | 1,101           | 716                | 06                     |
| Deferred Charges - Main Breaks                     | 20,512            | 9,230         | 6,154           | 5,128              | 04                     |
| Deferred Charges - Other Items                     | 34,363            | 19,886        | 8,766           | 5,711              | 06                     |
| Total Additions                                    | 123,215           | 72,497        | 32,973          | 17,745             |                        |
| <b><u>Deductions from Rate Base</u></b>            |                   |               |                 |                    |                        |
| Customer Advances                                  | 0                 | 0             | 0               | 0                  | 04                     |
| Customer Deposits                                  | (86)              | 0             | (86)            | 0                  | 02                     |
| Deferred Income Tax                                | (246,512)         | (142,656)     | (62,885)        | (40,971)           | 06                     |
| Total Deductions                                   | (246,598)         | (142,656)     | (62,971)        | (40,971)           |                        |
| Total Rate Base                                    | 1,910,079         | 1,065,512     | 528,958         | 315,609            |                        |
| Percents Code 13                                   | 100.00%           | 55.79%        | 27.69%          | 16.52%             |                        |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Allocation of Depreciation Expense - Pro Forma at December 31, 2007

| <u>Acc't Description</u>                          | <u>Total Cost</u> | <u>Volume</u> | <u>Customer</u> | <u>Direct Fire</u> | <u>Allocation Code</u> |
|---|-------------------|---------------|-----------------|--------------------|------------------------|
| <b><u>Source of Supply and Pumping Plant</u></b>  |                   |               |                 |                    |                        |
| 303 Land and Land Rights                          | 0                 | 0             | 0               | 0                  | 01                     |
| 304 Structures and Improvements                   | 1,644             | 1,644         | 0               | 0                  | 01                     |
| 305 Collecting and Impounding Reservoirs          | 713               | 713           | 0               | 0                  | 01                     |
| 306 Lake, River and Other Intakes                 | 582               | 582           | 0               | 0                  | 01                     |
| 307 Wells and Springs                             | 0                 | 0             | 0               | 0                  | 01                     |
| 309 Supply Mains                                  | 60                | 60            | 0               | 0                  | 01                     |
| 310 Power Generation Equipment                    | 0                 | 0             | 0               | 0                  | 01                     |
| 311 Pumping Equipment                             | 65                | 65            | 0               | 0                  | 01                     |
| Total Supply and Pumping Depreciation Exp.        | 3,064             | 3,064         | 0               | 0                  |                        |
| <b><u>Water Treatment Plant</u></b>               |                   |               |                 |                    |                        |
| 304 Structures and Improvements                   | 21,885            | 21,885        | 0               | 0                  | 01                     |
| 320 Water Treatment Equipment                     | 799               | 799           | 0               | 0                  | 01                     |
| Total Water Treatment Depreciation Exp.           | 22,684            | 22,684        | 0               | 0                  |                        |
| <b><u>Transmission and Distribution Plant</u></b> |                   |               |                 |                    |                        |
| 330 Distribution Reservoirs                       | 0                 | 0             | 0               | 0                  | 04                     |
| 331 Transmission and Distribution Mains           | 33,906            | 15,258        | 10,172          | 8,476              | 04                     |
| 333 Services                                      | 3,090             | 0             | 3,090           | 0                  | 02                     |
| 334 Meters and Meter Installations                | 6,478             | 0             | 6,478           | 0                  | 02                     |
| 335 Hydrants                                      | 1,029             | 0             | 0               | 1,029              | 03                     |
| Subtotal Trans. and Dist. Depreciation Exp.       | 44,503            | 15,258        | 19,740          | 9,505              |                        |
| 339 Other Plant and Miscellaneous Equipment       | 84                | 32            | 31              | 21                 | 05                     |
| Total Trans. and Dist. Depreciation Exp.          | 44,587            | 15,290        | 19,771          | 9,526              |                        |
| Subtotal Above Depreciation Exp.                  | 70,335            | 41,038        | 19,771          | 9,526              |                        |
| <b><u>General Plant</u></b>                       |                   |               |                 |                    |                        |
| 340 Office Furniture and Equipment                | 0                 | 0             | 0               | 0                  | 06                     |
| 343 Tools Shop and Garage Equipment               | 762               | 441           | 194             | 127                | 06                     |
| 344 Laboratory Equipment                          | 197               | 114           | 50              | 33                 | 06                     |
| 346 Communication Equipment                       | 1,431             | 828           | 365             | 238                | 06                     |
| 347 Computer Equipment                            | 181               | 105           | 46              | 30                 | 06                     |
| 348 Miscellaneous Equipment                       | 218               | 126           | 56              | 36                 | 06                     |
| Total General Depreciation Exp.                   | 2,789             | 1,614         | 711             | 464                |                        |
| <b><u>Intangible Plant</u></b>                    |                   |               |                 |                    |                        |
| 301 Organization                                  | 3,778             | 2,186         | 964             | 628                | 06                     |
| 302 Franchise                                     | 0                 | 0             | 0               | 0                  | 06                     |
| Total Intangible Depreciation Exp.                | 3,778             | 2,186         | 964             | 628                |                        |
| Subtotal Utility Plant Depreciation Exp.          | 76,902            | 44,838        | 21,446          | 10,618             |                        |
| Percents Code 07                                  | 100.00%           | 58.30%        | 27.89%          | 13.81%             |                        |
| Add New Depreciation Rate Adjustment              | (2,486)           | (1,449)       | (693)           | (344)              | 07                     |
| Total Utility Plant Depreciation Exp. - Pro Forma | 74,416            | 43,389        | 20,753          | 10,274             |                        |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Allocation of Operation and Maintenance Expense - Pro Forma at December 31, 2007

| <u>Acc't Description</u>                             | <u>Total Cost</u> | <u>Volume</u> | <u>Customer</u> | <u>Direct Fire</u> | <u>Allocation Code</u> |
|--|-------------------|---------------|-----------------|--------------------|------------------------|
| <b><u>Production Expenses</u></b>                    |                   |               |                 |                    |                        |
| Total Supply, Pumping, and Water Treatment           | 71,496            | 71,496        | 0               | 0                  | 01                     |
| <b><u>Transmission and Distribution Expenses</u></b> |                   |               |                 |                    |                        |
| 662 Trans & Dist Lines Expense                       | 418               | 188           | 125             | 105                | 04                     |
| 663 Meter Expenses                                   | 1,391             | 0             | 1,391           | 0                  | 02                     |
| 664 Customer Installation Expenses                   | 191               | 0             | 191             | 0                  | 02                     |
| 665 Miscellaneous Expenses                           | 659               | 0             | 659             | 0                  | 02                     |
| 660 Operation Supervision and Engineering            | 10,197            | 3,896         | 3,816           | 2,485              | 05                     |
| 673 Maintenance of Trans & Dist Mains                | 13,805            | 6,212         | 4,142           | 3,451              | 04                     |
| 675 Maintenance of Services                          | 10,462            | 0             | 10,462          | 0                  | 02                     |
| 676 Maintenance of Meters                            | 130               | 0             | 130             | 0                  | 02                     |
| 677 Maintenance of Hydrants                          | 4,614             | 0             | 0               | 4,614              | 03                     |
| 678 Maintenance of Miscellaneous Equipment           | 2,913             | 1,113         | 1,090           | 710                | 05                     |
| Total Transmission and Distribution O&M              | 44,780            | 11,409        | 22,006          | 11,365             |                        |
| Percents Code 08                                     | 100.00%           | 25.48%        | 49.14%          | 25.38%             |                        |
| <b><u>Customer Accounts Expenses</u></b>             |                   |               |                 |                    |                        |
| Total Customer Accounts Expenses                     | 12,136            | 0             | 12,136          | 0                  | 02                     |
| Subtotal Above O&M Expenses                          | 128,412           | 82,905        | 34,142          | 11,365             |                        |
| Percents Code 09                                     | 100.00%           | 64.56%        | 26.59%          | 8.85%              |                        |
| <b><u>Administrative and General Expenses</u></b>    |                   |               |                 |                    |                        |
| 924 Property Insurance                               | 7,912             | 4,579         | 2,018           | 1,315              | 06                     |
| All Other A&G Expense                                | 12,935            | 8,361         | 3,439           | 1,145              | 09                     |
| Total Administrative and General Expenses            | 20,847            | 12,930        | 5,457           | 2,460              |                        |
| Subtotal Above O&M Expenses                          | 149,259           | 95,835        | 39,599          | 13,825             |                        |
| Percents Code 10                                     | 100.00%           | 64.21%        | 26.53%          | 9.26%              |                        |
| <b><u>Inter Div Management Fee</u></b>               |                   |               |                 |                    |                        |
| Total Management Fee                                 | 246,770           | 150,628       | 64,210          | 31,932             | 11                     |
| Total Operation and Maintenance Expenses             | 396,029           | 246,463       | 103,809         | 45,757             |                        |
| Percents   | 100.00%           | 62.23%        | 26.21%          | 11.56%             |                        |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Allocation of Pro Forma Operating Expense and Other Revenue Requirements

| <u>Acc't Description</u>                 | <u>Total Cost</u> | <u>Volume</u> | <u>Customer</u> | <u>Direct Fire</u> | <u>Allocation Code</u> |
|--|-------------------|---------------|-----------------|--------------------|------------------------|
| <u>Operation and Maintenance Expense</u> |                   |               |                 |                    |                        |
| Total Operating Expense                  | 396,029           | 246,463       | 103,809         | 45,757             |                        |
| <u>Depreciation and Amortization</u>     |                   |               |                 |                    |                        |
| Total Depreciation and Amortization      | 65,699            | 38,303        | 18,323          | 9,073              | 07                     |
| <u>Taxes Other Than Income Taxes</u>     |                   |               |                 |                    |                        |
| Total Other Taxes (Property Taxes)       | 37,366            | 21,624        | 9,532           | 6,210              | 06                     |
| <u>Net Operating Income</u>              |                   |               |                 |                    |                        |
| Pro Forma Net Operating Income           | 145,140           | 80,974        | 40,189          | 23,977             | 13                     |
| <u>Income Taxes</u>                      |                   |               |                 |                    |                        |
| Pro Forma Income Taxes                   | 17,205            | 9,599         | 4,764           | 2,842              | 13                     |
| <br>Total Pro Forma Revenue Requirement  | <br>661,439       | <br>396,963   | <br>176,617     | <br>87,859         |                        |
| Percents Code 12                         | 100.00%           | 60.02%        | 26.70%          | 13.28%             |                        |
| Less Other Revenue                       | (5,372)           | (3,224)       | (1,434)         | (714)              | 12                     |
| Net Revenue Requirement                  | 656,067           | 393,739       | 175,183         | 87,145             |                        |
| Percents Code 12                         | 100.00%           | 60.02%        | 26.70%          | 13.28%             |                        |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Summary of Allocation Factors

| <u>Allocation Code</u> | <u>Description</u>                | <u>% Volume</u> | <u>% Customer</u> | <u>% Direct Fire</u> | <u>Check Total %</u> |
|------------------------|-----------------------------------|-----------------|-------------------|----------------------|----------------------|
| 01                     | Volume Cost                       | 100.00          | 0.00              | 0.00                 | 100.00               |
| 02                     | Customer Cost                     | 0.00            | 100.00            | 0.00                 | 100.00               |
| 03                     | Direct Fire Cost                  | 0.00            | 0.00              | 100.00               | 100.00               |
| 04                     | Trans. And Dist. Mains            | 45.00           | 30.00             | 25.00                | 100.00               |
| 05                     | Trans. And Dist. Plant            | 38.21           | 37.42             | 24.37                | 100.00               |
| 06                     | Total Plant                       | 57.87           | 25.51             | 16.62                | 100.00               |
| 07                     | Depreciation Expense              | 58.30           | 27.89             | 13.81                | 100.00               |
| 08                     | Trans. And Dist. O&M Expense      | 25.48           | 49.14             | 25.38                | 100.00               |
| 09                     | O&M Before A&G and Management Fee | 64.56           | 26.59             | 8.85                 | 100.00               |
| 10                     | O&M Before Management Fee         | 64.21           | 26.53             | 9.26                 | 100.00               |
| 11                     | Management Fee                    | 61.04           | 26.02             | 12.94                | 100.00               |
| 12                     | Revenue Requirement               | 60.02           | 26.70             | 13.28                | 100.00               |
| 13                     | Rate Base                         | 55.79           | 27.69             | 16.52                | 100.00               |

Explanation of Factors Used in the Allocations

- 01 This Code allocates items 100 percent to Volume Cost
- 02 This Code allocates items 100 percent to Customer Cost.
- 03 This Code allocates items 100 percent to Direct Fire Cost.
- 04 This Code allocates items to the cost components based on analyses of transmission and distribution inch-feet.
- 05 This Code allocates items to the cost components based on the composite allocation of transmission and distribution plant.
- 06 This Code allocates items to the cost components based on the composite allocation of total utility plant
- 07 This Code allocates items to the cost components based on the composite allocation of depreciation expense.
- 08 This Code allocates items to the cost components based on the composite allocation of transmission and distribution operation and maintenance expense.
- 09 This Code is based on the composite allocation of O&M expense without A&G expense and the management fee.
- 10 This Code is based on the composite allocation of O&M expense without the management fee.
- 11 This Code is based on equal weightings of Codes 06 and 11. It is used to allocate the management fee.
- 12 This Code allocates items to the cost components based on the composite allocation of the revenue requirement
- 13 This Code allocates items to the cost components based on the composite allocation of the rate base.

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Transmission and Distribution Inch-Feet  
Inch-Feet of Mains in Service at December 31, 2007  
Reduce Larger Mains to 2" Size

| <u>Actual Mains in Service</u> |               |                  | <u>Reduce Larger Mains to 2" Size</u> |               |                  |
|--------------------------------|---------------|------------------|---------------------------------------|---------------|------------------|
| <u>Size</u>                    | <u>Length</u> | <u>In-Ft</u>     | <u>Size</u>                           | <u>Length</u> | <u>In-Ft</u>     |
| 1 1/4'                         | 0             | 0.0              | 1 1/4'                                | 0             | 0.0              |
| 1 1/2"                         | 0             | 0.0              | 1 1/2"                                | 0             | 0.0              |
| 2"                             | 5,345         | 10,690.0         | 2"                                    | 5,345         | 10,690.0         |
| 3"                             | 0             | 0.0              | 2"                                    | 0             | 0.0              |
| 4"                             | 1,185         | 4,740.0          | 2"                                    | 1,185         | 2,370.0          |
| 6"                             | 30,701        | 184,206.0        | 2"                                    | 30,701        | 61,402.0         |
| 8"                             | 29,622        | 236,976.0        | 2"                                    | 29,622        | 59,244.0         |
| 10"                            | 1,717         | 17,170.0         | 2"                                    | 1,717         | 3,434.0          |
| 12"                            | 2,594         | 31,128.0         | 2"                                    | 2,594         | 5,188.0          |
| <b>Total</b>                   | <b>71,164</b> | <b>484,910.0</b> | <b>Total</b>                          | <b>71,164</b> | <b>142,328.0</b> |

|  |           |
|--|-----------|
| Inch-Feet Based on Actual Size of Mains  | 484,910.0 |
| Inch-Feet Based on Reduced Size of Mains | 142,328.0 |
| Difference                               | 342,582.0 |
|  | 70.65%    |



Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Transmission and Distribution Inch-Feet  
Inch-Feet of Mains in Service at December 31, 2007  
Reduce Larger One Size

| <u>Actual Mains in Service</u> |               |                  | <u>Reduced One Size</u> |               |                |
|--------------------------------|---------------|------------------|-------------------------|---------------|----------------|
| <u>Size</u>                    | <u>Length</u> | <u>In-Ft</u>     | <u>Size</u>             | <u>Length</u> | <u>In-Ft</u>   |
| 1 1/4'                         | 0             | 0.0              | 1 1/4'                  | 0             | 0.0            |
| 1 1/2"                         | 0             | 0.0              | 1 1/2"                  | 0             | 0.0            |
| 2"                             | 5,345         | 10,690.0         | 2"                      | 5,345         | 10,690.0       |
| 3"                             | 0             | 0.0              | 3"                      | 0             | 0.0            |
| 4"                             | 1,185         | 4,740.0          | 4"                      | 1,185         | 4,740.0        |
| 6"                             | 30,701        | 184,206.0        | 4"                      | 30,701        | 122,804.0      |
| 8"                             | 29,622        | 236,976.0        | 6"                      | 29,622        | 177,732.0      |
| 10"                            | 1,717         | 17,170.0         | 8"                      | 1,717         | 13,736.0       |
| 12"                            | 2,594         | 31,128.0         | 10"                     | 2,594         | 25,940.0       |
| <b>Total</b>                   | <b>71,164</b> | <b>484,910.0</b> | <b>Total</b>            | <b>71,164</b> | <b>355,642</b> |

Inch-Feet Based on Actual Size of Mains 484,910.0

Inch-Feet Based on Reduced Size of Mains 355,642.0

Difference 129,268.0

26.66%

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Allocation of Direct Fire Costs to Private and Municipal Fire

| <u>Item</u>                      | <u>Total<br/>Direct<br/>Fire</u> | <u>Private<br/>Fire<br/>Protection</u> | <u>Municipal<br/>Fire<br/>Protection</u> |
|----------------------------------|----------------------------------|--|--|
| Total Operating Expense - C      | 45,757                           | 2,928                                  | 42,829                                   |
| Total Depreciation and Amort - B | 9,073                            | 1,191                                  | 7,882                                    |
| Total Other Taxes - A            | 6,210                            | 796                                    | 5,414                                    |
| Pro Forma Net Oper Income - A    | 23,977                           | 3,074                                  | 20,903                                   |
| Pro Forma Income Taxes - A       | 2,842                            | 364                                    | 2,478                                    |
| Total Pro Forma Revenue Req'm't  | 87,859                           | 8,353                                  | 79,506                                   |
| Percents                         | 100.00%                          | 9.51%                                  | 90.49%                                   |
| Less Other Revenue               | (714)                            | (68)                                   | (646)                                    |
| Net Revenue Requirement          | 87,145                           | 8,285                                  | 78,860                                   |
| Percents                         | 100.00%                          | 9.51%                                  | 90.49%                                   |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Development of Factors for Private/Municipal Fire Allocation

| <u>Item</u>                                    | <u>Total<br/>Direct<br/>Fire</u> | <u>Private<br/>Fire<br/>Protection</u> | <u>Municipal<br/>Fire<br/>Protection</u> |
|--|----------------------------------|--|--|
| <u>Plant in Service</u>                        |                                  |  |  |
| Hydrants                                       | 77,338                           | 0                                      | 77,338                                   |
| Allocated Based on<br>Number of Hydrants       | 65                               | 0                                      | 65                                       |
| Dist. Reservoirs                               | 0                                |  |  |
| Trans. And Dist. Mains                         | 521,531                          |  |  |
| Total  | 521,531                          | 76,769                                 | 444,762                                  |
| Allocated Based on<br>Weighted Number of Units | 100.00%                          | 14.72%                                 | 85.28%                                   |
| Total Above Plant                              | 598,869                          | 76,769                                 | 522,100                                  |
| Plant Percents - A                             | 100.00%                          | 12.82%                                 | 87.18%                                   |
| <u>Depreciation Expense</u>                    |                                  |  |  |
| Hydrants                                       | 1,029                            | 0                                      | 1,029                                    |
| Allocated Based on<br>Number of Hydrants       | 65                               | 0                                      | 65                                       |
| Dist. Reservoirs                               | 0                                |  |  |
| Trans. And Dist. Mains                         | 8,476                            |  |  |
| Total  | 8,476                            | 1,248                                  | 7,228                                    |
| Allocated Based on<br>Weighted Number of Units | 100.00%                          | 14.72%                                 | 85.28%                                   |
| Total Above Depr. Exp.                         | 9,505                            | 1,248                                  | 8,257                                    |
| Depr. Exp. Percents - B                        | 100.00%                          | 13.13%                                 | 86.87%                                   |
| <u>O&amp;M Expense</u>                         |                                  |  |  |
| Hydrants                                       | 4,614                            | 0                                      | 4,614                                    |
| Allocated Based on<br>Number of Hydrants       | 65                               | 0                                      | 65                                       |
| Dist. Reservoirs                               | 0                                |  |  |
| Trans. And Dist. Mains                         | 3,556                            |  |  |
| Total  | 3,556                            | 523                                    | 3,033                                    |
| Allocated Based on<br>Weighted Number of Units | 100.00%                          | 14.72%                                 | 85.28%                                   |
| Total Above O&M Exp.                           | 8,170                            | 523                                    | 7,647                                    |
| O&M Exp. Percents - C                          | 100.00%                          | 6.40%                                  | 93.60%                                   |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Calculation of Weighted Fire Protection Units

Private Fire Protection

| <u>Size</u> | <u>Number</u> | <u>Factor</u> | <u>Weighted<br/>Number</u> | <u>%</u> |
|-------------|---------------|---------------|----------------------------|----------|
| 4"          | 1             | 0.44          | 0.44                       |          |
| 6"          | 9             | 1.00          | 9.00                       |          |
| 8"          | 1             | 1.78          | 1.78                       |          |
| Total       | 11            |               | 11.22                      | 14.72%   |

Municipal Fire Protection

Actual Number of Hydrants:

|             |    |      |       |         |
|-------------|----|------|-------|---------|
| Total       | 65 | 1.00 | 65.00 | 85.28%  |
| Grand Total |    |      | 76.22 | 100.00% |

Notes: Weighting factors are based on the ratio of  
the cross-sectional area of a given size to  
the cross-sectional area of a 6" service.  
Hydrants are assumed to have a 6" branch.

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Allocation of Volume and Customer Costs to Fire Protection

COS Allocation Results

|                                | <u>\$ Amount</u> | <u>%</u>       |
|--------------------------------|------------------|----------------|
| Volume Costs                   | 393,739          | 60.02%         |
| Customer Costs                 | 175,183          | 26.70%         |
| Direct Fire Costs - Private    | 8,285            | 1.26%          |
| Direct Fire Costs - Municipal  | 78,860           | 12.02%         |
| <b>Net Revenue Requirement</b> | <b>656,067</b>   | <b>100.00%</b> |

The above results contain certain volume costs and certain customer costs which are properly allocable to private fire and to municipal fire.

Customer Costs:

|  | <u>\$ Amount</u> | <u>% of Bills</u> |
|--|------------------|-------------------|
| Cust. Rec. & Coll. Exp.:                 |                  |                   |
| Remain in Customer                       | 7,559            | 98.15%            |
| Alloc to Private Fire                    | 131              | 1.70%             |
| Alloc to Municipal Fire                  | 12               | 0.15%             |
| <b>Total Cust. Rec. &amp; Coll. Exp.</b> | <b>7,702</b>     | <b>100.00%</b>    |

|                                      | <u>\$ Amount</u> | <u>% of Svcs</u> |
|--------------------------------------|------------------|------------------|
| Cust. Installation Exp.:             |                  |                  |
| Remain in Customer                   | 170              | 88.93%           |
| Alloc to Private Fire                | 21               | 11.07%           |
| Alloc to Municipal Fire              | 0                | 0.00%            |
| <b>Total Cust. Installation Exp.</b> | <b>191</b>       | <b>100.00%</b>   |

|                                 | <u>\$ Amount</u> | <u>% of Svcs</u> |
|---------------------------------|------------------|------------------|
| Maint. of Services:             |                  |                  |
| Remain in Customer              | 9,304            | 88.93%           |
| Alloc to Private Fire           | 1,158            | 11.07%           |
| Alloc to Municipal Fire         | 0                | 0.00%            |
| <b>Total Maint. of Services</b> | <b>10,462</b>    | <b>100.00%</b>   |

With above three allocations, the resulting fire allocation becomes:

| <u>\$ Amount</u> | <u>%</u> |
|------------------|----------|
| 88,467           | 13.48%   |

According to AWWA Water Rates Manual M1, Fourth Edition, Chapter 5, "Rate Design for Small Water Utilities", it is appropriate for approximately 30% of the revenues of a 635 customer water utility to be obtained from fire protection. This recommendation can be used as a guideline to allocate some of the volume costs to fire protection. To be conservative, the target fire protection revenue can be set at 20% of total revenue or \$ 131,213. This means that \$ 42,746 of the volume costs would then be allocated to fire.

|                                      | <u>\$ Amount</u> | <u>% of Units</u> |
|--------------------------------------|------------------|-------------------|
| Reallocate Volume Costs:             |                  |                   |
| Alloc to Private Fire                | 6,292            | 14.72%            |
| Alloc to Municipal Fire              | 36,454           | 85.28%            |
| <b>Total Reallocated Volume Cost</b> | <b>42,746</b>    | <b>100.00%</b>    |

Reallocation Results

|                                | <u>\$ Amount</u> | <u>%</u>       |
|--------------------------------|------------------|----------------|
| Volume Costs                   | 350,993          | 53.50%         |
| Customer Costs                 | 173,861          | 26.50%         |
| Direct Fire Costs - Private    | 15,887           | 2.42%          |
| Direct Fire Costs - Municipal  | 115,326          | 17.58%         |
| <b>Net Revenue Requirement</b> | <b>656,067</b>   | <b>100.00%</b> |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Calculation of Weighted Number of Services

| GWS          |                  |                |                 |         |
|--------------|------------------|----------------|-----------------|---------|
| Meter Size   | Number of Meters | Service Factor | Weighted Number | %       |
| 5/8"         | 596              | 1.0            | 596.0           |         |
| 3/4"         | 1                | 1.3            | 1.3             |         |
| 1"           | 14               | 2.0            | 28.0            |         |
| 1 1/2"       | 11               | 2.7            | 29.7            |         |
| 2"           | 12               | 4.0            | 48.0            |         |
| 3"           | 1                | 4.0            | 4.0             |         |
| 4"           | 0                | 5.3            | 0.0             |         |
| Total        | 635              |                | 707.0           | 88.93%  |
| Private Fire |                  |                |                 |         |
| Meter Size   | Number           | Service Factor | Weighted Number |         |
| 4"           | 1                | 5.3            | 5.3             |         |
| 6"           | 9                | 8.0            | 72.0            |         |
| 8"           | 1                | 10.7           | 10.7            |         |
| Total        | 11               |                | 88.0            | 11.07%  |
| Grand Total  |                  |                | 795.0           | 100.00% |

Notes: Weighting factors are based on the ratio of service diameters.

Percentage Distribution of Bills

| Class        | Number of Bills | %        |
|--------------|-----------------|----------|
| GWS          | 7,620           | 98.15 %  |
| Private Fire | 132             | 1.70 %   |
| Muni. Fire   | 12              | 0.15 %   |
| Total        | 7,764           | 100.00 % |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Calculation of Revenues Under Present Rates

General Water Service

Residential:

| <u>Meter<br/>Size</u> | <u>Number<br/>of Meters</u> | <u>Number<br/>of Bills</u> | <u>Present<br/>Rate</u> | <u>Present<br/>Revenue</u> |
|-----------------------|-----------------------------|----------------------------|-------------------------|----------------------------|
| 5/8"                  | 537                         | 6,444                      | \$ 10.27                | \$ 66,179.88               |
| 3/4"                  | 1                           | 12                         | 14.61                   | 175.32                     |
| 1"                    | 8                           | 96                         | 22.08                   | 2,119.68                   |
| 1 1/2"                | 6                           | 72                         | 39.81                   | 2,866.32                   |
| 2"                    | 1                           | 12                         | 61.58                   | 738.96                     |
| 3"                    | 0                           | 0                          | 114.41                  | 0.00                       |
| 4"                    | 0                           | 0                          | 187.49                  | 0.00                       |
| <b>Total</b>          | <b>553</b>                  | <b>6,636</b>               |                         | <b>\$ 72,080.16</b>        |

CCFT

Volume: 53,886 \$ 3.30 \$ 177,823.80

Commercial

| <u>Meter<br/>Size</u> | <u>Number<br/>of Meters</u> | <u>Number<br/>of Bills</u> | <u>Present<br/>Rate</u> | <u>Present<br/>Revenue</u> |
|-----------------------|-----------------------------|----------------------------|-------------------------|----------------------------|
| 5/8"                  | 54                          | 648                        | \$ 10.27                | \$ 6,654.96                |
| 3/4"                  | 0                           | 0                          | 14.61                   | 0.00                       |
| 1"                    | 6                           | 72                         | 22.08                   | 1,589.76                   |
| 1 1/2"                | 5                           | 60                         | 39.81                   | 2,388.60                   |
| 2"                    | 6                           | 72                         | 61.58                   | 4,433.76                   |
| 3"                    | 0                           | 0                          | 114.41                  | 0.00                       |
| 4"                    | 0                           | 0                          | 187.49                  | 0.00                       |
| <b>Total</b>          | <b>71</b>                   | <b>852</b>                 |                         | <b>\$ 15,067.08</b>        |

CCFT

Volume: 10,371 \$ 3.30 \$ 34,224.30

Industrial

| <u>Meter<br/>Size</u> | <u>Number<br/>of Meters</u> | <u>Number<br/>of Bills</u> | <u>Present<br/>Rate</u> | <u>Present<br/>Revenue</u> |
|-----------------------|-----------------------------|----------------------------|-------------------------|----------------------------|
| 5/8"                  | 2                           | 24                         | \$ 10.27                | \$ 246.48                  |
| 3/4"                  | 0                           | 0                          | 14.61                   | 0.00                       |
| 1"                    | 0                           | 0                          | 22.08                   | 0.00                       |
| 1 1/2"                | 0                           | 0                          | 39.81                   | 0.00                       |
| 2"                    | 3                           | 36                         | 61.58                   | 2,216.88                   |
| 3"                    | 0                           | 0                          | 114.41                  | 0.00                       |
| 4"                    | 0                           | 0                          | 187.49                  | 0.00                       |
| <b>Total</b>          | <b>5</b>                    | <b>60</b>                  |                         | <b>\$ 2,463.36</b>         |

CCFT

Volume: 1,270 \$ 3.30 \$ 4,191.00

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Calculation of Revenues Under Present Rates

General Water Service - Continued

| <u>Municipal</u>        |                         |                        |                     |                        |
|-------------------------|-------------------------|------------------------|---------------------|------------------------|
| <u>Meter Size</u>       | <u>Number of Meters</u> | <u>Number of Bills</u> | <u>Present Rate</u> | <u>Present Revenue</u> |
| 5/8"                    | 3                       | 36                     | \$ 10.27            | \$ 369.72              |
| 3/4"                    | 0                       | 0                      | 14.61               | 0.00                   |
| 1"                      | 0                       | 0                      | 22.08               | 0.00                   |
| 1 1/2"                  | 0                       | 0                      | 39.81               | 0.00                   |
| 2"                      | 2                       | 24                     | 61.58               | 1,477.92               |
| 3"                      | 1                       | 12                     | 114.41              | 1,372.92               |
| 4"                      | 0                       | 0                      | 187.49              | 0.00                   |
| Total                   | 6                       | 72                     |                     | \$ 3,220.56            |
| <u>CCFT</u>             |                         |                        |                     |                        |
| Volume:                 | 1,203                   |                        | \$ 3.30             | \$ 3,969.90            |
| Grand Total GWS Revenue |                         |                        |                     | \$ 313,040.16          |

Fire Protection Service

| <u>Private Fire Protection</u> |               |                        |                     |                        |
|--------------------------------|---------------|------------------------|---------------------|------------------------|
| <u>Size</u>                    | <u>Number</u> | <u>Number of Bills</u> | <u>Present Rate</u> | <u>Present Revenue</u> |
| 4"                             | 1             | 12                     | \$ 53.63            | 643.56                 |
| 6"                             | 9             | 108                    | 153.91              | 16,622.28              |
| 8"                             | 1             | 12                     | 326.87              | 3,922.44               |
| Total                          | 11            | 132                    |                     | \$ 21,188.28           |

Municipal Fire Protection

| <u>Size</u>                        | <u>Number</u> | <u>of Bills</u> | <u>Rate</u> | <u>Revenue</u> |
|------------------------------------|---------------|-----------------|-------------|----------------|
| Hydrant                            | 65            | 780             | \$ 66.63    | \$ 51,971.40   |
| Inch-Feet                          | 493,754       | 1,975,016       | 0.03510     | 69,323.06      |
| Grand Total Municipal Fire Revenue |               |                 |             | \$ 121,294.46  |



Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Summary of Revenues Under Present Rates

| <u>Description</u>                 | <u>Amount</u> | <u>%</u> |
|------------------------------------|---------------|----------|
| GWS Volume Revenue                 | \$ 220,209.00 | 48.34%   |
| GWS Customer Charge Revenue        | \$ 92,831.16  | 20.38%   |
| Grand Total GWS Revenue            | \$ 313,040.16 | 68.72%   |
| Grand Total Private Fire Revenue   | \$ 21,188.28  | 4.65%    |
| Grand Total Municipal Fire Revenue | \$ 121,294.46 | 26.63%   |
| Grand Total Revenue                | \$ 455,522.90 | 100.00%  |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Rate Design

Municipal Fire Protection

|                 |            |
|-----------------|------------|
| Allocated Costs | \$ 115,326 |
|-----------------|------------|

|                 |               |
|-----------------|---------------|
| Present Revenue | \$ 121,294.46 |
|-----------------|---------------|

Present revenue is about 5.2% greater than the cost of service indications.  
Therefore, no increases will be developed for municipal fire protection.

Private Fire Protection

|                 |           |
|-----------------|-----------|
| Allocated Costs | \$ 15,887 |
|-----------------|-----------|

|                 |              |
|-----------------|--------------|
| Present Revenue | \$ 21,188.28 |
|-----------------|--------------|

Present revenue is about 33.4% greater than the cost of service indications.  
Therefore, no increases will be developed for private fire protection.

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Rate Design

GWS Customer Charges (Minimum Charges)

|                             |              |
|-----------------------------|--------------|
| Allocated Costs             | \$ 173,861   |
| Present Revenue - Cust Chgs | \$ 92,831.16 |
| Increase Required           | \$ 81,029.84 |

87.29 %

| <u>Rate Element</u> | <u>Present<br/>Monthly<br/>Rate</u> | <u>Developed<br/>Monthly<br/>Rate</u> | <u>%<br/>Increase</u> |
|---------------------|-------------------------------------|---------------------------------------|-----------------------|
| 5/8"                | \$ 10.27                            | \$ 19.24                              | 87.34 %               |
| 3/4"                | 14.61                               | 27.37                                 | 87.34 %               |
| 1"                  | 22.06                               | 41.33                                 | 87.35 %               |
| 1 1/2"              | 39.81                               | 74.57                                 | 87.31 %               |
| 2"                  | 61.58                               | 115.34                                | 87.30 %               |
| 3"                  | 114.41                              | 214.29                                | 87.30 %               |
| 4"                  | 187.49                              | 351.16                                | 87.30 %               |
| 6"                  | 373.98                              | 700.44                                | 87.29 %               |
| 8"                  | 622.01                              | 1,164.97                              | 87.29 %               |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Rate Design

GWS Volumetric Rate

|                                    |               |
|------------------------------------|---------------|
| Pro Forma Net Revenue Requirement  | \$ 656,066.60 |
| Revenue from Developed Rates       |               |
| Municipal Fire Protection          | 121,294.46    |
| Private Fire Protection            | 21,188.28     |
| Customer Charges (Minimum Charges) | 173,900.04    |
| Remaining from Volumetric Rate     | \$ 339,683.82 |
| Annual Volume in 100 cu. ft.       | 66,730        |
| Designed Rate per 100 cu. ft.      | \$ 5.09       |

| <u>Rate Element</u> | <u>Present Rate</u> | <u>Developed Rate</u> | <u>% Increase</u> |
|---------------------|---------------------|-----------------------|-------------------|
| Per 100 cu. ft.     | \$ 3.30             | \$ 5.09               | 54.24 %           |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Calculation of Revenues Under Developed Rates

General Water Service

Residential:

| Meter<br>Size | Number<br>of Meters | Number<br>of Bills | Developed<br>Rate | Developed<br>Revenue |
|---------------|---------------------|--------------------|-------------------|----------------------|
| 5/8"          | 537                 | 6,444              | \$ 19.24          | \$ 123,982.56        |
| 3/4"          | 1                   | 12                 | 27.37             | 328.44               |
| 1"            | 8                   | 96                 | 41.33             | 3,967.68             |
| 1 1/2"        | 6                   | 72                 | 74.57             | 5,369.04             |
| 2"            | 1                   | 12                 | 115.34            | 1,384.08             |
| 3"            | 0                   | 0                  | 214.29            | 0.00                 |
| 4"            | 0                   | 0                  | 351.16            | 0.00                 |
| <b>Total</b>  | <b>553</b>          | <b>6,636</b>       |                   | <b>\$ 135,031.80</b> |

CCFT  
Volume: 53,886 \$ 5.09 \$ 274,279.74

Commercial

| Meter<br>Size | Number<br>of Meters | Number<br>of Bills | Developed<br>Rate | Developed<br>Revenue |
|---------------|---------------------|--------------------|-------------------|----------------------|
| 5/8"          | 54                  | 648                | \$ 19.24          | \$ 12,467.52         |
| 3/4"          | 0                   | 0                  | 27.37             | 0.00                 |
| 1"            | 6                   | 72                 | 41.33             | 2,975.76             |
| 1 1/2"        | 5                   | 60                 | 74.57             | 4,474.20             |
| 2"            | 6                   | 72                 | 115.34            | 8,304.48             |
| 3"            | 0                   | 0                  | 214.29            | 0.00                 |
| 4"            | 0                   | 0                  | 351.16            | 0.00                 |
| <b>Total</b>  | <b>71</b>           | <b>852</b>         |                   | <b>\$ 28,221.96</b>  |

CCFT  
Volume: 10,371 \$ 5.09 \$ 52,788.39

Industrial

| Meter<br>Size | Number<br>of Meters | Number<br>of Bills | Developed<br>Rate | Developed<br>Revenue |
|---------------|---------------------|--------------------|-------------------|----------------------|
| 5/8"          | 2                   | 24                 | \$ 19.24          | \$ 461.76            |
| 3/4"          | 0                   | 0                  | 27.37             | 0.00                 |
| 1"            | 0                   | 0                  | 41.33             | 0.00                 |
| 1 1/2"        | 0                   | 0                  | 74.57             | 0.00                 |
| 2"            | 3                   | 36                 | 115.34            | 4,152.24             |
| 3"            | 0                   | 0                  | 214.29            | 0.00                 |
| 4"            | 0                   | 0                  | 351.16            | 0.00                 |
| <b>Total</b>  | <b>5</b>            | <b>60</b>          |                   | <b>\$ 4,614.00</b>   |

CCFT  
Volume: 1,270 \$ 5.09 \$ 6,464.30

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Calculation of Revenues Under Developed Rates

General Water Service - Continued

| <u>Municipal</u> |                  |                 |                  |                  |          |
|------------------|------------------|-----------------|------------------|------------------|----------|
| <u>Meter</u>     | <u>Number</u>    | <u>Number</u>   | <u>Developed</u> | <u>Developed</u> |          |
| <u>Size</u>      | <u>of Meters</u> | <u>of Bills</u> | <u>Rate</u>      | <u>Revenue</u>   |          |
| 5/8"             | 3                | 36              | \$ 19.24         | \$               | 692.64   |
| 3/4"             | 0                | 0               | 27.37            |                  | 0.00     |
| 1"               | 0                | 0               | 41.33            |                  | 0.00     |
| 1 1/2"           | 0                | 0               | 74.57            |                  | 0.00     |
| 2"               | 2                | 24              | 115.34           |                  | 2,768.16 |
| 3"               | 1                | 12              | 214.29           |                  | 2,571.48 |
| 4"               | 0                | 0               | 351.16           |                  | 0.00     |
| Total            | 6                | 72              |                  | \$               | 6,032.28 |
| <u>CCFT</u>      |                  |                 |                  |                  |          |
| Volume:          | 1,203            |                 | \$ 5.09          | \$               | 6,123.27 |

Grand Total GWS Revenue \$ 513,555.74

Fire Protection Service

Private Fire Protection

| <u>Size</u> | <u>Number</u> | <u>Number</u>   | <u>Developed</u> | <u>Developed</u> |           |
|-------------|---------------|-----------------|------------------|------------------|-----------|
|             |               | <u>of Bills</u> | <u>Rate</u>      | <u>Revenue</u>   |           |
| 4"          | 1             | 12              | \$ 53.63         |                  | 643.56    |
| 6"          | 9             | 108             | 153.91           |                  | 16,622.28 |
| 8"          | 1             | 12              | 326.87           |                  | 3,922.44  |
| Total       | 11            | 132             |                  | \$               | 21,188.28 |

Municipal Fire Protection

| <u>Size</u>                        | <u>Number</u> | <u>of Bills</u> | <u>Developed</u> | <u>Developed</u> |            |
|------------------------------------|---------------|-----------------|------------------|------------------|------------|
|                                    |               |                 | <u>Rate</u>      | <u>Revenue</u>   |            |
| Hydrant                            | 65            | 780             | \$ 66.63         | \$               | 51,971.40  |
| Inch-Feet                          | 493,754       |                 | 0.14040          |                  | 69,323.06  |
| Grand Total Municipal Fire Revenue |               |                 |                  | \$               | 121,294.46 |

Pittsfield Aqueduct Company, Inc.  
Pittsfield Division  
Summary of Revenues Under Developed Rates

| <u>Description</u>                        | <u>Amount</u> | <u>%</u> |
|---|---------------|----------|
| GWS Volume Revenue                        | \$ 339,655.70 | 51.77%   |
| GWS Customer Charge Revenue               | \$ 173,900.04 | 26.51%   |
| Grand Total GWS Revenue                   | \$ 513,555.74 | 78.28%   |
| Grand Total Private Fire Revenue          | \$ 21,188.28  | 3.23%    |
| Grand Total Municipal Fire Revenue        | \$ 121,294.46 | 18.49%   |
| Grand Total Revenue under Developed Rates | \$ 656,038.48 | 100.00%  |
| Net Revenue Requirement                   | 656,067.00    |          |
| Difference                                | \$ (28.52)    |          |
|   | -0.004%       |          |
|   | Negligible    |          |

## **TAB 23**

**1604.01(a)(8) Most Recent Construction Budget**



|   |  | Project Description  | Total 2020 incl O/H |
|---|--|--|---------------------|
| Engineering   |  | <b>Subtotal 2019 Carryover/Multi-year Projects</b>                 | -                   |
| Engineering   | <b><u>New 2020 Projects</u></b>                  |  |                     |
|   | Breach and ERP                                   | Breach and ERP   | 7.00                |
|   |  | <b>Total 2020 Capital Projects Budget including 2019 carryover</b> | <b>7.00</b>         |
|   |  | Work Description   | -                   |
| T&D   | <b><u>2019 Carryover/Multi-year Projects</u></b> | <b>Subtotal 2019 Carryover/Multi-year Projects</b>                 | -                   |
| T&D   | <b><u>New 2020 Projects</u></b>                  |  |                     |
|   | New Services (1)                                 | New Services (1)   | 5.00                |
|   | Renewed Services (2)                             | Renewed Services (2)   | 11.00               |
|   | Hydrants (2)                                     | Hydrants (2)   | 12.00               |
|   | Gates (2)  | New Gates installation (2)   | 8.00                |
|   | Radios (10)                                      | Replace failed Radios (10)   | 1.00                |
|   | Meters 5/8"-6" New(1) Replace Failed (6)         | Meters 5/8"-6" New Meters - PAC (7)                                | 0.70                |
|   |  | -  | -                   |
|   |  | <b>Subtotal New 2020 Projects</b>                                  | <b>37.70</b>        |
|   |  | <b>Total 2020 Capital Projects Budget including 2019 carryover</b> | <b>37.70</b>        |
|   |  | Work Description   | Total 2020 incl O/H |
| Water Supply  | <b><u>2019 Carryover/Multi-year Projects</u></b> | n/a  | -                   |
|   |  | <b>Subtotal 2019 Carryover/Multi-year Projects</b>                 | -                   |
| Water Supply  | <b><u>New 2020 Projects</u></b>                  |  |                     |
|   | Berry Pond DBP Treatment evaluation/design       | Berry Pond DBP Treatment evaluation/design                         | 20.00               |
|   | Misc. structural improvements                    | Misc. structural improvements                                      | 10.00               |
|   | PAC lab/Process equipment                        | PAC lab/Process equipment  | 10.00               |
|   | Replace filter valve actuators, 3                | Replace filter valve actuators, 3                                  | 4.00                |
|   | Replace SCADA PLC                                | Equipment no longer supported by manufacturer                      | 15.00               |
|   |  | <b>Subtotal New 2020 Projects</b>                                  | <b>59.00</b>        |
|   |  | <b>Total 2020 Capital Projects Budget including 2019 carryover</b> | <b>59.00</b>        |
|   |  | Work Description   | -                   |
| IT  | 0  |  | -                   |
|   |  |  | -                   |
|   |  |  | -                   |
|   |  | <b>Subtotal 2019 Carryover/Multi-year Projects</b>                 | -                   |
| IT  | <b><u>PAC lab/Process equipment</u></b>          |  |                     |
|   | Switch Replacement for Pittsfield                | Change out end of life switch in Pitts.                            | 1.20                |
|   |  | -  | -                   |
|   |  | <b>New Gates installation (2)</b>                                  | <b>1.20</b>         |
|   |  | -  | <b>1.20</b>         |
| <b>2019 Carryover/Multi-year Projects - Total PAC</b> |  |  | <b>-</b>            |
| <b>New 2020 Projects - Total PAC</b>                  |  |  | <b>104.90</b>       |
| <b>Total Capital Budget - PAC</b>                     |  |  | <b>104.90</b>       |

## **TAB 24**

### **1604.01(a)(9) Chart of Accounts if Different than NHPUC**

The information does not exist.

## **TAB 25**

### **1604.01(a)(10) Securities and Exchange Commission 10K and 10Q**

This data does not exist. See Order No. 25,292.

## **TAB 26**

### **1604.01(a)(11) Membership Fees, Dues and Lobbying Expenses**

All memberships are through PWW.

## **TAB 27**

### **1604.01(a)(12) Depreciation Study if not previously filed in an adjudicative proceeding**

Depreciation Study was filed in DW 08-052 and is attached.

---



# Pittsfield Aqueduct Company

## Comparative Analysis of Depreciation Rates

---

Guastella Associates, Inc.

*6 Beacon Street, Suite 410, Boston, MA 02108*

# **GUASTELLA ASSOCIATES, INC.**

UTILITY MANAGEMENT • VALUATION • RATE CONSULTANTS

6 BEACON STREET, SUITE 410  
BOSTON, MA 02108  
TEL: (617) 423-3030  
FAX: (617) 423-2929

February 25, 2008

Ms. Bonnie Hartley  
Vice President of Administration  
Pennichuck Water Works, Inc.  
25 Manchester Street  
Merrimack, NH 03054

Dear Ms. Hartley:

I have completed an analysis of the comparative depreciation rates that would reflect the reasonably recovery of the loss in service value of the depreciable assets of Pittsfield Aqueduct Company.

The results of our analysis are set forth in this report, which includes specific schedules that provide recommended depreciation rates, comparative average service lives and the difference, by account, of the annual depreciation expense under present and recommended depreciation rates, as applied to plant balances as of December 31, 2007.

I very much appreciate this opportunity to provide consulting services, and am available to review this report with you or the PUC Staff.

Respectfully submitted,  
GUASTELLA ASSOCIATES, INC.



John F. Guastella  
President

# Pittsfield Aqueduct Company

## Table of Contents

| Description   | Page |
|---|------|
| Transmittal Letter  |      |
| Introduction  | 1    |
| Recommendation  | 1-2  |
| Source of Comparative Data  | 2-3  |
| Analysis of Average Service Lives   | 3-4  |
| Net Salvage Values  | 4    |
| Impact of Recommended Depreciation Rates  | 4-5  |
| Reserve for Depreciation  | 5    |
| Conclusion  | 5-6  |
| * * * * *   |      |
| Schedule 1 - Recommended Depreciation Rates   |      |
| Schedule 2 - Comparative Average Service Lives  |      |
| Schedule 3 - Comparison of Depreciation Expense Under Preset and Recommended Depreciation Rates |      |
| * * * * *   |      |
| APPENDIX A - Source Data  |      |
| APPENDIX B - Allocation of Cost of Supply Mains   |      |



## Introduction

The purpose of this analysis is to establish average service lives, salvage values and resultant depreciation rates that are reasonably applicable to the depreciable property of the Pittsfield Aqueduct Company (“PAC” or “Company”).

In accordance with discussions with the Company, as well as an informal discussion with the PUC Staff, a decision was made to perform a depreciation analysis on the basis of the use of comparative average service lives and depreciation rates. The primary reasons for this approach are the lack of sufficient retirement data because of the size of the Company and its historic development, and the high cost of performing actuarial studies that would likely produce incomplete or uncertain results for a small utility with limited retirement data. It has been our experience that for small water utilities, actuarial depreciation studies are rarely, if ever, performed. Instead, depreciation rates are typically established on the basis of comparative analyses. Consistent with that experience, the National Association of Regulatory Utility Commissioners has published guidelines of average service lives and depreciation rates for small water companies, recognizing the need for and acceptance of such comparisons.

## Recommendation

The recommended depreciation rates are provided at the outset of this report in order to facilitate a review of subsequent references and supporting analyses. Schedule 1 contains, by primary plant account, the average service lives, net salvage values and annual depreciation rates that in our judgment would best recover the original cost of the Company’s depreciable assets. As will be explained later, the recommended depreciation

rates are consistent with those established by the New Hampshire Public Utilities Commission (“PUC”) in The Pennichuck Water Works, Inc. (“PWW”) last rate case, with a few necessary exceptions.

#### Source of Comparative Data

All of the source data relied upon with respect to average service lives have been obtained from this firm’s files. The source data include determinations of average service lives for utilities with which this firm has been directly or indirectly involved, most based on actuarial studies. The utilities that were selected for this analysis are located in the northern part of the country, the Northeast and Midwestern states. It has been our experience that determinations of average service lives for water utilities in areas of the country where there are extreme seasonal weather changes tend to produce results that are more consistent with each other. It is noted that data for such states as Florida and California were specifically excluded because the average service lives were disproportionately shorter, likely due to different construction characteristics in the climate of those parts of the country.

The source data also includes average service lives published by the National Association of Regulatory Utility Commissioners (“NARUC”). These data are given significant weight because they were specifically developed to assist small water utilities in establishing reasonable depreciation rates. However, the most important source data are the average service lives recently established by the PUC for PWW. Those average service lives were based on actuarial studies and thoroughly examined by the PUC.

Although considered proprietary, Appendix A contains copies of this firm's original source data that include average service lives, as summarized in Schedule 2, for review by the Company and PUC Staff, with a request that they be treated as confidential property not to be distributed to any other party.

#### Analysis of Average Service Lives

Schedule 2 contains a compilation of the source data with respect to average service lives. It shows for each primary plant account the average service lives, the water utility and state in which it is located, along with the NARUC recommended average service lives, and PWW's average service lives. The average service lives for each utility and each NARUC publication were summarized to show the high, low and average of all examples, excluding PWW's. PWW's average service lives are considered the most relevant in this comparative analysis because they were based on comprehensive actuarial studies that were examined by the PUC, and because they relate to property that is in close proximity to PAC. Moreover, the maintenance, repair and asset management practices of PWW are the same for PAC, so that on a prospective basis several factors that affect the loss in value of assets will be similar. In addition, PWW and PAC operate in the same climate and are subject to the same regulatory requirements.

A review of Schedule 2 shows that of the 27 accounts for which PWW has average service lives, 7 are within 10% of the average of all other examples; and 9 are higher and 10 are lower than the average. Thus, PWW's average service lives lie in the middle of the data base. Accordingly, in my judgment using PWW's average service lives for those accounts that were considered and approved in the last rate case would be

the most appropriate recommendation. The accounts that were not addressed in PWW's last rate case include: Account 306--Lake & River Intakes, Account 308--Infiltration Galleries, Account 309--Supply Mains and Account 348--Other Miscellaneous Equipment. On the basis of judgment, considering the average of the examples on Schedule 2, I recommend the approximate average of the average service lives of 50, 45 and 70 years for accounts 306, 308 and 309, respectively, and 10 years for account 348 which is the average service life now used by PAC.

#### Net Salvage Values

Having selected the average service lives, the next step was to assign salvage values to each account. Because most of the recommended average service lives were those of PWW, the logical choice is to also use salvage values of PWW. It is noted that water utilities in the state of Illinois and the Illinois Commerce Commission have made the most progress in estimating net salvage values. The negative net salvage values reflect the high cost of removal for many accounts, as shown in the source data for Illinois in Appendix A. This observation is made to confirm that PWW's approved net salvage values are conservative and appropriate to use for this analysis.

#### Impact of Recommended Depreciation Rates

The selected average service lives and net salvage values produce the recommended rates as shown on Schedule 1. Schedule 3 has been prepared to show the difference between the application of the recommended and existing depreciation rates to PAC's plant balances as of December 31, 2007. The existing depreciation rates produce

a total annual depreciation expense in the amount of \$157,275 compared with the recommended depreciation rates that produce \$152,090. This \$5,185 reduction is minor. Note that the recommended depreciation rates include rates for accounts for which PAC currently has no investment, which provides for potential additions to those accounts in the future.

#### Reserve for Depreciation

As PAC experiences more retirements it will be able to make judgments as to the ongoing reasonableness of the recommended average service lives and depreciation rates. On a prospective basis, the recommended reduction in the annual depreciation will slightly reduce the annual accruals to the reserve for depreciation by only about 3%. Because of the lack of depreciation curves specific to PAC, any effort to determine a theoretical reserve would only produce an estimated result based on estimated depreciation curves, and would be a disproportionately costly and unnecessary effort. Accordingly, there is no need to make any other direct adjustment to the reserve for depreciation.

#### Conclusion

Although this comparative analysis is not as sophisticated or statistically accurate as an actuarial study, the data does provide information with which to make a valid judgment and produces reasonable depreciation rates. It certainly confirms that the use of PWV's depreciation rates for most accounts is not only reasonable but enables a consistent accounting between the two affiliated companies.

On the basis of the findings and analysis outlined in this report, it is recommended that the Company seek approval to implement the depreciation rates reflected in Schedule I.

Respectfully submitted,  
GUASTELLA ASSOCIATES, INC.

A handwritten signature in black ink, appearing to read "John F. Guastella". The signature is fluid and cursive, with the first name "John" and last name "Guastella" clearly distinguishable.

John F. Guastella  
President

## Recommended Depreciation Rates

| A/C No.                                       | Description                    | Average Service Lives | Net Salvage Value | Annual Depreciation Rates |
|---|--------------------------------|-----------------------|-------------------|---------------------------|
| <b>Source of Supply &amp; Pumping:</b>        |                                |                       |                   |                           |
| 304.1   | Structures & Improvements      | 48                    | -10.0%            | 2.30%                     |
| 305.0   | Coll. & Impdg. Reservoirs      | 67                    | -20.0%            | 1.79%                     |
| 306.0   | Lake & River Intakes           | 50                    | -10.0%            | 2.20%                     |
| 307.0   | Wells & Springs                | 30                    |                   | 3.33%                     |
| 308.0   | Infiltration Galleries         | 45                    |                   | 2.22%                     |
| 309.0   | Supply Mains                   | 70                    | -10.0%            | 1.57%                     |
| 304.2   | Structures & Improvements      | 45                    | -10.0%            | 2.44%                     |
| 310.0   | Power Generation Equipment     | 22                    |                   | 4.55%                     |
| 311.2   | Electric Pumping Equipment     | 25                    | -10.0%            | 4.40%                     |
| 311.3   | Diesel Pumping Equipment       | 70                    | -10.0%            | 1.57%                     |
| 311.6   | Other Pumping Equipment        | 30                    |                   | 3.33%                     |
| <b>Water Treatment Equipment:</b>             |                                |                       |                   |                           |
| 304.3   | Structures & Improvements      | 51                    | -10.0%            | 2.14%                     |
| 320.0   | Purification System Equipment  | 15                    |                   | 6.67%                     |
| 320.2   | Water Treatment Equipment      | 36                    | -20.0%            | 3.31%                     |
| <b>Transmission &amp; Distribution Plant:</b> |                                |                       |                   |                           |
| 304.5   | Structures & Improvements      | 35                    | -10.0%            | 3.14%                     |
| 330.0   | Distr. Reserv. & Standpipes    | 50                    | -10.0%            | 2.18%                     |
| 331.1   | Mains - 6" & Larger            | 70                    | -10.0%            | 1.57%                     |
| 331.2   | Mains - 4" & Under             | 40                    | -10.0%            | 2.75%                     |
| 339.0   | Other Plant & Misc. Equipment  | 40                    |                   | 2.50%                     |
| 333.1   | Services                       | 45                    | -10.0%            | 2.44%                     |
| 334.1   | Meters & Installations         | 23                    | -10.0%            | 4.78%                     |
| 335.0   | Hydrants                       | 49                    | -10.0%            | 2.24%                     |
| <b>General Plant:</b>                         |                                |                       |                   |                           |
| 304.4   | Structures & Improvements      | 35                    | -10.0%            | 3.14%                     |
| 340.0   | Office Furn. & Equipment       | 12                    | 3.0%              | 8.08%                     |
| 341.0   | Transportation Equipment       | 9                     | 15.0%             | 9.44%                     |
| 342.0   | Stores Equipment               | 25                    |                   | 4.00%                     |
| 343.0   | Tools, Shop & Garage Equipment | 15                    |                   | 6.67%                     |
| 344.0   | Laboratory Equipment           | 20                    |                   | 5.00%                     |
| 345.0   | Power Operated Equipment       | 15                    | 10.0%             | 6.00%                     |
| 346.0   | Communications Equipment       | 19                    |                   | 5.26%                     |
| 347.0   | Computer Equipment             | 7                     |                   | 14.29%                    |
| 348.0   | Other Miscellaneous Equipment  | 10                    |                   | 10.00%                    |

## Comparative Average Service Lives

| A/C No.                            | Description                    | N.J.<br>E'town | Del.<br>Artesian | Illinois |            |                   |           | NARUC |      |      |      |      |      |      |      | New York  |                         |                | All Examples |      |         | Pennichuck<br>Water<br>Works |
|------------------------------------|--------------------------------|----------------|------------------|----------|------------|-------------------|-----------|-------|------|------|------|------|------|------|------|-----------|-------------------------|----------------|--------------|------|---------|------------------------------|
|                                    |                                |                |                  | Kankakee | Candlewick | Illinois American |           | 1972  |      | 1977 |      | 1979 |      | 1981 |      | Citizen's | Util. & Ind.<br>Merrick | Long<br>Island | Low          | High | Average |                              |
|                                    |                                |                |                  |          |            | Company           | ICC Staff | low   | high | low  | high | low  | high | low  | high |           |                         |                |              |      |         |                              |
| Source of Supply & Pumping:        |                                |                |                  |          |            |                   |           |       |      |      |      |      |      |      |      |           |                         |                |              |      |         |                              |
| 304.1                              | Structures & Improvements      | 65             |                  | 30       | 30         | 30                | 30        | 25    | 50   | 35   | 40   | 35   | 40   | 35   | 40   |           |                         |                | 25           | 65   | 37      | 48                           |
| 305.0                              | Coll. & Impdg. Reservoirs      | 60             |                  |          |            | 50                | 50        | 35    | 75   | 50   | 75   | 50   | 75   | 50   | 75   |           |                         |                | 35           | 75   | 59      | 67                           |
| 306.0                              | Lake & River Intakes           | 50             |                  | 75       | 75         | 60                | 75        | 35    | 60   | 35   | 45   | 35   | 45   | 35   | 45   |           |                         |                | 35           | 75   | 52      |                              |
| 307.0                              | Wells & Springs                | 45             | 45               | 60       | 60         | 35                | 60        | 25    | 50   | 25   | 35   | 25   | 35   | 25   | 35   | 45        | 35                      | 50             | 25           | 60   | 41      | 30                           |
| 308.0                              | Infiltration Galleries         | 80             |                  |          |            |                   |           |       |      | 25   | 50   | 25   | 50   | 25   | 50   |           |                         |                | 25           | 80   | 44      |                              |
| 309.0                              | Supply Mains                   | 85             | 85               |          |            | 75                | 90        |       |      | 50   | 75   | 50   | 75   | 50   | 75   |           |                         |                | 50           | 90   | 71      |                              |
| 304.2                              | Structures & Improvements      | 45             | 65               | 55       | 55         | 50                | 55        |       |      | 35   | 40   | 35   | 40   | 35   | 40   | 50        | 40                      | 50             | 35           | 65   | 46      | 45                           |
| 310.0                              | Power Generation Equipment     | 25             |                  | 30       | 30         | 25                | 30        |       |      |      |      |      |      |      |      |           | 30                      | 40             | 25           | 40   | 30      | 22                           |
| 311.2                              | Electric Pumping Equipment     | 35             | 35               | 40       | 40         | 35                | 40        |       |      | 20   | 20   | 20   | 20   | 20   | 20   | 35        | 20                      | 40             | 20           | 40   | 29      | 25                           |
| 311.3                              | Diesel Pumping Equipment       | 35             |                  |          |            | 22                | 30        |       |      | 25   | 25   | 25   | 25   | 25   | 25   | 35        | 30                      | 40             | 22           | 40   | 29      | 70                           |
| 311.6                              | Other Pumping Equipment        | 35             |                  |          |            | 20                | 20        |       |      | 25   | 25   | 25   | 25   | 25   | 25   | 30        | 30                      |                | 20           | 35   | 26      | 30                           |
| Water Treatment Equipment:         |                                |                |                  |          |            |                   |           |       |      |      |      |      |      |      |      |           |                         |                |              |      |         |                              |
| 304.3                              | Structures & Improvements      | 35             | 55               | 45       | 45         | 40                | 45        |       |      | 35   | 40   | 35   | 40   | 35   | 40   | 50        | 40                      | 50             | 35           | 55   | 42      | 51                           |
| 320.0                              | Purification System Equipment  |                |                  |          | 35         | 35                | 35        |       |      | 20   | 35   | 20   | 35   | 20   | 35   | 15        | 15                      | 25             | 15           | 35   | 27      | 15                           |
| 320.2                              | Water Treatment Equipment      | 35             | 45               | 35       | 35         | 35                | 35        | 15    | 30   | 20   | 35   | 20   | 35   | 20   | 35   | 15        | 25                      | 25             | 15           | 45   | 29      | 36                           |
| Transmission & Distribution Plant: |                                |                |                  |          |            |                   |           |       |      |      |      |      |      |      |      |           |                         |                |              |      |         |                              |
| 304.5                              | Structures & Improvements      | 50             |                  |          | 30         |                   |           |       |      | 35   | 40   | 35   | 40   | 35   | 40   |           |                         |                | 30           | 50   | 38      | 35                           |
| 330.0                              | Distr. Reserv. & Standpipes    | 75             | 80               | 60       | 60         | 50                | 60        | 25    | 60   | 30   | 60   | 30   | 60   | 30   | 60   | 55        | 55                      | 75             | 25           | 80   | 54      | 50                           |
| 331.1                              | Mains - 6" & Larger            | 95             | 85               | 90       | 90         | 90                | 90        | 75    |      | 50   | 75   | 50   | 75   | 50   | 75   | 100       | 100                     | 100            | 50           | 100  | 81      | 70                           |
| 331.2                              | Mains - 4" & Under             |                |                  |          |            |                   |           |       |      |      |      |      |      |      |      | 65        |                         |                | 65           | 65   | 65      | 40                           |
| 339.0                              | Other Plant & Misc. Equipment  |                |                  |          |            |                   |           |       |      |      |      |      |      |      |      |           |                         |                |              |      |         | 40                           |
| 333.1                              | Services                       | 45             | 35               | 60       | 60         | 60                | 60        | 35    | 50   | 30   | 50   | 30   | 50   | 30   | 50   | 50        | 45                      | 65             | 30           | 65   | 47      | 45                           |
| 334.1                              | Meters & Installations         | 25             | 25               | 14       | 14         | 30                | 30        | 35    | 50   | 35   | 45   | 35   | 45   | 35   | 45   | 35        | 50                      | 40             | 14           | 50   | 35      | 23                           |
| 335.0                              | Hydrants                       | 65             | 60               | 43       | 43         | 40                | 43        | 40    | 50   | 40   | 60   | 40   | 60   | 40   | 60   | 65        | 70                      | 65             | 40           | 70   | 52      | 49                           |
| General Plant:                     |                                |                |                  |          |            |                   |           |       |      |      |      |      |      |      |      |           |                         |                |              |      |         |                              |
| 304.4                              | Structures & Improvements      | 25             | 25               | 25       | 25         | 25                | 25        |       |      | 35   | 40   | 35   | 40   | 35   | 40   | 50        | 50                      | 60             | 25           | 60   | 36      | 35                           |
| 340.0                              | Office Furn. & Equipment       | 15             | 30               | 19       | 19         | 20                | 19        | 15    |      | 20   | 25   | 20   | 25   | 20   | 25   | 25        | 30                      | 30             | 15           | 30   | 22      | 12                           |
| 341.0                              | Transportation Equipment       | 7              | 10               | 6        | 6          | 5                 | 5         | 7     |      | 7    |      | 7    | 7    | 7    | 7    | 10        |                         | 3              | 3            | 10   | 7       | 9                            |
| 342.0                              | Stores Equipment               | 20             | 30               | 29       | 29         | 20                | 29        | 15    |      | 20   |      | 20   | 20   | 20   | 20   | 25        |                         | 45             | 15           | 45   | 24      |                              |
| 343.0                              | Tools, Shop & Garage Equipment | 15             | 30               | 13       | 13         | 12                | 13        | 15    |      | 15   | 20   | 15   | 20   | 15   | 20   | 25        | 25                      | 25             | 12           | 30   | 18      | 15                           |
| 344.0                              | Laboratory Equipment           | 30             | 9                | 20       | 20         | 15                | 20        | 15    |      | 15   | 20   | 15   | 20   | 15   | 20   |           | 20                      | 30             | 9            | 30   | 19      | 20                           |
| 345.0                              | Power Operated Equipment       | 10             | 15               | 10       | 10         | 10                | 10        | 12    |      | 10   | 15   | 10   | 15   | 10   | 15   |           | 8                       | 7              | 7            | 15   | 11      | 15                           |
| 346.0                              | Communications Equipment       | 15             | 15               | 8        | 8          | 8                 | 8         | 10    |      | 10   |      | 10   | 10   | 10   | 10   | 5         | 15                      | 10             | 5            | 15   | 10      | 19                           |
| 347.0                              | Computer Equipment             |                | 8                |          |            | 5                 | 5         |       |      |      |      |      |      |      |      |           |                         |                | 5            | 8    | 6       | 7                            |
| 348.0                              | Other Miscellaneous Equipment  | 25             | 20               |          |            | 15                | 15        | 15    |      |      |      |      |      |      |      | 20        | 25                      | 25             | 15           | 25   | 20      | 10                           |



**Comparison of Depreciation Expense  
Under Present and Recommended Depreciation Rates**

| A/C No.                            | Description                    | UPIS<br>Balances<br>at 12/31/07 | Annual Depreciation |           |             |           |            |
|------------------------------------|--------------------------------|---------------------------------|---------------------|-----------|-------------|-----------|------------|
|                                    |                                |                                 | Present             |           | Recommended |           | Difference |
|                                    |                                |                                 | Rate                | Amount    | Rate        | Amount    |            |
| Source of Supply & Pumping:        |                                |                                 |                     |           |             |           |            |
| 304.1                              | Structures & Improvements      | \$981,131                       | 1.33%               | \$13,049  | 2.30%       | \$22,531  | \$9,482    |
| 305.0                              | Coll. & Impdg. Reservoirs      | 48,493                          | 1.47%               | 713       | 1.79%       | 869       | 156        |
| 306.0                              | Lake & River Intakes           | 29,050                          | 2.00%               | 581       | 2.20%       | 639       | 58         |
| 307.0                              | Wells & Springs                | 91,568                          | 2.00%               | 1,831     | 3.33%       |           |            |
| 308.0                              | Infiltration Galleries         |                                 |                     |           | 2.22%       |           |            |
| 309.0                              | Supply Mains                   | 70,046                          | 1.32%               | 925       | 1.57%       | 1,101     | 176        |
| 304.2                              | Structures & Improvements      |                                 |                     |           | 2.44%       |           |            |
| 310.0                              | Power Generation Equipment     | 32,516                          | 6.12%               | 1,990     | 4.55%       |           |            |
| 311.2                              | Electric Pumping Equipment     | 274,332                         | 6.12%               | 16,789    | 4.40%       | 12,071    | -4,719     |
| 311.3                              | Diesel Pumping Equipment       |                                 |                     |           | 1.57%       |           |            |
| 311.6                              | Other Pumping Equipment        |                                 |                     |           | 3.33%       |           |            |
| Water Treatment Equipment:         |                                |                                 |                     |           |             |           |            |
| 304.3                              | Structures & Improvements      | 934,998                         | 2.42%               | 22,627    | 2.14%       | 19,982    | -2,644     |
| 320.0                              | Purification System Equipment  | 15,186                          | 6.67%               | 1,013     | 6.67%       |           |            |
| 320.2                              | Water Treatment Equipment      | 242,682                         | 3.11%               | 7,547     | 3.31%       | 8,038     | 491        |
| Transmission & Distribution Plant: |                                |                                 |                     |           |             |           |            |
| 304.5                              | Structures & Improvements      |                                 |                     |           | 3.14%       |           |            |
| 330.0                              | Distr. Reserv. & Standpipes    | 521,032                         | 2.44%               | 12,713    | 2.18%       |           |            |
| 331.1                              | Mains - 6" & Larger            | 1,555,102                       | 1.81%               | 28,147    | 1.57%       | 24,437    | -3,710     |
| 331.2                              | Mains - 4" & Under             | 1,060,287                       | 1.46%               | 15,480    | 2.75%       | 29,158    | 13,678     |
| 339.0                              | Other Plant & Misc. Equipment  | 8,857                           | 5.63%               | 499       | 2.50%       | 221       | -277       |
| 333.1                              | Services                       | 260,923                         | 2.33%               | 6,080     | 2.44%       | 6,378     | 299        |
| 334.1                              | Meters & Installations         | 305,585                         | 5.00%               | 15,279    | 4.78%       | 14,615    | -664       |
| 335.0                              | Hydrants                       | 77,337                          | 1.35%               | 1,044     | 2.24%       | 1,736     | 692        |
| General Plant:                     |                                |                                 |                     |           |             |           |            |
| 304.4                              | Structures & Improvements      |                                 |                     |           | 3.14%       |           |            |
| 340.0                              | Office Furn. & Equipment       | 2,689                           | 5.00%               | 134       | 8.08%       |           |            |
| 341.0                              | Transportaton Equipment        |                                 |                     |           | 9.44%       |           |            |
| 342.0                              | Stores Equipment               |                                 |                     |           | 4.00%       |           |            |
| 343.0                              | Tools, Shop & Garage Equipment | 40,310                          | 8.25%               | 3,326     | 6.67%       | 2,687     | -638       |
| 344.0                              | Laboratory Equipment           | 3,939                           | 5.00%               | 197       | 5.00%       | 197       |            |
| 345.0                              | Power Operated Equipment       |                                 |                     |           | 6.00%       |           |            |
| 346.0                              | Communications Equipment       | 44,990                          | 5.00%               | 2,250     | 5.26%       | 2,368     | 118        |
| 347.0                              | Computer Equipment             | 26,292                          | 14.29%              | 3,756     | 14.29%      | 3,756     | 0          |
| 348.0                              | Other Miscellaneous Equipment  | 13,055                          | 10.00%              | 1,306     | 10.00%      | 1,306     | 0          |
| Total Depreciable Property         |                                | \$6,640,400                     |                     | \$157,275 |             | \$152,090 | -\$5,185   |
|                                    |                                |                                 |                     |           |             |           |            |
| 301.0                              | Organization                   | 298,621                         |                     |           |             |           |            |
| 303.0                              | Land and Land Rights           | 183,965                         |                     |           |             |           |            |
| Total Utility Plant in Service     |                                | \$7,122,986                     |                     | \$157,275 |             | \$152,090 | -\$5,185   |

Note: Accounts 309.0, 331.1 and 331.2 reflect a reallocation as shown in Appendix B.

## Appendix A

---

---

# ELIZABETHTOWN WATER COMPANY

KAK  
Page

## SUMMARY OF DEPRECIATION STUDY AND ANNUAL DEPRECIATION USING AVERAGE SERVICE LIFE FOR UTILITY PLANT IN SERVICE AS OF DECEMBER 31, 1993

| Acc. No.              | Depreciable Plant Accounts  | Balance Surviving | per Depreciation Study |               |          |              |                |
|-----------------------|-----------------------------|-------------------|------------------------|---------------|----------|--------------|----------------|
|                       |                             |                   | Selected Curve         | Avg Serv Life | Net Salv | Deprec. Rate | Annual Deprec. |
| 303                   | Misc. Intangible Plant      | 179,194           |                        | 65            | 0%       | 1.54%        | \$2,760        |
| 311                   | Supply Struct & Improv      | \$481,899         | R2.5                   | 65            | 0%       | 1.54%        | 7,414          |
| 312                   | Coll & Impound Reservoirs   | 1,420,005         | R0.5                   | 60            | 0%       | 1.67%        | 23,667         |
| 313                   | Lake, River & Other Intakes | 300,511           | S6.0                   | 50            | 0%       | 2.00%        | 6,010          |
| 314                   | Wells & Springs             | 2,181,104         | L0.0                   | 45            | 0%       | 2.22%        | 48,469         |
| 315                   | Infil Galleries & Tunnels   | 118,698           | S1.0                   | 80            | 0%       | 1.25%        | 1,484          |
| 316                   | Supply Mains                | 1,187,545         | R2.5                   | 85            | 0%       | 1.18%        | 13,971         |
| 321                   | Pumping Struct & Improv     | 9,667,421         | L4.0                   | 45            | -10%     | 2.44%        | 236,315        |
| 323                   | Other Production Equip      | 3,601,644         | S6.0                   | 25            | 0%       | 4.00%        | 144,066        |
| 325                   | Electric Pump Equip         | 22,625,052        | R2.0                   | 35            | 0%       | 2.86%        | 646,430        |
| 326                   | Diesel Pump Equip           | 4,249,348         | R1.0                   | 35            | 0%       | 2.86%        | 121,410        |
| 328                   | Other Pump Equip            | 166,462           | R2.5                   | 35            | 0%       | 2.86%        | 4,756          |
| 331                   | WT Struct & Improv          | 13,077,679        | R2.0                   | 35            | -10%     | 3.14%        | 411,013        |
| 332                   | Water Treatment Equip       | 30,644,636        | S1.0                   | 35            | -10%     | 3.14%        | 963,117        |
| 341                   | T&D Struct & Improv         | 3,400,533         | S4.0                   | 50            | -10%     | 2.20%        | 74,812         |
| 342                   | Dist Res & Standpipes       | 13,424,844        | R2.0                   | 75            | -10%     | 1.47%        | 196,898        |
| 343                   | Trans & Dist Mains          | 229,652,972       | L0.0                   | 95            | -5%      | 1.11%        | 2,538,270      |
| 344                   | Fire Mains                  | 119,253           | L0.0                   | 95            | -5%      | 1.11%        | 1,318          |
| 345                   | Services                    | 40,482,996        | R4.0                   | 45            | -50%     | 3.33%        | 1,349,433      |
| 346                   | Meters                      | 13,599,679        | L0.0                   | 25            | 7%       | 3.72%        | 505,908        |
| 347                   | Meter Installation          | 1,747,317         | L0.0                   | 25            | 0%       | 4.00%        | 69,893         |
| 348                   | Hydrants                    | 13,275,726        | S1.0                   | 65            | 5%       | 1.46%        | 194,030        |
| 390                   | Struct & Improv             | 1,365,728         | S0.0                   | 25            | -10%     | 4.40%        | 60,092         |
| 391                   | Office Furniture & Equip    | 4,084,189         | L0.0                   | 15            | 0%       | 6.67%        | 272,279        |
| 392                   | Transportation Equip        | 3,217,740         | L2.0                   | 7             | 10%      | 12.86%       | 413,709        |
| 393                   | Stores Equip                | 49,161            | S6.0                   | 20            | 0%       | 5.00%        | 2,458          |
| 394                   | Tools, Shop, & Garage Eq    | 736,508           | L0.0                   | 15            | 0%       | 6.67%        | 49,101         |
| 395                   | Laboratory Equip            | 888,816           | S2.0                   | 30            | 0%       | 3.33%        | 29,627         |
| 396                   | Power Operated Eq           | 842,768           | L0.0                   | 10            | 10%      | 9.00%        | 75,849         |
| 397                   | Communication Eq            | 1,584,033         | L0.0                   | 15            | 0%       | 6.67%        | 105,602        |
| 398                   | Misc. Equipment             | 224,672           | R0.5                   | 25            | 0%       | 4.00%        | 8,987          |
| 399                   | Other Tangible Eq           | 134,981           | R0.5                   | 25            | 0%       | 4.00%        | 5,399          |
| TOTAL                 |                             | \$418,733,114     |                        |               |          | 2.05%        | \$8,584,546    |
| Total Non-Depreciable |                             | 5,234,785         |                        |               |          |              | 0              |
| TOTAL                 |                             | \$423,967,899     |                        |               |          | 2.02%        | \$8,584,546    |

## ARTESIAN WATER COMPANY, INC.

## SUMMARY OF DEPRECIATION STUDY AND ANNUAL DEPRECIATION USING AVERAGE SERVICE LIFE FOR UTILITY PLANT IN SERVICE AS OF JUNE 30, 1997

| Acc.<br>No. | Depreciable<br>Plant<br>Accounts | Ending<br>Balance<br>Surviving at<br>06/30/97 | per Depreciation Study |                     |             |                 |                   |
|-------------|----------------------------------|---|------------------------|---------------------|-------------|-----------------|-------------------|
|             |                                  |   | Selected<br>Curve      | Avg<br>Serv<br>Life | Net<br>Salv | Deprec.<br>Rate | Annual<br>Deprec. |
| 314         | Wells & Springs                  | 2,986,836                                     | R2.5                   | 45                  | 0%          | 2.10%           | 62,741            |
| 314.1       | Monitoring Wells                 | 101,180                                       | R2.5                   | 45                  | 0%          | 2.10%           | 2,125             |
| 316         | Supply Mains                     | 451,838                                       | SC                     | 85                  | 0%          | 1.11%           | 5,025             |
| 321         | Pumping Struct & Improv          | 1,598,354                                     | R1.0                   | 65                  | -5%         | 1.53%           | 24,406            |
| 325         | Electric Pump Equip              | 2,639,531                                     | L0.0                   | 35                  | 0%          | 2.70%           | 71,288            |
| 331         | WT Struct & Improv               | 4,039,979                                     | R3.0                   | 55                  | -10%        | 1.89%           | 76,377            |
| 332         | Water Treatment Equip            | 1,094,823                                     | R2.5                   | 45                  | 0%          | 2.10%           | 22,998            |
| 342         | Dist Res & Standpipes            | 7,524,034                                     | S1.0                   | 80                  | -5%         | 1.24%           | 93,348            |
| 343         | Trans & Dist Mains               | 62,203,900                                    | L2.0                   | 85                  | -5%         | 1.17%           | 726,346           |
| 345         | Services                         | 10,358,829                                    | S3.0                   | 35                  | -10%        | 2.97%           | 307,745           |
| 345.1       | Temporary Services               | 893   | S3.0                   |                     |             |                 |                   |
| 346         | Meters                           | 6,202,529                                     | L2.0                   | 25                  | 4%          | 3.63%           | 225,142           |
| 348         | Hydrants                         | 3,566,385                                     | S5.0                   | 60                  | 0%          | 1.58%           | 56,187            |
| 390         | Struct & Improv                  | 200,646                                       | R3.0                   | 25                  | -10%        | 4.16%           | 8,345             |
| 390.1       | Leasehold                        | 2,024,933                                     | R3.0                   | 25                  | -10%        | 4.16%           | 84,221            |
| 391         | Office Furniture                 | 471,581                                       | L0.0                   | 30                  | 0%          | 3.15%           | 14,859            |
| 391.1       | Office Equipment                 | 314,853                                       | R1.5                   | 20                  | 0%          | 4.73%           | 14,881            |
| 391.2       | Computer Equipment               | 664,265                                       | SC                     | 8                   | 0%          | 11.82%          | 78,486            |
| 391.4       | Computer Software                | 507,801                                       | SC                     | 5                   | 0%          | 18.91%          | 96,002            |
| 391.5       | Computer Mainframe               | 77,508  | remaining              | 3.25                | 0%          | 10.28%          | 7,966             |
| 392         | Transportation Equip             | 1,643,391                                     | L0.5                   | 10                  | 10%         | 8.51%           | 139,810           |
| 393         | Stores Equip                     | 20,128  | SC                     | 30                  | 0%          | 3.15%           | 634               |
| 394         | Tools, Shop, & Garage Eq         | 211,392                                       | SC                     | 30                  | 0%          | 3.15%           | 6,667             |
| 394.1       | Tools, Shop - Leasehold          | 108,809                                       | SC                     | 30                  | 0%          | 3.15%           | 3,428             |
| 395         | Laboratory Equip                 | 41,763  | L0.0                   | 9                   | 0%          | 10.50%          | 4,386             |
| 396         | Power Operated Eq                | 711,162                                       | SC                     | 15                  | 10%         | 5.67%           | 40,334            |
| 397         | Communication Eq                 | 601,086                                       | L1.5                   | 15                  | 0%          | 6.30%           | 37,871            |
| 398         | Misc. & Other Equip              | 307,415                                       | L0.5                   | 20                  | 0%          | 4.73%           | 14,527            |
| TOTAL       |                                  | \$110,675,844                                 |                        |                     |             | 2.01%           | \$2,226,157       |

Annual Depreciation & Accrual Rates by Account  
For the Twelve Months Ending December 31, 1994 and Pro Forma

Schedule B-3.2

Page 1 of 1

Witness Responsible:

J.F. Guastella

Data: (12) Months Actual and (0) Months Estimated  
Type of Filing: (X) Original ( ) Updated ( ) Revised  
Related Working Papers:

| Line No. | Account Number (A) | Account Description (B)                | Jurisdictional Plant Investment (C) | Accrual Rate (D) | Calculated Depreciation Expense (E) | Percentage Net Salvage (F) | Average Service Life (G) | Curve Form (H) |
|----------|--------------------|--|-------------------------------------|------------------|-------------------------------------|----------------------------|--------------------------|----------------|
| 1        |                    | Source of Supply Plant                 |                                     |                  |                                     |                            |                          |                |
| 2        | 30420              | Structures and Improvements            | 3,617                               | 4.17%            | \$151                               | -25.00%                    | 30                       | N/A            |
| 3        | 30420              | Lake, River and Other Intakes          | 94,717                              | 1.47%            | 1,392                               | -10.00%                    | 75                       |                |
| 4        | 30420              | Wells and Springs                      | 8,974                               | 1.67%            | 150                                 | 0.00%                      | 60                       |                |
| 5        |                    | Pumping Plant                          |                                     |                  |                                     |                            |                          |                |
| 6        | 30430              | Structures and Improvements            | 515,995                             | 2.27%            | 11,713                              | -25.00%                    | 55                       |                |
| 7        | 31030              | Power Generating Equipment             | 249,567                             | 3.30%            | 8,236                               | 0.00%                      | 30                       |                |
| 8        | 31130              | Electric Pump Equipment                | 405,175                             | 3.13%            | 12,682                              | -25.00%                    | 40                       |                |
| 9        |                    | Water Treatment Plant                  |                                     |                  |                                     |                            |                          |                |
| 10       | 30440              | Structures and Improvements            | 1,453,435                           | 2.73%            | 39,679                              | -25.00%                    | 45                       |                |
| 11       | 32040              | Water Treatment Equipment              | 2,537,934                           | 3.57%            | 90,604                              | -25.00%                    | 35                       |                |
| 12       |                    | Transmission & Distribution Plant      |                                     |                  |                                     |                            |                          |                |
| 13       | 30450              | Structures and Improvements            | 9,879                               | 4.17%            | 412                                 | -25.00%                    |                          |                |
| 14       | 33050              | Distribution Reservoirs and Standpipes | 791,970                             | 1.67%            | 13,226                              | 0.00%                      | 60                       |                |
| 15       | 33150              | Mains                                  | 14,289,958                          | 1.89%            | 270,080                             | -70.00%                    | 80                       |                |
| 16       | 33350              | Services                               | 5,468,532                           | 3.33%            | 182,102                             | -100.00%                   | 60                       |                |
| 17       | 33450              | Meters                                 | 1,390,773                           | 6.21%            | 86,367                              | 14.00%                     | 14                       |                |
| 18       | 33450              | Meter Installations                    | 1,160,631                           | 4.44%            | 51,532                              | -100.00%                   | 45                       |                |
| 19       | 33550              | Hydrants                               | 1,475,226                           | 3.95%            | 58,271                              | -70.00%                    | 43                       |                |
| 20       |                    | General Plant                          |                                     |                  |                                     |                            |                          |                |
| 21       | 30460              | Structures and Improvements            | 453,010                             | 4.00%            | 19,120                              | 0.00%                      | 25                       |                |
| 22       | 34060              | Office Furniture and Equipment         | 188,394                             | 4.74%            | 8,930                               | 10.00%                     | 19                       |                |
| 23       | 34160              | Transportation Equipment               | 479,393                             | 10.77%           | 51,631                              | 30.00%                     | 6                        |                |
| 24       | 34260              | Stores Equipment                       | 5,772                               | 3.28%            | 189                                 | 5.00%                      | 29                       |                |
| 25       | 34360              | Tools, Shop and Garage Equipment       | 484,998                             | 7.31%            | 35,453                              | 5.00%                      | 13                       |                |
| 26       | 34460              | Laboratory Equipment                   | 86,844                              | 5.00%            | 4,342                               | 0.00%                      | 20                       |                |
| 27       | 34560              | Power Operated Equipment               | 115,219                             | 5.00%            | 5,761                               | 50.00%                     | 10                       |                |
| 28       | 34560              | Communication Equipment                | 194,605                             | 12.50%           | 24,325                              | 0.00%                      | 8                        |                |
| 29       |                    |  |                                     |                  |                                     |                            |                          |                |
| 30       |                    | Subtotal                               | \$31,064,618                        | 3.06%            | \$975,349                           |                            |                          |                |
| 31       |                    | CIAC                                   | 7,275,225                           | 1.89%            | 137,502                             |                            |                          |                |
| 32       |                    | Pro Forma Jurisdictional               |                                     |                  |                                     |                            |                          |                |
| 33       |                    | Depreciation Expense                   | \$24,589,393                        |                  | \$837,847                           |                            |                          |                |

Depreciation Study - Summary of Recommendations

| Line No. | Account Number (A) | Account Description (B)                | Average Service Life  |                 | Depreciation Rates    |                 |
|----------|--------------------|--|-----------------------|-----------------|-----------------------|-----------------|
|          |                    |  | Comparative Range (C) | Recommended (D) | Comparative Range (E) | Recommended (F) |
| 1        |                    | Source of Supply Plant                 |                       |                 |                       |                 |
| 2        | 30420              | Structures and Improvements            | 25-75                 | 30              | 1.33-2.92%            | 4.17%           |
| 3        | 30420              | Lake, River and Other Intakes          | 16-75                 | 75              | 1.33-6.35%            | 1.47%           |
| 4        | 30420              | Wells and Springs                      | 22-45                 | 60              | 2.44-4.50%            | 1.67%           |
| 5        |                    |  |                       |                 |                       |                 |
| 6        |                    | Pumping Plant                          |                       |                 |                       |                 |
| 7        | 30430              | Structures and Improvements            | 28-60                 | 55              | 1.87-3.55%            | 2.27%           |
| 8        | 31030              | Power Generating Equipment             | 16-40                 | 30              | 2.43-6.32%            | 3.30%           |
| 9        | 31130              | Electric Pump Equipment                | 17-43                 | 40              | 2.33-5.87%            | 3.13%           |
| 10       |                    |  |                       |                 |                       |                 |
| 11       |                    | Water Treatment Plant                  |                       |                 |                       |                 |
| 12       | 30440              | Structures and Improvements            | 34-66                 | 45              | 1.51-2.94%            | 2.73%           |
| 13       | 32040              | Water Treatment Equipment              | 26-62                 | 35              | 1.62-5.12%            | 3.57%           |
| 14       |                    |  |                       |                 |                       |                 |
| 15       |                    | Transmission & Distribution Plant      |                       |                 |                       |                 |
| 16       | 30450              | Structures and Improvements            | 25-75                 | 30              | 1.33-2.92%            | 4.17%           |
| 17       | 33050              | Distribution Reservoirs and Standpipes | 44-75                 | 60              | 1.54-2.92%            | 1.67%           |
| 18       | 33150              | Mains                                  | 49-106                | 90              | 0.96-2.33%            | 1.89%           |
| 19       | 33350              | Services                               | 34-45                 | 60              | 2.20-3.33%            | 3.33%           |
| 20       | 33450              | Meters (1)                             | 23-61                 | 14              | 1.62-4.33%            | 6.21%           |
| 21       | 33450              | Meter Installations                    | 23-61                 | 45              | 1.62-4.33%            | 4.44%           |
| 22       | 33550              | Hydrants                               | 27-75                 | 43              | 1.37-3.70%            | 3.95%           |
| 23       |                    |  |                       |                 |                       |                 |
| 24       |                    | General Plant                          |                       |                 |                       |                 |
| 25       | 30460              | Structures and Improvements            | 28-55                 | 25              | 1.83-3.78%            | 4.00%           |
| 26       | 34060              | Office Furniture and Equipment         | 5-23                  | 19              | 4.32-18.71%           | 4.74%           |
| 27       | 34160              | Transportation Equipment               | 6-8                   | 6               | 12.50-16.98%          | 10.77%          |
| 28       | 34260              | Stores Equipment                       | 15-46                 | 29              | 2.16-7.01%            | 3.28%           |
| 29       | 34360              | Tools, Shop and Garage Equipment       | 14-32                 | 13              | 3.17-6.08%            | 7.31%           |
| 30       | 34460              | Laboratory Equipment                   | 10-25                 | 20              | 4.00-9.44%            | 5.00%           |
| 31       | 34560              | Power Operated Equipment               | 7-25                  | 10              | 4.00-10.37%           | 5.00%           |
| 32       | 34660              | Communication Equipment                | 5-17                  | 8               | 5.88-19.89%           | 12.50%          |

(1) Recommended figures reflect an average of different types within the account.

Pro Forma Depreciation Expense Calculation

| Line No.                          | Account Number | Account Description                    | Ave. Future Test Year Depreciable Plant | Recommended Depreciation |           | Percentage Net Salvage | Average Service Life |
|-----------------------------------|----------------|--|---|--------------------------|-----------|------------------------|----------------------|
|                                   |                |  |   | Rate                     | Expense   |                        |                      |
| Intangible Plant                  |                |  |   |                          |           |                        |                      |
| 1                                 | 30115          | Organization                           | 50                                      | -                        | \$0       | -                      | -                    |
| 2                                 | 30215          | Franchises & Consents                  | 0                                       | -                        | 0         | -                      | -                    |
| 3                                 |                |  |   |                          |           |                        |                      |
| Source of Supply Plant            |                |  |   |                          |           |                        |                      |
| 5                                 | 30325          | Land and Land Rights                   | 0                                       | -                        | 0         | -                      | -                    |
| 6                                 | 30425          | Structures and Improvements            | 25,819                                  | 4.17%                    | 1,077     | -25.00%                | 30                   |
| 7                                 | 30725          | Wells and Springs                      | 321,887                                 | 1.67%                    | 5,376     | 0.00%                  | 60                   |
| 8                                 | 30925          | Supply Mains                           | 21,783                                  | 1.89%                    | 412       | -70.00%                | 90                   |
| 9                                 |                |  |   |                          |           |                        |                      |
| Pumping Plant                     |                |  |   |                          |           |                        |                      |
| 11                                | 30435          | Structures and Improvements            | 1,335                                   | 2.78%                    | 37        | -25.00%                | 45                   |
| 12                                | 31030          | Power Generation Equipment             | 90,000                                  | 3.33%                    | 2,997     | 0.00%                  | 30                   |
| 13                                | 31135          | Electric Pump Equipment                | 130,662                                 | 3.13%                    | 4,090     | -25.00%                | 40                   |
| 14                                |                |  |   |                          |           |                        |                      |
| Water Treatment Plant             |                |  |   |                          |           |                        |                      |
| 16                                | 30445          | Structures and Improvements            | 588,000                                 | 2.78%                    | 16,346    | -25.00%                | 45                   |
| 17                                | 32045          | Water Treatment Equipment              | 355,106                                 | 3.57%                    | 12,677    | -25.00%                | 35                   |
| 18                                |                |  |   |                          |           |                        |                      |
| Transmission & Distribution Plant |                |  |   |                          |           |                        |                      |
| 20                                | 33055          | Distribution Reservoirs and Standpipes | 193,767                                 | 1.67%                    | 3,236     | 0.00%                  | 60                   |
| 21                                | 33155          | Mains                                  | 423,347                                 | 1.89%                    | 8,001     | -70.00%                | 90                   |
| 22                                | 33355          | Services                               | 808,892                                 | 3.33%                    | 26,936    | -100.00%               | 60                   |
| 23                                | 33455          | Meters                                 | 122,074                                 | 6.14%                    | 7,495     | 14.00%                 | 14                   |
| 24                                | 33455          | Meter Installations                    | 55,571                                  | 4.44%                    | 2,467     | -100.00%               | 45                   |
| 25                                | 33555          | Hydrants                               | 44,713                                  | 3.95%                    | 1,766     | -70.00%                | 43                   |
| 26                                |                |  |   |                          |           |                        |                      |
| General Plant                     |                |  |   |                          |           |                        |                      |
| 28                                | 30365          | Land and Land Rights                   | 0                                       | -                        | 0         | -                      | -                    |
| 29                                | 30465          | Structures and Improvements            | 0                                       | 5.00%                    | 0         | -25.00%                | 25                   |
| 30                                | 34065          | Office Furniture and Equipment         | 34,538                                  | 4.74%                    | 1,637     | 10.00%                 | 19                   |
| 31                                | 34165          | Transportation Equipment               | 72,834                                  | 11.67%                   | 8,500     | 30.00%                 | 6                    |
| 32                                | 34365          | Tools, Shop and Garage Equipment       | 56,087                                  | 7.31%                    | 4,100     | 5.00%                  | 13                   |
| 33                                | 34465          | Laboratory Equipment                   | 5,876                                   | 5.00%                    | 294       | 0.00%                  | 20                   |
| 34                                | 34665          | Communication Equipment                | 38,092                                  | 12.50%                   | 4,762     | 0.00%                  | 8                    |
| 35                                | 34765          | Miscellaneous Equipment                | 1,074                                   | 6.67%                    | 72        | 0.00%                  | 15                   |
| 36                                |                |  |   |                          |           |                        |                      |
| 37                                |                | Subtotal                               | 3,391,457                               | 3.31%                    | 112,278   |                        |                      |
| 38                                |                | CIAC                                   | (421,264)                               | 1.89%                    | (7,962)   | -70.00%                | 90                   |
| 39                                |                | Other                                  | 9,099                                   | 1.89%                    | 172       | -70.00%                | 90                   |
| 40                                |                |  |   |                          |           |                        |                      |
| 41                                |                | Total                                  | \$2,979,292                             | 3.51%                    | \$104,488 |                        |                      |

ILLINOIS-AMERICAN WATER COMPANY  
AVERAGE SERVICE LIFE AND NET SALVAGE

Docket No. 92-0116  
ICC Ex. 8.02 (Revised)

| ACCOUNT<br>NUMBER                 | ACCOUNT<br>TITLE                     | COMPANY                    |                               | STAFF                      |                               | CALCULATED<br>STAFF<br>DEPRECIATION<br>RATE |
|-----------------------------------|--------------------------------------|----------------------------|-------------------------------|----------------------------|-------------------------------|---|
|                                   |                                      | AVERAGE<br>SERVICE<br>LIFE | NET<br>SALVAGE<br>PERCENT (%) | AVERAGE<br>SERVICE<br>LIFE | NET<br>SALVAGE<br>PERCENT (%) |   |
|                                   |                                      |                            |                               |                            |                               |   |
| SOURCE OF SUPPLY PLANT            |                                      |                            |                               |                            |                               |   |
| 311.00                            | SS Structures & Improvements         | 30                         | -25%                          | 30                         | -25%                          | 4.17%                                       |
| 312.00                            | Collecting and Impounding Reservoirs | 50                         | 0%                            | 50                         | 0%                            | 2.0   |
| 313.00                            | Lake, River & Other Intakes          | 60                         | -25%                          | 75                         | -10%                          | 1.47  |
| 314.00                            | Wells & Springs                      | 35                         | 0%                            | 60                         | 0%                            | 1.67  |
| 316.00                            | Supply Mains                         | 75                         | -10%                          | 90                         | -10%                          | 1.22  |
| 317.00                            | Other Water Source Plant             | 0                          | 0%                            | 0                          | 0%                            |   |
| PUMPING EQUIPMENT                 |                                      |                            |                               |                            |                               |   |
| 321.00                            | Pumping Structures & Improvements    | 50                         | -25%                          | 55                         | -25%                          | 2.27  |
| 323.20                            | Other Power Production Equipment     | 25                         | -5%                           | 30                         | 0%                            | 2.50  |
| 325.00                            | Electric Pumping Equipment           | 35                         | -25%                          | 40                         | -25%                          | 3.13  |
| 326.00                            | Diesel Pumping Equipment             | 22                         | 0%                            | 30                         | 0%                            | 3.33  |
| 328.00                            | Other Pumping Equipment              | 0                          | 0%                            | 20                         | 0%                            | 5.0   |
| WATER TREATMENT PLANT             |                                      |                            |                               |                            |                               |   |
| 331.00                            | WT Structures & Improvements         | 40                         | -25%                          | 45                         | -25%                          | 2.78  |
| 332.00                            | Water Treatment Equipment            | 35                         | -50%                          | 35                         | -25%                          | 3.57  |
| TRANSMISSION & DISTRIBUTION PLANT |                                      |                            |                               |                            |                               |   |
| 342.00                            | Dist. Reservoirs & Standpipes        | 50                         | 0%                            | 60                         | 0%                            | 1.67  |
| 343.00                            | Trans. & Dist. Mains                 | 90                         | -70%                          | 90                         | -70%                          | 1.89  |
| 345.00                            | Services                             | 60                         | -200%                         | 60                         | -100%                         | 3.33  |
| 346.00                            | Meters - Metal                       | 30                         | 20%                           | 30                         | 20%                           | 2.67  |
| 346.00                            | Meters - Plastic                     | 10                         | 0%                            | 10                         | 0%                            | 10.0  |
| 347.00                            | Meter Installations                  | 40                         | -200%                         | 45                         | -100%                         | 4.44  |
| 348.00                            | Hydrants                             | 40                         | -100%                         | 43                         | -70%                          | 3.95  |



ILLINOIS-AMERICAN WATER COMPANY  
AVERAGE SERVICE LIFE AND NET SALVAGE

Docket No. 92-0116  
ICC Ex. B.02 (Revised)

| ACCOUNT<br>NUMBER | ACCOUNT<br>TITLE                       | COMPANY                    |                               | STAFF                      |                               | CALCULATED<br>STAFF<br>DEPRECIATION<br>RATE |
|-------------------|--|----------------------------|-------------------------------|----------------------------|-------------------------------|---|
|                   |  | AVERAGE<br>SERVICE<br>LIFE | NET<br>SALVAGE<br>PERCENT (%) | AVERAGE<br>SERVICE<br>LIFE | NET<br>SALVAGE<br>PERCENT (%) |   |
|                   |  |                            |                               |                            |                               |   |
| GENERAL PLANT     |  |                            |                               |                            |                               |   |
| 390.10            | Office Structures                      | 25                         | 0%                            | 25                         | 0%                            | 4.0%  |
| 390.20            | Stores, Shop & Garage Structures       | 25                         | -10%                          | 25                         | 0%                            | 4.0   |
| 390.30            | Misc. Structures & Improvements        | 25                         | -10%                          | 25                         | 0%                            | 4.0   |
| 391.10            | Office Furniture & Equipment           | 20                         | 10%                           | 19                         | 10%                           | 4.74  |
| 391.21            | Data Handling Equipment                | 5                          | 10%                           | 5                          | 10%                           | 18.0  |
| 391.22            | Other Office Equipment                 | 10                         | 10%                           | 10                         | -10%                          | 11.0  |
| 391.23            | Computer Programs                      | 5                          | 0%                            | 5                          | 0%                            | 20.0  |
| 392.11            | Transportation Equipment - Heavy Truck | 5                          | 40%                           | 5                          | 40%                           | 12.0  |
| 392.12            | Transportation Equipment - Light Truck | 7                          | 30%                           | 6.5                        | 30%                           | 10.77                                       |
| 392.20            | Transportation Equipment - Cars        | 4                          | 35%                           | 3.5                        | 35%                           | 18.57                                       |
| 392.30            | Transportation Equipment - Other       | 10                         | 0%                            | 10                         | 0%                            | 10.0  |
| 393.00            | Stores Equipment                       | 20                         | 5%                            | 29                         | 5%                            | 3.28  |
| 394.00            | Tools, Shop & Garage Equipment         | 12                         | 5%                            | 13                         | 5%                            | 7.31  |
| 395.00            | Laboratory Equipment                   | 15                         | 0%                            | 20                         | 0%                            | 5.0   |
| 396.00            | Power Operated Equipment               | 10                         | 50%                           | 10                         | 50%                           | 5.0   |
| 397.00            | Communication Equipment                | 8                          | 0%                            | 8                          | 0%                            | 12.5  |
| 398.00            | Miscellaneous Equipment                | 15                         | 0%                            | 15                         | 0%                            | 6.67  |
| INTANGIBLE PLANT  |  |                            |                               |                            |                               |   |
| 301.00            | Organization                           | 0                          | 0%                            | 0                          | 0%                            |   |
| 302.00            | Franchise & Consents                   | 0                          | 0%                            | 0                          | 0%                            |   |
|                   | Land and Land Rights                   | 0                          | 0%                            | 0                          | 0%                            |   |

## CONSUMERS ILLINOIS WATER COMPANY

ICC Staff Exhibit 5.0  
Docket No. 95-0342

Schedule 5.01

| ACCOUNT<br>NUMBER                            | ACCOUNT<br>TITLE              | PLANT<br>BALANCE (\$) | NET SALVAGE<br>(%) | AMOUNT (\$)    | UNRECOVERED<br>COST (\$) | AVERAGE<br>LIFE (Yrs.) | ANNUAL EXPENSE<br>AMOUNT (\$) | PERCENT (%) |
|--|-------------------------------|-----------------------|--------------------|----------------|--------------------------|------------------------|-------------------------------|-------------|
| <b>SOURCE OF SUPPLY</b>                      |                               |                       |                    |                |                          |                        |                               |             |
| 304.00                                       | Structures & Improvements     | \$3,617               | -25%               | (\$904)        | \$4,521                  | 30.0                   | \$151                         | 4.17%       |
| 305.00                                       | Collect & Impound Res.        | \$0                   | 0%                 | \$0            | \$0                      | 0.0                    | \$0                           | 0.00%       |
| 306.00                                       | Lakes, Rivers & Other Intakes | \$94,717              | -10%               | (\$9,472)      | \$104,189                | 75.0                   | \$1,389                       | 1.47%       |
| 307.00                                       | Wells & Springs               | \$8,974               | 0%                 | \$0            | \$8,974                  | 60.0                   | \$150                         | 1.67%       |
| 308.00                                       | Infiltr Galleries & Tunnels   | \$0                   | 0%                 | \$0            | \$0                      | 0.00                   | \$0                           | 0.00%       |
| 309.00                                       | Supply Mains                  | \$0                   | 0%                 | \$0            | \$0                      | 0.00                   | \$0                           | 0.00%       |
|  | Subtotal                      | \$107,308             |                    | (\$10,376)     | \$117,684                |                        | \$1,689                       | 1.57%       |
| <b>PUMPING EQUIPMENT</b>                     |                               |                       |                    |                |                          |                        |                               |             |
|  | Structures & Improvements     | \$515,995             | -25%               | (\$128,999)    | \$644,994                | 55.0                   | \$11,727                      | 2.27%       |
| 310.00                                       | Power Generating Equip.       | \$249,567             | 0%                 | \$0            | \$249,567                | 30.0                   | \$8,319                       | 3.33%       |
| 311.00                                       | Pumping Equipment             | \$405,175             | -25%               | (\$101,294)    | \$506,469                | 40.0                   | \$12,662                      | 3.13%       |
|  | Subtotal                      | \$1,170,737           |                    | (\$230,293)    | \$1,401,030              |                        | \$32,708                      | 2.79%       |
| <b>WATER TREATMENT PLANT</b>                 |                               |                       |                    |                |                          |                        |                               |             |
|  | Structures & Improvements     | \$1,453,435           | -25%               | (\$363,359)    | \$1,816,794              | 45.0                   | \$40,373                      | 2.78%       |
| 520.00                                       | Water Treatment Equipment     | \$2,537,934           | -25%               | (\$634,484)    | \$3,172,418              | 35.0                   | \$90,641                      | 3.57%       |
|  | Subtotal                      | \$3,991,369           |                    | (\$997,843)    | \$4,989,211              |                        | \$131,014                     | 3.28%       |
| <b>TRANSMISSION &amp; DISTRIBUTION PLANT</b> |                               |                       |                    |                |                          |                        |                               |             |
|  | Structures & Improvements     | \$9,879               | -25%               | (\$2,470)      | \$12,349                 | 30.0                   | \$412                         | 4.17%       |
| 530.00                                       | Dist. Res. & Standpipe        | \$791,970             | 0%                 | \$0            | \$791,970                | 60.0                   | \$13,200                      | 1.67%       |
| 531.00                                       | Mains                         | \$14,289,958          | -70%               | (\$10,002,971) | \$24,292,929             | 90.0                   | \$269,921                     | 1.89%       |
| 533.00                                       | Service                       | \$5,468,532           | -100%              | (\$5,468,532)  | \$10,937,064             | 60.0                   | \$182,284                     | 3.33%       |
| 534.00                                       | Meters                        | \$1,390,773           | 14%                | \$194,708      | \$1,196,065              | 14.0                   | \$85,433                      | 6.14%       |
| 534.00                                       | Meter Installation            | \$1,160,631           | -100%              | (\$1,160,631)  | \$2,321,262              | 49.0                   | \$51,584                      | 4.44%       |
| 535.00                                       | Hydrants                      | \$1,475,226           | -70%               | (\$1,032,658)  | \$2,507,884              | 43.0                   | \$58,323                      | 3.95%       |
|  | Subtotal                      | \$24,586,969          |                    | (\$17,472,553) | \$42,059,522             |                        | \$661,157                     | 2.69%       |
| <b>GENERAL PLANT</b>                         |                               |                       |                    |                |                          |                        |                               |             |
|  | Structures & Improvements     | \$453,010             | 0%                 | \$0            | \$453,010                | 25.0                   | \$18,120                      | 4.00%       |
| 541.00                                       | Office Furniture              | \$188,394             | 10%                | \$18,839       | \$169,555                | 19.0                   | \$8,924                       | 4.74%       |
| 542.00                                       | Transportation Equipment      | \$479,393             | 30%                | \$143,818      | \$335,575                | 6.0                    | \$55,929                      | 11.67%      |
| 543.00                                       | Stores Equipment              | \$5,772               | 5%                 | \$289          | \$5,483                  | 29.0                   | \$189                         | 3.28%       |
| 544.00                                       | Tools, Shop & Garage Equip.   | \$484,998             | 5%                 | \$24,250       | \$460,748                | 13.0                   | \$35,442                      | 7.31%       |
| 545.00                                       | Laboratory Equip.             | \$86,844              | 0%                 | \$0            | \$86,844                 | 20.0                   | \$4,342                       | 5.00%       |
| 546.00                                       | Power Operated Equip.         | \$115,219             | 50%                | \$57,610       | \$57,610                 | 10.0                   | \$5,761                       | 5.00%       |
| 547.00                                       | Communication Equip.          | \$194,605             | 0%                 | \$0            | \$194,605                | 8.0                    | \$24,326                      | 12.50%      |
|  | Misc. Equip.                  | \$0                   | 0%                 | \$0            | \$0                      | 0.0                    | \$0                           | 0.00%       |
|  | GENERAL PLANT SUBTOTAL        | \$2,008,235           |                    | \$244,805      | \$1,763,430              |                        | \$153,034                     | 7.64%       |
|  | SUBTOTAL UTILITY PLANT        | \$31,864,618          |                    | (\$18,466,259) | \$50,330,877             |                        | \$979,601                     | 3.07%       |
| <b>INTANGIBLE PLANT</b>                      |                               |                       |                    |                |                          |                        |                               |             |
| 501.00                                       | Organization                  | \$496,931             |                    |                | \$496,931                |                        |                               |             |
| 502.00                                       | Franchise & Consents          | \$147,180             |                    |                | \$147,180                |                        |                               |             |
| 503.00                                       | Land and Land Rights          | \$194,009             |                    |                | \$194,009                |                        |                               |             |
|  | TOTAL                         | \$838,120             |                    |                | \$838,120                |                        |                               |             |
|  | TOTAL UTILITY PLANT           | \$32,702,738          |                    | (\$18,466,259) | \$51,168,997             |                        | \$979,601                     | 3.00%       |

|                |                  |  |
|----------------|------------------|--|
|                | Suggested        |  |
|                | Average          |  |
| Class of Plant | Service Life (1) |  |

Source of Water Plant

## Structures and Improvements

|                              |    |
|------------------------------|----|
| Wood Frame                   | 30 |
| Steel                        | 40 |
| Cement Block                 | 40 |
| Reinforced Concrete or Brick | 50 |
| Miscellaneous                | 25 |

## Collecting and Impounding Reservoirs

|                       |    |
|-----------------------|----|
| Wood Structures       | 35 |
| Earth Fill Structures | 60 |
| Concrete Structures   | 75 |

## Lake, River and Other Intakes

|                     |    |
|---------------------|----|
| Wood Structures     | 35 |
| Concrete Structures | 60 |

## Springs and Tunnels

30-50

## Wells

25-50

## Mains

|                     | Over<br>6" | 4"-6" | Under<br>4" |
|---------------------|------------|-------|-------------|
| Cast Iron           | 75         | 60    |             |
| Asbestos Cement     | 60         | 60    |             |
| Steel, Cement Lined | 50         | 50    |             |
| Concrete            | 50         | 50    |             |
| Other               | 45         | 40    | 25          |

## Other Source of Supply Plant

25

## Pumping Equipment

20-30

## Other Pumping Plant

10-25

## Water Treatment Equipment

|              |       |
|--------------|-------|
| Chlorinators | 15-30 |
| Other        | 25-35 |

## Reservoirs and Tanks

|               |    |
|---------------|----|
| Earth         | 50 |
| Concrete      | 60 |
| Steel         | 50 |
| Redwood       | 40 |
| Miscellaneous | 25 |

## Services

|            |    |
|------------|----|
| Galvanized | 35 |
| Copper     | 50 |

## Meters

35-50

## Meter Installations

35

## Hydrants

|          |    |
|----------|----|
| Wharf    | 40 |
| Standard | 50 |

## Office Furniture and Equipment

15

## Transportation Equipment

7

## Stores Equipment

15

## Laboratory Equipment

15

## Communication Equipment

10

## Power Operating Equipment

12

## Tools, Shop and Garage Equipment

15

## Other General Plant

15

(1) These lives are intended only as a guide. Longer or shorter lives  
should be used where conditions warrant.

APPENDIX C  
Page 1 of 2

NAKUC 1977

TYPICAL AVERAGE SERVICE LIVES,  
SALVAGE RATES, AND DEPRECIATION RATES

SMALL WATER UTILITIES

| : Acct. :<br>: No. : | : Class of Plant :                         | : Average Service: : Net : Depreciation: |                               |
|----------------------|--|--|-------------------------------|
|                      |  | : Life : Salvage : Rate :                | : Years : Percent : Percent : |
|                      | <u>Source of Supply Plant</u>              |  |                               |
| 311                  | Structures and Improvements                | 35-40                                    | 2.9-2.5                       |
| 312                  | Collecting & Impounding Reservoirs         | 50-75                                    | 2.0-1.3                       |
| 313                  | Lake, River and Other Intakes              | 35-45                                    | 2.9-2.2                       |
| 314                  | Wells and Springs                          | 25-35                                    | 4.0-2.9                       |
| 315                  | Galleries and Tunnels                      | 25-50                                    | 4.0-2.0                       |
| 316                  | Supply Mains                               | 50-75                                    | 2.0-1.3                       |
| 317                  | Other Source of Water Supply Plant         | 30-40                                    | 3.3-2.5                       |
|                      | <u>Pumping Plant</u>                       |  |                               |
| 321                  | Structures and Improvements                | 35-40                                    | 2.9-2.5                       |
| 322-7                | Pumping Equipment                          | 20                                       | 5.0                           |
| 323                  | Other Pumping Plant                        | 25                                       | 4.0                           |
|                      | <u>Water Treatment Plant</u>               |  |                               |
| 331                  | Structures and Improvements                | 35-40                                    | 2.9-2.5                       |
| 332                  | Water Treatment Equipment                  | 20-35                                    | 5.0-2.9                       |
|                      | <u>Transmission and Distribution Plant</u> |  |                               |
| 341                  | Structures and Improvements                | 35-40                                    | 2.9-2.5                       |
| 342                  | Reservoirs and Tanks                       | 30-60                                    | 3.3-1.7                       |
| 343                  | Transmission and Distribution Mains        | 50-75                                    | 2.0-1.3                       |
| 344                  | Fire Mains                                 | 50-75                                    | 2.0-1.3                       |
| 345                  | Services                                   | 30-50                                    | 3.3-2.0                       |
| 346                  | Meters                                     | 35-45                                    | 10 2.5-2.0                    |

a/ These lives are intended as a guide;  
longer or shorter lives should be used  
where conditions warrant.

FIGURE 1  
Typical Average Service Lives,  
Salvage Rates, and Depreciation Rates

Small Water Utilities

| NARUC<br>Account<br>Number                 | Class of Plant                      | Average Service<br>Life <sup>a/</sup><br>Years | Net<br>Salvage<br>Percent | Depreciation<br>Rate<br>Percent |
|--|-------------------------------------|--|---------------------------|---------------------------------|
| <u>Source of Supply Plant</u>              |                                     |  |                           |                                 |
| 311  | Structures and Improvements         | 35-40  |                           | 2.9-2.5                         |
| 312  | Collecting & Impounding Reservoirs  | 50-75  |                           | 2.0-1.3                         |
| 313  | Lake, River and Other Intakes       | 35-45  |                           | 2.9-2.2                         |
| 314  | Wells and Springs                   | 25-35  |                           | 4.0-2.9                         |
| 315  | Galleries and Tunnels               | 25-50  |                           | 4.0-2.0                         |
| 316  | Supply Mains                        | 50-75  |                           | 2.0-1.3                         |
| 317  | Other Source of Water Supply Plant  | 30-40  |                           | 3.3-2.5                         |
| <u>Pumping Plant</u>                       |                                     |  |                           |                                 |
| 321  | Structures and Improvements         | 35-40  |                           | 2.9-2.5                         |
| 324-7                                      | Pumping Equipment                   | 20   |                           | 5.0                             |
| 328  | Other Pumping Plant                 | 25   |                           | 4.0                             |
| <u>Water Treatment Plant</u>               |                                     |  |                           |                                 |
| 331  | Structures and Improvements         | 35-40  |                           | 2.9-2.5                         |
| 332  | Water Treatment Equipment           | 20-35  |                           | 5.0-2.9                         |
| <u>Transmission and Distribution Plant</u> |                                     |  |                           |                                 |
| 341  | Structures and Improvements         | 35-40  |                           | 2.9-2.5                         |
| 342  | Reservoirs and Tanks                | 30-60  |                           | 3.3-1.7                         |
| 343  | Transmission and Distribution Mains | 50-75  |                           | 2.0-1.3                         |
| 344  | Fire Mains                          | 50-75  |                           | 2.0-1.3                         |
| 345  | Services                            | 30-50  |                           | 3.3-2.0                         |
| 346  | Meters                              | 35-45  | 10                        | 2.6-2.0                         |
| 347  | Meter Installations                 | 40-50  |                           | 2.5-2.0                         |
| 348  | Hydrants                            | 40-60  | 5                         | 2.4-1.6                         |
| <u>General Plant</u>                       |                                     |  |                           |                                 |
| 390  | Structures & Improvements           | 35-40  |                           | 2.9-2.5                         |
| 391  | Office Furniture and Equipment      | 20-25  | 5                         | 4.8-3.8                         |
| 392  | Transportation Equipment            | 7  | 10                        | 12.9                            |
| 393  | Stores Equipment                    | 20   |                           | 5.0                             |
| 394  | Tools, Shop & Garage Equipment      | 15-20  | 5                         | 6.3-4.8                         |
| 395  | Laboratory Equipment                | 15-20  |                           | 6.7-5.0                         |
| 396  | Power Operated Equipment            | 10-15  | 10                        | 9.0-6.0                         |
| 397  | Communication Equipment             | 10   | 10                        | 9.0                             |

a/ These lives are intended as a guide; longer or shorter lives should be used where conditions warrant.

Typical Average Service Lives,  
Salvage Rates, and Depreciation Rates

RAK 2.00

Page 1

NARUC 1981

Small Water Utilities

| NARUC<br>Account<br>Number                 | Class of Plant                      | Average Service | Net                | Depreciation    |
|--|-------------------------------------|-----------------|--------------------|-----------------|
|  |                                     | Life<br>Years   | Salvage<br>Percent | Rate<br>Percent |
| <u>Source of Supply Plant</u>              |                                     |                 |                    |                 |
| 11   | Structures and Improvements         | 35-40           |                    | 2.9-2.5         |
| 12   | Collecting & Impounding Reservoirs  | 50-75           |                    | 2.0-1.3         |
| 13   | Lake, River and Other Intakes       | 35-45           |                    | 2.9-2.2         |
| 14   | Wells and Springs                   | 25-35           |                    | 4.0-2.9         |
| 15   | Galleries and Tunnels               | 25-50           |                    | 4.0-2.0         |
| 16   | Supply Mains                        | 50-75           |                    | 2.0-1.3         |
| 17   | Other Source of Water Supply Plant  | 30-40           |                    | 3.3-2.5         |
| <u>Pumping Plant</u>                       |                                     |                 |                    |                 |
| 321  | Structures and Improvements         | 35-40           |                    | 2.9-2.5         |
| 324-7                                      | Pumping Equipment                   | 20              |                    | 5.0             |
| 328  | Other Pumping Plant                 | 25              |                    | 4.0             |
| <u>Water Treatment Plant</u>               |                                     |                 |                    |                 |
| 331  | Structures and Improvements         | 35-40           |                    | 2.9-2.5         |
| 332  | Water Treatment Equipment           | 20-35           |                    | 5.0-2.9         |
| <u>Transmission and Distribution Plant</u> |                                     |                 |                    |                 |
| 341  | Structures and Improvements         | 35-40           |                    | 2.9-2.5         |
| 342  | Reservoirs and Tanks                | 30-60           |                    | 3.3-1.7         |
| 343  | Transmission and Distribution Mains | 50-75           |                    | 2.0-1.3         |
| 344  | Fire Mains,                         | 50-75           |                    | 2.0-1.3         |
| 345  | Services                            | 30-50           |                    | 3.3-2.0         |
| 346  | Meters                              | 35-45           | 10                 | 2.6-2.0         |
| 347  | Meter Installations                 | 40-50           |                    | 2.5-2.0         |
| 348  | Hydrants                            | 40-60           | 5                  | 2.4-1.6         |
| <u>General Plant</u>                       |                                     |                 |                    |                 |
| 390  | Structures & Improvements           | 35-40           |                    | 2.9-2.5         |
| 391  | Office Furniture and Equipment      | 20-25           | 5                  | 4.8-3.2         |
| 392  | Transportation Equipment            | 7               | 10                 | 12.9            |
| 393  | Stores Equipment                    | 20              |                    | 5.0             |
| 394  | Tools, Shop & Garage Equipment      | 15-20           | 5                  | 6.3-4.8         |
| 395  | Laboratory Equipment                | 15-20           |                    | 6.7-5.0         |
| 396  | Power Operated Equipment            | 10-15           | 10                 | 9.0-6.0         |
| 397  | Communication Equipment             | 10              | 10                 | 9.0             |

| CITIZENS WATER 64 |                                     | Original Cost | Unamortized Portion | Original Cost | Percentage |
|-------------------|-------------------------------------|---------------|---------------------|---------------|------------|
|                   |                                     |               |                     |               |            |
| 1                 | 2.1.1 Administration                | 516           | -                   | 516           |            |
| 2                 | 2.1.1.1 Director's Office           | 21015         | -                   | 21015         |            |
| 3                 | 2.1.1.2 Power and communication     | 20211         | -                   | 20211         |            |
| 4                 | 2.1.1.3 Water and distribution      | 10122         | -                   | 10122         |            |
| 5                 | 2.1.1.4 P.D. personnel and training | 12322         | -                   | 12322         |            |
| 6                 | 2.1.1.5 Shop, garage and other      | 2465          | -                   | 2465          |            |
| 7                 | 2.1.1.6 Miscellaneous               | 27325         | -                   | 27325         |            |
| 8                 | 2.1.1.7                             |               |                     |               |            |
| 9                 | 2.1.1.8                             |               |                     |               |            |
| 10                | 2.1.1.9                             |               |                     |               |            |
| 11                | 2.1.1.10                            |               |                     |               |            |
| 12                | 2.1.1.11                            |               |                     |               |            |
| 13                | 2.1.1.12                            |               |                     |               |            |
| 14                | 2.1.1.13                            |               |                     |               |            |
| 15                | 2.1.1.14                            |               |                     |               |            |
| 16                | 2.1.1.15                            |               |                     |               |            |
| 17                | 2.1.1.16                            |               |                     |               |            |
| 18                | 2.1.1.17                            |               |                     |               |            |
| 19                | 2.1.1.18                            |               |                     |               |            |
| 20                | 2.1.1.19                            |               |                     |               |            |
| 21                | 2.1.1.20                            |               |                     |               |            |
| 22                | 2.1.1.21                            |               |                     |               |            |
| 23                | 2.1.1.22                            |               |                     |               |            |
| 24                | 2.1.1.23                            |               |                     |               |            |
| 25                | 2.1.1.24                            |               |                     |               |            |
| 26                | 2.1.1.25                            |               |                     |               |            |
| 27                | 2.1.1.26                            |               |                     |               |            |
| 28                | 2.1.1.27                            |               |                     |               |            |
| 29                | 2.1.1.28                            |               |                     |               |            |
| 30                | 2.1.1.29                            |               |                     |               |            |
| 31                | 2.1.1.30                            |               |                     |               |            |
| 32                | 2.1.1.31                            |               |                     |               |            |
| 33                | 2.1.1.32                            |               |                     |               |            |
| 34                | 2.1.1.33                            |               |                     |               |            |
| 35                | 2.1.1.34                            |               |                     |               |            |
| 36                | 2.1.1.35                            |               |                     |               |            |
| 37                | 2.1.1.36                            |               |                     |               |            |
| 38                | 2.1.1.37                            |               |                     |               |            |
| 39                | 2.1.1.38                            |               |                     |               |            |
| 40                | 2.1.1.39                            |               |                     |               |            |
| 41                | 2.1.1.40                            |               |                     |               |            |
| 42                | 2.1.1.41                            |               |                     |               |            |
| 43                | 2.1.1.42                            |               |                     |               |            |
| 44                | 2.1.1.43                            |               |                     |               |            |
| 45                | 2.1.1.44                            |               |                     |               |            |
| 46                | 2.1.1.45                            |               |                     |               |            |
| 47                | 2.1.1.46                            |               |                     |               |            |
| 48                | 2.1.1.47                            |               |                     |               |            |
| 49                | 2.1.1.48                            |               |                     |               |            |
| 50                | 2.1.1.49                            |               |                     |               |            |
| 51                | 2.1.1.50                            |               |                     |               |            |
| 52                | 2.1.1.51                            |               |                     |               |            |
| 53                | 2.1.1.52                            |               |                     |               |            |
| 54                | 2.1.1.53                            |               |                     |               |            |
| 55                | 2.1.1.54                            |               |                     |               |            |
| 56                | 2.1.1.55                            |               |                     |               |            |
| 57                | 2.1.1.56                            |               |                     |               |            |
| 58                | 2.1.1.57                            |               |                     |               |            |
| 59                | 2.1.1.58                            |               |                     |               |            |
| 60                | 2.1.1.59                            |               |                     |               |            |
| 61                | 2.1.1.60                            |               |                     |               |            |
| 62                | 2.1.1.61                            |               |                     |               |            |
| 63                | 2.1.1.62                            |               |                     |               |            |
| 64                | 2.1.1.63                            |               |                     |               |            |
| 65                | 2.1.1.64                            |               |                     |               |            |
| 66                | 2.1.1.65                            |               |                     |               |            |
| 67                | 2.1.1.66                            |               |                     |               |            |
| 68                | 2.1.1.67                            |               |                     |               |            |
| 69                | 2.1.1.68                            |               |                     |               |            |
| 70                | 2.1.1.69                            |               |                     |               |            |
| 71                | 2.1.1.70                            |               |                     |               |            |
| 72                | 2.1.1.71                            |               |                     |               |            |
| 73                | 2.1.1.72                            |               |                     |               |            |
| 74                | 2.1.1.73                            |               |                     |               |            |
| 75                | 2.1.1.74                            |               |                     |               |            |
| 76                | 2.1.1.75                            |               |                     |               |            |
| 77                | 2.1.1.76                            |               |                     |               |            |
| 78                | 2.1.1.77                            |               |                     |               |            |
| 79                | 2.1.1.78                            |               |                     |               |            |
| 80                | 2.1.1.79                            |               |                     |               |            |
| 81                | 2.1.1.80                            |               |                     |               |            |
| 82                | 2.1.1.81                            |               |                     |               |            |
| 83                | 2.1.1.82                            |               |                     |               |            |
| 84                | 2.1.1.83                            |               |                     |               |            |
| 85                | 2.1.1.84                            |               |                     |               |            |
| 86                | 2.1.1.85                            |               |                     |               |            |
| 87                | 2.1.1.86                            |               |                     |               |            |
| 88                | 2.1.1.87                            |               |                     |               |            |
| 89                | 2.1.1.88                            |               |                     |               |            |
| 90                | 2.1.1.89                            |               |                     |               |            |
| 91                | 2.1.1.90                            |               |                     |               |            |
| 92                | 2.1.1.91                            |               |                     |               |            |
| 93                | 2.1.1.92                            |               |                     |               |            |
| 94                | 2.1.1.93                            |               |                     |               |            |
| 95                | 2.1.1.94                            |               |                     |               |            |
| 96                | 2.1.1.95                            |               |                     |               |            |
| 97                | 2.1.1.96                            |               |                     |               |            |
| 98                | 2.1.1.97                            |               |                     |               |            |
| 99                | 2.1.1.98                            |               |                     |               |            |
| 100               | 2.1.1.99                            |               |                     |               |            |
| 101               | 2.1.1.100                           |               |                     |               |            |
| 102               | 2.1.1.101                           |               |                     |               |            |
| 103               | 2.1.1.102                           |               |                     |               |            |
| 104               | 2.1.1.103                           |               |                     |               |            |
| 105               | 2.1.1.104                           |               |                     |               |            |
| 106               | 2.1.1.105                           |               |                     |               |            |
| 107               | 2.1.1.106                           |               |                     |               |            |
| 108               | 2.1.1.107                           |               |                     |               |            |
| 109               | 2.1.1.108                           |               |                     |               |            |
| 110               | 2.1.1.109                           |               |                     |               |            |
| 111               | 2.1.1.110                           |               |                     |               |            |
| 112               | 2.1.1.111                           |               |                     |               |            |
| 113               | 2.1.1.112                           |               |                     |               |            |
| 114               | 2.1.1.113                           |               |                     |               |            |
| 115               | 2.1.1.114                           |               |                     |               |            |
| 116               | 2.1.1.115                           |               |                     |               |            |
| 117               | 2.1.1.116                           |               |                     |               |            |
| 118               | 2.1.1.117                           |               |                     |               |            |
| 119               | 2.1.1.118                           |               |                     |               |            |
| 120               | 2.1.1.119                           |               |                     |               |            |
| 121               | 2.1.1.120                           |               |                     |               |            |
| 122               | 2.1.1.121                           |               |                     |               |            |
| 123               | 2.1.1.122                           |               |                     |               |            |
| 124               | 2.1.1.123                           |               |                     |               |            |
| 125               | 2.1.1.124                           |               |                     |               |            |
| 126               | 2.1.1.125                           |               |                     |               |            |
| 127               | 2.1.1.126                           |               |                     |               |            |
| 128               | 2.1.1.127                           |               |                     |               |            |
| 129               | 2.1.1.128                           |               |                     |               |            |
| 130               | 2.1.1.129                           |               |                     |               |            |
| 131               | 2.1.1.130                           |               |                     |               |            |
| 132               | 2.1.1.131                           |               |                     |               |            |
| 133               | 2.1.1.132                           |               |                     |               |            |
| 134               | 2.1.1.133                           |               |                     |               |            |
| 135               | 2.1.1.134                           |               |                     |               |            |
| 136               | 2.1.1.135                           |               |                     |               |            |
| 137               | 2.1.1.136                           |               |                     |               |            |
| 138               | 2.1.1.137                           |               |                     |               |            |
| 139               | 2.1.1.138                           |               |                     |               |            |
| 140               | 2.1.1.139                           |               |                     |               |            |
| 141               | 2.1.1.140                           |               |                     |               |            |
| 142               | 2.1.1.141                           |               |                     |               |            |
| 143               | 2.1.1.142                           |               |                     |               |            |
| 144               | 2.1.1.143                           |               |                     |               |            |
| 145               | 2.1.1.144                           |               |                     |               |            |
| 146               | 2.1.1.145                           |               |                     |               |            |
| 147               | 2.1.1.146                           |               |                     |               |            |
| 148               | 2.1.1.147                           |               |                     |               |            |
| 149               | 2.1.1.148                           |               |                     |               |            |
| 150               | 2.1.1.149                           |               |                     |               |            |
| 151               | 2.1.1.150                           |               |                     |               |            |
| 152               | 2.1.1.151                           |               |                     |               |            |
| 153               | 2.1.1.152                           |               |                     |               |            |
| 154               | 2.1.1.153                           |               |                     |               |            |
| 155               | 2.1.1.154                           |               |                     |               |            |
| 156               | 2.1.1.155                           |               |                     |               |            |
| 157               | 2.1.1.156                           |               |                     |               |            |
| 158               | 2.1.1.157                           |               |                     |               |            |
| 159               | 2.1.1.158                           |               |                     |               |            |
| 160               | 2.1.1.159                           |               |                     |               |            |
| 161               | 2.1.1.160                           |               |                     |               |            |
| 162               | 2.1.1.161                           |               |                     |               |            |
| 163               | 2.1.1.162                           |               |                     |               |            |
| 164               | 2.1.1.163                           |               |                     |               |            |
| 165               | 2.1.1.164                           |               |                     |               |            |
| 166               | 2.1.1.165                           |               |                     |               |            |
| 167               | 2.1.1.166                           |               |                     |               |            |
| 168               | 2.1.1.167                           |               |                     |               |            |
| 169               | 2.1.1.168                           |               |                     |               |            |
| 170               | 2.1.1.169                           |               |                     |               |            |
| 171               | 2.1.1.170                           |               |                     |               |            |
| 172               | 2.1.1.171                           |               |                     |               |            |
| 173               | 2.1.1.172                           |               |                     |               |            |
| 174               | 2.1.1.173                           |               |                     |               |            |
| 175               | 2.1.1.174                           |               |                     |               |            |
| 176               | 2.1.1.175                           |               |                     |               |            |
| 177               | 2.1.1.176                           |               |                     |               |            |
| 178               | 2.1.1.177                           |               |                     |               |            |
| 179               | 2.1.1.178                           |               |                     |               |            |
| 180               | 2.1.1.179                           |               |                     |               |            |
| 181               | 2.1.1.180                           |               |                     |               |            |
| 182               | 2.1.1.181                           |               |                     |               |            |
| 183               | 2.1.1.182                           |               |                     |               |            |
| 184               | 2.1.1.183                           |               |                     |               |            |
| 185               | 2.1.1.184                           |               |                     |               |            |
| 186               | 2.1.1.185                           |               |                     |               |            |
| 187               | 2.1.1.186                           |               |                     |               |            |
| 188               | 2.1.1.187                           |               |                     |               |            |
| 189               | 2.1.1.188                           |               |                     |               |            |
| 190               | 2.1.1.189                           |               |                     |               |            |
| 191               | 2.1.1.190                           |               |                     |               |            |
| 192               | 2.1.1.191                           |               |                     |               |            |
| 193               | 2.1.1.192                           |               |                     |               |            |
| 194               | 2.1.1.193                           |               |                     |               |            |
| 195               | 2.1.1.194                           |               |                     |               |            |
| 196               | 2.1.1.195                           |               |                     |               |            |
| 197               | 2.1.1.196                           |               |                     |               |            |
| 198               | 2.1.1.197                           |               |                     |               |            |
| 199               | 2.1.1.198                           |               |                     |               |            |
| 200               | 2.1.1.199                           |               |                     |               |            |
| 201               | 2.1.1.200                           |               |                     |               |            |
| 202               | 2.1.1.201                           |               |                     |               |            |
| 203               | 2.1.1.202                           |               |                     |               |            |
| 204               | 2.1.1.203                           |               |                     |               |            |
| 205               | 2.1.1.204                           |               |                     |               |            |
| 206               | 2.1.1.205                           |               |                     |               |            |
| 207               | 2.1.1.206                           |               |                     |               |            |
| 208               | 2.1.1.207                           |               |                     |               |            |
| 209               | 2.1.1.208                           |               |                     |               |            |
| 210               | 2.1.1.209                           |               |                     |               |            |
| 211               | 2.1.1.210                           |               |                     |               |            |
| 212               | 2.1.1.211                           |               |                     |               |            |
| 213               | 2.1.1.212                           |               |                     |               |            |
| 214               | 2.1.1.213                           |               |                     |               |            |
| 215               | 2.1.1.214                           |               |                     |               |            |
| 216               | 2.1.1.215                           |               |                     |               |            |
| 217               | 2.1.1.216                           |               |                     |               |            |
| 218               | 2.1.1.217                           |               |                     |               |            |
| 219               | 2.1.1.218                           |               |                     |               |            |
| 220               | 2.1.1.219                           |               |                     |               |            |
| 221               | 2.1.1.220                           |               |                     |               |            |
| 222               | 2.1.1.221                           |               |                     |               |            |
| 223               | 2.1.1.222                           |               |                     |               |            |
| 224               | 2.1.1.223                           |               |                     |               |            |
| 225               | 2.1.1.224                           |               |                     |               |            |
| 226               | 2.1.1.225                           |               |                     |               |            |
| 227               | 2.1.1.226                           |               |                     |               |            |
| 228               | 2.1.1.227                           |               |                     |               |            |
| 229               | 2.1.1.228                           |               |                     |               |            |
| 230               | 2.1.1.229                           |               |                     |               |            |
| 231               | 2.1.1.230                           |               |                     |               |            |
| 232               | 2.1.1.231                           |               |                     |               |            |
| 233               | 2.1.1.232                           |               |                     |               |            |
| 234               | 2.1.1.233                           |               |                     |               |            |
| 235               | 2.1.1.234                           |               |                     |               |            |
| 236               | 2.1.1.235                           |               |                     |               |            |
| 237               | 2.1.1.236                           |               |                     |               |            |
| 238               | 2.1.1.237                           |               |                     |               |            |
| 239               | 2.1.1.238                           |               |                     |               |            |
| 240               | 2.1.1.239                           |               |                     |               |            |
| 241               | 2.1.1.240                           |               |                     |               |            |
| 242               | 2.1.1.241                           |               |                     |               |            |
| 243               | 2.1.1.242                           |               |                     |               |            |
| 244               | 2.1.1.243                           |               |                     |               |            |
| 245               | 2.1.1.244                           |               |                     |               |            |
| 246               | 2.1.1.245                           |               |                     |               |            |
| 247               | 2.1.1.246                           |               |                     |               |            |
| 248               | 2.1.1.247                           |               |                     |               |            |
| 249               | 2.1.1.248                           |               |                     |               |            |
| 250               | 2.1.1.249                           |               |                     |               |            |
| 251               | 2.1.1.250                           |               |                     |               |            |
| 252               | 2.1.1.251                           |               |                     |               |            |
| 253               | 2.1.1.252                           |               |                     |               |            |
| 254               | 2.1.1.253                           |               |                     |               |            |
| 255               | 2.1.1.254                           |               |                     |               |            |
| 256               | 2.1.1.255                           |               |                     |               |            |
| 257               | 2.1.1.256                           |               |                     |               |            |
| 258               | 2.1.1.257                           |               |                     |               |            |
| 259               | 2.1.1.258                           |               |                     |               |            |
| 260               | 2.1.1.259                           |               |                     |               |            |
| 261               | 2.1.1.260                           |               |                     |               |            |
| 262               | 2.1.1.261                           |               |                     |               |            |
| 263               | 2.1.1.262                           |               |                     |               |            |
| 264               | 2.1.1.263                           |               |                     |               |            |
| 265               | 2.1.1.264                           |               |                     |               |            |
| 266               | 2.1.1.265                           |               |                     |               |            |
| 267               | 2.1.1.266                           |               |                     |               |            |
| 268               | 2.1.1.267                           |               |                     |               |            |
| 269               | 2.1.1.268                           |               |                     |               |            |
| 270               | 2.1.1.269                           |               |                     |               |            |
| 271               | 2.1.1.270                           |               |                     |               |            |
| 272               | 2.1.1.271                           |               |                     |               |            |
| 273               | 2.1.1.272                           |               |                     |               |            |
| 274               | 2.1.1.273                           |               |                     |               |            |
| 275               | 2.1.1.274                           |               |                     |               |            |
| 276               | 2.1.1.275                           |               |                     |               |            |
| 277               | 2.1.1.276                           |               |                     |               |            |
| 278               | 2.1.1.277                           |               |                     |               |            |
| 279               | 2.1.1.278                           |               |                     |               |            |
|                   |                                     |               |                     |               |            |

| PSC  |       | Company |         |      | Annual Summary |         |      | Line |
|------|-------|---------|---------|------|----------------|---------|------|------|
| Year | Month | Amount  | Balance | Rate | Amount         | Balance | Rate |      |
| 1960 | 1     | 100.00  | 100.00  | 100% | 100.00         | 100.00  | 100% | 1    |
|      | 2     |         |         |      |                |         |      | 2    |
|      | 3     |         |         |      |                |         |      | 3    |
|      | 4     |         |         |      |                |         |      | 4    |
|      | 5     |         |         |      |                |         |      | 5    |
|      | 6     |         |         |      |                |         |      | 6    |
|      | 7     |         |         |      |                |         |      | 7    |
|      | 8     |         |         |      |                |         |      | 8    |
|      | 9     |         |         |      |                |         |      | 9    |
|      | 10    |         |         |      |                |         |      | 10   |
|      | 11    |         |         |      |                |         |      | 11   |
|      | 12    |         |         |      |                |         |      | 12   |
|      | 13    |         |         |      |                |         |      | 13   |
|      | 14    |         |         |      |                |         |      | 14   |
|      | 15    |         |         |      |                |         |      | 15   |
|      | 16    |         |         |      |                |         |      | 16   |
|      | 17    |         |         |      |                |         |      | 17   |
|      | 18    |         |         |      |                |         |      | 18   |
|      | 19    |         |         |      |                |         |      | 19   |
|      | 20    |         |         |      |                |         |      | 20   |
|      | 21    |         |         |      |                |         |      | 21   |
|      | 22    |         |         |      |                |         |      | 22   |
|      | 23    |         |         |      |                |         |      | 23   |
|      | 24    |         |         |      |                |         |      | 24   |
|      | 25    |         |         |      |                |         |      | 25   |
|      | 26    |         |         |      |                |         |      | 26   |
|      | 27    |         |         |      |                |         |      | 27   |
|      | 28    |         |         |      |                |         |      | 28   |
|      | 29    |         |         |      |                |         |      | 29   |
|      | 30    |         |         |      |                |         |      | 30   |
|      | 31    |         |         |      |                |         |      | 31   |
|      | 32    |         |         |      |                |         |      | 32   |
|      | 33    |         |         |      |                |         |      | 33   |
|      | 34    |         |         |      |                |         |      | 34   |
|      | 35    |         |         |      |                |         |      | 35   |
|      | 36    |         |         |      |                |         |      | 36   |
|      | 37    |         |         |      |                |         |      | 37   |
|      | 38    |         |         |      |                |         |      | 38   |
|      | 39    |         |         |      |                |         |      | 39   |
|      | 40    |         |         |      |                |         |      | 40   |
|      | 41    |         |         |      |                |         |      | 41   |



TABLE I

UTILITIES & INDUSTRIES CORP.  
Merrick District

STRAIGHT-LINE, AVERAGE-LIFE DEPRECIATION RESERVE REQUIREMENTS AND  
ANNUAL DEPRECIATION ACCRUALS AS AT DECEMBER 31, 1972

|  | Book Cost<br>As At<br>December 31, 1972 | Average<br>Service<br>Life | Type<br>Curve | Net<br>Salvage<br>% | Depreciable<br>Book Cost | Reserve<br>Requirement | Annual Depreciation<br>Accruals |
|--|---|----------------------------|---------------|---------------------|--------------------------|------------------------|---------------------------------|
| <u>Intermittent Plant</u>                  |   |                            |               |                     |                          |                        |                                 |
| Permits and Consents                       | \$ 2,043                                | -                          | -             | 100                 | \$ 0                     | \$ 0                   | \$ 0                            |
| <u>Source of Supply Plant</u>              |   |                            |               |                     |                          |                        |                                 |
| Land and Land Rights                       | 75,001                                  | -                          | -             | 100                 | 0                        | 0                      | 0                               |
| Wells and Springs                          | 741,537                                 | 35                         | R3.0          | 0                   | 741,537                  | 172,347                | 2.86                            |
| <u>Power Plant</u>                         |   |                            |               |                     |                          |                        |                                 |
| Structures and Improvements                | 414,725                                 | 40                         | L3.0          | 0                   | 414,725                  | 93,796                 | 2.50                            |
| Other Power Production Equipment           | 15,108                                  | 30                         | h4.0          | 0                   | 15,108                   | 1,725                  | 3.33                            |
| Electric Lining Equipment                  | 508,887                                 | 20                         | 1st Degree    | 10                  | 457,998                  | 97,556                 | 3.40                            |
| Internal Piping Equipment                  | 72,381                                  | 30                         | R1.0          | 0                   | 72,381                   | 11,894                 | 3.33                            |
| Other Piping Equipment                     | 35,252                                  | 30                         | R1.0          | 0                   | 35,252                   | 6,133                  | 3.33                            |
| <u>Water Treatment Plant</u>               |   |                            |               |                     |                          |                        |                                 |
| Structures and Improvements                | 34,007                                  | 40                         | L3.0          | 0                   | 34,007                   | 14,253                 | 2.50                            |
| Water Treatment Equipment:                 |   |                            |               |                     |                          |                        |                                 |
| Pumps and Tanks                            | 24,232                                  | 25                         | h4.0          | 0                   | 24,232                   | 3,350                  | 4.00                            |
| Screens                                    | 74,500                                  | 15                         | 1st Degree    | 5                   | 70,775                   | 23,549                 | 6.33                            |
| <u>Transmission and Distribution Plant</u> |   |                            |               |                     |                          |                        |                                 |
| Land and Land Rights                       | 100,161                                 | -                          | -             | 100                 | 0                        | 0                      | 0                               |
| Distribution Reservoirs and Standpipes     | 223,383                                 | 55                         | h4.0          | 0                   | 223,383                  | 72,825                 | 1.32                            |
| Transmission and Distribution Mains        | 8,361,787                               | 100                        | 3rd Degree    | 0                   | 8,361,787                | 1,117,011              | 1.30                            |
| Services                                   | 2,039,629                               | 45                         | 3rd Degree    | 0                   | 2,039,629                | 524,670                | 2.32                            |
| Wires                                      | 981,486                                 | 50                         | h4.0          | 10                  | 883,337                  | 276,095                | 1.80                            |
| Transformers                               | 963,085                                 | 70                         | 2nd Degree    | 0                   | 963,085                  | 178,903                | 1.43                            |
| <u>General Plant</u>                       |   |                            |               |                     |                          |                        |                                 |
| Land and Land Rights                       | 52,896                                  | -                          | -             | 100                 | 0                        | 0                      | 0                               |
| Structures and Improvements                | 201,697                                 | 50                         | h3.0          | 0                   | 201,697                  | 31,800                 | 2.03                            |
| Office Furnitures and Equipment            | 138,508                                 | 30                         | R0.5          | 5                   | 131,583                  | 17,933                 | 3.17                            |
| Transportation Equipment                   | 16,605                                  | *                          | -             | 25                  | 12,454                   | 9,502                  | 12.25                           |
| Tools, Shop and Garage Equipment           | 53,673                                  | 25                         | h4.0          | 10                  | 48,306                   | 16,653                 | 3.40                            |
| Laboratory Equipment                       | 6,398                                   | 20                         | h3.0          | 0                   | 6,398                    | 3,031                  | 5.00                            |
| Power Operated Equipment                   | 34,520                                  | 8                          | h3.0          | 20                  | 27,616                   | 16,125                 | 10.00                           |
| Communication Equipment                    | 16,195                                  | 15                         | h3.0          | 5                   | 15,385                   | 4,771                  | 6.33                            |
| Miscellaneous Equipment                    | 8,543                                   | 25                         | h4.0          | 10                  | 7,669                    | 3,022                  | 3.33                            |
| <b>Totals</b>                              | <b>\$15,196,839</b>                     |                            |               |                     | <b>\$14,782,964</b>      | <b>\$2,606,443</b>     | <b>\$242,115</b>                |

TABLE I

LONG ISLAND WATER CORPORATION  
COMPARISON OF NET SALVAGE VALUES

| Account                                    | Net Salvage Percent       |                        |
|--|---------------------------|------------------------|
|  | Historical <sup>(1)</sup> | Current <sup>(2)</sup> |
| 314 Springs & Wells                        |                           |                        |
| Common-Suction (Shallow)                   | (15.56)                   | 0.0                    |
| Layne & Lauman (Deep)                      | (35.99)                   | 0.0                    |
| 321 Power & Pumping Structures             | (10.46)                   | 0.0                    |
| 323 Other Power Production Equipment       | ( 2.79)                   | 0.0                    |
| 325 Electric                               | (22.01)                   | 5.0                    |
| 326 Diesel Pumping Equipment               | 1.77                      | 5.0                    |
| 331 Water Treatment Structures             | (75.22)                   | 0.0                    |
| 332 Water Treatment Equipment:             |                           |                        |
| Filters & Yard Piping                      | (17.19)                   | 0.0                    |
| Chemical Feeders                           | ( 7.24)                   | 25.0                   |
| 342 Distribution Reservoirs & Stand-pipes: |                           |                        |
| Ground Storage                             | (30.42)                   | 0.0                    |
| Elevated Tanks                             | (83.06)                   | 0.0                    |
| 343 Transmission & Distribution Mains      | ( 5.71)                   | 0.0                    |
| 345 Services                               | (286.00)                  | 0.0                    |
| 346 Meters                                 | 43.22                     | 0.0                    |
| 348 Hydrants                               | (74.62)                   | 0.0                    |
| 349 Fire Services                          | (25.68)                   | 0.0                    |
| 390 General Structures:                    |                           |                        |
| Office                                     | (53.32)                   | 0.0                    |
| Garage                                     | (50.52)                   | 0.0                    |
| 391 Office Furniture & Equipment:          |                           |                        |
| Office Furniture & Equipment               | ( 0.53)                   | 5.0                    |
| Office Machines                            | 5.40                      | 5.0                    |
| 392 Transportation Equipment               | 36.14                     | 30.0                   |
| 393 Stores Equipment                       | -(3)                      | 5.0                    |
| 394 Tools, Shop & Garage Equipment:        |                           |                        |
| Shop & Garage                              | 0.67                      | 5.0                    |
| Tools & Work                               | 4.17                      | 20.0                   |
| 395 Laboratory Equipment                   | 0.00                      | 5.0                    |
| 396 Power-Operated Equipment:              |                           |                        |
| Compressors                                | 10.63                     | 20.0                   |
| Diggers (Backhoes)                         | 36.21                     | 20.0                   |
| 397 Communication Equipment                | 6.85                      | 10.0                   |
| 398 Miscellaneous Equipment                | 0.00                      | 5.0                    |

## Notes:

- (1) Based on retirement history 1975 through 1984.  
 (2) Included in current annual depreciation rates.  
 (3) No retirements 1975 - 1984.  
 ( ) Denotes negative percent net salvage.

TABLE II

LONG ISLAND WATER CORPORATION

## COMPARISON OF AVERAGE SERVICE LIVES IN YEARS

| Account                                       | Current | Recommended |
|---|---------|-------------|
| 314 Springs & Wells:                          |         |             |
| Common-Suction (Shallow)                      | 30      | 25          |
| Layne & Lauman (Deep)                         | 50      | 50          |
| 321 Power & Pumping Structures:               |         |             |
| Main Station                                  | 50      | LS 2010(1)  |
| Others  | 50      | 50          |
| 323 Power Production Equipment                | 25      | 40          |
| 325 Electric Pumping Equipment                | 35      | 40          |
| 326 Diesel Pumping Equipment                  | 35      | 40          |
| 331 Water Treatment Structures                | 50      | LS 2010(1)  |
| 332 Water Treatment Equipment:                |         |             |
| Filters & Yard Piping                         | 60      | 75          |
| Chemical Feeders                              | 20      | 25          |
| 0.2 Transmission & Distribution Rights of Way | 100     | 100         |
| 342 Distribution Reservoirs & Standpipes:     |         |             |
| Storage Basins                                | 75      | LS 2010(1)  |
| Ground Storage Tanks                          | 75      | 75          |
| Elevated Tank                                 | 55      | LS 2000(1)  |
| 343 Transmission & Distribution Mains         | 95.8(2) | 100         |
| 345 Services                                  | 50      | 65          |
| 346 Meters                                    | 40      | 40          |
| 348 Hydrants                                  | 70      | 65          |
| 349 Fire Services                             | 50      | 65          |
| 390 General Structures:                       |         |             |
| Office  | 60      | LS 2020(1)  |
| Garage  | 35      | LS 2010(1)  |
| 391 Office Furniture & Equipment:             |         |             |
| Office Furniture & Equipment                  | 25      | 30          |
| Office Machines                               | 20      | 20          |
| 392 Transportation Equipment                  | 3       | 3(3)        |
| 393 Stores' Equipment                         | 25      | 45          |
| 394 Tools, Shop & Garage Equipment:           |         |             |
| Shop & Garage                                 | 25      | 25          |
| Tools & Work                                  | 20      | 25          |
| 395 Laboratory Equipment                      | 25      | 30          |
| 396 Power-Operated Equipment:                 |         |             |
| Compressors                                   | 15      | 7(3)        |
| Diggers (Backhoes)                            | 9       | 7(3)        |
| 397 Communication Equipment                   | 10      | 10(3)       |
| 398 Miscellaneous Equipment                   | 15      | 25          |

## Notes:

(1) Life Span. Service life equals age plus remaining life.

(2) Composite

(3) Programmed replacement period.

[illegible]

**Allocation of Cost of Supply Mains, Mains 6" and Larger and Less Than 6"**  
**As of December 31, 2007**

|                     | <b>Diameter<br/>(Inches)</b> | <b>Footage</b> | <b>Inch-Feet</b> | <b>Cost per<br/>Inch-Foot (a)</b> | <b>Estimated<br/>Cost</b> | <b>Allocated<br/>Book Cost</b> |
|---------------------|------------------------------|----------------|------------------|-----------------------------------|---------------------------|--------------------------------|
|                     | 1                            |                |                  |                                   |                           |                                |
|                     | 1.25                         | 1,798          | 2,248            | \$3.50                            | \$7,866                   | \$6,440                        |
|                     | 1.50                         | 3,837          | 5,756            | 3.50                              | 20,144                    | 16,492                         |
|                     | 2                            | 85,201         | 170,402          | 3.50                              | 596,407                   | 488,267                        |
|                     | 3                            | 4,220          | 12,660           | 3.50                              | 44,310                    | 36,276                         |
|                     | 4                            | 44,742         | 178,968          | 3.50                              | 626,388                   | 512,812                        |
| Supply Mains        | 6                            | 3,565          | 21,390           | 4.00                              | 85,560                    | 70,046                         |
|                     | 6                            | 31,349         | 188,094          | 4.00                              | 752,376                   | 615,956                        |
|                     | 8                            | 29,811         | 238,488          | 4.00                              | 953,952                   | 780,983                        |
|                     | 10                           | 1,717          | 17,170           | 4.00                              | 68,680                    | 56,227                         |
|                     | 12                           | 2,594          | 31,128           | 4.00                              | 124,512                   | 101,936                        |
| Total               |                              | 208,834        | 866,303          |                                   | \$ 3,280,196              | \$ 2,685,436                   |
| Total Under 6"      |                              |                |                  |                                   |                           | <u>\$1,060,287</u>             |
| Total 6" and Larger |                              |                |                  |                                   |                           | <u>\$1,555,102</u>             |
| Supply Mains        |                              |                |                  |                                   |                           | <u>\$70,046</u>                |

Note (a): Represents a relative cost per foot for the purpose of allocating original costs, not for a market value determination.

## **TAB 28**

### **1604.01(a)(13) Management and Financial Audits if not previously filed in an adjudicative proceeding.**

Such Audits are conducted annually at the parent level and every three years at the subsidiary level if loans exist. Please see the most recent audit citing PAC's NHDES loan.

**Pennichuck Water Works, Inc.**

**Management and Financial Audits**

**Provided pursuant to NHPUC Rule 1604.01(13)**

**Pennichuck Corporation and Subsidiaries**

Independent Auditors' Reports Pursuant  
to Governmental Auditing Standards  
and Uniform Guidance

For the Year Ended December 31, 2017



## TABLE OF CONTENTS

|  | <u>PAGE</u> |
|--|-------------|
| OPINION ON THE FINANCIAL STATEMENT OF<br>A FEDERAL PROGRAM WHEN USING THE<br>PROGRAM-SPECIFIC AUDIT OPTION TO<br>SATISFY THE UNIFORM GUIDANCE AUDIT<br>REQUIREMENTS                                      | 1           |
| REPORT ON COMPLIANCE FOR A FEDERAL<br>PROGRAM AND REPORT ON INTERNAL<br>CONTROL OVER COMPLIANCE WHEN USING<br>THE PROGRAM-SPECIFIC AUDIT OPTION TO<br>SATISFY THE UNIFORM GUIDANCE AUDIT<br>REQUIREMENTS | 3           |
| Schedule of Expenditures of Federal Awards   | 6           |
| Notes to the Schedule of Expenditures of Federal Awards  | 7           |
| Schedule of Findings and Questioned Costs  | 8           |

**Additional Offices:**

Nashua, NH  
Andover, MA  
Greenfield, MA  
Ellsworth, ME

**OPINION ON THE FINANCIAL STATEMENT OF A FEDERAL PROGRAM  
WHEN USING THE PROGRAM-SPECIFIC AUDIT OPTION TO SATISFY  
THE UNIFORM GUIDANCE AUDIT REQUIREMENTS**

*Independent Auditors' Report*

Board of Directors and Stockholder  
Pennichuck Corporation and Subsidiaries

**Report on Schedule of Expenditures of Federal Awards**

We have audited the accompanying schedule of expenditures of federal awards for the Capitalization Grants for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) of Pennichuck Corporation and Subsidiaries for the year ended December 31, 2017.

***Management's Responsibility***

Management is responsible for the preparation and fair presentation of the financial statement of the program in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial statement of the program based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the schedule of expenditures of federal awards referred to above presents fairly, in all material respects, the expenditures of federal awards under the Capitalization Grants for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) in accordance with accounting principles generally accepted in the United States of America.

*Melanson Heath*

September 27, 2018

Additional Offices:

Nashua, NH  
Andover, MA  
Greenfield, MA  
Ellsworth, ME

**REPORT ON COMPLIANCE FOR A FEDERAL PROGRAM AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE WHEN USING  
THE PROGRAM-SPECIFIC AUDIT OPTION TO SATISFY THE  
UNIFORM GUIDANCE AUDIT REQUIREMENTS**

*Independent Auditors' Report*

Board of Directors and Stockholder  
Pennichuck Corporation and Subsidiaries

**Report on Compliance for Capitalization Grants for Drinking Water State  
Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468)**

We have audited the compliance of Pennichuck Corporation and Subsidiaries with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on its Capitalization Grants for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) for the year ended December 31, 2017.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468).

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for Pennichuck Corporation and Subsidiaries' Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) occurred. An audit includes examining, on a test basis, evidence about Pennichuck Corporation and Subsidiaries' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for Pennichuck Corporation and Subsidiaries' Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468). However, our audit does not provide a legal determination of Pennichuck Corporation and Subsidiaries' compliance.

### ***Opinion***

In our opinion, Pennichuck Corporation and Subsidiaries complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) for the year ended December 31, 2017.

### **Report on Internal Control over Compliance**

Management of Pennichuck Corporation and Subsidiaries is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Pennichuck Corporation and Subsidiaries' internal control over compliance with the types of requirements that could have a direct and material effect on its Capitalization for Drinking Water State Revolving Loan Funds – Loan Program (Federal CFDA Number 66.468) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Pennichuck Corporation and Subsidiaries' internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Melanson Heath*

September 27, 2018

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2017

| <u>Federal Agency</u>   |              |         |    |                  |
|---|--------------|---------|----|------------------|
| <u>Cluster</u>  |              |         |    |                  |
| <u>Federal Office</u>   |              |         |    |                  |
| Pass through Agency   | Pass through | Federal |    |                  |
| Program Title   | Identifying  | CFDA    |    | Federal          |
|   | Number       | Number  |    | Expenditures     |
| <u>U.S. Environmental Protection Agency</u>                           |              |         |    |                  |
| <u>Capitalization Grants for Drinking Water State Revolving Funds</u> |              |         |    |                  |
| <u>Environmental Protection Agency</u>                                |              |         |    |                  |
| Passed Through State of New Hampshire Department                      |              |         |    |                  |
| of Environmental Services:  |              |         |    |                  |
| Capitalization Grants for Drinking Water State                        |              |         |    |                  |
| Revolving Funds - Loan *  | 1371010      | 66.468  | \$ | 338,936          |
| Capitalization Grants for Drinking Water State                        |              |         |    |                  |
| Revolving Funds - Loan *  | 612020       | 66.468  |    | 231,059          |
| Capitalization Grants for Drinking Water State                        |              |         |    |                  |
| Revolving Funds - Loan **   | 1621010      | 66.468  |    | 1,792,351        |
| Capitalization Grants for Drinking Water State                        |              |         |    |                  |
| Revolving Funds - Loan ***  | 1911010      | 66.468  |    | <u>113,046</u>   |
| Total Capitalization Grants for Drinking Water State Revolving        |              |         |    |                  |
| Funds   |              |         |    | <u>2,475,392</u> |
| Total U.S. Environmental Protection Agency                            |              |         |    | <u>2,475,392</u> |
| Total Federal Expenditures  |              |         | \$ | <u>2,475,392</u> |

\* Pennichuck East Utility, Inc.

\*\* Pennichuck Water Works, Inc.

\*\*\* Pittsfield Aqueduct Company, Inc.

The accompanying notes are an integral part of this schedule.

## **PENNICHUCK CORPORATION AND SUBSIDIARIES**

### **Notes to the Schedule of Expenditures of Federal Awards**

**For the Year Ended December 31, 2017**

#### ***Note 1. Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Pennichuck Corporation and Subsidiaries under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Pennichuck Corporation and Subsidiaries, it is not intended to and does not present the financial position, changes in net position or cash flows of Pennichuck Corporation and Subsidiaries.

#### ***Note 2. Summary of Significant Accounting Policies***

- Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement.
- Pennichuck Corporation and Subsidiaries has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

#### ***Note 3. Subrecipients***

Of the federal expenditures presented in the Schedule, Pennichuck Corporation and Subsidiaries did not provide federal awards to subrecipients.

#### ***Note 4. Loans***

Expenditures reported in the Schedule represent loan proceeds received and expended in the current year. The Federal government has not imposed continuing compliance requirements on these loans; therefore, no ending balances at December 31, 2017 are reported in these notes.



**Pennichuck Corporation and Subsidiaries**

**Schedule of Findings and Questioned Costs**

For the Year Ended December 31, 2017

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

Financial Statement (Schedule of Federal Awards)

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to financial statement noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditors' report issued on compliance for major programs:

Capitalization Grants for Drinking Water State  
Revolving Loan Funds – Loan Program Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ yes ☒ no

Identification of major programs:

| <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u>   |
|-----------------------|---|
| 66.468                | Capitalization Grants for Drinking Water State<br>Revolving Loan Funds – Loan Program |

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? ☐ yes ☒ no

## **SECTION II - FINANCIAL STATEMENT FINDINGS**

None.

## **SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None.

## **SECTION IV - SCHEDULE OF PRIOR YEAR FINDINGS**

There were no findings in the prior year.

## **TAB 29**

**1604.01(a)(14) Officer and Director Compensation for each of the last 2 years, detailing base compensation, bonuses, and incentive plans.**

This data does not exist. As noted in PAC's 2019 Annual Report, any officer/director compensation is allocated through the Management Fee Allocation agreements. See also Tab 33.

## **TAB 30**

### **1604.01(a)(15) Officer and Executive Incentive Plans**

This data does not exist for PAC.

## TAB 31

**1604.01(a)(16) List of Amount of Voting Stock: owned by an officer or director individually; owned by a spouse or minor child or an officer or director; controlled by the officer or director directly or indirectly.**

This data does not exist. See Order No. 25,292 and Order No. 25,695.

## **TAB 32**

**1604.01(a)(17) For utilities with less than \$10,000,000 in annual gross revenues, a list of all Payments for Contractual Services in Excess of \$10,000. For utilities \$10,000,001 to \$100,000,000 a list of payments in excess of \$50,000.**

Pittsfield Aqueduct Company, Inc.  
Contractual Services over \$10,000  
For the Twelve Months Ended December 31, 2019

Provided pursuant to NHPUC Rule 1604.01(17)

| Name                       | Address                                  | Amount      | Purpose               |
|----------------------------|--|-------------|-----------------------|
| R.H. WHITE CONSTRUCTION CO | PO BOX 404<br>41 Central Street Ma, 1501 | \$12,653.40 | CONSTRUCTION SERVICES |
| Total                      |  | \$12,653.40 |                       |

## **TAB 33**

**1604.01(a)(18) Amount of Assets and Costs Allocated to Non-Utility Operations and  
justification for such allocations**



Pennichuck Water Works  
Operating Expense Allocation (to other Subsidiary Companies)  
For Month Ending 12/31/2019

|  |              | Dollars Applicable to:   |                    |              |   |                        |                    |           | C Shoring Wages & Fringes Only (budgeted specifically on PAC P/L) |
|--|--------------|--------------------------|--------------------|--------------|---|------------------------|--------------------|-----------|---|
| Full Year Amounts (to be allocated)  | YTD EXPENSES | Tier Allocation Required | Special Allocation | Tier 1 (All) | Tier 2 (Regulated + Tier 3 (PWW+PEU+ PWSC)) | Tier 3 (PWW+PEU+ PWSC) | Tier 4 (Regulated) | PWSC Only | PAC Only  |
| Wages  |              |                          |                    |              |   |                        |                    |           |   |
| Officers Salaries & Wages  | 499,167      | 1                        |                    | 499,167      | -   | -                      | -                  | -         | -   |
| Salaries - Engineering   | 1,207,889    | 4                        |                    | -            | -   | -                      | 1,207,889          | -         | -   |
| Office Salaries and Wages - IS   | 487,394      | 1                        |                    | 487,394      | -   | -                      | -                  | -         | -   |
| Office Salaries and Wages - Acctg  | 724,045      | 1                        |                    | 724,045      | -   | -                      | -                  | -         | -   |
| Office Salaries and Wages - Admin  | 184,571      | 1                        |                    | 184,571      | -   | -                      | -                  | -         | -   |
| Office Salaries and Wages - C/S  | 1,094,979    | 2                        |                    | -            | 1,094,979                                   | -                      | -                  | -         | -   |
| Office Salaries and Wages - BR   | 145,560      | 6                        |                    | -            | -   | -                      | -                  | 145,560   | -   |
| Less: Capitalized Overhead - IS  | (1,942)      | 1                        |                    | (1,942)      | -   | -                      | -                  | -         | -   |
| Less: Capitalized Overhead Engineering   | (353,484)    | 4                        |                    | -            | -   | -                      | (353,484)          | -         | -   |
| Benefits (Based on 12/31/18 Schedule)  |              |                          |                    |              |   |                        |                    |           |   |
| Officers Salaries & Wages  | 243,244      | 1                        |                    | 243,244      | -   | -                      | -                  | -         | -   |
| Salaries - Engineering   | 588,604      | 4                        |                    | -            | -   | -                      | 588,604            | -         | -   |
| Office Salaries and Wages - IS   | 237,507      | 1                        |                    | 237,507      | -   | -                      | -                  | -         | -   |
| Office Salaries and Wages - Acctg  | 352,827      | 1                        |                    | 352,827      | -   | -                      | -                  | -         | -   |
| Office Salaries and Wages - Admin  | 89,941       | 1                        |                    | 89,941       | -   | -                      | -                  | -         | -   |
| Office Salaries and Wages - C/S  | 533,583      | 2                        |                    | -            | 533,583                                     | -                      | -                  | -         | -   |
| Office Salaries and Wages - BR   | 70,931       | 6                        | -                  | -            | -   | -                      | -                  | 70,931    | -   |
| Less: Capitalized Overhead IS  | (946)        | 1                        |                    | (946)        | -   | -                      | -                  | -         | -   |
| Less: Capitalized Overhead Engineering   | (172,253)    | 4                        |                    | -            | -   | -                      | (172,253)          | -         | -   |
| Dollars Applicable to:   |              |                          |                    |              |   |                        |                    |           |   |
| Full Year Budgeted Amounts (to be allocated) - Tier 1  |              | Tier Allocation Required | Special Allocation | Tier 1 (All) | Tier 2 (Regulated + Tier 3 (PWW+PEU+ PWSC)) | Tier 3 (PWW+PEU+ PWSC) | Tier 4 (Regulated) | PWSC Only | PAC Only  |
| Facilities - Manchester Street   |              |                          |                    |              |   |                        |                    |           |   |
| Office Supplies & Expense  | 34,990       | 1                        |                    | 34,990       | -   | -                      | -                  | -         | -   |
| Office Equipment Rental  | 46,804       | 1                        |                    | 46,804       | -   | -                      | -                  | -         | -   |
| Rental Exp HECOP III   | 338,567      | 1                        |                    | 338,567      | -   | -                      | -                  | -         | -   |
| Manchester St Phone  | 29,302       | 1                        |                    | 29,302       | -   | -                      | -                  | -         | -   |
| Manchester St Electric   | 44,960       | 1                        |                    | 44,960       | -   | -                      | -                  | -         | -   |
| Maintenance Manchester St  | 33,117       | 1                        |                    | 33,117       | -   | -                      | -                  | -         | -   |
| Office Equipment maintenance   | -            | 1                        |                    | -            | -   | -                      | -                  | -         | -   |
| Miscellaneous Charges  |              |                          |                    |              |   |                        |                    |           |   |
| Senior Management Vehicles   | 3,822        | 1                        |                    | 3,822        | -   | -                      | -                  | -         | -   |
| Senior Management Fuel Purchased   | 4,504        | 1                        |                    | 4,504        | -   | -                      | -                  | -         | -   |
| Senior Management Vehicle Registrations  | 476          | 1                        |                    | 476          | -   | -                      | -                  | -         | -   |
| Courier & Express Mail Expense   | 253          | 1                        |                    | 253          | -   | -                      | -                  | -         | -   |
| Outside Svcs (Supervision/Spec Svcs)   | 269,938      | 1                        |                    | 269,938      | -   | -                      | -                  | -         | -   |
| Meetings and Conventions   | 46,091       | 1                        |                    | 46,091       | -   | -                      | -                  | -         | -   |
| License Fees   | 15,327       | 1                        |                    | 15,327       | -   | -                      | -                  | -         | -   |
| Meals  | 2,190        | 1                        |                    | 2,190        | -   | -                      | -                  | -         | -   |
| Recruiter Fees   | 8,851        | 1                        |                    | 8,851        | -   | -                      | -                  | -         | -   |
| Engineering Dept Expense   | 105,970      | 4                        |                    | -            | -   | -                      | 105,970            | -         | -   |
| Engineering Vehicles   | 12,890       | 4                        |                    | -            | -   | -                      | 12,890             | -         | -   |
| Engineering - Fuel Purchased   | 20,385       | 4                        |                    | -            | -   | -                      | 20,385             | -         | -   |
| Engineering - Vehicle Registration   | 4,488        | 4                        |                    | -            | -   | -                      | 4,488              | -         | -   |
| Maint of Communication Equip   | 23,570       | 2                        |                    | -            | 23,570                                      | -                      | -                  | -         | -   |
| Computer Maintenance   | 590,310      | 1                        |                    | 590,310      | -   | -                      | -                  | -         | -   |
| Depreciation - 2403 & Amort  |              |                          |                    |              |   |                        |                    |           |   |
| Comm Depreciation  | 53,162       | 2                        |                    | -            | 53,162                                      | -                      | -                  | -         | -   |
| Computer Depreciation  | 826,915      | 1                        |                    | 826,915      | -   | -                      | -                  | -         | -   |
| Office Furniture Depreciation  | 13,389       | 1                        |                    | 13,389       | -   | -                      | -                  | -         | -   |
| Leasehold Improvements-15 year property  | 6,796        | 1                        |                    | 6,796        | -   | -                      | -                  | -         | -   |
| Union Negotiations - 2013  | -            | 1                        |                    | -            | -   | -                      | -                  | -         | -   |
| Union Negotiations - 2015  | -            | 1                        |                    | -            | -   | -                      | -                  | -         | -   |
| Union Negotiations - 2017  | 1,476        | 1                        |                    | 1,476        | -   | -                      | -                  | -         | -   |
| Total Allocable Expenses   | \$ 8,470,190 |                          |                    | 5,133,886    | 1,705,294                                   | -                      | 1,414,489          | 216,491   | -   |
| Tier 1 - use the corporate expense allocation between TSC, PWSC and regulated utilities. The allocation among utilities will be based on total assets and customers.<br>Tier 2 - allocate to PWW, PEU, PAC and PWSC based on total assets and customers<br>Tier 3 - allocate to PWW, PEU and PWSC based on total assets and customers<br>Tier 4 - allocate to the regulated utilities (PWW, PEU and PAC) based on total assets and customers.<br>(1) Retention/Bonus, Overtime, Merit increases and summer temp help are included in Officers' and Office Salaries<br>(2) Outside Services include temporary help from temporary services providers<br>(3) Effectively, all Admin & Gen Expense (incl. Engineering) are allocated less Insurance, Regulatory Commission, Memberships, Misc General, Public Relations and Charitable Contributions and Union Benefits |              |                          |                    |              |   |                        |                    |           |   |

| Allocation Calculation - Tier 1 (All Companies)   |                          |                         |                       |                          |                            |                                |                            |
|---|--------------------------|-------------------------|-----------------------|--------------------------|----------------------------|--------------------------------|----------------------------|
|   | PWW                      | PEU                     | Pittsfield            | Total Regulated          | Con Ops (PWS) <sup>1</sup> | Real Estate (TSC) <sup>1</sup> | Total                      |
| Revenues <sup>4</sup>   | 32,280,395               | 8,819,088               | 774,537               | \$ 41,874,020<br>93.51%  | 2,892,868<br>6.46%         | 12,033<br>0.03%                | \$ 44,778,922<br>100.00%   |
| Employees (FTE's) - 2019<br>(excluding employees without benefits)  |                          |                         |                       | 128<br>99.22%            | 1<br>0.78%                 | 0<br>0.00%                     | 129<br>100.00%             |
| Square Footage - w/ add'l lease space<br>Manchester Street Facility <sup>4</sup>  |                          |                         |                       | 19,421<br>99.00%         | 196<br>1.00%               | 0<br>0.00%                     | 19,617<br>100.00%          |
| Total Assets <sup>2</sup>   | \$ 267,705,032<br>79.02% | \$ 66,609,561<br>19.66% | \$ 4,461,150<br>1.32% | \$ 338,775,744<br>99.82% | \$ 249,629<br>0.07%        | \$ 365,332<br>0.11%            | \$ 339,390,705<br>100.00%  |
| Customers <sup>3</sup>  | 29,006<br>76.55%         | 8,248<br>21.77%         | 639<br>1.69%          | 37,893<br>100.01%        |                            |                                |                            |
| Average Percentage  | 77.79%                   | 20.72%                  | 1.51%                 | 97.89%                   | 2.08%                      | 0.04%                          | 100.01%                    |
| Allocation of Allocable Expenses  | 3,907,979                | 1,041,190               | 75,878                | 5,025,047                | 106,785                    | 2,054                          | \$ 5,133,886               |
| Effective Allocation %  | 76.12%                   | 20.28%                  | 1.48%                 |                          | 2.08%                      | 0.04%                          |                            |
|   |                          |                         |                       |                          |                            |                                | <u>Check Total</u><br>\$ - |
| <sup>1</sup> - PWS - 100% of 1 employee<br><sup>2</sup> - Based on December 2019 Preliminary Less Intercompany Account Balances<br><sup>3</sup> - Based on December 2019 Actuals<br><sup>4</sup> - Based on December 2019 Preliminary |                          |                         |                       |                          |                            |                                |                            |

| Allocation Calculation - Tier 2 (All Regulated Companies plus PWSC)                                  |                          |                         |                       |                          |                            |                   |                            |
|--|--------------------------|-------------------------|-----------------------|--------------------------|----------------------------|-------------------|----------------------------|
|  | PWW                      | PEU                     | Pittsfield            | Total Regulated          | Con Ops (PWS) <sup>1</sup> | Real Estate (TSC) | Total                      |
| Total Assets <sup>2</sup>  | \$ 267,705,032<br>79.02% | \$ 66,609,561<br>19.66% | \$ 4,461,150<br>1.32% | \$ 338,775,744<br>99.93% | \$ 249,629<br>0.07%        | \$ -<br>0.00%     | \$ 339,025,373<br>100.00%  |
| Customers <sup>3</sup>   | 29,006<br>76.55%         | 8,248<br>21.77%         | 639<br>1.69%          | 37,893<br>82.33%         | 8,131<br>17.67%            | 0                 | 46,024                     |
| Average Percentage   | 77.79%                   | 20.72%                  | 1.51%                 | 91.13%                   | 8.87%                      |                   | 100.00%                    |
| Allocation of Allocable Expenses   | 1,208,572                | 321,996                 | 23,466                | 1,554,034                | 151,260                    | 0                 | \$ 1,705,294               |
| Effective Allocation %   | 70.87%                   | 18.88%                  | 1.38%                 |                          | 8.87%                      | N/A               |                            |
|  |                          |                         |                       |                          |                            |                   | <u>Check Total</u><br>\$ - |
| <sup>1</sup> - PWS customers based on municipality customers and prorated based on services rendered |                          |                         |                       |                          |                            |                   |                            |

| Allocation Calculation - Tier 3 (PWW, PEU and PWSC) |                          |                         |            |                     |                   |                           |                            |
|---|--------------------------|-------------------------|------------|---------------------|-------------------|---------------------------|----------------------------|
|   | PWW                      | PEU                     | Pittsfield | Con Ops (PWS)       | Real Estate (TSC) | Total                     |                            |
| Total Assets <sup>2</sup>                           | \$ 267,705,032<br>80.02% | \$ 66,609,561<br>19.91% |            | \$ 249,629<br>0.07% |                   | \$ 334,564,223<br>100.00% |                            |
| Customers <sup>3</sup>                              | 29,006<br>63.91%         | 8,248<br>18.17%         |            | 8,131<br>17.92%     |                   | 45,385<br>100.00%         |                            |
| Average Percentage                                  | 71.97%                   | 19.04%                  |            | 9.00%               |                   | 100.01%                   |                            |
| Allocation of Allocable Expenses                    | \$ -                     | \$ -                    | 0          | \$ -                | 0                 | \$ -                      | <u>Check Total</u><br>\$ - |
| Effective Allocation %                              | #DIV/0!                  | #DIV/0!                 | N/A        | #DIV/0!             | N/A               |                           |                            |

| Allocation Calculation - Tier 4 (Regulated Companies) |                |               |              |               |                                |                |             |
|---|----------------|---------------|--------------|---------------|--------------------------------|----------------|-------------|
|   | PWW            | PEU           | Pittsfield   | Con Ops (PWS) | Real Estate (TSC) <sup>1</sup> | Total          |             |
| Total Assets <sup>2</sup>                             | \$ 267,705,032 | \$ 66,609,561 | \$ 4,461,150 |               |                                | \$ 338,775,744 |             |
|   | 79.02%         | 19.66%        | 1.32%        |               |                                | 100.00%        |             |
| Customers <sup>3</sup>                                | 29,006         | 8,248         | 639          |               |                                | 37,893         |             |
|   | 76.55%         | 21.77%        | 1.69%        |               |                                | 100.01%        |             |
| Average Percentage                                    | 77.79%         | 20.72%        | 1.51%        |               |                                | 100.02%        |             |
| Allocation of Allocable Expenses                      | \$ 1,100,048   | \$ 293,082    | \$ 21,359    | 0             | 0                              | \$ 1,414,489   | Check Total |
| Effective Allocation %                                | 77.77%         | 20.72%        | 1.51%        | N/A           | N/A                            |                | \$ -        |

| Specific Allocation Calculations - Tier 5-7 |     |     |            |               |                                |         |             |
|---|-----|-----|------------|---------------|--------------------------------|---------|-------------|
|   | PWW | PEU | Pittsfield | Con Ops (PWS) | Real Estate (TSC) <sup>1</sup> | Total   | Check Total |
| Direct Allocable Costs                      | 0   | 0   | -          | 216,491       | 0                              | 216,491 | \$ -        |
|   | N/A | N/A |            |               | N/A                            |         |             |

| Summary of Allocations | PWW       | PEU       | Pittsfield | Con Ops (PWS) | Real Estate (TSC) | Totals    |             |             |
|------------------------|-----------|-----------|------------|---------------|-------------------|-----------|-------------|-------------|
| Tier 1                 | 3,907,979 | 1,041,190 | 75,878     | 106,785       | 2,054             | 5,133,886 |             |             |
| Tier 2                 | 1,208,572 | 321,996   | 23,466     | 151,260       | -                 | 1,705,294 |             |             |
| Tier 3                 | -         | -         | -          | -             | -                 | -         |             |             |
| Tier 4                 | 1,100,048 | 293,082   | 21,359     | -             | -                 | 1,414,489 |             |             |
| PWSC only and PAC only | -         | -         | -          | 216,491       | -                 | 216,491   | unallocated |             |
| Total Allocations      | 6,216,598 | 1,656,268 | 120,703    | 474,536       | 2,054             | 8,470,160 | PAC/PEU     | Total       |
|                        | 73.39%    | 19.55%    | 1.43%      | 5.60%         | 0.02%             | 100.00%   | -           | Check Total |
|                        |           |           |            |               |                   |           |             | 8,470,160 - |

| PWSC Customers | Operations | Water Supply | Billing | Cust Svc | Customers Customers |       |
|----------------|------------|--------------|---------|----------|---------------------|-------|
| Salisbury      | 0.250      | 0.250        | 0.250   | 0.250    | 3,700               | 3,700 |
| Boscawen       | 0.250      | 0.250        | 0.083   | 0.083    | 1,190               | 793   |
| Amesbury       | -          | -            | 0.167   | 0.167    | 5,800               | 1,937 |
| Rowley         | -          | -            | 0.250   | 0.250    | 1,880               | 940   |
| Essexham       | -          | -            | 0.125   | 0.125    | 800                 | 200   |
| Wellfleet      | -          | -            | 0.125   | 0.125    | 264                 | 66    |
| Woodstock      | 0.250      | 0.250        | -       | -        | 990                 | 495   |
|                |            |              |         |          | 8,131               | *     |

Note: Customer Counts updated 11/13/2019

Pennichuck Water Works  
Work Order Allocation of Operations and Production Expenses  
For Month Ending 12/31/2019

|  |           |
|--|-----------|
| <b>Full Year Amounts (to be allocated)</b> |           |
| Wages                                      |           |
| Superintendence - WTP                      | 262,269   |
| Office Salaries & Wages: WTP               | 330,772   |
| Purification Labor                         | 227,664   |
| Superintendence - Operations               | 339,564   |
| Office Salaries - Operations               | 115,210   |
| Benefits                                   |           |
| Superintendence - WTP                      | 127,804   |
| Office Salaries & Wages: WTP               | 161,185   |
| Purification Labor                         | 119,941   |
| Superintendence - Operations               | 165,469   |
| Office Salaries - Operations               | 56,142    |
| Facilities - Will Street                   |           |
| Maint. Meter Department                    | 233       |
| Will Street Parking                        | -         |
| Will Street Office Supplies                | 13,068    |
| Will Street Gas                            | 7,842     |
| Will Street Electric                       | 35,337    |
| Will Street Phone                          | 41,585    |
| Miscellaneous Charges                      |           |
| Misc Gen Exp Ops                           | 69,826    |
| Misc T&D Materials & Supplies              | 17,300    |
| Stores Expense                             | 55,730    |
| Small Tools Expense                        | 35,406    |
| OPS - Non-Union Vehicles                   | 798       |
| WTP - Non-Union Vehicles                   | 6,585     |
| Misc. Transport Expense                    | 71,406    |
| Non-Union Vehicle Fuel Costs               | 32,523    |
| Misc Gen Equipment Exp                     | 36,224    |
| Depreciation - 2304                        |           |
| 16 DW Highway                              | 184,471   |
| Tools, Shop & Garage                       | 44,785    |
| Other Tangible Equipment-Misc Equip        | 26,102    |
| Non-Union Transportation Depreciation      | 51,629    |
| Total Allocable Expenses                   | 2,627,831 |

|                                   | 2019 Workorder Costs |              |              |            |             |            |             |             |            |             |              |               | Total     |
|-----------------------------------|----------------------|--------------|--------------|------------|-------------|------------|-------------|-------------|------------|-------------|--------------|---------------|-----------|
|                                   | PWW Capital          | 070 WTP      | 080 OPS      | Fleet      | PWW Jobbing | PWS        | PWS Jobbing | PAC Capital | PAC        | PEU Capital | PEU          |               |           |
|                                   | Maintenance          | Maintenance  |              |            | Maintenance |            |             | Maintenance |            | Maintenance |              |               |           |
| Labor                             | 58,274.36            | 894,072.37   | 1,745,057.06 | 77,818.68  | 48,707.59   | 425,823.36 | 56,554.82   | 3,732.23    | 83,624.18  | 27,095.30   | 782,210.60   | 4,182,970.55  |           |
| Contractor Clearing               | 114,695.11           | -            | -            | 166,958.84 | 11,722.11   | -          | 473,888.18  | 2,696.82    | -          | 100,281.44  | -            | 870,242.50    |           |
| Inventory: Pipes & Fittings       | 26,534.47            | 499.80       | 74,290.19    | -          | 22,408.08   | 76.73      | 921.42      | 456.88      | 723.69     | 10,361.10   | 17,887.35    | 154,159.71    |           |
| Inventory: Meters                 | 222,176.17           | -            | 2,846.41     | -          | -           | -          | 2,352.80    | 1,540.41    | 320.12     | 89,738.39   | 2,923.76     | 321,898.06    |           |
| Inventory: Misc T&D               | 55.17                | -            | 40.56        | -          | -           | -          | -           | -           | -          | -           | 25.97        | 121.70        |           |
| Inventory: Chemicals              | -                    | 913,828.98   | -            | -          | -           | -          | 10,233.07   | -           | -          | -           | 66,041.51    | 990,103.56    |           |
| Inventory: Fleet                  | -                    | -            | -            | 3,220.49   | -           | -          | -           | -           | -          | -           | -            | 3,220.49      |           |
| Inventory: Backup Gen Fuel        | -                    | -            | -            | -          | -           | -          | -           | -           | -          | -           | -            | -             |           |
| Misc T&D Supplies                 | -                    | -            | -            | -          | -           | -          | -           | -           | -          | -           | -            | -             |           |
| Truck                             | 24,529.25            | 89,684.75    | 332,620.75   | 2,024.75   | 20,294.75   | 134,802.50 | 14,904.70   | 1,345.75    | 8,863.75   | 10,028.50   | 228,599.00   | 867,698.45    |           |
| Backhoe                           | 7,582.75             | 677.50       | 37,128.00    | -          | 6,201.75    | 194.75     | 612.50      | 433.75      | 1,058.25   | 3,250.50    | 12,876.25    | 70,010.00     |           |
| Compressor                        | -                    | -            | 4,189.50     | -          | -           | -          | -           | -           | -          | -           | 1,083.00     | 5,272.50      |           |
| Inspection Fees                   | -                    | -            | -            | -          | 123,612.00  | -          | -           | -           | -          | -           | -            | 123,612.00    |           |
| Overhead                          | 9,112.72             | -            | -            | -          | 39,004.45   | -          | -           | 252.98      | -          | 5,054.04    | -            | 53,424.19     |           |
| Labor Overhead                    | 37,223.44            | 565,411.37   | 1,103,574.08 | 49,212.53  | 47,320.49   | 264,601.01 | 36,260.73   | 2,439.34    | 44,507.85  | 17,366.31   | 488,205.04   | 2,656,128.19  |           |
| Misc General Equipment            | -                    | -            | -            | -          | -           | -          | -           | -           | -          | -           | -            | -             |           |
| Total Costs                       | 590,189.44           | 2,464,174.77 | 3,299,746.55 | 299,235.29 | 319,271.22  | 825,498.35 | 595,728.22  | 12,898.16   | 139,097.84 | 263,175.38  | 1,579,846.48 | 10,299,861.90 |           |
| Total Costs w/o OH & CW           | 376,381.61           | 2,464,174.77 | 3,299,746.55 | 132,276.45 | 268,544.66  | 825,498.35 | 121,840.04  | 9,948.36    | 139,097.84 | 157,840.10  | 1,579,846.48 | 9,375,195.21  |           |
| % of Total                        | 4.86%                | 23.93%       | 32.04%       | 2.91%      | 3.10%       | 8.02%      | 5.78%       | 0.13%       | 1.35%      | 2.56%       | 15.34%       | 100.00%       |           |
| % of Total w/o OH & CW            | 4.01%                | 26.28%       | 35.20%       | 1.41%      | 2.86%       | 8.81%      | 1.30%       | 0.11%       | 1.48%      | 1.68%       | 16.85%       | 100.00%       |           |
| Overhead Allocable to Work Orders | 2,627,829            | 127,627      | 628,752      | 841,955    | 76,352      | 81,464     | 210,632     | 152,004     | 3,291      | 35,492      | 67,151       | 403,109       | 2,627,829 |
| Totals by Company:                |                      |              |              |            |             |            |             |             |            |             |              |               |           |
| PWW                               | 127,627              | 628,752      | 841,955      | 76,352     | 81,464      |            |             |             |            |             |              | 1,756,150     | 66.8%     |
| PEU                               |                      |              |              |            |             |            |             |             |            | 67,151      | 403,109      | 470,260       | 17.9%     |
| PAC                               |                      |              |              |            |             | 210,632    | 152,004     | 3,291       | 35,492     |             |              | 38,783        | 1.5%      |
| PWS                               |                      |              |              |            |             |            |             |             |            |             |              | 362,636       | 13.8%     |
| Total Overhead                    | 127,627              | 628,752      | 841,955      | 76,352     | 81,464      | 210,632    | 152,004     | 3,291       | 35,492     | 67,151      | 403,109      | 2,627,829     | 100.0%    |
| % Labor                           | 0.01                 | 0.21         | 0.42         | 0.02       | 0.01        | 0.10       | 0.01        | 0.00        | 0.02       | 0.01        | 0.18         | 1.00          |           |
|                                   |                      |              |              |            |             |            |             |             |            |             |              | 1.00          |           |

Pennichuck Water Works  
Return on Common Assets Allocation (to other Subsidiary Companies)  
For Month Ending 12/31/2019

Provided pursuant to NHPUC Rule 1604.01(25)

Effective Tax Rate - current

27.08%

12

4.82%

Dollars Applicable to:

| Full Year Amounts (to be allocated)            | Rate of Return | Net Book Value | Tier Allocation Required | Tier 1 (All) | Tier 2 (Regulated + PWSC) | Tier 3 (PWW+PEU+PWSC) | Tier 4 (Regulated) | PWSC Only | PAC Only | TSC Only budgeted specifically on TSC P/L |
|--|----------------|----------------|--------------------------|--------------|---------------------------|-----------------------|--------------------|-----------|----------|---|
| Office Furniture & Equipment                   | 2,084          | 43,226         | 1                        | 2,084        | -                         | -                     | -                  | -         | -        | -   |
| Transportation Equipment                       | 98,110         | 2,035,475      | 2                        | -            | 98,110                    | -                     | -                  | -         | -        | -   |
| Tools, Shop & Garage Equipment                 | 18,627         | 386,446        | 3                        | -            | -                         | 18,627                | -                  | -         | -        | -   |
| Construction Meters                            | 121            | 2,504          | 2                        | -            | 121                       | -                     | -                  | -         | -        | -   |
| Power Operated Equipment                       | 10,175         | 211,089        | 2                        | -            | 10,175                    | -                     | -                  | -         | -        | -   |
| Communication Equipment                        | 25,227         | 523,382        | 4                        | -            | -                         | -                     | 25,227             | -         | -        | -   |
| Computer Equipment                             | 134,955        | 2,799,892      | 1                        | 134,955      | -                         | -                     | -                  | -         | -        | -   |
| Other Plant and Misc Equipment                 | 20,590         | 427,173        | 4                        | -            | -                         | -                     | 20,590             | -         | -        | -   |
| Leasehold Improvements                         | 635            | 13,166         | 1                        | 635          | -                         | -                     | -                  | -         | -        | -   |
| 16 DW Highway                                  | 333,632        | 6,921,624      | 3                        | -            | -                         | 333,632               | -                  | -         | -        | -   |
| Will Street Expansion                          | -              | -              | 3                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Deferred Pension Costs                         | 494,957        | -              | 1                        | 494,957      | -                         | -                     | -                  | -         | -        | -   |
| Deferred Post Retirement Health                | 51,943         | -              | 1                        | 51,943       | -                         | -                     | -                  | -         | -        | -   |
| Deferred Post Employment Health                | -              | -              | 1                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Deferred SERP                                  | 38,030         | -              | 1                        | 38,030       | -                         | -                     | -                  | -         | -        | -   |
| VEBA Trust - Union                             | 22,204         | -              | 1                        | 22,204       | -                         | -                     | -                  | -         | -        | -   |
| VEBA Trust - Non-union                         | 6,911          | -              | 1                        | 6,911        | -                         | -                     | -                  | -         | -        | -   |
| Union Negotiations - 2013                      | -              | -              | 1                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Union Negotiations - 2015                      | -              | -              | 1                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Deferred Pension Costs                         | -              | 10,268,820     | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Deferred Post Employment Health                | -              | -              | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Deferred Post Retirement Health                | -              | 1,077,660      | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Deferred SERP                                  | -              | 789,010        | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Less: Accrued Liability Pension - ST           | -              | -              | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Less: Accrued Liability Pension - LT           | -              | (12,970,815)   | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Less: Post Employment Health Liability - ST    | -              | -              | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Less: Post Employment Health Liability - LT    | -              | -              | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Less: Accrued Liability SERP                   | -              | (380,788)      | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| VEBA Trust - Union                             | -              | 460,665        | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| VEBA Trust - Non-union                         | -              | 143,375        | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Less: Post Retirement Liability Health - ST    | -              | -              | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Less: Post Retirement Liability Health - LT    | -              | (4,585,921)    | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Subtotal                                       | -              | (5,197,996)    | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Less: Tax Impact at current effective tax rate | -              | 1,407,617      | -                        | -            | -                         | -                     | -                  | -         | -        | -   |
| Net Impact Unfunded FAS 106 & FAS 158 Costs    | (182,696)      | (3,790,378)    | 1                        | (182,696)    | -                         | -                     | -                  | -         | -        | -   |
| Total Allocable Expenses                       | 1,079,205      | 22,313,348.46  | -                        | 569,023      | 108,406                   | 352,259               | 45,817             | -         | -        | -   |

\*Note: Rate of Return based on YTD NBV/12\*months

Tier 1 - use the corporate expense allocation between TSC, PWSC and regulated utilities. The allocation among utilities will be based on total assets and customers.

Tier 2 - allocate to PWW, PEU, PAC and PWSC based on total assets and customers

Tier 3 - allocate to PWW, PEU and PWSC based on total assets and customers

Tier 4 - allocate to the regulated utilities (PWW, PEU and PAC) based on total assets and customers.

Note: Laboratory Equipment not included. Currently, PWW charges a \$15 fee for all lab work which is considered to be a competitive price and \$5 higher than charged by the State of New Hampshire.

| Allocation Calculation - Tier 1 (All Companies)                     |             |            |            |                 |                 |                     |                    |
|---|-------------|------------|------------|-----------------|-----------------|---------------------|--------------------|
|   | PWW         | PEU        | Pittsfield | Total Regulated | Con Ops (PWS) 1 | Real Estate (TSC) 1 | Total              |
| Revenues <sup>4</sup>   | 32,280,395  | 8,819,088  | 774,537    | \$ 41,874,020   | 2,892,868       | 12,033 \$           | 44,778,922         |
|   |             |            |            | 93.51%          | 6.46%           | 0.03%               | 100.00%            |
| Employees (FTE's) - 2019<br>(including summer help)                 |             |            |            | 128             | 1               | 0                   | 129                |
|   |             |            |            | 99.22%          | 0.78%           | 0.00%               | 100.00%            |
| Square Footage - w/ add'l lease space<br>Manchester Street Facility |             |            |            | 19,421          | 196             | 0                   | 19,617             |
|   |             |            |            | 99.00%          | 1.00%           | 0.00%               | 100.00%            |
| Total Assets <sup>2</sup>   | 267,705,032 | 66,609,561 | 4,461,150  | 338,775,744     | 249,629 \$      | 365,332 \$          | 339,390,705        |
|   | 79.02%      | 19.66%     | 1.32%      | 99.82%          | 0.07%           | 0.11%               | 100.00%            |
| Customers <sup>3</sup>  | 29,006      | 8,248      | 639        | 37,893          |                 |                     |                    |
|   | 76.55%      | 21.77%     | 1.69%      | 100.00%         |                 |                     |                    |
| Average Percentage  | 77.78%      | 20.71%     | 1.50%      | 97.89%          | 2.08%           | 0.04%               | 100.01%            |
| Allocation of Allocable Expenses                                    | 433,259     | 115,346    | 8,354      | 556,959         | 11,836          | 228 \$              | 569,023            |
| Effective Allocation %  | 76.14%      | 20.27%     | 1.47%      |                 | 2.08%           | 0.04%               |                    |
|   |             |            |            |                 |                 |                     | <u>Check Total</u> |
|   |             |            |            |                 |                 |                     | \$ -               |
|   | 1           |            |            |                 |                 |                     |                    |
|   | 2           |            |            |                 |                 |                     |                    |
|   | 3           |            |            |                 |                 |                     |                    |
|   | 4           |            |            |                 |                 |                     |                    |

| Allocation Calculation - Tier 2 (All Regulated Companies plus PWSC)                       |                |               |              |                 |                 |                   |                    |
|---|----------------|---------------|--------------|-----------------|-----------------|-------------------|--------------------|
|   | PWW            | PEU           | Pittsfield   | Total Regulated | Con Ops (PWS) 1 | Real Estate (TSC) | Total              |
| Total Assets <sup>2</sup>   | \$ 267,705,032 | \$ 66,609,561 | \$ 4,461,150 | \$ 338,775,744  | \$ 249,629      | \$ -              | \$ 339,025,373     |
|   | 79.02%         | 19.66%        | 1.32%        | 99.93%          | 0.07%           | 0.00%             | 100.00%            |
| Customers <sup>3</sup>  | 29,006         | 8,248         | 639          | 37,893          | 8,131           | 0                 | 46,024             |
|   | 76.55%         | 21.77%        | 1.69%        | 82.33%          | 17.67%          |                   |                    |
| Average Percentage  | 77.79%         | 20.72%        | 1.51%        | 91.13%          | 8.87%           |                   | 100.00%            |
| Allocation of Allocable Expenses  | 76,629         | 20,469        | 1,492        | 98,790          | 9,616           | 0                 | 108,406            |
| Effective Allocation %  | 70.87%         | 18.88%        | 1.38%        |                 | 8.87%           | N/A               |                    |
|   |                |               |              |                 |                 |                   | <u>Check Total</u> |
|   |                |               |              |                 |                 |                   | \$ -               |
| 1. PWS customers based on municipality customers and pro rated based on services rendered |                |               |              |                 |                 |                   |                    |

| Allocation Calculation - Tier 3 (PWW, PEU and PWSC) |                |               |            |               |                   |    |                    |
|---|----------------|---------------|------------|---------------|-------------------|----|--------------------|
|   | PWW            | PEU           | Pittsfield | Con Ops (PWS) | Real Estate (TSC) |    | Total              |
| Total Assets <sup>2</sup>                           | \$ 267,705,032 | \$ 66,609,561 |            | \$ 249,629    |                   |    | \$ 334,564,223     |
|   | 80.02%         | 19.91%        |            | 0.08%         |                   |    | 100.00%            |
| Customers <sup>3</sup>                              | 29,006         | 8,248         |            | 8,131         |                   |    | 45,385             |
|   | 63.91%         | 18.17%        |            | 17.92%        |                   |    | 100.00%            |
| Average Percentage                                  | 71.96%         | 19.04%        |            | 9.00%         |                   |    | 100.00%            |
| Allocation of Allocable Expenses                    | \$ 253,486     | \$ 67,070     | 0          | \$ 31,703     | 0                 | \$ | 352,259            |
| Effective Allocation %                              | 71.96%         | 19.04%        | N/A        | 9.00%         | N/A               |    |                    |
|   |                |               |            |               |                   |    | <u>Check Total</u> |
|   |                |               |            |               |                   |    | \$ -               |

| Allocation Calculation - Tier 4 (Regulated Companies) |                |               |              |               |                                |                    |
|---|----------------|---------------|--------------|---------------|--------------------------------|--------------------|
|   | PWW            | PEU           | Pittsfield   | Con Ops (PWS) | Real Estate (TSC) <sup>1</sup> | Total              |
| Total Assets <sup>2</sup>                             | \$ 267,705,032 | \$ 66,609,561 | \$ 4,461,150 |               |                                | \$ 338,775,744     |
|   | 79.02%         | 19.66%        | 1.32%        |               |                                | 100.00%            |
| Customers <sup>3</sup>                                | 29,006         | 8,248         | 639          |               |                                | 37,893             |
|   | 76.55%         | 21.77%        | 1.69%        |               |                                | 100.00%            |
| Average Percentage                                    | 77.78%         | 20.71%        | 1.50%        |               |                                | 99.99%             |
| Allocation of Allocable Expenses                      | \$ 35,641      | \$ 9,489      | \$ 687       | 0             | 0                              | \$ 45,817          |
| Effective Allocation %                                | 77.79%         | 20.71%        | 1.50%        | N/A           | N/A                            |                    |
|   |                |               |              |               |                                | <b>Check Total</b> |
|   |                |               |              |               |                                | \$ -               |

| Specific Allocation Calculations - Tier 5-7 |     |     |            |               |               |                                |
|---|-----|-----|------------|---------------|---------------|--------------------------------|
|   | PWW | PEU | Pittsfield | North Country | Con Ops (PWS) | Real Estate (TSC) <sup>1</sup> |
| Direct Allocable Costs                      | 0   | 0   | -          | -             | -             | 0                              |
|   | N/A | N/A | -          | -             | -             | N/A                            |
|   |     |     |            |               |               | <b>Check Total</b>             |
|   |     |     |            |               |               | \$ -                           |

| Summary of Allocations | PWW     | PEU     | Pittsfield | North Country | Con Ops (PWS) | Real Estate (TSC) | Totals    |                 |             |
|------------------------|---------|---------|------------|---------------|---------------|-------------------|-----------|-----------------|-------------|
| Tier 1                 | 433,259 | 115,346 | 8,354      | -             | -             | 11,836            | 228       | 569,023         |             |
| Tier 2                 | 76,829  | 20,469  | 1,492      | -             | -             | 9,616             | -         | 108,406         |             |
| Tier 3                 | 253,486 | 67,070  | -          | -             | -             | 31,703            | -         | 352,259         |             |
| Tier 4                 | 35,641  | 9,489   | 687        | -             | -             | -                 | -         | 45,817          |             |
| PWSC only and PAC only | -       | -       | -          | -             | -             | -                 | -         | -               |             |
| Total Allocations      | 799,215 | 212,374 | 10,533     | -             | 53,155        | 228               | 1,075,505 | unallocated TSC | Check Total |
|                        | 74.31%  | 19.75%  | 0.98%      | 0.00%         | 4.94%         | 0.02%             | 100.00%   | =               | -           |

| Summary Transfers from PWW Operating to Other Companies |              |              |
|---|--------------|--------------|
| Full Year Amounts                                       |              |              |
|   | Annual Amts. | Monthly Amts |
| PWW operating expense allocation - PWW                  | \$ (276,290) | \$ (23,025)  |
| PWW operating expense allocation - PEU                  | \$ 212,374   | \$ 17,698    |
| PWW operating expense allocation - Pittsfield           | \$ 10,533    | \$ 878       |
| PWW operating expense allocation - PCP                  | \$ -         | \$ -         |
| PWW operating expense allocation - PWS                  | \$ 53,155    | \$ 4,430     |
| PWW operating expense allocation - TSC                  | \$ 228       | \$ 19        |
| Check Totals  | \$ -         | \$ -         |



**Pennichuck Corporation**  
**Mgmt Fee Expense Allocation (to other Subsidiary Companies)**  
**For Month Ending 12/31/2019**

Provided pursuant to NHPUC Rule 1604.01(25)

|   |                |
|---|----------------|
| Professional Fees                             | 20,354         |
| D&O Insurance                                 | 33,376         |
| Annual Report Cost & Meeting                  | 1,118          |
| Auditors Expense/SEC Legal                    | 113,578        |
| Corp Governance Legal/American Stock Transfer | -              |
| Directors Fees & Meetings/Corporate Secretary | -              |
| EDGAR Filing/NASDAQ/All Other Misc            | -              |
| Board of Directors                            | 128,410        |
| Board of Directors Education & Training       | -              |
| <b>Total Allocable Expense</b>                | <b>296,836</b> |

| Allocation Calculation - level 1 (All Companies) |                |               |              |                 |              |                  |                    |
|--|----------------|---------------|--------------|-----------------|--------------|------------------|--------------------|
|  | PWW            | PEU           | Pittsfield   | Total Regulated | Con Ops(PWS) | Real Estate(TSC) | Total              |
| Revenues   | \$ 32,280,395  | \$ 8,819,088  | \$ 774,537   | \$ 41,874,020   | \$ 2,892,868 | \$ 12,033        | \$ 44,778,922      |
| Financial Prelims                                | 72.09%         | 19.70%        | 1.73%        |                 | 6.46%        | 0.03%            | 100.00%            |
| Total Assets                                     | \$ 267,705,032 | \$ 66,609,561 | \$ 4,461,150 | \$ 338,775,744  | \$ 249,629   | \$ 365,332       | \$ 339,390,705     |
| Financial Prelims                                | 78.88%         | 19.63%        | 1.31%        |                 | 0.07%        | 0.11%            | 100.00%            |
| Average Percentage                               | 75.48%         | 19.66%        | 1.52%        |                 | 3.27%        | 0.07%            | 100.00%            |
| Allocation of Allocable Expenses                 | 224,060        | 58,359        | 4,518        | \$ 286,938      | 9,698        | 200              | \$ 296,836         |
|  |                |               |              |                 |              |                  | <u>Check Total</u> |
|  |                |               |              |                 |              |                  | -                  |

| Summary Transfers from PCP Operating to Other Companies - Full Year Amounts |                           |              |             |
|---|---------------------------|--------------|-------------|
|   | YTD Costs Current Balance |              | Monthly Adj |
| PCP Mgmt Fee Expense Allocation - PCP                                       | \$ (296,835)              | \$ (273,692) | (23,143)    |
| PCP Mgmt Fee Expense Allocation - PWW                                       | \$ 224,060                | \$ 206,390   | 17,670      |
| PCP Mgmt Fee Expense Allocation - PEU                                       | \$ 58,359                 | \$ 53,235    | 5,124       |
| PCP Mgmt Fee Expense Allocation - PAC                                       | \$ 4,518                  | \$ 4,151     | 367         |
| PCP Mgmt Fee Expense Allocation - PWS                                       | \$ 9,698                  | \$ 8,898     | 800         |
| PCP Mgmt Fee Expense Allocation - TSC                                       | \$ 200                    | \$ 1,018     | (818)       |
| Check Totals  | \$ -                      | \$ -         | \$ -        |

Summary of 2019 Allocated Costs  
Year to Date Costs through December 31, 2019  
Pennichuck Corporation and Subsidiaries  
(Dollar amounts in \$ 000's)

PREPARED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

REVIEWED & APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

| Summary of 2019 Allocated Costs              |            |           |            |                 |               |                  |            |
|--|------------|-----------|------------|-----------------|---------------|------------------|------------|
| Year to Date Costs through December 31, 2019 |            |           |            |                 |               |                  |            |
| Pennichuck Corporation                       |            |           |            |                 |               |                  |            |
| (Dollar amounts in \$ 000's)                 |            |           |            |                 |               |                  |            |
|  | Penn Water | Penn East | Pittsfield | Total Regulated | Con Ops(PWSC) | Real Estate(TSC) | Total      |
| Allocated Corporate Costs                    | \$ 224,060 | \$ 58,359 | \$ 4,518   | \$ 286,938      | \$ 9,698      | \$ 200           | \$ 296,836 |
| %  | 75.5%      | 19.7%     | 1.5%       | 96.7%           | 3.3%          | 0.1%             | 100.0%     |

| Summary Transfers from PCP Operating to Other Companies - Full Year Amounts |              |                 |             |
|---|--------------|-----------------|-------------|
|   | YTD Costs    | Current Balance | Monthly Adj |
| PCP Mgmt Fee Expense Allocation - PCP                                       | \$ (296,835) | (273,692)       | (23,143)    |
| PCP Mgmt Fee Expense Allocation - PWV                                       | \$ 224,060   | 206,390         | 17,670      |
| PCP Mgmt Fee Expense Allocation - PEU                                       | \$ 58,359    | 53,235          | 5,124       |
| PCP Mgmt Fee Expense Allocation - PAC                                       | \$ 4,518     | 4,151           | 367         |
| PCP Mgmt Fee Expense Allocation - PWS                                       | \$ 9,698     | 8,898           | 800         |
| PCP Mgmt Fee Expense Allocation - TSC                                       | \$ 200       | 1,018           | (818)       |
| Check Totals  | \$ -         | \$ -            | \$ -        |

| Summary of 2019 Allocated Costs                   |              |              |            |                 |               |                  |               |
|---|--------------|--------------|------------|-----------------|---------------|------------------|---------------|
| Year to Date Costs through December 31, 2019      |              |              |            |                 |               |                  |               |
| Pennichuck Water Works                            |              |              |            |                 |               |                  |               |
| (Dollar amounts in \$ 000's)                      |              |              |            |                 |               |                  |               |
|   | Penn Water   | Penn East    | Pittsfield | Total Regulated | Con Ops(PWSC) | Real Estate(TSC) | Total         |
| Allocated Return on Common Assets                 | 799,215      | 212,374      | 10,533     | \$ 1,022,122    | 53,155        | 228              | \$ 1,075,505  |
| %   | 74.3%        | 19.7%        | 1.0%       | 95.0%           | 4.9%          | 0.0%             | 100.0%        |
| Allocated Pennichuck Water Costs - Work Orders    | 1,756,150    | 470,260      | 38,783     | \$ 2,265,193    | 362,636       | -                | \$ 2,627,829  |
| %   | 66.8%        | 17.9%        | 1.5%       | 86.2%           | 13.8%         | 0.0%             | 100.0%        |
| Allocated Pennichuck Water Costs - Management Fee | 6,216,598    | 1,656,268    | 120,703    | \$ 7,993,569    | 474,536       | 2,054            | \$ 8,470,160  |
| %   | 73.4%        | 19.6%        | 1.4%       | 94.4%           | 5.6%          | 0.0%             | 100.0%        |
| Total Allocated 2019 Costs                        | \$ 8,771,963 | \$ 2,338,902 | \$ 170,019 | \$ 11,280,884   | \$ 890,327    | \$ 2,282         | \$ 12,173,494 |
| %   | 72.1%        | 19.2%        | 1.4%       | 92.7%           | 7.3%          | 0.0%             | 100.0%        |

| Summary Transfers from PWV Operating to Other Companies - Full Year Amounts |                |                 |                    |
|---|----------------|-----------------|--------------------|
|   | YTD Costs      | Current Balance | Monthly Adjustment |
| PWV operating expense allocation - PWV                                      | \$ (3,401,530) | (3,107,986)     | \$ (293,544)       |
| PWV operating expense allocation - PEU                                      | \$ 2,338,902   | 2,124,005       | \$ 214,897         |
| PWV operating expense allocation - PAC                                      | \$ 170,019     | 154,156         | \$ 15,863          |
| PWV operating expense allocation - PCP                                      | \$ -           | -               | \$ -               |
| PWV operating expense allocation - PWS                                      | \$ 890,327     | 820,135         | \$ 70,192          |
| PWV operating expense allocation - TSC                                      | \$ 2,282       | 9,690           | \$ (7,408)         |
| Check Totals  | \$ 0           | \$ -            | \$ -               |

| Step Allocation of Benefits                      |               |                |                    |                           |
|--|---------------|----------------|--------------------|---------------------------|
|  |               | Non-Union Wage |                    | Total with                |
| 2018 Benefits                                    | Total Dollars | Portion        | Union Wage Portion | Adjustments               |
| Union's Life Insurance                           | 5,919         | 5,919          | -                  | 5,919                     |
| Pension - US Plan                                | 1,325,040     | 766,908        | 558,132            | 1,325,040                 |
| Group Pension: 401K                              | 273,408       | 158,243        | 115,165            | 273,408                   |
| Post Retirement Health Expense                   | -             | -              | -                  | -                         |
| Post employment Health Expense                   | 262,140       | 147,982        | -                  | 147,982                   |
| Group Health Insurance                           | 1,848,066     | 1,043,263      | 804,803            | 1,848,066                 |
| Health Insurance: Opt Out                        | 21,000        | 11,855         | 9,145              | 21,000                    |
| Group Dental                                     | 218,636       | 123,424        | 95,212             | 218,636                   |
| Group Life/Disability Insurance                  | 39,756        | 22,443         | 17,313             | 39,756                    |
| Misc Employee Benefits                           | 38,820        | 21,915         | 16,905             | 38,820                    |
| Union Reimbursements                             | 47,778        | 26,971         | 20,807             | 47,778                    |
| Training Educational Seminars                    | 152,676       | 74,326         | 78,350             | 152,676                   |
| Boot & Clothing Allowance-UPS                    | 378,365       | -              | 378,365            | 378,365                   |
| Boot & Clothing Allowance-LS-Union               | 6,744         | -              | 6,744              | 6,744                     |
| Boot & Clothing Allowance-WTP                    | 220,050       | -              | 220,050            | 220,050                   |
| Vacation Earned YTD (per Acc Vac Rpt) Union Only | 32,776        | -              | 36,165             | 36,165                    |
| Payroll Taxes:                                   |               |                |                    |                           |
| Employer FICA/Medicare                           | 682,703       | 395,135        | 287,568            | 682,703                   |
| FUTA   | 5,866         | 3,395          | 2,471              | 5,866                     |
| SUI  | 7,942         | 4,597          | 3,345              | 7,942                     |
| Total benefits                                   | 5,567,145     | 2,806,436      | 2,650,540          | 5,456,976                 |
| Benefits % (of wages)                            | 57.5%         | 46.73%         | 63.44%             |                           |
| Update in Synergen for new year                  |               |                |                    |                           |
| Total Wages thru 12/31/18                        | 9,647,133     | 5,565,974      | 4,081,159          |                           |
| Less: Accrued Wages 12/31/17                     | (181,675)     | (101,267)      | (80,408)           |                           |
| Add: Accrued Wages thru current year-end         | 214,880       | 126,599        | 88,281             |                           |
| Grand Total Wages                                | 9,680,339     | 5,591,306      | 4,089,032          |                           |
| Grand Total Wages + 2019 wage increases          | 9,950,304     | 5,759,045      | 4,191,258          |                           |
|  |               |                |                    | Non-union 3% - Union 2.5% |
| %  | 100.0%        | 57.8%          | 42.2%              |                           |
| Total Headcount                                  | 124           | 70             | 54                 |                           |
| (Excluding Summer Help)                          | 100.0%        | 56.5%          | 43.5%              |                           |

|  |           |           |
|--|-----------|-----------|
| <b>Health Insurance Calculation</b>                              |           |           |
| 2019 Budget YTD  | 1,848,066 |           |
| 2019 - Union % (Based on Actual Participation at 01/01/2019)     | 43.55%    | 804,803   |
| 2019 - Non-Union % (Based on Actual Participation at 01/01/2019) | 26.40%    | 1,043,263 |
|  | 100.00%   | 1,848,066 |

|  |         |         |
|--|---------|---------|
| <b>Dental Insurance Calculation</b>                              |         |         |
| 2019 Budget YTD  | 218,636 |         |
| 2019 - Union % (Based on Actual Participation at 01/01/2019)     | 43.55%  | 95,212  |
| 2019 - Non-Union % (Based on Actual Participation at 01/01/2019) | 56.40%  | 123,424 |
|  | 100.00% | 218,636 |

|                                      |           |       |           |
|--------------------------------------|-----------|-------|-----------|
| <b>Grand Total Wages Calculation</b> |           |       |           |
| Union                                | 4,089,032 | 2.50% | 4,191,258 |
| Non-Union                            | 5,591,306 | 3.00% | 5,759,045 |
|                                      | 9,680,339 |       | 9,950,304 |

|                               |         |                                  |
|-------------------------------|---------|----------------------------------|
| <b>Employer FICA/Medicare</b> |         | 682,703 actual + % wage increase |
| Union                         | 287,568 |                                  |
| Non-Union                     | 395,135 |                                  |
|                               | 682,703 |                                  |

|                            |         |                |
|----------------------------|---------|----------------|
| <b>Group Pension: 401K</b> |         | 273,408 Budget |
| Union                      | 115,165 |                |
| Non-Union                  | 158,243 |                |
|                            | 273,408 |                |

|                                |        |        |       |
|--------------------------------|--------|--------|-------|
| <b>Vacation Earned YTD</b>     |        |        |       |
| Union Carryover                | 32,776 | 33,595 | 2.50% |
|                                |        | 7,65%  |       |
| Total including FICA & MED Tax |        | 36,165 |       |

## **TAB 34**

**1604.01(a)(19) Balance Sheets and Income Statements for Previous Two Years**

**Pittsfield Aqueduct Company**  
**Profit & Loss Statement**  
**For the Twelve Months Ended December 31, 2019**

Provided pursuant to NHPUC Rule 1604.01(19)

|   | 1           | 2           | 3           | 4           | 5           | 6           | 7           | 8           | 9           | 10          | 11          | 12          |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|   | Jan-19      | Feb-19      | Mar-19      | Apr-19      | May-19      | Jun-19      | Jul-19      | Aug-19      | Sep-19      | Oct-19      | Nov-19      | Dec-19      |
| <b>Water Sales</b>                              |             |             |             |             |             |             |             |             |             |             |             |             |
| WATER SALES: BILLED REVENUE                     | (47,026.97) | (50,063.69) | (45,427.73) | (42,184.10) | (44,429.66) | (51,805.24) | (43,799.15) | (54,588.29) | (47,899.02) | (47,523.91) | (52,038.82) | (43,333.87) |
| WATER SALES BILLED RECOUPMENT                   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| WATER SALES: UNBILLED REVENUE                   | 6,228.00    | 5,422.00    | (3,197.00)  | (6,984.00)  | 694.00      | 4,228.00    | (2,694.00)  | (41.00)     | (2,896.00)  | 3,502.00    | 4,650.00    | (5,795.00)  |
| WATER SALES-UNBILLED RECOUPMNT                  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| FIRE PROTECTION REVENUE                         | (17,072.56) | (17,072.56) | (17,072.56) | (17,072.56) | (17,072.56) | (17,072.56) | (17,072.56) | (17,072.56) | (17,072.56) | (17,072.56) | (17,072.56) | (17,072.56) |
| CBFRR REVENUES                                  | (12,213.25) | (12,213.25) | (12,213.25) | (12,213.25) | (12,213.25) | (12,213.25) | (12,213.25) | (12,213.25) | (12,213.25) | (12,213.25) | (12,213.25) | (12,213.25) |
| CBFRR REVENUES - CONTRA                         | 12,213.25   | 12,213.25   | 12,213.25   | 12,213.25   | 12,213.25   | 12,213.25   | 12,213.25   | 12,213.25   | 12,213.25   | 12,213.25   | 12,213.25   | 12,213.25   |
|   | 57,871.53   | 61,714.25   | 65,697.29   | 66,240.66   | 60,808.22   | 64,649.80   | 63,565.71   | 71,701.85   | 67,867.58   | 61,094.47   | 64,461.38   | 66,201.43   |
| Other Operating Revenue                         |             |             |             |             |             |             |             |             |             |             |             |             |
| MISC OPERATING REVENUE                          | (121.00)    | (20.00)     | (202.00)    | (310.00)    | (135.00)    | (315.00)    | (112.00)    | (201.00)    | (478.00)    | (218.00)    | (324.00)    | (227.00)    |
|   | 121.00      | 20.00       | 202.00      | 310.00      | 135.00      | 315.00      | 112.00      | 201.00      | 478.00      | 218.00      | 324.00      | 227.00      |
| <b>Total Revenues</b>                           | 57992.53    | 61734.25    | 65899.29    | 66550.66    | 60943.22    | 64964.8     | 63677.71    | 71902.85    | 68345.58    | 61312.47    | 64785.38    | 66428.43    |
| <b>Production Expenses</b>                      |             |             |             |             |             |             |             |             |             |             |             |             |
| <b>OTHER PROD LABOR:TREAT PLANT</b>             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| OTHER PROD MAT&EXP: SRC/SUPPLY                  | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| <b>SUPERINTENDENCE: WTP-PAC</b>                 | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| BENEFITS: WTP-PAC                               | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| POWER PURCHASED: TRT PLT ELEC                   | 783.29      | 953.53      | 913.95      | 866.69      | 767.42      | 604.99      | 483.16      | 541.40      | 498.01      | 484.16      | 553.78      | 581.64      |
| OPER LABOR: TREATMENT PLANT                     | 5,757.13    | 3,893.97    | 6,423.65    | 4,966.23    | 5,683.89    | 5,215.53    | 4,963.67    | 5,445.91    | 6,701.50    | 6,365.20    | 6,594.54    | 7,132.30    |
| OPER EXP T PLANT: MAT & EXP                     | 467.40      | 74.99       | 1,657.62    | 274.76      | 414.67      | 253.21      | 80.04       | 224.00      | 123.26      | 241.15      | 129.02      | 448.37      |
| OPER EXP T PLANT: GAS/OIL                       | 2,093.75    | 1,970.35    | 410.00      | 655.32      | 2,698.20    | -           | -           | -           | -           | 359.78      | -           | 507.57      |
| OPER EXP T PLANT: PHONE                         | 77.21       | 189.01      | 189.01      | 186.12      | 186.05      | 186.05      | 189.30      | 190.41      | 190.41      | 190.88      | 190.77      | 228.30      |
| MAINT STRUCT: TREATMENT PLANT                   | 158.05      | 1,204.45    | (1,140.27)  | 48.27       | -           | 1,047.98    | 2,900.52    | 876.76      | 76.76       | 444.44      | -           | 111.25      |
| MAINT STRUCT: SOURCE OF SUPPLY                  | 3,463.22    | 2,050.99    | 781.07      | -           | 850.58      | 102.17      | 199.89      | 1,169.93    | 367.82      | 2,404.92    | 5,421.26    | 1,259.51    |
| MAINT PUMP EQU: HIGH LIFT ELC                   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| BOOSTER STATION GENERAL MAINT                   | -           | 31.90       | -           | -           | -           | 203.26      | -           | -           | -           | -           | -           | -           |
| CHLORINE: TREATMENT PLANT                       | 334.55      | -           | 469.10      | 527.90      | -           | 138.95      | 564.45      | -           | 238.95      | 213.95      | -           | 238.95      |
| ALUM. SULFATE/FERRIC CHLORIDE                   | -           | -           | -           | -           | 882.00      | -           | -           | -           | -           | -           | -           | 882.00      |
| POLYMERS  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| CORROSION INHIBITOR                             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| SODA ASH  | -           | 891.00      | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| LABORATORY EXPENSE                              | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| LAB EXPENSE: OUTSIDE TESTING                    | 353.00      | 101.00      | 14.00       | 448.00      | 101.00      | 97.00       | 586.00      | 97.00       | 92.00       | 353.00      | 97.00       | 97.00       |
| MAINT PROC EQU: TRT PLANT                       | -           | -           | 92.39       | 230.00      | 1,840.39    | -           | 92.05       | 375.54      | -           | -           | 1,152.99    | 1,415.38    |
| MAINT PROC EQUIP: SCADA & OTHR                  | 118.20      | 208.96      | 118.20      | 118.20      | 118.20      | 118.20      | 326.19      | 89.18       | 236.40      | 120.20      | 120.20      | 120.20      |
|   | 13,605.80   | 11,570.15   | 9,928.72    | 8,321.49    | 13,542.40   | 7,967.34    | 10,385.27   | 9,010.13    | 8,525.11    | 11,177.68   | 14,259.56   | 13,022.47   |
| <b>Transmission &amp; Distribution Expenses</b> |             |             |             |             |             |             |             |             |             |             |             |             |
| <b>SUPERINTENDENCE: OPS-PAC</b>                 | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| BENEFITS: OPS-PAC                               | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| MISC GEN EXPENSE/OPERATIONS                     | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| MISC T&D MATERIALS & SUPPLIES                   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| DUTY PAY  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| METER OPERATING LABOR & EXP                     | 559.58      | 810.51      | 443.47      | 113.17      | 29.94       | 2,004.61    | 684.93      | 1,096.30    | 305.60      | 826.82      | 1,817.35    | 628.89      |
| MOLE: METER REMOVAL                             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| OTHER EXPENSE ON CUST PREMISIS                  | 142.56      | -           | 259.20      | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| SMALL TOOLS EXPENSE                             | 57.60       | -           | -           | 15.97       | 4.99        | -           | -           | -           | -           | -           | -           | -           |
| TRANS/EXP: MISCELLANEOUS                        | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| GASOLINE  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| MAINT MAINS: REPAIRS                            | 93.97       | 79.55       | 1,300.61    | 233.43      | 1,255.70    | 382.03      | 122.56      | 173.16      | 29.21       | 258.48      | 119.47      | 118.61      |
| MAINT MAINS: GATE PROGRAM                       | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| MAINT MAINS: FLUSHING LN                        | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| MAINT GATES: INSPECTION: PAC                    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| MAINTENANCE: SERVICES                           | 554.38      | 3,430.31    | 134.74      | 118.85      | 1,291.63    | 9,220.59    | 5,825.61    | 2,105.60    | 56.56       | 4,104.37    | 8,733.96    | 1,024.94    |
| MAINTENANCE: METERS                             | 352.14      | -           | 126.74      | -           | 66.63       | 50.91       | 50.91       | 6.92        | 118.82      | -           | 247.70      | 178.24      |
| MAINTENANCE: HYDRANTS-REPAIRS                   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |

|   |            |            |            |            |            |            |            |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| MAINTENANCE: HYDRANTS-PAINTING          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| MAINTENANCE: HYDRANTS-INSPECTN          | 1,354.26   | 126.74     | 411.90     | 704.61     | 124.51     | 196.62     | 226.33     | 228.28     | 322.48     | 509.04     | 188.31     | 250.62     |
| MONITOR CONTRACTORS MARKING             | -          | 31.68      | 286.54     | 288.62     | 1,092.24   | 708.36     | 497.27     | 483.67     | 422.43     | 546.83     | 345.06     | 64.00      |
|   | 3,114.49   | 4,478.79   | 2,963.20   | 1,474.65   | 3,865.64   | 12,563.12  | 7,407.61   | 4,093.93   | 1,255.10   | 6,245.54   | 11,451.85  | 2,265.30   |
| Customer Accounts & Collection Expenses |            |            |            |            |            |            |            |            |            |            |            |            |
| CUSTOMER ORDS: COLLECTIONS              | -          | -          | -          | -          | -          | -          | -          | 22.68      | (22.68)    | -          | -          | -          |
| CUSTOMER ORDS: COLLECTIONS              | -          | -          | 231.67     | -          | -          | 107.59     | 368.77     | 54.32      | 169.25     | 245.46     | -          | 204.14     |
| METER READING                           | 126.74     | 51.78      | 126.74     | 124.51     | 50.91      | 133.26     | 124.51     | 60.02      | 124.51     | 133.26     | 133.26     | 124.51     |
| METER READING: TRANSFERS                | 31.68      | 57.33      | 59.82      | 165.54     | 66.64      | 104.37     | 188.97     | 58.94      | 253.41     | 84.87      | 82.21      | 151.68     |
| METER READING: EXCEPTIONS               | -          | -          | 103.56     | -          | -          | -          | -          | -          | -          | 66.63      | -          | -          |
| BILLING & ACCOUNTING                    | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| BILLING & ACCOUNTING                    | 631.72     | 502.15     | 558.28     | 280.01     | 601.55     | 626.96     | 602.02     | 879.05     | 419.16     | 630.05     | 570.19     | 913.26     |
| PUBLIC RELATIONS                        | -          | -          | 12.29      | 1.05       | 11.12      | -          | -          | -          | -          | 24.00      | 51.58      | 12.29      |
| UNCOLLECTABLE ACCOUNTS                  | 65.00      | 30.97      | -          | -          | 394.41     | 399.36     | 1,744.81   | -          | -          | -          | 1,020.01   | 442.09     |
|   | 855.14     | 642.23     | 1,092.36   | 571.11     | 1,124.63   | 1,371.54   | 3,029.08   | 1,075.01   | 943.65     | 1,184.27   | 1,857.25   | 1,847.97   |
| Administrative and General Expense      |            |            |            |            |            |            |            |            |            |            |            |            |
| OFFICE SUPPLIES & EXPENSE               | 9.17       | 11.30      | 9.50       | 6.65       | 15.80      | 11.95      | 5.50       | 7.00       | 11.80      | 7.50       | 5.00       | 14.45      |
| OFFICE SUPPLIES & EXP: PHONE            | 299.76     | 292.89     | 296.41     | 296.20     | 296.20     | 296.21     | 296.50     | 297.39     | 297.39     | 297.40     | 297.39     | 297.66     |
| OUTSIDE SERVICES                        | -          | -          | -          | 1.02       | -          | -          | 8,971.34   | -          | -          | -          | -          | -          |
| INSURANCE EXPENSE                       | 815.65     | 964.15     | 889.90     | 889.89     | 889.89     | 889.89     | 889.89     | 889.89     | 889.89     | 887.07     | 889.90     | 867.51     |
| REGULATORY COMMISSION EXPENSE           | 273.67     | 273.67     | 273.67     | 273.68     | 273.68     | 273.63     | 273.63     | 105.71     | 189.66     | 258.00     | 258.00     | 258.00     |
| MEETING CONVENTION/MEMBSP FEES          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| LICENSING FEES                          | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      |
| PUBLIC RELATIONS                        | 20.18      | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| MEALS                                   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| MISCELLANEOUS GENERAL EXPENSE           | -          | 181.00     | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| CHARITABLE CONTRIBUTIONS                | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| MAINT: OFFICE FURNT & EQUIP             | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| MAINT: MISC GENERAL EQUIP               | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| MAINT COMPUTER EQUIP: PAC               | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
|   | 1,443.43   | 1,748.01   | 1,494.48   | 1,492.44   | 1,500.57   | 1,496.68   | 10,461.86  | 1,324.99   | 1,413.74   | 1,474.97   | 1,475.29   | 1,462.62   |
| Inter Div Management Fee                |            |            |            |            |            |            |            |            |            |            |            |            |
| MAINT COMPUTER EQUIP: PAC               | 379.00     | 419.00     | 500.00     | 406.00     | 398.00     | 370.00     | 276.00     | 342.00     | 332.00     | 317.00     | 412.00     | 367.00     |
| MAINT COMPUTER EQUIP: PAC               | 12,366.00  | 10,361.00  | 22,921.00  | 13,798.00  | 13,746.00  | 12,941.00  | 13,635.00  | 13,145.00  | 12,020.00  | 13,510.00  | 15,713.00  | 15,863.00  |
| MAINT COMPUTER EQUIP: PAC               | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
|   | 12,745.00  | 10,780.00  | 23,421.00  | 14,204.00  | 14,144.00  | 13,311.00  | 13,911.00  | 13,487.00  | 12,352.00  | 13,827.00  | 16,125.00  | 16,230.00  |
| Total Operating Expenses                | 31,763.86  | 29,219.18  | 38,899.76  | 26,063.69  | 34,177.24  | 36,709.68  | 45,194.82  | 28,991.06  | 24,489.60  | 33,909.46  | 45,168.95  | 34,828.36  |
| Depreciation Expense                    |            |            |            |            |            |            |            |            |            |            |            |            |
| DEPRECIATION EXPENSE: PAC               | 8,468.02   | 8,467.71   | 8,474.61   | 8,473.60   | 8,474.06   | 8,468.00   | 8,466.34   | 8,494.65   | 8,496.77   | 8,516.95   | 8,405.47   | 8,365.98   |
|   | 8,468.02   | 8,467.71   | 8,474.61   | 8,473.60   | 8,474.06   | 8,468.00   | 8,466.34   | 8,494.65   | 8,496.77   | 8,516.95   | 8,405.47   | 8,365.98   |
| Amortization Expense: CIAC              |            |            |            |            |            |            |            |            |            |            |            |            |
| AMORTIZATION EXPENSE: CIAC              | (1,915.46) | (1,915.39) | (1,915.46) | (1,915.39) | (1,915.38) | (1,915.47) | (1,915.46) | (1,915.39) | (1,915.45) | (1,915.39) | (1,915.37) | (1,915.47) |
| Amortization Expense                    |            |            |            |            |            |            |            |            |            |            |            |            |
| AMORT EXP - DEFERRED CHARGES            | 257.30     | 257.31     | 257.31     | 257.31     | 255.99     | 257.32     | 257.30     | 257.31     | 257.30     | 257.31     | 257.30     | 257.32     |
| AMORT: ACQUISITION PREMIUM              | 2,800.17   | 2,868.09   | 2,868.07   | 2,868.07   | 2,868.08   | 2,868.08   | 2,868.08   | 2,868.07   | 2,868.09   | 2,868.07   | 2,868.07   | 2,868.09   |
|   | 3,057.47   | 3,125.40   | 3,125.38   | 3,125.38   | 3,124.07   | 3,125.40   | 3,125.38   | 3,125.38   | 3,125.39   | 3,125.38   | 3,125.37   | 3,125.41   |
| Taxes Other than Income Tax             |            |            |            |            |            |            |            |            |            |            |            |            |
| LOCAL PROPERTY TAXES                    | 15,828.09  | 15,828.09  | 15,828.06  | 15,828.09  | 15,810.09  | 15,810.09  | 15,810.09  | 15,810.09  | 15,792.07  | 15,311.42  | 15,311.42  | 14,724.39  |
| OTHER TAXES                             | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | 1,258.00   |
|   | 15,828.09  | 15,828.09  | 15,828.06  | 15,828.09  | 15,810.09  | 15,810.09  | 15,810.09  | 15,810.09  | 15,792.07  | 15,311.42  | 15,311.42  | 15,982.39  |
| GAIN FROM FORGIVENESS SRF DEBT          | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   |
| Income Tax                              |            |            |            |            |            |            |            |            |            |            |            |            |
| PROV/FED INC TAX/CURRENT                | 18.33      | 1,240.13   | 168.20     | 2,797.67   | 153.90     | 432.73     | (1,472.49) | 3,270.14   | 3,465.51   | 383.92     | (1,097.05) | (1,235.99) |
| PROVS FOR NH BUS PRFTS TAX CUR          | 7.49       | 506.55     | 68.69      | 1095.41    | 61.14      | 171.9      | -584.96    | 1299.09    | 1376.69    | 152.51     | -435.8     | -1604.71   |
| PROV FEDL INCOME TAX DEFERRED           | -          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 3468       |
| PROV NH INCOME TAX DEFERRED             | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | (178.00)   |

|                                |                   |                 |                   |                 |                   |                   |                   |                 |                  |                   |                   |                 |
|--------------------------------|-------------------|-----------------|-------------------|-----------------|-------------------|-------------------|-------------------|-----------------|------------------|-------------------|-------------------|-----------------|
|                                | 25.82             | 1,746.68        | 236.89            | 3,893.08        | 215.04            | 604.63            | (2,057.45)        | 4,569.23        | 4,842.20         | 536.43            | (1,532.85)        | 449.30          |
| Total Operating Deducts        | 57,108.61         | 56,352.48       | 64,530.05         | 55,349.26       | 59,765.93         | 62,683.14         | 68,504.53         | 58,955.83       | 54,711.39        | 59,365.06         | 68,443.80         | 60,716.78       |
| Net Operating Income           | 883.92            | 5,381.77        | 1,369.24          | 11,201.40       | 1,177.29          | 2,281.66          | (4,826.82)        | 12,947.02       | 13,634.19        | 1,947.41          | (3,658.42)        | 5,711.65        |
| MISC NON-OPERATING INCOME(EXP) | -                 | -               | -                 | -               | -                 | -                 | -                 | -               | -                | -                 | -                 | -               |
| MISC NONUTILITY EXPENSES       | -                 | -               | -                 | -               | -                 | -                 | -                 | -               | -                | -                 | -                 | -               |
| Other Income                   | -                 | -               | -                 | -               | -                 | -                 | -                 | -               | -                | -                 | -                 | -               |
| AFDUC-INT(DEBT) COMPONENT-PAC  | -                 | -               | -                 | -               | -                 | -                 | -                 | -               | -                | -                 | -                 | -               |
| AFUDC - EQUITY COMPONENT - PAC | -                 | -               | -                 | -               | -                 | -                 | -                 | -               | -                | -                 | -                 | -               |
| INTERCOMPANY INTEREST          | 3,277.86          | 3,247.85        | 3,268.34          | 3,209.20        | 3,131.21          | 3,187.22          | 3,246.49          | 3,179.50        | 3,132.30         | 3,038.68          | 3,004.62          | 3,049.73        |
| INTEREST EXP: BONDS & NOTES    | 274.94            | 274.42          | 273.90            | 273.38          | 272.85            | 272.33            | 271.80            | 271.27          | 270.74           | 270.21            | 269.68            | 269.15          |
| AMORTIZATION OF DEBT EXPENSE   | 62.33             | 62.33           | 62.33             | 62.33           | 62.33             | 62.33             | 62.33             | 62.33           | 62.33            | 62.33             | 62.33             | 62.33           |
| INTEREST INCOME                | -                 | -               | -                 | -               | -                 | -                 | -                 | -               | -                | -                 | -                 | -               |
| Total Interest                 | 3,615.13          | 3,584.60        | 3,604.57          | 3,544.91        | 3,466.39          | 3,521.88          | 3,580.62          | 3,513.10        | 3,465.37         | 3,371.22          | 3,336.63          | 3,381.21        |
| Net Income Before Dividends    | <b>(2,731.21)</b> | <b>1,797.17</b> | <b>(2,235.33)</b> | <b>7,656.49</b> | <b>(2,289.10)</b> | <b>(1,240.22)</b> | <b>(8,407.44)</b> | <b>9,433.92</b> | <b>10,168.82</b> | <b>(1,423.81)</b> | <b>(6,995.05)</b> | <b>2,330.44</b> |
| DIVIDENDS: COMMON STOCK        | -                 | -               | -                 | -               | -                 | -                 | -                 | -               | -                | -                 | -                 | -               |
| Net Income (Or Loss) - YTD     | (2,731.21)        | (934.04)        | (3,169.37)        | 4,487.12        | 2,198.02          | 957.80            | (7,449.64)        | 1,984.28        | 12,153.10        | 10,729.29         | 3,734.24          | 6,064.68        |
| Net Income (Or Loss) - MTD     | (2,731.21)        | 1,797.17        | (2,235.33)        | 7,656.49        | (2,289.10)        | (1,240.22)        | (8,407.44)        | 9,433.92        | 10,168.82        | (1,423.81)        | (6,995.05)        | 2,330.44        |



**Pittsfield Aqueduct Company**  
**Balance Sheet**  
**For the Year Ended December 31, 2019**

|   | Provided pursuant to NHPUC Rule 1604.01(19) |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|---|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | 1   | 2                   | 3                   | 4                   | 5                   | 6                   | 7                   | 8                   | 9                   | 10                  | 11                  | 12                  |                     |
|   | Dec-18                                      | Jan-19              | Feb-19              | Mar-19              | Apr-19              | May-19              | Jun-19              | Jul-19              | Aug-19              | Sep-19              | Oct-19              | Nov-19              | Dec-19              |
| <b>Assets</b>                                 |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <u><b>Land</b></u>                            |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| LAND  | 44,180.00                                   | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           |
| EASEMENTS - PITTSFIELD                        | 16,153.19                                   | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           |
|   | <b>60,333.19</b>                            | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    |
| <u><b>Structures</b></u>                      |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| SOURCE OF SUPPLY STRUCTURES                   | 71,250.05                                   | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           |
| GENERAL & MISC STRUCTURES                     | 1,080.00                                    | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            |
| WATER TREATMENT STRUCTURES                    | 935,239.12                                  | 935,239.12          | 935,239.12          | 935,239.12          | 935,239.12          | 935,239.12          | 935,239.12          | 935,239.12          | 935,239.12          | 935,239.12          | 935,239.12          | 935,239.12          | 935,239.12          |
| RESERVOIRS & DAMS                             | 137,331.46                                  | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          |
| LAKE, RIVER & OTHER INTAKE-PAC                | 38,270.60                                   | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           |
| SUPPLY MAINS: PITTSFIELD                      | 309,352.72                                  | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          |
|   | <b>1,492,523.95</b>                         | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> | <b>1,492,523.95</b> |
| <u><b>Equipment</b></u>                       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| POWER GENERATED EQUIP: PAC                    | 55,407.06                                   | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           |
| ELECTRIC PUMPING EQUIPMENT                    | 1,651.09                                    | 1,651.09            | 1,651.09            | 1,651.09            | 1,651.09            | 1,651.09            | 1,651.09            | 1,651.09            | 1,651.09            | 1,651.09            | 1,651.09            | 1,651.09            | 1,651.09            |
| PUMPING EQUIP: PUMPS - PAC                    | 14,105.04                                   | 14,105.04           | 14,105.04           | 14,105.04           | 14,105.04           | 14,105.04           | 14,105.04           | 15,425.94           | 15,425.94           | 15,425.94           | 15,425.94           | 15,425.94           | 15,425.94           |
| PURIFICATION SYSTEM EQUIPMENT                 | -   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| WATER TREATMENT EQUIPMENT: PAC                | 17,042.89                                   | 17,042.89           | 17,042.89           | 17,042.89           | 17,042.89           | 17,042.89           | 17,042.89           | 17,042.89           | 17,042.89           | 17,042.89           | 17,042.89           | 17,042.89           | 17,042.89           |
| WTP EQUIPMENT: MEDIA - PAC                    | 41,963.48                                   | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           |
|   | <b>130,169.56</b>                           | <b>130,169.56</b>   | <b>130,169.56</b>   | <b>130,169.56</b>   | <b>130,169.56</b>   | <b>130,169.56</b>   | <b>130,169.56</b>   | <b>131,490.46</b>   | <b>131,490.46</b>   | <b>131,490.46</b>   | <b>131,490.46</b>   | <b>131,490.46</b>   | <b>131,490.46</b>   |
| <u><b>Transmission &amp; Distribution</b></u> |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| PAVEMENTS - GENERAL                           | 5,000.00                                    | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            |
| PAVEMENTS - TRANS MAINS                       | 2,003.77                                    | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            |
| PAVEMENTS - DIST MAINS                        | 124,788.30                                  | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          |
| PAVEMENTS - GATE VALVES                       | 2,833.21                                    | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            |
| MAINS: 6" & LARGER                            | 641,868.45                                  | 641,868.45          | 641,868.45          | 641,868.45          | 641,868.45          | 641,868.45          | 641,868.45          | 641,868.45          | 641,868.45          | 641,868.45          | 642,373.35          | 642,373.35          | 642,373.35          |
| DEVEL INSTAL MAINS-6" & LARGER                | 316,734.00                                  | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          |
| MAINS: 4" & UNDER                             | 216.00                                      | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              |
| GATES: 4" & UNDER                             | 9,998.74                                    | 9,998.74            | 9,998.74            | 9,998.74            | 9,998.74            | 9,998.74            | 9,998.74            | 9,998.74            | 9,998.74            | 9,998.74            | 9,998.74            | 9,998.74            | 9,998.74            |
| GATES: 6" & LARGER                            | 54,829.76                                   | 54,829.76           | 54,829.76           | 54,829.76           | 54,829.76           | 54,829.76           | 54,829.76           | 54,829.76           | 54,829.76           | 54,829.76           | 54,829.76           | 54,829.76           | 54,829.76           |
| GATES: UNKNOWN SIZE                           | 284.49                                      | 284.49              | 284.49              | 284.49              | 284.49              | 284.49              | 284.49              | 284.49              | 284.49              | 284.49              | 284.49              | 284.49              | 284.49              |
| DEVEL INSTAL MAINS: 4" & UNDER                | -   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| MAINS: UNKNOWN SIZE                           | 1,018,899.48                                | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        |
| DEVEL INSTAL MAINS:UNKNOWN SZ                 | 176,678.50                                  | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          |
| PAVING - SERVICES                             | 3,700.02                                    | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            |
| NEW SERVICES                                  | 112,957.63                                  | 112,957.63          | 112,957.63          | 112,957.63          | 112,957.63          | 112,957.63          | 112,957.63          | 112,957.63          | 112,842.07          | 112,842.07          | 112,842.07          | 117,202.78          | 117,202.78          |
| RENEWED SERVICES                              | 62,052.18                                   | 62,052.18           | 62,052.18           | 67,128.44           | 67,128.44           | 67,128.44           | 67,128.44           | 67,128.44           | 67,128.44           | 67,128.44           | 67,128.44           | 67,128.44           | 67,128.44           |
| METERING EQUIPMENT                            | 84,925.75                                   | 85,000.34           | 85,000.34           | 84,805.08           | 84,805.08           | 84,805.08           | 84,103.92           | 84,178.51           | 84,178.51           | 84,178.51           | 84,171.84           | 84,470.21           | 83,959.14           |
| RADIOS FOR METERING                           | 61,709.75                                   | 61,709.75           | 61,709.75           | 61,614.75           | 61,614.75           | 61,708.57           | 61,613.56           | 61,710.44           | 61,807.32           | 61,807.32           | 61,904.20           | 62,105.00           | 61,912.24           |
| FIRE PROT EQUIP: HYDRANTS                     | 90,328.27                                   | 90,328.27           | 90,328.27           | 90,328.27           | 90,328.27           | 90,328.27           | 90,328.27           | 90,328.27           | 90,328.27           | 90,328.27           | 90,328.27           | 90,328.27           | 90,328.27           |
| HYDRANTS - PAVING                             | 184.00                                      | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              |
| HYDRANTS: CIAC                                | 14,550.00                                   | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           |
| OTHER PLANT & MISC EQUIP: PAC                 | 1,495.00                                    | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            |
|   | <b>2,786,037.30</b>                         | <b>2,786,111.89</b> | <b>2,786,111.89</b> | <b>2,790,897.89</b> | <b>2,790,897.89</b> | <b>2,790,991.71</b> | <b>2,790,195.54</b> | <b>2,790,367.01</b> | <b>2,790,463.89</b> | <b>2,790,348.47</b> | <b>2,790,943.44</b> | <b>2,795,808.32</b> | <b>2,795,104.49</b> |
| <u><b>Miscellaneous Equipment</b></u>         |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| SHOP EQUIPMENT                                | 9,687.95                                    | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            |
| LABORATORY EQUIPMENT                          | 33,352.88                                   | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 31,159.42           |
| COMMUNICATION EQUIPMENT - PAC                 | 25,202.85                                   | 25,202.85           | 25,202.85           | 25,202.85           | 25,202.85           | 25,202.85           | 25,202.85           | 25,202.85           | 30,527.02           | 30,662.09           | 30,662.09           | 30,662.09           | 30,662.09           |
| COMPUTER EQUIPMENT                            | 24,555.64                                   | 24,555.64           | 24,555.64           | 24,555.64           | 24,555.64           | 24,555.64           | 24,555.64           | 24,555.64           | 24,555.64           | 24,555.64           | 24,555.64           | 24,555.64           | 24,555.64           |
| MISCELLANEOUS GENERAL EQUIP                   | 16,974.54                                   | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           |
|   | <b>109,773.86</b>                           | <b>109,773.86</b>   | <b>109,773.86</b>   | <b>109,773.86</b>   | <b>109,773.86</b>   | <b>109,773.86</b>   | <b>109,773.86</b>   | <b>109,773.86</b>   | <b>115,098.03</b>   | <b>115,233.10</b>   | <b>115,233.10</b>   | <b>115,233.10</b>   | <b>113,039.64</b>   |
| <u><b>Intangible Plant</b></u>                |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| ORGANIZATION EXPENSE                          | 75,550.65                                   | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           |
|   | <b>75,550.65</b>                            | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    |
| <u><b>Total Plant in Service</b></u>          | <b>4,654,388.51</b>                         | <b>4,654,463.10</b> | <b>4,654,463.10</b> | <b>4,659,249.10</b> | <b>4,659,249.10</b> | <b>4,659,342.92</b> | <b>4,658,546.75</b> | <b>4,660,039.12</b> | <b>4,665,460.17</b> | <b>4,665,479.82</b> | <b>4,666,074.79</b> | <b>4,670,939.67</b> | <b>4,668,042.38</b> |
| <u><b>Accumulated Depreciation</b></u>        |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| ACCUMULATED DEPRECIATION: PAC                 | (1,906,047.48)                              | (1,914,515.50)      | (1,922,983.21)      | (1,931,287.55)      | (1,939,761.15)      | (1,948,235.21)      | (1,956,137.48)      | (1,964,603.82)      | (1,973,098.47)      | (1,981,483.68)      | (1,989,977.42)      | (1,998,382.89)      | (2,005,170.77)      |
| ACCUM DEPREC: COST OF REM -PAC                | 241,875.23                                  | 241,883.52          | 241,883.52          | 242,447.55          | 242,447.55          | 242,447.55          | 242,447.55          | 242,455.84          | 242,455.84          | 242,464.13          | 242,528.52          | 242,561.67          | 242,583.93          |
| ACCUM DEPRECIATION: LOSS -PAC                 | 191,954.99                                  | 191,954.99          | 191,954.99          | 192,074.98          | 192,074.98          | 192,074.98          | 192,305.42          | 192,305.42          | 192,305.42          | 192,383.87          | 192,442.06          | 192,442.06          | 194,061.95          |
|   | <b>1,472,217.26</b>                         | <b>1,480,676.99</b> | <b>1,489,144.70</b> | <b>1,496,765.02</b> | <b>1,505,238.62</b> | <b>1,513,712.68</b> | <b>1,521,384.51</b> | <b>1,529,842.56</b> | <b>1,538,337.21</b> | <b>1,546,635.68</b> | <b>1,555,006.84</b> | <b>1,563,379.16</b> | <b>1,568,524.89</b> |
| <u><b>Net Plant in Service</b></u>            | <b>3,182,171.25</b>                         | <b>3,173,786.11</b> | <b>3,165,318.40</b> | <b>3,162,484.08</b> | <b>3,154,010.48</b> | <b>3,145,630.24</b> | <b>3,137,162.24</b> | <b>3,130,196.56</b> | <b>3,127,122.96</b> | <b>3,118,844.14</b> | <b>3,111,067.95</b> | <b>3,107,560.51</b> | <b>3,099,517.49</b> |
| <u><b>Construction Work in Progress</b></u>   |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| CWIP: CONTRACTOR CLEARING -PAC                | 6,707.50                                    | 6,707.50            |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |

|                                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Total Plant</b>                  | <b>3,188,878.75</b>   | <b>3,180,493.61</b>   | <b>3,172,025.90</b>   | <b>3,169,191.58</b>   | <b>3,160,717.98</b>   | <b>3,152,337.74</b>   | <b>3,143,869.74</b>   | <b>3,142,228.23</b>   | <b>3,133,965.53</b>   | <b>3,125,551.64</b>   | <b>3,117,244.45</b>   | <b>3,113,737.01</b>   | <b>3,105,693.99</b>   |
| <b>Current Assets</b>               |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Cash</b>                         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| PETTY CASH: PITTSFIELD/NC           | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| CASH: BANK OF AMERICA OPERATING     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| A/R: BILLED WATER REVENUE           | 39,644.09             | 18,219.46             | 46,627.37             | 40,333.50             | 39,862.86             | 17,248.64             | 46,525.06             | 25,662.40             | 49,743.72             | 41,126.13             | 19,347.91             | 51,483.40             | 25,221.33             |
| A/R: MISCELLANEOUS                  | 1,939.36              | 1,939.36              | 1,939.36              | 909.36                | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 587.00                |
| ALLOWANCE FOR DOUBTFUL ACCTS        | (475.29)              | (500.00)              | (500.00)              | (500.00)              | (500.00)              | (500.00)              | (500.00)              | (500.00)              | (500.00)              | (500.00)              | (500.00)              | (500.00)              | (500.00)              |
| A/R: UNBILLED WATER REVENUE         | 79,549.00             | 73,321.00             | 67,899.00             | 71,096.00             | 78,080.00             | 77,386.00             | 73,158.00             | 75,852.00             | 75,893.00             | 78,789.00             | 75,287.00             | 70,637.00             | 76,432.00             |
| A/R UNBILLED REV: RECOUPMENT        | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| AR: UNBILLED REV RECOUP 2009        | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| <b>Inventory &amp; Supplies</b>     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| INVENTORY: PIPES & FITTINGS         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| INVENTORY: METERS - PAC             | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| INVENTORY: PAC                      | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| <b>Prepaid Expenses &amp; Other</b> |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| PREPAID INSURANCE                   | 83.33                 | 83.33                 | 410.82                | 1,888.36              | 2,014.38              | 2,140.40              | 2,266.42              | 2,392.44              | 2,518.46              | 2,644.48              | 1,757.41              | 867.51                | -                     |
| PREPAID PROPERTY TAXES-PAC          | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| PREPAID EXPENSES                    | 150.00                | 672.33                | 373.66                | 74.99                 | 597.31                | 298.63                | 300.00                | 275.00                | 439.66                | 225.00                | 716.00                | 433.00                | 150.00                |
| PREPAID PROPERTY TAXES              | 42,523.99             | 28,349.32             | 14,174.65             | -                     | -                     | 56,608.66             | 42,451.99             | 28,295.32             | 14,138.65             | -                     | -                     | 54,632.00             | 40,974.00             |
|                                     | <b>42,757.32</b>      | <b>29,104.98</b>      | <b>14,959.13</b>      | <b>1,963.35</b>       | <b>2,611.69</b>       | <b>59,047.69</b>      | <b>45,018.41</b>      | <b>30,962.76</b>      | <b>17,096.77</b>      | <b>2,869.48</b>       | <b>2,473.41</b>       | <b>55,932.51</b>      | <b>41,124.00</b>      |
| <b>Total Current Assets</b>         | <b>163,414.48</b>     | <b>122,084.80</b>     | <b>130,924.86</b>     | <b>113,802.21</b>     | <b>120,054.55</b>     | <b>153,182.33</b>     | <b>164,201.47</b>     | <b>131,977.16</b>     | <b>142,233.49</b>     | <b>122,284.61</b>     | <b>96,608.32</b>      | <b>177,552.91</b>     | <b>142,864.33</b>     |
| <b>Other Assets</b>                 |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Other Deferred Charges</b>       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| ACQUISITION PREMIUM - MARA          | 1,220,574.84          | 1,217,774.67          | 1,214,906.58          | 1,212,038.51          | 1,209,170.44          | 1,206,302.36          | 1,203,434.28          | 1,200,566.20          | 1,197,698.13          | 1,194,830.04          | 1,191,961.97          | 1,189,093.90          | 1,186,225.81          |
| SARBANES-OXLEY                      | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| TILTON HILL ROAD MAIN BREAK         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| MAIN BREAK - OCTOBER 2003           | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| SOUTH MAIN LEAK RESEARCH            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| ABATEMENT                           | 8,971.34              | 8,971.34              | 8,971.34              | 8,971.34              | 8,971.34              | 8,971.34              | 8,971.34              | -                     | -                     | -                     | -                     | -                     | -                     |
| GRANT APPLICATION - 2008            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| LOUDON RD MAIN BREAK                | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| FAIRVIEW ROAD MAIN BREAK            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| RATE CASE EXPENSE: 2007             | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| 2010 DEFERRED RATE CASE EXP         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| RATE CASE EXPENSE: 2012             | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| CONCORD HILL ROAD SERVICE REPR      | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| EMINENT DOMAIN                      | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              |
| WEB SITE UPGRADE 2006               | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| WEB-SITE UPGRADE 2011               | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| BERRY POND BATHYMETRIC SURVEY       | 8,247.53              | 7,990.23              | 7,732.92              | 7,475.61              | 7,218.30              | 6,962.31              | 6,704.99              | 6,447.69              | 6,190.38              | 5,933.08              | 5,675.77              | 5,418.47              | 5,161.15              |
| BERRY POND BATHYMETRIC SURVEY       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| EMINENT DOMAIN ALLOWANCE            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            |
|                                     | <b>1,237,793.71</b>   | <b>1,234,736.24</b>   | <b>1,231,610.84</b>   | <b>1,228,485.46</b>   | <b>1,225,360.08</b>   | <b>1,222,236.01</b>   | <b>1,219,110.61</b>   | <b>1,207,013.89</b>   | <b>1,203,888.51</b>   | <b>1,200,763.12</b>   | <b>1,197,637.74</b>   | <b>1,194,512.37</b>   | <b>1,191,386.96</b>   |
| ACQUISITION PREMIUM - MARA          | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| UNAMORTIZED DEBT EXPENSE            | 21,953.11             | 21,890.78             | 21,828.45             | 21,766.12             | 21,703.79             | 21,641.46             | 21,579.13             | 21,516.80             | 21,454.47             | 21,392.14             | 21,329.81             | 21,267.48             | 21,205.15             |
| <b>Total Other Assets</b>           | <b>1,259,746.82</b>   | <b>1,256,627.02</b>   | <b>1,253,439.29</b>   | <b>1,250,251.58</b>   | <b>1,247,063.87</b>   | <b>1,243,877.47</b>   | <b>1,240,689.74</b>   | <b>1,228,530.69</b>   | <b>1,225,342.98</b>   | <b>1,222,155.26</b>   | <b>1,218,967.55</b>   | <b>1,215,779.85</b>   | <b>1,212,592.11</b>   |
| <b>Total Assets</b>                 | <b>4,612,040.05</b>   | <b>4,559,205.43</b>   | <b>4,556,390.05</b>   | <b>4,533,245.37</b>   | <b>4,527,836.40</b>   | <b>4,549,397.54</b>   | <b>4,548,760.95</b>   | <b>4,502,736.08</b>   | <b>4,501,542.00</b>   | <b>4,469,991.51</b>   | <b>4,432,820.32</b>   | <b>4,507,069.77</b>   | <b>4,461,150.43</b>   |
| <b>Equity and Liabilities</b>       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Shareholder's Equity</b>         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| COMMON STOCK                        | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              |
| ADDITIONAL PAID IN CAPITAL          | (1,935,317.84)        | (1,935,317.84)        | (1,899,595.84)        | (1,899,595.84)        | (1,899,595.84)        | (1,899,595.84)        | (1,899,595.84)        | (1,899,595.84)        | (1,899,595.84)        | (1,899,595.84)        | (1,899,595.84)        | (1,899,595.84)        | (1,899,595.84)        |
| RETAINED EARNINGS BEG - PAC         | 23,553.03             | 137,453.78            | 137,453.78            | 137,453.78            | 137,453.78            | 137,453.78            | 137,453.78            | 137,453.78            | 137,453.78            | 137,453.78            | 137,453.78            | 137,453.78            | 137,453.78            |
| Net Profit or Loss                  | <b>113,900.75</b>     | <b>2,731.21</b>       | <b>934.04</b>         | <b>3,169.37</b>       | <b>(4,487.12)</b>     | <b>(2,198.02)</b>     | <b>(957.80)</b>       | <b>7,449.64</b>       | <b>(1,984.28)</b>     | <b>(12,153.10)</b>    | <b>(10,729.29)</b>    | <b>(3,734.24)</b>     | <b>(6,064.68)</b>     |
| <b>Total Equity</b>                 | <b>(1,797,964.06)</b> | <b>(1,795,232.85)</b> | <b>(1,761,308.02)</b> | <b>(1,759,072.69)</b> | <b>(1,766,729.18)</b> | <b>(1,764,440.08)</b> | <b>(1,763,199.86)</b> | <b>(1,754,792.42)</b> | <b>(1,764,226.34)</b> | <b>(1,774,395.16)</b> | <b>(1,772,971.35)</b> | <b>(1,765,976.30)</b> | <b>(1,768,306.74)</b> |

|  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| LTD:SRF CATAMOUNT ROAD                   | (124,170.69)          | (123,961.69)          | (123,752.69)          | (123,542.69)          | (123,331.69)          | (123,119.69)          | (122,906.69)          | (122,693.69)          | (122,479.69)          | (122,264.69)          | (122,048.69)          | (121,831.69)          | (121,614.69)          |
| LTD:FORGIVABLE DEBT - SRF CATAMOUNT ROAD | (40,287.01)           | (40,167.82)           | (40,048.63)           | (39,929.44)           | (39,810.25)           | (39,691.06)           | (39,571.87)           | (39,452.68)           | (39,333.49)           | (39,214.30)           | (39,095.11)           | (38,975.92)           | (38,856.73)           |
| <b>Long Term Debt</b>                    | <b>(164,457.70)</b>   | <b>(164,129.51)</b>   | <b>(163,801.32)</b>   | <b>(163,472.13)</b>   | <b>(163,141.94)</b>   | <b>(162,810.75)</b>   | <b>(162,478.56)</b>   | <b>(162,146.37)</b>   | <b>(161,813.18)</b>   | <b>(161,478.99)</b>   | <b>(161,143.80)</b>   | <b>(160,807.61)</b>   | <b>(160,471.42)</b>   |
| <b>Current Liabilities</b>               |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| CURRENT PORTION LTD: CATAMOUNT RD        | (2,443.00)            | (2,453.00)            | (2,462.00)            | (2,471.00)            | (2,480.00)            | (2,490.00)            | (2,500.00)            | (2,509.00)            | (2,518.00)            | (2,527.00)            | (2,537.00)            | (2,547.00)            | (2,556.00)            |
|  | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            | (1,430.28)            |
| <b>Current Portion of Long Term Debt</b> | <b>(3,873.28)</b>     | <b>(3,883.28)</b>     | <b>(3,892.28)</b>     | <b>(3,901.28)</b>     | <b>(3,910.28)</b>     | <b>(3,920.28)</b>     | <b>(3,930.28)</b>     | <b>(3,939.28)</b>     | <b>(3,948.28)</b>     | <b>(3,957.28)</b>     | <b>(3,967.28)</b>     | <b>(3,977.28)</b>     | <b>(3,986.28)</b>     |
| ACCOUNTS PAYABLE                         | (1,955.60)            | (2,623.88)            | (1,096.20)            | (4,799.75)            | (7,541.98)            | (87,688.75)           | (285.91)              | (1,214.20)            | 110.11                | (894.81)              | (3,610.21)            | (93,007.69)           | (3,262.24)            |
| CLEARING ACCOUNT                         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| LOCAL PROPERTY TAXES PAYABLE             | -                     | (1,653.42)            | (3,306.84)            | 0.75                  | (15,827.34)           | 1,653.91              | 0.49                  | (1,652.93)            | (3,306.35)            | 0.23                  | (15,311.19)           | 1,653.39              | -                     |
| ACCRUED TAXES                            | (2,257.91)            | (2,257.91)            | (2,257.91)            | (2,257.91)            | (2,257.91)            | (2,257.91)            | (2,257.91)            | (2,257.91)            | (2,257.91)            | (2,257.91)            | (2,257.91)            | (2,257.91)            | -                     |
| ACCRUED INTEREST PAYABLE                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| MISC CURRENT ACCRUED LIABILITY           | (316.97)              | (1,355.89)            | (5,374.57)            | (335.06)              | (352.43)              | (254.53)              | (6,817.29)            | (5,802.96)            | (248.51)              | (205.16)              | (325.16)              | (523.91)              | (318.68)              |
| ACCRUED LIABILITY - RETAINAGE            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|  | <b>(4,530.48)</b>     | <b>(7,891.10)</b>     | <b>(12,035.52)</b>    | <b>(7,391.97)</b>     | <b>(25,979.66)</b>    | <b>(88,547.28)</b>    | <b>(9,360.62)</b>     | <b>(10,928.00)</b>    | <b>(5,702.66)</b>     | <b>(3,357.65)</b>     | <b>(21,504.47)</b>    | <b>(94,136.12)</b>    | <b>(3,580.92)</b>     |
| HARDSHIP CASES: CREDITS                  | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| INTERCO PAY/REC: PAC/TSC                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| INTERCO PAY/REC: PAC/PWS                 | -                     | -                     | -                     | -                     | -                     | 63.08                 | 63.24                 | 63.40                 | 63.55                 | 63.70                 | 63.83                 | 63.95                 | -                     |
| AP INTERCO PAY/REC: PEU/PAC              | -                     | (334.55)              | (334.55)              | (334.55)              | (334.55)              | (334.55)              | (334.55)              | (3,099.00)            | (4,699.00)            | (4,460.05)            | (6,674.00)            | (12,976.99)           | -                     |
| INTERCO PAY/REC: PAC/PWW                 | -                     | (25,931.34)           | (48,421.51)           | (92,457.95)           | (114,970.52)          | (141,260.86)          | (168,609.48)          | (199,694.20)          | (226,148.02)          | (249,157.47)          | (275,415.72)          | (311,403.84)          | -                     |
| INTERCO LOAN PWW/PAC: RSF                | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           |
| INTERCO PAY/REC: PAC/PEU                 | -                     | (0.42)                | (1.12)                | (1.96)                | (2.80)                | (3.64)                | (1,005.74)            | (1,002.58)            | (1,013.81)            | (1,026.63)            | (1,070.40)            | (1,090.83)            | -                     |
| INTERCO ADV-PCP PROM NOTE 5/18           | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| INTERCO LOAN PAC - INTERGRATED           | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| NOTE PAYABLE - PCP 2018 1.1M LOAN        | (1,147,728.22)        | (1,145,659.78)        | (1,143,585.80)        | (1,141,506.31)        | (1,139,421.27)        | (1,137,330.67)        | (1,135,234.49)        | (1,133,132.73)        | (1,131,025.36)        | (1,128,912.37)        | (1,126,793.74)        | (1,124,669.47)        | (1,122,539.53)        |
| ST NOTE PAYABLE - PCP 2018 1.1M LOAN     | (24,396.45)           | (24,461.50)           | (24,526.75)           | (24,592.15)           | (24,657.73)           | (24,723.48)           | (24,789.41)           | (24,855.51)           | (24,921.79)           | (24,988.25)           | (25,054.89)           | (25,121.70)           | (25,188.69)           |
| INTERCO PAY/REC: PAC/PCP                 | (72,615.09)           | 2,878.21              | (5,839.26)            | 50,214.08             | 100,124.60            | 160,808.66            | 105,101.02            | 173,857.37            | 203,044.26            | 260,914.56            | 339,032.03            | 368,431.58            | (1,719.17)            |
| <b>Total Current Liabilities</b>         | <b>(1,266,098.26)</b> | <b>(1,218,238.50)</b> | <b>(1,251,591.53)</b> | <b>(1,232,926.83)</b> | <b>(1,222,106.95)</b> | <b>(1,248,203.76)</b> | <b>(1,251,055.05)</b> | <b>(1,215,685.27)</b> | <b>(1,207,305.85)</b> | <b>(1,167,836.18)</b> | <b>(1,134,339.38)</b> | <b>(1,217,835.44)</b> | <b>(1,169,969.33)</b> |
| <b>Other Deferred Credits</b>            |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| DEFERRED INCOME TAXES                    | (508,474.08)          | (508,474.08)          | (508,474.08)          | (508,474.08)          | (508,474.08)          | (508,474.08)          | (508,474.08)          | (508,474.08)          | (508,474.08)          | (508,474.08)          | (508,474.08)          | (508,474.08)          | (510,342.07)          |
| ACCUM DEFERRED INC TAX - REG LIAB        | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          | (201,217.00)          |
|  | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(709,691.08)</b>   | <b>(711,559.07)</b>   |
| CONTRIBUTIONS IN AID OF CONST            | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          |
| CIAC-WATER FILTRATION GRANT              | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          |
|  | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> |
| <b>Reserve for Amort of CIAC: All</b>    |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| RESERVE FOR AMORT OF CIAC:PAC            | 474,807.46            | 476,722.92            | 478,638.31            | 480,553.77            | 482,469.16            | 484,384.54            | 486,300.01            | 488,215.47            | 490,130.86            | 492,046.31            | 493,961.70            | 495,877.07            | 497,792.54            |
|  | <b>474,807.46</b>     | <b>476,722.92</b>     | <b>478,638.31</b>     | <b>480,553.77</b>     | <b>482,469.16</b>     | <b>484,384.54</b>     | <b>486,300.01</b>     | <b>488,215.47</b>     | <b>490,130.86</b>     | <b>492,046.31</b>     | <b>493,961.70</b>     | <b>495,877.07</b>     | <b>497,792.54</b>     |
| <b>Total Deferred Credits</b>            | <b>(1,383,520.03)</b> | <b>(1,381,604.57)</b> | <b>(1,379,689.18)</b> | <b>(1,377,773.72)</b> | <b>(1,375,858.33)</b> | <b>(1,373,942.95)</b> | <b>(1,372,027.48)</b> | <b>(1,370,112.02)</b> | <b>(1,368,196.63)</b> | <b>(1,366,281.18)</b> | <b>(1,364,365.79)</b> | <b>(1,362,450.42)</b> | <b>(1,362,402.94)</b> |
| <b>Total Equity &amp; Liabilities</b>    | <b>(4,612,040.05)</b> | <b>(4,559,205.43)</b> | <b>(4,556,390.05)</b> | <b>(4,533,245.37)</b> | <b>(4,527,836.40)</b> | <b>(4,549,397.54)</b> | <b>(4,548,760.95)</b> | <b>(4,502,736.08)</b> | <b>(4,501,542.00)</b> | <b>(4,469,991.51)</b> | <b>(4,432,820.32)</b> | <b>(4,507,069.77)</b> | <b>(4,461,150.43)</b> |
|  | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |

**Pittsfield Aqueduct Company**  
**Profit & Loss Statement**  
**For the Twelve Months Ended December 31, 2018**

|   | 1             | 2             | 3             | 4            | 5             | 6             | 7             | 8             | 9             | 10            | 11            | 12            |
|---|---------------|---------------|---------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|   | Jan-18        | Feb-18        | Mar-18        | Apr-18       | May-18        | Jun-18        | Jul-18        | Aug-18        | Sep-18        | Oct-18        | Nov-18        | Dec-18        |
| <b>Water Sales</b>                              |               |               |               |              |               |               |               |               |               |               |               |               |
| WATER SALES: BILLED REVENUE                     | (46,702.40)   | (46,685.91)   | (54,592.19)   | (44,943.01)  | (45,712.57)   | (51,712.79)   | ( 7,038.80)   | (48,430.50)   | (53,772.01)   | (45,297.51)   | (50,797.29)   | (44,775.96)   |
| WATER SALES BILLED RECOUPMENT                   | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| WATER SALES: UNBILLED REVENUE                   | (6,833.00)    | 7,276.00      | 3,417.00      | (4,563.00)   | 2,111.00      | 54.00         | (7,934.00)    | 3,665.00      | 4,242.00      | 3,398.00      | 1,439.00      | (9,328.00)    |
| WATER SALES-UNBILLED RECOUPMNT                  | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| FIRE PROTECTION REVENUE                         | (17,072.56)   | (17,072.56)   | (17,072.56)   | (17,072.56)  | (17,072.56)   | (17,072.56)   | ( 7,072.56)   | (17,072.56)   | (17,072.56)   | (17,072.56)   | (17,072.56)   | (17,072.56)   |
| CBFRR REVENUES                                  | (12,213.25)   | (12,213.25)   | (12,213.25)   | (12,213.25)  | (12,213.25)   | (12,213.25)   | ( 2,213.25)   | (12,213.25)   | (12,213.25)   | (12,213.25)   | (12,213.25)   | (12,213.25)   |
| CBFRR REVENUES - CONTRA                         | 12,213.25     | 12,213.25     | 12,213.25     | 12,213.25    | 12,213.25     | 12,213.25     | 12,213.25     | 12,213.25     | 12,213.25     | 12,213.25     | 12,213.25     | 12,213.25     |
|   | 70,607.96     | 56,482.47     | 68,247.75     | 66,578.57    | 60,674.13     | 68,731.35     | 72,045.36     | 61,838.06     | 66,602.57     | 58,972.07     | 66,430.85     | 71,176.52     |
| Other Operating Revenue                         |               |               |               |              |               |               |               |               |               |               |               |               |
| MISC OPERATING REVENUE                          | (171.00)      | (580.00)      | (226.00)      | (66.00)      | (132.00)      | (344.00)      | (192.00)      | (601.00)      | (161.00)      | (252.00)      | (325.00)      | (121.00)      |
|   | <b>171.00</b> | <b>580.00</b> | <b>226.00</b> | <b>66.00</b> | <b>132.00</b> | <b>344.00</b> | <b>192.00</b> | <b>601.00</b> | <b>161.00</b> | <b>252.00</b> | <b>325.00</b> | <b>121.00</b> |
| Total Revenues                                  | 70,778.96     | 57,062.47     | 68,473.75     | 66,644.57    | 60,806.13     | 69,075.35     | 72,237.36     | 62,439.06     | 66,763.57     | 59,224.07     | 66,755.85     | 71,297.52     |
| <b>Production Expenses</b>                      |               |               |               |              |               |               |               |               |               |               |               |               |
| OTHER PROD LABOR:TREAT PLANT                    | 0             | 0             | 0             | 0            | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| <b>OTHER PROD MAT&amp;EXP: SRC/SUPPLY</b>       | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>     | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      |
| SUPERINTENDENCE: WTP-PAC                        | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| BENEFITS: WTP-PAC                               | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| POWER PURCHASED: TRT PLT ELEC                   | 595.70        | 33.36         | 1,088.36      | 32.95        | 483.48        | 375.95        | 340.86        | 359.05        | 351.97        | 330.92        | 406.08        | 757.88        |
| OPER LABOR: TREATMENT PLANT                     | 6,343.20      | 6,056.34      | 6,241.74      | 5,291.85     | 4,619.62      | 4,991.37      | 4,786.16      | 8,157.65      | 5,440.89      | 5,897.65      | 4,558.73      | 5,270.67      |
| OPER EXP T PLANT: MAT & EXP                     | 31.31         | 60.84         | 88.04         | -            | 20.65         | 56.81         | 10.96         | 881.36        | 460.64        | 97.93         | 71.96         | -             |
| OPER EXP T PLANT: GAS/OIL                       | 1,995.78      | -             | 2,722.61      | -            | -             | -             | -             | -             | 1,613.11      | 1,813.38      | 1,704.71      | -             |
| OPER EXP T PLANT: PHONE                         | 182.20        | 182.24        | 182.24        | 181.65       | 186.98        | 186.70        | 186.58        | 185.52        | 187.68        | 186.71        | 189.07        | 300.88        |
| MAINT STRUCT: TREATMENT PLANT                   | 296.69        | 164.08        | 74.52         | 109.61       | 99.71         | 235.58        | 1,530.84      | 5,164.17      | 2,727.39      | 80.51         | 341.04        | 153.52        |
| MAINT STRUCT: SOURCE OF SUPPLY                  | 1,419.83      | 266.31        | 1,092.96      | 66.19        | 387.37        | 61.83         | 202.86        | 309.17        | 669.22        | 2,345.21      | 5,881.29      | 307.49        |
| MAINT PUMP EQU: HIGH LIFT ELC                   | -             | -             | -             | -            | -             | -             | 49.87         | -             | -             | -             | -             | -             |
| BOOSTER STATION GENERAL MAINT                   | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| CHLORINE: TREATMENT PLANT                       | 644.10        | -             | 419.10        | -            | 419.10        | -             | 519.10        | (200.00)      | -             | 469.10        | 469.10        | -             |
| ALUM. SULFATE/FERRIC CHLORIDE                   | -             | -             | -             | -            | 869.00        | -             | -             | -             | -             | 840.00        | -             | -             |
| POLYMERS  | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| CORROSION INHIBITOR                             | -             | 70.71         | -             | -            | -             | -             | -             | -             | -             | 69.86         | -             | -             |
| SODA ASH  | 895.75        | -             | -             | -            | -             | -             | -             | 1,539.85      | -             | -             | -             | -             |
| LABORATORY EXPENSE                              | -             | -             | 133.95        | -            | -             | 598.43        | -             | 338.59        | -             | 13.81         | -             | 468.00        |
| LAB EXPENSE: OUTSIDE TESTING                    | 511.00        | 248.00        | 248.00        | 388.00       | 156.00        | 135.00        | 729.00        | 819.00        | 105.00        | 682.00        | 120.20        | 101.00        |
| MAINT PROC EQU: TRT PLANT                       | 28.67         | 110.71        | 734.04        | -            | 17.00         | -             | 71.00         | 858.91        | -             | 95.60         | (32.99)       | -             |
| MAINT PROC EQUIP: SCADA & OTHR                  | 114.95        | 164.61        | 114.95        | 344.95       | 1,214.95      | -             | 229.90        | 114.95        | 114.95        | 118.20        | 118.20        | 118.20        |
|   | 13,059.18     | 7,357.20      | 13,140.51     | 6,415.20     | 8,473.86      | 6,641.67      | 8,657.13      | 18,528.22     | 11,670.85     | 13,040.88     | 13,827.39     | 7,477.64      |
| <b>Transmission &amp; Distribution Expenses</b> |               |               |               |              |               |               |               |               |               |               |               |               |
| SUPERINTENDENCE: OPS-PAC                        | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| BENEFITS: OPS-PAC                               | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| MISC GEN EXPENSE/OPERATIONS                     | -             | -             | -             | 148.28       | -             | -             | -             | -             | -             | -             | -             | -             |
| MISC T&D MATERIALS & SUPPLIES                   | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| DUTY PAY  | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| METER OPERATING LABOR & EXP                     | 228.60        | 203.23        | 124.39        | 92.75        | 123.67        | 298.94        | 673.92        | -             | 245.85        | 248.68        | 204.58        | 56.34         |
| MOLE: METER REMOVAL                             | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| OTHER EXPENSE ON CUST PREMISIS                  | -             | -             | -             | 771.12       | -             | -             | -             | -             | -             | -             | -             | -             |
| SMALL TOOLS EXPENSE                             | 146.99        | -             | 23.98         | -            | -             | 75.95         | 122.07        | 10.29         | -             | 381.12        | 14.97         | 109.98        |
| TRANS/EXP: MISCELLANEOUS                        | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| GASOLINE  | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| MAINT MAINS: REPAIRS                            | 100.41        | 271.91        | 114.99        | 4,154.63     | 1,387.29      | 822.29        | 4,858.15      | 759.78        | 283.15        | 391.05        | 286.17        | 180.39        |
| MAINT MAINS: GATE PROGRAM                       | -             | -             | 1,396.48      | -            | -             | 30.00         | 3,251.49      | 5,324.30      | -             | 2,700.00      | -             | -             |
| MAINT MAINS: FLUSHING LN                        | -             | -             | -             | -            | -             | -             | -             | -             | -             | -             | -             | -             |
| MAINT GATES: INSPECTION: PAC                    | -             | -             | -             | -            | -             | 2,605.48      | -             | 77.60         | -             | -             | -             | -             |
| MAINTENANCE: SERVICES                           | -             | 325.54        | -             | 349.09       | 3,506.34      | 288.75        | 4,818.16      | 5,906.71      | 1,765.34      | 2,517.03      | 1,696.14      | 179.88        |
| MAINTENANCE: METERS                             | 689.67        | -             | 299.96        | 61.83        | 269.48        | 374.31        | 123.66        | 225.41        | 75.89         | 163.01        | 461.43        | 50.59         |
| MAINTENANCE: HYDRANTS-REPAIRS                   | -             | 41.21         | -             | -            | -             | 2,467.83      | -             | -             | -             | -             | 253.56        | -             |
| MAINTENANCE: HYDRANTS-PAINTING                  | -             | -             | -             | -            | -             | 201.76        | 215.40        | -             | -             | -             | -             | -             |
| MAINTENANCE: HYDRANTS-INSPECTN                  | 5,404.75      | 1,180.82      | 940.11        | -            | -             | 151.78        | -             | -             | 185.50        | 961.24        | 281.35        | -             |

|   |            |            |            |            |            |            |            |            |            |            |            |              |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| MONITOR CONTRACTORS MARKING             | -          | 124.39     | 310.97     | 154.58     | 1,412.89   | 219.24     | 424.42     | 337.51     | 148.96     | 354.01     | 465.79     | 123.67       |
|   | 6,570.42   | 2,147.10   | 3,210.88   | 5,732.28   | 6,699.67   | 7,536.33   | 14,487.27  | 12,641.60  | 2,704.69   | 7,716.14   | 3,663.99   | 700.85       |
| Customer Accounts & Collection Expenses |            |            |            |            |            |            |            |            |            |            |            |              |
| CUSTOMER ORDS: COLLECTIONS              | -          | -          | 62.19      | -          | -          | -          | 649.23     | -          | -          | -          | -          | -            |
| CUSTOMER ORDS: COLLECTIONS              | -          | -          | 207.79     | -          | -          | -          | 148.45     | -          | 160.58     | -          | -          | 99.91        |
| METER READING                           | 444.75     | 186.59     | 124.39     | 66.19      | 92.76      | 116.65     | 198.56     | 75.89      | 165.48     | 123.67     | 123.67     | 61.83        |
| METER READING: TRANSFERS                | -          | -          | -          | -          | -          | -          | 53.16      | -          | 46.38      | -          | 168.89     | 75.89        |
| METER READING: EXCEPTIONS               | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -            |
| BILLING & ACCOUNTING                    | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -            |
| BILLING & ACCOUNTING                    | 647.17     | 550.60     | 434.27     | 609.93     | 558.83     | 582.92     | 616.25     | 591.63     | 604.37     | 584.80     | 564.23     | 671.92       |
| UNCOLLECTABLE ACCOUNTS                  | (868.75)   | -          | -          | 996.14     | -          | 253.34     | 494.84     | 502.61     | (371.86)   | (108.86)   | 709.73     | 475.29       |
|   | 223.17     | 737.19     | 828.64     | 1,672.26   | 651.59     | 952.91     | 2,160.49   | 1,170.13   | 604.95     | 599.61     | 1,566.52   | 1,384.84     |
| Administrative and General Expense      |            |            |            |            |            |            |            |            |            |            |            |              |
| OFFICE SUPPLIES & EXPENSE               | 116.81     | 106.99     | 204.11     | 111.31     | 191.48     | 112.46     | 193.01     | 144.73     | 114.13     | 252.51     | 540.91     | 103.70       |
| OFFICE SUPPLIES & EXP: PHONE            | 300.28     | 299.94     | 300.09     | 300.06     | 300.51     | 299.75     | 299.67     | 300.04     | 300.12     | 300.12     | 299.74     | 299.82       |
| OUTSIDE SERVICES                        | -          | 2,532.33   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -            |
| INSURANCE EXPENSE                       | 815.64     | 815.66     | 815.64     | 815.64     | 815.65     | 815.64     | 815.64     | 815.65     | 815.64     | 815.65     | 815.65     | 815.64       |
| REGULATORY COMMISSION EXPENSE           | 271.33     | 271.33     | 271.33     | 271.34     | -          | 271.33     | 271.34     | 388.67     | 388.67     | 388.66     | (274.68)   | 273.68       |
| MEETING CONVENTION/MEMBSP FEES          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -            |
| LICENSING FEES                          | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00      | 25.00        |
| PUBLIC RELATIONS                        | -          | 9.63       | -          | 12.10      | -          | 11.38      | 22.77      | 8.63       | -          | 11.39      | -          | 9.21         |
| MEALS                                   | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -            |
| MISCELLANEOUS GENERAL EXPENSE           | -          | 102.00     | -          | -          | -          | (0.01)     | -          | -          | -          | -          | -          | -            |
| CHARITABLE CONTRIBUTIONS                | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -            |
| MAINT: OFFICE FURNT & EQUIP             | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -            |
| MAINT: MISC GENERAL EQUIP               | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -            |
| MAINT COMPUTER EQUIP: PAC               | 235.08     | 235.08     | 235.08     | 235.08     | 235.08     | 235.08     | 235.08     | 235.08     | 235.08     | 235.08     | 235.08     | -            |
|   | 1,764.14   | 4,397.96   | 1,851.25   | 1,770.53   | 1,567.72   | 1,770.63   | 1,862.51   | 1,917.80   | 1,878.64   | 2,028.41   | 1,641.70   | 1,527.05     |
| Inter Div Management Fee                |            |            |            |            |            |            |            |            |            |            |            |              |
| MAINT COMPUTER EQUIP: PAC               | 510.00     | 369.00     | 614.00     | 413.00     | 347.00     | 320.00     | 249.00     | 488.00     | 443.00     | 394.00     | 675.00     | (182.00)     |
| MAINT COMPUTER EQUIP: PAC               | 15,908.00  | 14,926.00  | 15,261.00  | 14,200.00  | 16,372.00  | 14,730.00  | 17,336.00  | 15,862.00  | 13,076.00  | 15,150.00  | 15,434.00  | 10,425.00    |
| MAINT COMPUTER EQUIP: PAC               | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -            |
|   | 16,418.00  | 15,295.00  | 15,875.00  | 14,613.00  | 16,719.00  | 15,050.00  | 17,585.00  | 16,350.00  | 13,519.00  | 15,544.00  | 16,109.00  | 10,243.00    |
| Total Operating Expenses                | 38,034.91  | 29,934.45  | 34,906.28  | 30,203.27  | 34,111.84  | 31,951.54  | 44,752.40  | 50,607.75  | 30,378.13  | 38,929.04  | 36,808.60  | 21,333.38    |
| Depreciation Expense                    |            |            |            |            |            |            |            |            |            |            |            |              |
| DEPRECIATION EXPENSE: PAC               | 8,492.61   | 8,499.38   | 8,497.51   | 8,496.53   | 8,499.85   | 8,500.86   | 8,505.84   | 8,506.34   | 8,413.77   | 8,489.51   | 8,469.30   | 8,464.88     |
|   | 8,492.61   | 8,499.38   | 8,497.51   | 8,496.53   | 8,499.85   | 8,500.86   | 8,505.84   | 8,506.34   | 8,413.77   | 8,489.51   | 8,469.30   | 8,464.88     |
| Amortization Expense: CIAC              |            |            |            |            |            |            |            |            |            |            |            |              |
| AMORTIZATION EXPENSE: CIAC              | (1,915.58) | (1,915.53) | (1,915.60) | (1,915.51) | (1,915.50) | (1,915.61) | (1,915.58) | (1,915.53) | (1,915.60) | (1,915.51) | (1,915.38) | (1,915.47)   |
| Amortization Expense                    |            |            |            |            |            |            |            |            |            |            |            |              |
| AMORT EXP - DEFERRED CHARGES            | 257.31     | 257.33     | 257.31     | 257.33     | 257.31     | 257.32     | 257.31     | 257.32     | 257.31     | 257.31     | 257.31     | 257.32       |
| AMORT: ACQUISITION PREMIUM              | 2,740.25   | 2,800.17   | 2,800.17   | 2,800.17   | 2,800.17   | 2,800.18   | 2,800.17   | 2,800.17   | 2,800.17   | 2,800.17   | 2,800.17   | 2,800.17     |
|   | 2,997.56   | 3,057.50   | 3,057.48   | 3,057.50   | 3,057.48   | 3,057.50   | 3,057.48   | 3,057.49   | 3,057.48   | 3,057.48   | 3,057.48   | 3,057.49     |
| Taxes Other than Income Tax             |            |            |            |            |            |            |            |            |            |            |            |              |
| LOCAL PROPERTY TAXES                    | 13,208.16  | 13,208.16  | 13,208.17  | 13,208.16  | 18,566.17  | 15,887.18  | 15,887.16  | 15,887.16  | 15,887.18  | 15,886.83  | 15,940.51  | 14,883.67    |
| OTHER TAXES                             | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | 28,405.91    |
|   | 13,208.16  | 13,208.16  | 13,208.17  | 13,208.16  | 18,566.17  | 15,887.18  | 15,887.16  | 15,887.16  | 15,887.18  | 15,886.83  | 15,940.51  | 43,289.58    |
| GAIN FROM FORGIVENESS SRF DEBT          | -          | -          | -          | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)   | (119.19)     |
| Income Tax                              |            |            |            |            |            |            |            |            |            |            |            |              |
| PROV/FED INC TAX/CURRENT                | 1,396.73   | 319.5      | 1548.2     | 2094.86    | 124.78     | 2113.43    | 237.86     | -2780.41   | 1989.78    | -1130.82   | 697.31     | -3351.22     |
| PROVS FOR NH BUS PRFTS TAX CUR          | 570.50     | 130.51     | 632.37     | 855.67     | 50.96      | 863.25     | 97.16      | (1,135.69) | 812.75     | (461.90)   | 284.83     | 99,548.59    |
| PROV FEDL INCOME TAX DEFERRED           | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | 3,311.00     |
| PROV NH INCOME TAX DEFERRED             | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | 2,017.00     |
|   | 1,967.23   | 450.01     | 2,180.57   | 2,950.53   | 175.74     | 2,976.68   | 335.02     | (3,916.10) | 2,802.53   | (1,592.72) | 982.14     | 101,525.37   |
| Total Operating Deducts                 | 62,784.89  | 53,233.97  | 59,934.41  | 55,881.29  | 62,376.39  | 60,338.96  | 70,503.13  | 72,107.92  | 58,504.30  | 62,735.44  | 63,223.46  | 175,636.04   |
| Net Operating Income                    | 7,994.07   | 3,828.50   | 8,539.34   | 10,763.28  | (1,570.26) | 8,736.39   | 1,734.23   | (9,668.86) | 8,259.27   | (3,511.37) | 3,532.39   | (104,338.52) |

|   |                 |                 |                 |                 |               |                 |                 |                 |                 |                 |                 |                 |
|---|-----------------|-----------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| MISC NON-OPERATING INCOME(EXP)            | -               | -               | -               | -               | -             | -               | -               | -               | -               | -               | -               | -               |
| MISC NONUTILITY EXPENSES                  | -               | -               | -               | -               | -             | -               | -               | -               | -               | -               | -               | -               |
| Other Income                              | -               | -               | -               | -               | -             | -               | -               | -               | -               | -               | -               | -               |
| AFDUC-INT(DEBT) COMPONENT-PAC             | -               | -               | -               | -               | -             | -               | -               | -               | -               | -               | -               | -               |
| AFUDC - EQUITY COMPONENT - PAC            | -               | -               | -               | -               | -             | -               | -               | -               | -               | -               | -               | -               |
| INTERCOMPANY INTEREST                     | 5,200.42        | 5,147.14        | 5,235.77        | 5,403.21        | 425.49        | 3,245.34        | 3,298.83        | 3,251.11        | 3,234.69        | 3,204.00        | 3,371.01        | 3,353.25        |
| INTEREST EXP: BONDS & NOTES               | 279.57          | 279.57          | 279.57          | 279.57          | 279.06        | 278.55          | 278.04          | 277.52          | 277.01          | 276.49          | 275.98          | 275.46          |
| AMORTIZATION OF DEBT EXPENSE              | -               | -               | -               | -               | 55.95         | 62.18           | 62.70           | 62.35           | 62.35           | 62.35           | 62.35           | 62.33           |
| INTEREST INCOME                           | -               | -               | -               | -               | -             | -               | -               | -               | -               | -               | -               | -               |
| Total Interest                            | <b>5,479.99</b> | <b>5,426.71</b> | <b>5,515.34</b> | <b>5,682.78</b> | <b>760.50</b> | <b>3,586.07</b> | <b>3,639.57</b> | <b>3,590.98</b> | <b>3,574.05</b> | <b>3,542.84</b> | <b>3,709.34</b> | <b>3,691.04</b> |
| <b><u>Net Income Before Dividends</u></b> | 2514.08         | -1598.21        | 3024            | 5080.5          | -2330.76      | 5150.32         | -1905.34        | -13259.84       | 4685.22         | -7054.21        | -176.95         | -108029.56      |
| DIVIDENDS: COMMON STOCK                   | -               | -               | -               | -               | -             | -               | -               | -               | -               | -               | -               | -               |
| Net Income (Or Loss) - YTD                | 2,514.08        | 915.87          | 3,939.87        | 9,020.37        | 6,689.61      | 11,839.93       | 9,934.59        | (3,325.25)      | 1,359.97        | (5,694.24)      | (5,871.19)      | (113,900.75)    |
| Net Income (Or Loss) - MTD                | 2,514.08        | (1,598.21)      | 3,024.00        | 5,080.50        | (2,330.76)    | 5,150.32        | (1,905.34)      | (13,259.84)     | 4,685.22        | (7,054.21)      | (176.95)        | (108,029.56)    |

**Pittsfield Aqueduct Company**  
**Balance Sheet**  
**For the Year Ended December 31, 2018**

Provided pursuant to NHPUC Rule 1604.01(19)

|  | 1              | 2              | 3              | 4              | 5              | 6              | 7              | 8              | 9              | 10             | 11             | 12             |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  | Jan-18         | Feb-18         | Mar-18         | Apr-18         | May-18         | Jun-18         | Jul-18         | Aug-18         | Sep-18         | Oct-18         | Nov-18         | Dec-18         |
| <b>Assets</b>                          |                |                |                |                |                |                |                |                |                |                |                |                |
| <b>Land</b>                            |                |                |                |                |                |                |                |                |                |                |                |                |
| LAND                                   | 44,180.00      | 44,180.00      | 44,180.00      | 44,180.00      | 44,180.00      | 44,180.00      | 44,180.00      | 44,180.00      | 44,180.00      | 44,180.00      | 44,180.00      | 44,180.00      |
| EASEMENTS - PITTSFIELD                 | 16,153.19      | 16,153.19      | 16,153.19      | 16,153.19      | 16,153.19      | 16,153.19      | 16,153.19      | 16,153.19      | 16,153.19      | 16,153.19      | 16,153.19      | 16,153.19      |
|  | 60,333.19      | 60,333.19      | 60,333.19      | 60,333.19      | 60,333.19      | 60,333.19      | 60,333.19      | 60,333.19      | 60,333.19      | 60,333.19      | 60,333.19      | 60,333.19      |
| <b>Structures</b>                      |                |                |                |                |                |                |                |                |                |                |                |                |
| SOURCE OF SUPPLY STRUCTURES            | 71,250.05      | 71,250.05      | 71,250.05      | 71,250.05      | 71,250.05      | 71,250.05      | 71,250.05      | 71,250.05      | 71,250.05      | 71,250.05      | 71,250.05      | 71,250.05      |
| GENERAL & MISC STRUCTURES              | 1,080.00       | 1,080.00       | 1,080.00       | 1,080.00       | 1,080.00       | 1,080.00       | 1,080.00       | 1,080.00       | 1,080.00       | 1,080.00       | 1,080.00       | 1,080.00       |
| WATER TREATMENT STRUCTURES             | 935,239.12     | 935,239.12     | 935,239.12     | 935,239.12     | 935,239.12     | 935,239.12     | 935,239.12     | 935,239.12     | 935,239.12     | 935,239.12     | 935,239.12     | 935,239.12     |
| RESERVOIRS & DAMS                      | 137,331.46     | 137,331.46     | 137,331.46     | 137,331.46     | 137,331.46     | 137,331.46     | 137,331.46     | 137,331.46     | 137,331.46     | 137,331.46     | 137,331.46     | 137,331.46     |
| LAKE, RIVER & OTHER INTAKE-PAC         | 38,270.60      | 38,270.60      | 38,270.60      | 38,270.60      | 38,270.60      | 38,270.60      | 38,270.60      | 38,270.60      | 38,270.60      | 38,270.60      | 38,270.60      | 38,270.60      |
|  | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| <b>SUPPLY MAINS: PITTSFIELD</b>        | 309,352.72     | 309,352.72     | 309,352.72     | 309,352.72     | 309,352.72     | 309,352.72     | 309,352.72     | 309,352.72     | 309,352.72     | 309,352.72     | 309,352.72     | 309,352.72     |
|  | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   | 1,492,523.95   |
| <b>Equipment</b>                       |                |                |                |                |                |                |                |                |                |                |                |                |
| POWER GENERATED EQUIP: PAC             | 55,407.06      | 55,407.06      | 55,407.06      | 55,407.06      | 55,407.06      | 55,407.06      | 55,407.06      | 55,407.06      | 55,407.06      | 55,407.06      | 55,407.06      | 55,407.06      |
| ELECTRIC PUMPING EQUIPMENT             | 1,854.50       | 1,854.50       | 1,854.50       | 1,854.50       | 1,854.50       | 1,854.50       | 1,854.50       | 1,854.50       | 1,854.50       | 1,854.50       | 1,854.50       | 1,651.09       |
| PUMPING EQUIP: PUMPS - PAC             | 14,105.04      | 14,105.04      | 14,105.04      | 14,105.04      | 14,105.04      | 14,105.04      | 14,105.04      | 14,105.04      | 14,105.04      | 14,105.04      | 14,105.04      | 14,105.04      |
|  |                |                |                |                |                |                |                |                |                |                |                |                |
| PURIFICATION SYSTEM EQUIPMENT          | 4,535.36       | 4,535.36       | 4,535.36       | 4,535.36       | 4,535.36       | 4,535.36       | 4,535.36       | 4,535.36       | 4,535.36       | 4,535.36       | 4,535.36       | -              |
| WATER TREATMENT EQUIPMENT: PAC         | 16,092.59      | 16,092.59      | 16,092.59      | 16,092.59      | 16,092.59      | 16,092.59      | 16,092.59      | 16,092.59      | 16,092.59      | 17,042.89      | 17,042.89      | 17,042.89      |
| WTP EQUIPMENT: MEDIA - PAC             | 41,963.48      | 41,963.48      | 41,963.48      | 41,963.48      | 41,963.48      | 41,963.48      | 41,963.48      | 41,963.48      | 41,963.48      | 41,963.48      | 41,963.48      | 41,963.48      |
|  | 133,958.03     | 133,958.03     | 133,958.03     | 133,958.03     | 133,958.03     | 133,958.03     | 133,958.03     | 133,958.03     | 134,908.33     | 134,908.33     | 134,908.33     | 130,169.56     |
| <b>Transmission &amp; Distribution</b> |                |                |                |                |                |                |                |                |                |                |                |                |
| PAVEMENTS - GENERAL                    | 5,000.00       | 5,000.00       | 5,000.00       | 5,000.00       | 5,000.00       | 5,000.00       | 5,000.00       | 5,000.00       | 5,000.00       | 5,000.00       | 5,000.00       | 5,000.00       |
| <b>PAVEMENTS - TRANS MAINS</b>         | 2003.77        | 2003.77        | 2003.77        | 2003.77        | 2003.77        | 2003.77        | 2003.77        | 2003.77        | 2003.77        | 2003.77        | 2003.77        | 2003.77        |
| PAVEMENTS - DIST MAINS                 | 124,788.30     | 124,788.30     | 124,788.30     | 124,788.30     | 124,788.30     | 124,788.30     | 124,788.30     | 124,788.30     | 124,788.30     | 124,788.30     | 124,788.30     | 124,788.30     |
| PAVEMENTS - GATE VALVES                | 2,833.21       | 2,833.21       | 2,833.21       | 2,833.21       | 2,833.21       | 2,833.21       | 2,833.21       | 2,833.21       | 2,833.21       | 2,833.21       | 2,833.21       | 2,833.21       |
| MAINS: 6" & LARGER                     | 641,868.44     | 641,868.44     | 641,868.44     | 641,868.44     | 641,868.44     | 641,868.44     | 641,868.44     | 641,868.44     | 641,868.44     | 641,868.44     | 641,868.44     | 641,868.44     |
| DEVEL INSTAL MAINS-6" & LARGER         | 316,734.00     | 316,734.00     | 316,734.00     | 316,734.00     | 316,734.00     | 316,734.00     | 316,734.00     | 316,734.00     | 316,734.00     | 316,734.00     | 316,734.00     | 316,734.00     |
| MAINS: 4" & UNDER                      | 216.00         | 216.00         | 216.00         | 216.00         | 216.00         | 216.00         | 216.00         | 216.00         | 216.00         | 216.00         | 216.00         | 216.00         |
| GATES: 4" & UNDER                      | 9,998.74       | 9,998.74       | 9,998.74       | 9,998.74       | 9,998.74       | 9,998.74       | 9,998.74       | 9,998.74       | 9,998.74       | 9,998.74       | 9,998.74       | 9,998.74       |
| GATES: 6" & LARGER                     | 54,829.76      | 54,829.76      | 54,829.76      | 54,829.76      | 54,829.76      | 54,829.76      | 54,829.76      | 54,829.76      | 54,829.76      | 54,829.76      | 54,829.76      | 54,829.76      |
| GATES: UNKNOWN SIZE                    | 754.24         | 754.24         | 754.24         | 754.24         | 754.24         | 284.49         | 284.49         | 284.49         | 284.49         | 284.49         | 284.49         | 284.49         |
| DEVEL INSTAL MAINS: 4" & UNDER         | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| MAINS: UNKNOWN SIZE                    | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   | 1,018,899.48   |
| DEVEL INSTAL MAINS:UNKNOWN SZ          | 176,678.50     | 176,678.50     | 176,678.50     | 176,678.50     | 176,678.50     | 176,678.50     | 176,678.50     | 176,678.50     | 176,678.50     | 176,678.50     | 176,678.50     | 176,678.50     |
| <b>PAVING-SERVICES</b>                 | 3700.02        | 3700.02        | 3700.02        | 3700.02        | 3700.02        | 3700.02        | 3700.02        | 3700.02        | 3700.02        | 3700.02        | 3700.02        | 3700.02        |
| <b>NEW SERVICES</b>                    | 110,817.38     | 110,817.38     | 110,817.38     | 110,817.38     | 112,957.63     | 112,957.63     | 112,957.63     | 112,957.63     | 112,957.63     | 112,957.63     | 112,957.63     | 112,957.63     |
| RENEWED SERVICES                       | 58,563.07      | 58,563.07      | 58,563.07      | 58,563.07      | 58,563.07      | 58,563.07      | 58,563.07      | 58,563.07      | 58,563.07      | 61,683.14      | 62,052.18      | 62,052.18      |
| METERING EQUIPMENT                     | 85,247.38      | 85,247.38      | 86,039.76      | 86,039.76      | 86,039.76      | 85,828.24      | 85,828.24      | 85,632.98      | 85,707.66      | 85,024.25      | 85,024.25      | 84,925.75      |
| RADIOS FOR METERING                    | 62,639.95      | 62,732.80      | 62,728.49      | 62,728.49      | 62,728.49      | 63,032.86      | 63,032.86      | 62,937.85      | 62,936.67      | 62,936.67      | 62,936.67      | 61,709.75      |
| FIRE PROT EQUIP: HYDRANTS              | 86,234.66      | 86,234.66      | 86,234.66      | 86,234.66      | 86,234.66      | 86,234.66      | 89,988.61      | 90,328.27      | 90,328.27      | 90,328.27      | 90,328.27      | 90,328.27      |
| HYDRANTS - PAVING                      | 184.00         | 184.00         | 184.00         | 184.00         | 184.00         | 184.00         | 184.00         | 184.00         | 184.00         | 184.00         | 184.00         | 184.00         |
| HYDRANTS: CIAC                         | 14,550.00      | 14,550.00      | 14,550.00      | 14,550.00      | 14,550.00      | 14,550.00      | 14,550.00      | 14,550.00      | 14,550.00      | 14,550.00      | 14,550.00      | 14,550.00      |
| OTHER PLANT & MISC EQUIP: PAC          | 1,495.00       | 1,495.00       | 1,495.00       | 1,495.00       | 1,495.00       | 1,495.00       | 1,495.00       | 1,495.00       | 1,495.00       | 1,495.00       | 1,495.00       | 1,495.00       |
|  | 2,772,115.52   | 2,777,659.00   | 2,778,447.07   | 2,778,447.07   | 2,780,587.32   | 2,780,680.18   | 2,784,434.13   | 2,784,483.52   | 2,784,557.02   | 2,786,993.68   | 2,787,362.72   | 2,786,037.30   |
| <b>Miscellaneous Equipment</b>         |                |                |                |                |                |                |                |                |                |                |                |                |
| SHOP EQUIPMENT                         | 9,687.95       | 9,687.95       | 9,687.95       | 9,687.95       | 9,687.95       | 9,687.95       | 9,687.95       | 9,687.95       | 9,687.95       | 9,687.95       | 9,687.95       | 9,687.95       |
| LABORATORY EQUIPMENT                   | 33,352.88      | 33,352.88      | 33,352.88      | 33,352.88      | 33,352.88      | 33,352.88      | 33,352.88      | 33,352.88      | 33,352.88      | 33,352.88      | 33,352.88      | 33,352.88      |
| COMMUNICATION EQUIPMENT - PAC          | 32,450.75      | 32,450.75      | 32,450.75      | 32,450.75      | 32,450.75      | 32,450.75      | 32,450.75      | 32,450.75      | 25,202.85      | 25,202.85      | 25,202.85      | 25,202.85      |
| COMPUTER EQUIPMENT                     | 27,788.24      | 27,788.24      | 27,788.24      | 27,788.24      | 27,788.24      | 27,352.18      | 27,352.18      | 27,352.18      | 24,555.64      | 24,555.64      | 24,555.64      | 24,555.64      |
| MISCELLANEOUS GENERAL EQUIP            | 16,974.54      | 16,974.54      | 16,974.54      | 16,974.54      | 16,974.54      | 16,974.54      | 16,974.54      | 16,974.54      | 16,974.54      | 16,974.54      | 16,974.54      | 16,974.54      |
|  | 120,254.36     | 120,254.36     | 120,254.36     | 120,254.36     | 120,254.36     | 119,818.30     | 119,818.30     | 119,818.30     | 109,773.86     | 109,773.86     | 109,773.86     | 109,773.86     |
| <b>Intangible Plant</b>                |                |                |                |                |                |                |                |                |                |                |                |                |
| ORGANIZATION EXPENSE                   | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      |
|  | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      | 75,550.65      |
| <b>Total Plant in Service</b>          | 4,654,735.70   | 4,660,279.18   | 4,661,067.25   | 4,661,067.25   | 4,663,207.50   | 4,662,864.30   | 4,666,618.25   | 4,666,667.64   | 4,657,647.00   | 4,660,083.66   | 4,660,452.70   | 4,654,388.51   |
| <b>Accumulated Depreciation</b>        |                |                |                |                |                |                |                |                |                |                |                |                |
| ACCUMULATED DEPRECIATION: PAC          | (1,827,460.41) | (1,835,959.79) | (1,844,345.74) | (1,852,842.27) | (1,861,342.12) | (1,869,406.92) | (1,877,912.76) | (1,886,248.84) | (1,886,508.49) | (1,894,597.31) | (1,903,066.61) | (1,906,047.48) |
| ACCUM DEPREC: COST OF REM -PAC         | 240,093.15     | 240,698.78     | 240,786.82     | 240,786.82     | 240,786.82     | 240,786.82     | 241,203.93     | 241,241.67     | 241,487.55     | 241,834.23     | 241,875.23     | 241,875.23     |
| ACCUM DEPRECIATION: LOSS -PAC          | 188,908.31     | 188,908.31     | 188,986.76     | 188,986.76     | 188,986.76     | 188,986.76     | 188,986.76     | 189,106.77     | 191,092.09     | 191,374.81     | 191,374.81     | 191,954.99     |
|  | 1,398,458.95   | 1,406,352.70   | 1,414,572.16   | 1,423,068.69   | 1,431,568.54   | 1,439,633.34   | 1,447,722.07   | 1,455,900.40   | 1,453,928.85   | 1,461,388.27   | 1,469,816.57   | 1,472,217.26   |
| <b>Net Plant in Service</b>            | 3,256,276.75   | 3,253,926.48   | 3,246,495.09   | 3,237,998.56   | 3,231,638.96   | 3,223,230.96   | 3,218,896.18   | 3,210,767.24   | 3,203,718.15   | 3,198,695.39   | 3,190,636.13   | 3,182,171.25   |
| <b>Construction Work in Progress</b>   |                |                |                |                |                |                |                |                |                |                |                |                |
| CWIP: CONTRACTOR CLEARING -PAC         | 827.50         | 827.50         | 827.50         | 827.50         | 827.50         | 827.50         | 827.50         | 827.50         | 1,860.70       | 5,673.70       | 5,673.70       | 6,707.50       |

|  |                |                |                |                |                |                |                |                |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Total Plant                              | 3,257,104.25   | 3,254,753.98   | 3,247,322.59   | 3,238,826.06   | 3,232,466.46   | 3,224,058.46   | 3,219,723.68   | 3,211,594.74   | 3,205,578.85   | 3,204,369.09   | 3,196,309.83   | 3,188,878.75   |
| Current Assets                           |                |                |                |                |                |                |                |                |                |                |                |                |
| Cash                                     |                |                |                |                |                |                |                |                |                |                |                |                |
| PETTY CASH: PITTSFIELD/NC                | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| CASH: BANK OF AMERICA OPERATNG           | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| A/R: BILLED WATER REVENUE                | 16,726.68      | 15,798.16      | 46,180.69      | 17,365.11      | 17,131.20      | 23,930.02      | 10,983.81      | 10,152.35      | 44,747.42      | 14,884.83      | 48,159.12      | 39,644.09      |
| A/R: MISCELLANEOUS                       | 1,701.00       | 1,701.00       | 1,701.00       | -              | -              | -              | -              | -              | -              | -              | -              | 1,939.36       |
| ALLOWANCE FOR DOUBTFUL ACCTS             | (119.39)       | (119.39)       | (119.39)       | -              | -              | (253.34)       | (494.84)       | (928.72)       | (108.86)       | 194.35         | (515.38)       | (475.29)       |
| A/R: UNBILLED WATER REVENUE              | 83,326.00      | 76,050.00      | 72,633.00      | 77,196.00      | 75,085.00      | 75,031.00      | 82,965.00      | 79,300.00      | 75,058.00      | 71,660.00      | 70,221.00      | 79,549.00      |
| A/R: UNBILLED REV: RECOUPMENT            | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| AR: UNBILLED REV RECOUP 2009             | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| Inventory & Supplies                     |                |                |                |                |                |                |                |                |                |                |                |                |
| INVENTORY: PIPES & FITTINGS              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| INVENTORY: METERS - PAC                  | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| INVENTORY: PAC                           | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              |
|  | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              |
| Prepaid Expenses & Other                 |                |                |                |                |                |                |                |                |                |                |                |                |
| PREPAID INSURANCE                        | 1,563.24       | 1,671.71       | 1,765.28       | 1,873.67       | 1,982.05       | 2,090.44       | 2,198.83       | 2,307.21       | 2,415.60       | 2,623.98       | 1,808.33       | 83.33          |
| PREPAID PROPERTY TAXES-PAC               | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| PREPAID EXPENSES                         | 3,018.47       | 2,487.06       | 1,955.65       | 1,695.56       | 2,278.15       | 1,746.74       | 1,215.32       | 1,184.57       | 809.82         | 435.08         | 448.68         | 150.00         |
| PREPAID PROPERTY TAXES                   | 22,937.67      | 11,468.84      | -              | -              | -              | 42,443.50      | 28,295.67      | 14,147.84      | -              | -              | 56,698.66      | 42,523.99      |
|  | 27,519.38      | 15,627.61      | 3,720.93       | 3,569.23       | 4,260.20       | 46,280.68      | 31,709.82      | 17,639.62      | 3,225.42       | 3,059.06       | 58,955.67      | 42,757.32      |
| Total Current Assets                     | 129,153.67     | 109,057.38     | 124,116.23     | 98,130.34      | 96,476.40      | 144,988.36     | 125,163.79     | 106,163.25     | 122,921.98     | 89,798.24      | 176,820.41     | 163,414.48     |
| <b>Other Assets</b>                      |                |                |                |                |                |                |                |                |                |                |                |                |
| <b>Other Deferred Charges</b>            |                |                |                |                |                |                |                |                |                |                |                |                |
| <b>ACQUISITION PREMIUM - MARA</b>        | 1,251,376.72   | 1,248,576.55   | 1,245,776.38   | 1,242,976.21   | 1,240,176.04   | 1,237,375.86   | 1,234,575.69   | 1,231,775.52   | 1,228,975.35   | 1,226,175.18   | 1,223,375.01   | 1,220,574.84   |
| SARBANES-OXLEY                           | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| TILTON HILL ROAD MAIN BREAK              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| MAIN BREAK - OCTOBER 2003                | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| SOUTH MAIN LEAK RESEARCH                 | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| ABATEMENT                                | 8,971.34       | 8,971.34       | 8,971.34       | 8,971.34       | 8,971.34       | 8,971.34       | 8,971.34       | 8,971.34       | 8,971.34       | 8,971.34       | 8,971.34       | 8,971.34       |
| GRANT APPLICATION - 2008                 | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              |
| <b>LOUDON RD MAIN BREAK</b>              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| FAIRVIEW ROAD MAIN BREAK                 | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              |
| <b>RATE CASE EXPENSE: 2007</b>           | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              |
| 2010 DEFERRED RATE CASE EXP              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| RATE CASE EXPENSE: 2012                  | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| CONCORD HILL ROAD SERVICE REPR           | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              |
| EMINENT DOMAIN                           | 3,668.50       | 3,668.50       | 3,668.50       | 3,668.50       | 3,668.50       | 3,668.50       | 3,668.50       | 3,668.50       | 3,668.50       | 3,668.50       | 3,668.50       | 3,668.50       |
| WEB SITE UPGRADE 2006                    | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              |
| <b>WEB-SITE UPGRADE 2011</b>             | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              |
| <b>BERRY POND BATHYMETRIC SURVEY</b>     | 11078.01       | 10820.68       | 10563.37       | 10306.04       | 10048.73       | 9791.41        | 9534.1         | 9276.78        | 9019.47        | 8762.16        | 8504.85        | 8247.53        |
| BERRY POND BATHYMETRIC SURVEY            | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| EMINENT DOMAIN ALLOWANCE                 | (3,668.50)     | (3,668.50)     | (3,668.50)     | (3,668.50)     | (3,668.50)     | (3,668.50)     | (3,668.50)     | (3,668.50)     | (3,668.50)     | (3,668.50)     | (3,668.50)     | (3,668.50)     |
|  | 1,271,426.07   | 1,268,368.57   | 1,265,311.09   | 1,262,253.59   | 1,259,196.11   | 1,256,138.61   | 1,253,081.13   | 1,250,023.64   | 1,246,966.16   | 1,243,908.68   | 1,240,851.20   | 1,237,793.71   |
| ACQUISITION PREMIUM - MARA               | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| UNAMORTIZED DEBT EXPENSE                 | 20,207.67      | 20,207.67      | 20,207.67      | 21,803.67      | 22,389.72      | 22,327.54      | 22,264.84      | 22,202.49      | 22,140.14      | 22,077.79      | 22,015.44      | 21,953.11      |
| Total Other Assets                       | 1,291,633.74   | 1,288,576.24   | 1,285,518.76   | 1,284,057.26   | 1,281,585.83   | 1,278,466.15   | 1,275,345.97   | 1,272,226.13   | 1,269,106.30   | 1,265,986.47   | 1,262,866.64   | 1,259,746.82   |
| <b>Total Assets</b>                      | 4677891.66     | 4652387.6      | 4656957.58     | 4621013.66     | 4610528.69     | 4647512.97     | 4620233.44     | 4589984.12     | 4597607.13     | 4560153.8      | 4635996.88     | 4612040.05     |
| Equity and Liabilities                   |                |                |                |                |                |                |                |                |                |                |                |                |
| Shareholder's Equity                     |                |                |                |                |                |                |                |                |                |                |                |                |
| COMMON STOCK                             | -100           | -100           | -100           | -100           | -100           | -100           | -100           | -100           | -100           | -100           | -100           | -100           |
| ADDITIONAL PAID IN CAPITAL               | (2,064,823.84) | (2,064,823.84) | (1,935,317.84) | (1,935,317.84) | (1,935,317.84) | (1,935,317.84) | (1,935,317.84) | (1,935,317.84) | (1,935,317.84) | (1,935,317.84) | (1,935,317.84) | (1,935,317.84) |
| RETAINED EARNINGS BEG - PAC              | 23,553.03      | 23,553.03      | 23,553.03      | 23,553.03      | 23,553.03      | 23,553.03      | 23,553.03      | 23,553.03      | 23,553.03      | 23,553.03      | 23,553.03      | 23,553.03      |
| Net Profit or Loss                       | (2,514.08)     | (915.87)       | (3,939.87)     | (9,020.37)     | (6,689.61)     | (11,839.93)    | (9,934.59)     | 3,325.25       | (1,359.97)     | 5,694.24       | 5,871.19       | 113,900.75     |
| Total Equity                             | (2,043,884.89) | (2,042,286.68) | (1,915,804.68) | (1,920,885.18) | (1,918,554.42) | (1,923,704.74) | (1,921,799.40) | (1,908,539.56) | (1,913,224.78) | (1,906,170.57) | (1,905,993.62) | (1,797,964.06) |
| LTD:SRF CATAMOUNT ROAD                   | (169,403.69)   | (169,204.69)   | (169,004.69)   | (125,821.69)   | (125,618.69)   | (125,406.69)   | (125,202.69)   | (124,997.69)   | (124,791.69)   | (124,585.69)   | (124,378.69)   | (124,170.69)   |
| LTD:FORGIVABLE DEBT - SRF CATAMOUNT ROAD | 0              | 0              | 0              | -41240.53      | -41121.34      | -41002.15      | -40882.96      | -40763.77      | -40644.58      | -40525.39      | -40406.2       | -40287.01      |



|                                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |                    |                   |                   |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| <b>Long Term Debt</b>                | -169403.69        | -169204.69        | -169004.69        | -167062.22        | -166740.03        | -166408.84        | -166085.65        | -165761.46        | -165436.27        | -165111.08         | -164784.89        | -164457.7         |
| Current Liabilities                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                    |                   |                   |
| CURRENT PORTION LTD: CATAMOUNT RD    | (1,759.00)        | (1,958.00)        | (2,158.00)        | (2,359.00)        | (2,369.00)        | (2,387.00)        | (2,396.00)        | (2,406.00)        | (2,416.00)        | (2,425.00)         | (2,434.00)        | (2,443.00)        |
|                                      | -                 | -                 | -                 | (1,430.28)        | (1,430.28)        | (1,430.28)        | (1,430.28)        | (1,430.28)        | (1,430.28)        | (1,430.28)         | (1,430.28)        | (1,430.28)        |
| Current Portion of Long Term Debt    | <b>(1,759.00)</b> | <b>(1,958.00)</b> | <b>(2,158.00)</b> | <b>(3,789.28)</b> | <b>(3,799.28)</b> | <b>(3,817.28)</b> | <b>(3,826.28)</b> | <b>(3,836.28)</b> | <b>(3,846.28)</b> | <b>(3,855.28)</b>  | <b>(3,864.28)</b> | <b>(3,873.28)</b> |
| <b>ACCOUNTS PAYABLE</b>              | <b>(4,821.14)</b> | <b>(2,457.79)</b> | <b>(3,690.78)</b> | <b>(2,650.50)</b> | <b>(3,293.74)</b> | <b>(882.00)</b>   | <b>(2,056.10)</b> | <b>(7,824.57)</b> | <b>(589.58)</b>   | <b>(10,599.26)</b> | <b>(642.35)</b>   | <b>(1,955.60)</b> |
| CLEARING ACCOUNT                     | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | -                 | -                  | 0                 | 0                 |
| <b>LOCAL PROPERTY TAXES PAYABLE</b>  | -1739.33          | -3478.66          | -5217.99          | -13208.15         | -31774.32         | 0                 | -1739.33          | -3478.66          | 0                 | -15886.83          | -3478             | 0                 |
| <b>ACCRUED TAXES</b>                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                  | 0                 | -2257.91          |
| ACCRUED INTEREST PAYABLE             | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
| MISC CURRENT ACCRUED LIABILITY       | (580.50)          | (2,659.57)        | (1,029.66)        | (1,199.37)        | -                 | (353.15)          | (1,123.11)        | (1,054.38)        | (2,675.02)        | (1,107.77)         | (2,029.45)        | (316.97)          |
| ACCRUED LIABILITY - RETAINAGE        | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
|                                      | -7140.97          | -8596.02          | -9938.43          | -17058.02         | -35068.06         | -1235.15          | -4918.54          | -12357.61         | -3264.6           | -27593.86          | -6149.8           | -4530.48          |
| HARDSHIP CASES: CREDITS              | 48.97             | 48.97             | 48.97             | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
| INTERCO PAY/REC: PAC/TSC             | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
| INTERCO PAY/REC: PAC/PWS             | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
| AP INTERCO PAY/REC: PEU/PAC          | -                 | -                 | -                 | -                 | -                 | (100.00)          | (1,323.83)        | (1,657.42)        | (4,057.42)        | (4,057.42)         | (9,057.42)        | -                 |
| INTERCO PAY/REC: PAC/PWW             | (33,919.26)       | (66,197.40)       | (98,087.59)       | (122,599.30)      | (155,201.71)      | (184,426.54)      | (227,382.64)      | (262,456.67)      | (287,435.24)      | (321,691.08)       | (348,213.29)      | -                 |
| INTERCO LOAN PWW/PAC: RSF            | (12,954.74)       | (12,954.74)       | (12,954.74)       | (12,954.74)       | (12,954.74)       | (12,954.74)       | (12,954.74)       | (12,954.74)       | (12,954.74)       | (12,954.74)        | (12,954.74)       | (12,954.74)       |
| INTERCO PAY/REC: PAC/PEU             | -                 | -                 | -                 | -                 | 58.56             | 58.58             | 57.22             | 54.23             | (1,140.73)        | (1,152.64)         | (1,170.31)        | -                 |
| INTERCO ADV-PCP PROM NOTE 5/18       | (776,850.00)      | (776,850.00)      | (776,850.00)      | (776,850.00)      | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
| INTERCO LOAN PAC - INTERGRATED       | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
| NOTE PAYABLE - PCP 2018 1.1M LOAN    | -                 | -                 | -                 | -                 | (1,162,054.14)    | (1,160,151.61)    | (1,157,988.24)    | (1,155,947.15)    | (1,153,900.61)    | (1,151,848.63)     | (1,149,791.16)    | (1,147,728.22)    |
| ST NOTE PAYABLE - PCP 2018 1.1M LOAN | -                 | -                 | -                 | -                 | (23,945.86)       | (23,882.00)       | (24,073.74)       | (24,137.94)       | (24,202.32)       | (24,266.85)        | (24,331.57)       | (24,396.45)       |
| INTERCO PAY/REC: PAC/PCP             | (334,684.54)      | (278,961.03)      | (378,696.01)      | (308,218.02)      | 157,412.39        | 116,875.14        | 185,912.61        | 241,545.16        | 253,874.94        | 338,651.92         | 268,502.39        | (72,615.09)       |
| Total Current Liabilities            | (1,167,259.54)    | (1,145,468.22)    | (1,278,635.80)    | (1,241,469.36)    | (1,235,552.84)    | (1,269,633.60)    | (1,246,498.18)    | (1,231,748.42)    | (1,236,927.00)    | (1,208,768.58)     | (1,287,030.18)    | (1,266,098.26)    |
| Other Deferred Credits               |                   |                   |                   |                   |                   |                   |                   |                   |                   |                    |                   |                   |
| DEFERRED INCOME TAXES                | (401,226.77)      | (401,226.77)      | (401,226.77)      | (401,226.77)      | (401,226.77)      | (401,226.77)      | (401,226.77)      | (401,226.77)      | (401,226.77)      | (401,226.77)       | (401,226.77)      | (508,474.08)      |
| ACCUM DEFERRED INC TAX - REG LIAB    | (201,217.00)      | (201,217.00)      | (201,217.00)      | (201,217.00)      | (201,217.00)      | (201,217.00)      | (201,217.00)      | (201,217.00)      | (201,217.00)      | (201,217.00)       | (201,217.00)      | (201,217.00)      |
|                                      | (602,443.77)      | (602,443.77)      | (602,443.77)      | (602,443.77)      | (602,443.77)      | (602,443.77)      | (602,443.77)      | (602,443.77)      | (602,443.77)      | (602,443.77)       | (602,443.77)      | (709,691.08)      |
| CONTRIBUTIONS IN AID OF CONST        | (750,286.50)      | (750,286.50)      | (750,286.50)      | (750,286.50)      | (750,286.50)      | (750,286.50)      | (750,286.50)      | (750,286.50)      | (750,286.50)      | (750,286.50)       | (750,286.50)      | (750,286.50)      |
| CIAC-WATER FILTRATION GRANT          | (398,349.91)      | (398,349.91)      | (398,349.91)      | (398,349.91)      | (398,349.91)      | (398,349.91)      | (398,349.91)      | (398,349.91)      | (398,349.91)      | (398,349.91)       | (398,349.91)      | (398,349.91)      |
|                                      | (1,148,636.41)    | (1,148,636.41)    | (1,148,636.41)    | (1,148,636.41)    | (1,148,636.41)    | (1,148,636.41)    | (1,148,636.41)    | (1,148,636.41)    | (1,148,636.41)    | (1,148,636.41)     | (1,148,636.41)    | (1,148,636.41)    |
| Reserve for Amort of CIAC: All       |                   |                   |                   |                   |                   |                   |                   |                   |                   |                    |                   |                   |
| RESERVE FOR AMORT OF CIAC:PAC        | 453,736.64        | 455,652.17        | 457,567.77        | 459,483.28        | 461,398.78        | 463,314.39        | 465,229.97        | 467,145.50        | 469,061.10        | 470,976.61         | 472,891.99        | 474,807.46        |
|                                      | 453,736.64        | 455,652.17        | 457,567.77        | 459,483.28        | 461,398.78        | 463,314.39        | 465,229.97        | 467,145.50        | 469,061.10        | 470,976.61         | 472,891.99        | 474,807.46        |
| Total Deferred Credits               | (1,297,343.54)    | (1,295,428.01)    | (1,293,512.41)    | (1,291,596.90)    | (1,289,681.40)    | (1,287,765.79)    | (1,285,850.21)    | (1,283,934.68)    | (1,282,019.08)    | (1,280,103.57)     | (1,278,188.19)    | (1,383,520.03)    |
| Total Equity & Liabilities           | (4,677,891.66)    | (4,652,387.60)    | (4,656,957.58)    | (4,621,013.66)    | (4,610,528.69)    | (4,647,512.97)    | (4,620,233.44)    | (4,589,984.12)    | (4,597,607.13)    | (4,560,153.80)     | (4,635,996.88)    | (4,612,040.05)    |
|                                      | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |

**Pittsfield Aqueduct Company**  
**Profit & Loss Statement**  
**For the Twelve Months Ended December 31, 2017**

Provided pursuant to NHPUC Rule 1604.01(19)

|  | 1                | 2                | 3                | 4                | 5                | 6                | 7                | 8                | 9                | 10               | 11               | 12               |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|  | Jan-17           | Feb-17           | Mar-17           | Apr-17           | May-17           | Jun-17           | Jul-17           | Aug-17           | Sep-17           | Oct-17           | Nov-17           | Dec-17           |
| <b><u>Water Sales</u></b>                              |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| WATER SALES: BILLED REVENUE                            | (46,358.26)      | (44,310.53)      | (45,820.98)      | (49,780.08)      | (44,951.12)      | (52,085.28)      | (48,027.58)      | (49,394.02)      | (53,396.74)      | (46,585.74)      | (46,675.69)      | (53,792.14)      |
| WATER SALES BILLED RECOUPMENT                          | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| WATER SALES: UNBILLED REVENUE                          | (4,256.00)       | (1,825.00)       | 5,323.00         | (1,073.00)       | 2,344.00         | (506.00)         | (8,250.00)       | 5,151.00         | 2,435.00         | (6,508.00)       | 3,724.00         | 749.00           |
| WATER SALES-UNBILLED RECOUPMNT                         | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| FIRE PROTECTION REVENUE                                | (16,696.90)      | (17,001.17)      | (16,891.11)      | (16,891.11)      | (17,798.35)      | (17,072.56)      | (17,072.56)      | (17,072.56)      | (17,072.56)      | (17,072.56)      | (17,072.56)      | (17,072.56)      |
| CBFRR REVENUES   | (12,213.25)      | (12,213.25)      | (12,213.25)      | (12,213.25)      | (12,213.25)      | (12,213.25)      | (12,213.25)      | (12,213.25)      | (12,213.25)      | (12,213.25)      | (12,213.25)      | (12,213.25)      |
| CBFRR REVENUES - CONTRA                                | 12,213.25        | 12,213.25        | 12,213.25        | 12,213.25        | 12,213.25        | 12,213.25        | 12,213.25        | 12,213.25        | 12,213.25        | 12,213.25        | 12,213.25        | 12,213.25        |
|  | <b>67,311.16</b> | <b>63,136.70</b> | <b>57,389.09</b> | <b>67,744.19</b> | <b>60,405.47</b> | <b>69,663.84</b> | <b>73,350.14</b> | <b>61,315.58</b> | <b>68,034.30</b> | <b>70,166.30</b> | <b>60,024.25</b> | <b>70,115.70</b> |
| <b><u>Other Operating Revenue</u></b>                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| MISC OPERATING REVENUE                                 | (147.00)         | (208.00)         | (95.00)          | (494.00)         | (463.00)         | (80.00)          | (461.00)         | (141.00)         | (413.00)         | (454.00)         | (217.00)         | (262.00)         |
|  | <b>147.00</b>    | <b>208.00</b>    | <b>95.00</b>     | <b>494.00</b>    | <b>463.00</b>    | <b>80.00</b>     | <b>461.00</b>    | <b>141.00</b>    | <b>413.00</b>    | <b>454.00</b>    | <b>217.00</b>    | <b>262.00</b>    |
| <b>Total Revenues</b>                                  | <b>67,458.16</b> | <b>63,344.70</b> | <b>57,484.09</b> | <b>68,238.19</b> | <b>60,868.47</b> | <b>69,743.84</b> | <b>73,811.14</b> | <b>61,456.58</b> | <b>68,447.30</b> | <b>70,620.30</b> | <b>60,241.25</b> | <b>70,377.70</b> |
| <b><u>Production Expenses</u></b>                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| OTHER PROD LABOR:TREAT PLANT                           | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| OTHER PROD MAT&EXP: SRC/SUPPLY                         | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| SUPERINTENDENCE: WTP-PAC                               | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| BENEFITS: WTP-PAC                                      | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| POWER PURCHASED: TRT PLT ELEC                          | 479.08           | 475.37           | 491.63           | 516.02           | 380.91           | 318.98           | 297.86           | 280.47           | 322.53           | 277.02           | 310.32           | 863.24           |
| OPER LABOR: TREATMENT PLANT                            | 5,241.87         | 2,833.97         | 6,925.62         | 3,846.46         | 3,786.04         | 4,039.04         | 4,885.37         | 4,271.93         | 5,005.43         | 5,450.64         | 4,727.90         | 4,957.67         |
| OPER EXP T PLANT: MAT & EXP                            | 65.55            | 4.68             | 75.01            | -                | 255.81           | 15.48            | 265.18           | (265.18)         | -                | -                | -                | 63.66            |
| OPER EXP T PLANT: GAS/OIL                              | 2,979.64         | -                | 2,235.55         | 2,011.28         | -                | -                | -                | -                | -                | -                | -                | 2,430.59         |
| OPER EXP T PLANT: PHONE                                | 172.40           | 173.76           | 173.76           | 174.11           | 174.14           | 174.14           | 174.11           | 179.94           | 179.43           | 181.71           | 181.85           | 181.82           |
| MAINT STRUCT: TREATMENT PLANT                          | 99.95            | -                | 156.67           | 104.92           | 74.52            | 403.54           | 74.52            | 46.97            | 89.51            | 1,797.87         | 2,111.79         | 159.95           |
| MAINT STRUCT: SOURCE OF SUPPLY                         | 821.83           | 2,397.95         | 263.00           | 555.30           | 1,883.71         | 5,200.17         | 344.26           | 2,134.63         | 747.31           | 568.88           | 1,348.14         | 1,605.76         |
| MAINT PUMP EQU: HIGH LIFT ELC                          | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | 764.80           |
| BOOSTER STATION GENERAL MAINT                          | -                | -                | -                | -                | 307.95           | -                | -                | -                | 1,200.00         | -                | -                | -                |
| CHLORINE: TREATMENT PLANT                              | 619.10           | -                | 469.10           | 419.10           | 669.10           | (150.00)         | 419.10           | 1,338.10         | -                | 469.10           | -                | 184.55           |
| ALUM. SULFATE/FERRIC CHLORIDE                          | 819.00           | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| POLYMERS   | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| CORROSION INHIBITOR                                    | 333.63           | -                | 213.87           | -                | -                | -                | 178.22           | 104.68           | 69.79            | -                | -                | -                |
| SODA ASH   | 862.65           | -                | -                | -                | -                | -                | 912.65           | -                | -                | -                | -                | -                |
| LABORATORY EXPENSE                                     | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| LAB EXPENSE: OUTSIDE TESTING                           | 10.00            | 548.00           | 220.00           | 476.00           | 24.00            | 346.00           | 619.00           | 263.00           | 186.00           | 381.00           | 259.00           | 125.00           |
| MAINT PROC EQU: TRT PLANT                              | -                | -                | 299.22           | 110.67           | 208.82           | -                | 420.25           | (60.27)          | 934.51           | 1,144.91         | -                | 456.22           |
| MAINT PROC EQUIP: SCADA & OTHR                         | 114.95           | 229.90           | 373.28           | 114.95           | 949.95           | 114.95           | 114.95           | 114.95           | 243.73           | 194.93           | 114.95           | 672.08           |
|  | <b>12,619.65</b> | <b>6,663.63</b>  | <b>11,896.71</b> | <b>8,328.81</b>  | <b>8,714.95</b>  | <b>10,462.30</b> | <b>8,705.47</b>  | <b>8,409.22</b>  | <b>8,978.24</b>  | <b>10,466.06</b> | <b>9,053.95</b>  | <b>12,465.34</b> |
| <b><u>Transmission &amp; Distribution Expenses</u></b> |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| SUPERINTENDENCE: OPS-PAC                               | -                | -                | -                | -                | -                | 2,152.22         | 1,191.97         | 2,105.66         | 1,082.33         | 1,394.16         | 579.05           | 118.00           |
| BENEFITS: OPS-PAC                                      | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MISC GEN EXPENSE/OPERATIONS                            | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MISC T&D MATERIALS & SUPPLIES                          | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| DUTY PAY   | 1,108.00         | 1,010.00         | 1,082.00         | 1,084.00         | (4,284.00)       | -                | -                | -                | -                | -                | -                | -                |
| -  | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| -  | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| -  | 62.57            | (6.59)           | 15.00            | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| -  | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| -  | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| -  | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| METER OPERATING LABOR & EXP                            | -                | 803.43           | 819.71           | 44.41            | 60.95            | 431.59           | -                | -                | -                | -                | -                | -                |
| MOLE: METER REMOVAL                                    | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| OTHER EXPENSE ON CUST PREMISIS                         | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| SMALL TOOLS EXPENSE                                    | -                | -                | -                | -                | 291.84           | -                | -                | -                | -                | 110.70           | (20.99)          | 153.45           |
| TRANS/EXP: MISCELLANEOUS                               | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| GASOLINE   | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MAINT MAINS: REPAIRS                                   | -                | 17.18            | -                | 362.98           | 2,137.90         | 1,464.18         | 692.46           | 224.06           | 3,676.10         | 26.07            | 132.89           | 9,177.83         |
| MAINT MAINS: GATE PROGRAM                              | -                | -                | 2,290.61         | -                | -                | -                | -                | -                | -                | 845.09           | -                | -                |
| MAINT MAINS: FLUSHING LN                               | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MAINT GATES: INSPECTION: PAC                           | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MAINTENANCE: SERVICES                                  | 17,064.54        | 603.95           | 2,447.12         | 492.02           | 158.14           | 111.81           | 5,982.20         | 1,219.48         | 2,171.50         | 806.30           | 2,373.22         | 187.12           |

|                     |        |        |        |       |        |        |        |       |       |        |       |        |
|---------------------|--------|--------|--------|-------|--------|--------|--------|-------|-------|--------|-------|--------|
| MAINTENANCE: METERS | 116.47 | 116.52 | 202.92 | 88.82 | 213.32 | 590.89 | 354.62 | 93.56 | 91.43 | 243.81 | 60.95 | 276.08 |
|---------------------|--------|--------|--------|-------|--------|--------|--------|-------|-------|--------|-------|--------|

|   |                   |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|---|-------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| MAINTENANCE: HYDRANTS-REPAIRS                             | -                 | -                | -                 | -                | 91.64            | -                | -                | -                | -                | 31.26            | -                | -                |
| MAINTENANCE: HYDRANTS-PAINTING                            | -                 | -                | -                 | -                | -                | 78.96            | (78.96)          | 35.19            | 27.56            | -                | -                | -                |
| MAINTENANCE: HYDRANTS-INSPECTN                            | 10.99             | 492.08           | 667.24            | 1,127.60         | 182.85           | 994.64           | 457.13           | 639.98           | 518.09           | 2,350.15         | 579.03           | 2,456.38         |
| MONITOR CONTRACTORS MARKING                               | 120.86            | -                | 235.80            | 262.55           | 220.35           | 425.38           | 517.39           | 301.02           | 935.31           | 381.40           | 309.03           | 121.90           |
|   | <b>19,224.29</b>  | <b>3,059.44</b>  | <b>6,970.10</b>   | <b>3,478.92</b>  | <b>(556.37)</b>  | <b>5,818.08</b>  | <b>9,116.81</b>  | <b>4,618.95</b>  | <b>8,502.32</b>  | <b>6,251.51</b>  | <b>4,006.59</b>  | <b>12,505.76</b> |
| <b><u>Customer Accounts &amp; Collection Expenses</u></b> |                   |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| CUSTOMER ORDS: COLLECTIONS                                | 217.97            | (217.97)         | 194.73            | (194.73)         | -                | 177.19           | -                | 307.41           | 356.30           | -                | -                | (840.90)         |
| CUSTOMER ORDS: COLLECTIONS                                | -                 | 247.45           | 268.28            | 374.81           | -                | -                | -                | -                | -                | -                | -                | 1,036.52         |
| METER READING   | 171.26            | 172.72           | 165.81            | 221.87           | 434.07           | 156.56           | 234.13           | 186.40           | 160.92           | 335.25           | 152.38           | 110.90           |
| METER READING: TRANSFERS                                  | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| METER READING: EXCEPTIONS                                 | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| BILLING & ACCOUNTING                                      | 483.41            | (209.64)         | (273.77)          | -                | -                | -                | (37.78)          | -                | -                | -                | -                | 37.78            |
| BILLING & ACCOUNTING                                      | -                 | 745.85           | 764.87            | 494.25           | 460.65           | 841.59           | 490.27           | 614.74           | 626.35           | 538.14           | 506.44           | 749.34           |
| UNCOLLECTABLE ACCOUNTS                                    | 2,048.96          | 107.09           | 525.64            | 56.33            | (500.02)         | 79.36            | (248.36)         | 541.74           | 506.20           | 2,662.36         | 590.41           | 494.07           |
|   | <b>2,921.60</b>   | <b>845.50</b>    | <b>1,645.56</b>   | <b>952.53</b>    | <b>394.70</b>    | <b>1,254.70</b>  | <b>438.26</b>    | <b>1,650.29</b>  | <b>1,649.77</b>  | <b>3,535.75</b>  | <b>1,249.23</b>  | <b>1,587.71</b>  |
| <b><u>Administrative and General Expense</u></b>          |                   |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| OFFICE SUPPLIES & EXPENSE                                 | 9.21              | 6.44             | 158.74            | 6.90             | 6.90             | 10.46            | 5.73             | 9.20             | 5.52             | 364.22           | 6.44             | 774.23           |
| OFFICE SUPPLIES & EXP: PHONE                              | 350.76            | 308.93           | 299.90            | 300.02           | 299.94           | 300.10           | 300.04           | 299.94           | 300.28           | 300.43           | 300.09           | 300.23           |
| OUTSIDE SERVICES  | -                 | -                | -                 | 627.50           | 638.75           | -                | -                | -                | -                | -                | -                | -                |
| INSURANCE EXPENSE   | 1,157.17          | 867.12           | 577.07            | 587.50           | 654.59           | 863.91           | 867.11           | 867.12           | 867.12           | 861.57           | 883.73           | 867.78           |
| REGULATORY COMMISSION EXPENSE                             | 231.34            | 231.33           | 231.33            | 231.34           | 231.33           | 231.33           | 231.33           | 131.33           | 181.34           | -                | 542.66           | 271.34           |
| MEETING CONVENTION/MEMBSP FEES                            | -                 | -                | 7.99              | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| LICENSING FEES  | 25.00             | 25.00            | 25.00             | 25.00            | 25.00            | 25.00            | 25.00            | 25.00            | 25.00            | 25.00            | 25.00            | 25.00            |
| PUBLIC RELATIONS  | -                 | 9.64             | 11.38             | -                | 3.63             | -                | -                | -                | -                | -                | 23.26            | 2.59             |
| MEALS   | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MISCELLANEOUS GENERAL EXPENSE                             | -                 | -                | -                 | 102.00           | -                | -                | -                | -                | -                | -                | -                | -                |
| CHARITABLE CONTRIBUTIONS                                  | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MAINT: OFFICE FURNT & EQUIP                               | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MAINT: MISC GENERAL EQUIP                                 | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| MAINT COMPUTER EQUIP: PAC                                 | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | 235.08           |
|   | <b>1,773.48</b>   | <b>1,448.46</b>  | <b>1,311.41</b>   | <b>1,880.26</b>  | <b>1,860.14</b>  | <b>1,430.80</b>  | <b>1,429.21</b>  | <b>1,332.59</b>  | <b>1,379.26</b>  | <b>1,551.22</b>  | <b>1,781.18</b>  | <b>2,476.25</b>  |
| <b><u>Inter Div Management Fee</u></b>                    |                   |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| MAINT COMPUTER EQUIP: PAC                                 | 453.00            | 495.00           | 424.00            | 492.00           | 385.00           | 402.00           | 322.00           | 612.00           | 638.00           | 581.00           | 614.00           | 486.00           |
| MAINT COMPUTER EQUIP: PAC                                 | 18,539.00         | 11,138.00        | 15,804.00         | 12,653.00        | 12,359.00        | 12,225.00        | 12,670.00        | 14,895.00        | 13,403.00        | 11,538.00        | 14,248.00        | 16,704.00        |
| MAINT COMPUTER EQUIP: PAC                                 | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | -                |
|   | <b>18,992.00</b>  | <b>11,633.00</b> | <b>16,228.00</b>  | <b>13,145.00</b> | <b>12,744.00</b> | <b>12,627.00</b> | <b>12,992.00</b> | <b>15,507.00</b> | <b>14,041.00</b> | <b>12,119.00</b> | <b>14,862.00</b> | <b>17,190.00</b> |
| <b>Total Operating Expenses</b>                           | <b>55,531.02</b>  | <b>23,650.03</b> | <b>38,051.78</b>  | <b>27,785.52</b> | <b>23,157.42</b> | <b>31,592.88</b> | <b>32,681.75</b> | <b>31,518.05</b> | <b>34,550.59</b> | <b>33,923.54</b> | <b>30,952.95</b> | <b>46,225.06</b> |
| <b><u>Depreciation Expense</u></b>                        |                   |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| DEPRECIATION EXPENSE: PAC                                 | 7,937.66          | 8,573.42         | 8,568.97          | 8,560.66         | 8,652.84         | 8,651.65         | 8,630.24         | 8,631.36         | 8,424.34         | 8,436.25         | 8,445.16         | 9,877.36         |
|   | <b>7,937.66</b>   | <b>8,573.42</b>  | <b>8,568.97</b>   | <b>8,560.66</b>  | <b>8,652.84</b>  | <b>8,651.65</b>  | <b>8,630.24</b>  | <b>8,631.36</b>  | <b>8,424.34</b>  | <b>8,436.25</b>  | <b>8,445.16</b>  | <b>9,877.36</b>  |
| <b><u>Amortization Expense: CIAC</u></b>                  |                   |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| AMORTIZATION EXPENSE: CIAC                                | (2,000.96)        | (1,915.51)       | (1,915.51)        | (1,915.51)       | (1,915.50)       | (1,915.60)       | (1,915.58)       | (1,915.52)       | (1,915.60)       | (1,915.51)       | (1,915.50)       | (1,915.61)       |
| <b><u>Amortization Expense</u></b>                        |                   |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| AMORT EXP - DEFERRED CHARGES                              | 257.40            | 257.40           | 257.31            | 257.31           | 257.31           | 257.32           | 257.31           | 257.32           | 257.31           | 257.33           | 257.31           | 257.33           |
| AMORT: ACQUISITION PREMIUM                                | 2,692.33          | 2,740.25         | 2,740.25          | 2,740.26         | 2,740.25         | 2,740.25         | 2,740.25         | 2,740.25         | 2,740.25         | 2,740.27         | 2,740.25         | 2,740.25         |
|   | <b>2,949.73</b>   | <b>2,997.65</b>  | <b>2,997.56</b>   | <b>2,997.57</b>  | <b>2,997.56</b>  | <b>2,997.57</b>  | <b>2,997.56</b>  | <b>2,997.57</b>  | <b>2,997.56</b>  | <b>2,997.60</b>  | <b>2,997.56</b>  | <b>2,997.58</b>  |
| <b><u>Taxes Other than Income Tax</u></b>                 |                   |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| LOCAL PROPERTY TAXES                                      | 21,511.50         | 19,748.50        | 19,748.50         | 19,748.50        | 17,684.50        | 18,716.50        | 18,716.50        | 18,716.50        | 18,716.50        | 18,716.50        | 7,983.17         | 11,648.83        |
|   | <b>21,511.50</b>  | <b>19,748.50</b> | <b>19,748.50</b>  | <b>19,748.50</b> | <b>17,684.50</b> | <b>18,716.50</b> | <b>18,716.50</b> | <b>18,716.50</b> | <b>18,716.50</b> | <b>18,716.50</b> | <b>7,983.17</b>  | <b>11,648.83</b> |
| <b><u>Income Tax</u></b>                                  |                   |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| PROV/FED INC TAX/CURRENT                                  | (6,462.24)        | 2,488.15         | (3,847.18)        | 2,697.99         | 2,465.98         | 2,230.31         | 3,446.24         | (284.44)         | 1,026.25         | 1,908.32         | 2,937.93         | (8,607.31)       |
| PROVS FOR NH BUS PRFTS TAX CUR                            | (1,697.76)        | 653.69           | (1,010.73)        | 708.82           | 647.86           | 585.94           | 905.40           | (74.73)          | 269.61           | 501.35           | 771.86           | (2,261.31)       |
| PROV FEDL INCOME TAX DEFERRED                             | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | 7,872.00         |
| PROV NH INCOME TAX DEFERRED                               | -                 | -                | -                 | -                | -                | -                | -                | -                | -                | -                | -                | 9,181.00         |
|   | <b>(8,160.00)</b> | <b>3,141.84</b>  | <b>(4,857.91)</b> | <b>3,406.81</b>  | <b>3,113.84</b>  | <b>2,816.25</b>  | <b>4,351.64</b>  | <b>(359.17)</b>  | <b>1,295.86</b>  | <b>2,409.67</b>  | <b>3,709.79</b>  | <b>6,184.38</b>  |
| <b>Total Operating Deducts</b>                            | <b>77,768.95</b>  | <b>56,195.93</b> | <b>62,593.39</b>  | <b>60,583.55</b> | <b>53,690.66</b> | <b>62,859.25</b> | <b>65,462.11</b> | <b>59,588.79</b> | <b>64,069.25</b> | <b>64,568.05</b> | <b>52,173.13</b> | <b>75,017.60</b> |

|                                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operating Income</b>        | <b>(10,310.79)</b> | <b>7,148.77</b>    | <b>(5,109.30)</b>  | <b>7,654.64</b>    | <b>7,177.81</b>    | <b>6,884.59</b>    | <b>8,349.03</b>    | <b>1,867.79</b>    | <b>4,378.05</b>    | <b>6,052.25</b>    | <b>8,068.12</b>    | <b>(4,639.90)</b>  |
| MISC NON-OPERATING INCOME(EXP)     | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| MISC NONUTILITY EXPENSES           | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| <b>Other Income</b>                | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| AFDUC-INT(DEBT) COMPONENT-PAC      | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| AFUDC - EQUITY COMPONENT - PAC     | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| INTERCOMPANY INTEREST              | 4,877.89           | 4,947.08           | 4,987.00           | 5,045.62           | 5,019.16           | 5,152.43           | 5,199.08           | 5,160.20           | 5,126.17           | 5,088.14           | 5,105.30           | 5,247.02           |
| INTEREST EXP: BONDS & NOTES        | 48.00              | 112.00             | 112.00             | 112.00             | 112.00             | 143.00             | (799.57)           | -                  | -                  | -                  | -                  | 279.57             |
| AMORTIZATION OF DEBT EXPENSE       | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| INTEREST INCOME                    | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| <b>Total Interest</b>              | <b>4,925.89</b>    | <b>5,059.08</b>    | <b>5,099.00</b>    | <b>5,157.62</b>    | <b>5,131.16</b>    | <b>5,295.43</b>    | <b>4,399.51</b>    | <b>5,160.20</b>    | <b>5,126.17</b>    | <b>5,088.14</b>    | <b>5,105.30</b>    | <b>5,526.59</b>    |
| <b>Net Income Before Dividends</b> | <b>(15,236.68)</b> | <b>2,089.69</b>    | <b>(10,208.30)</b> | <b>2,497.02</b>    | <b>2,046.65</b>    | <b>1,589.16</b>    | <b>3,949.52</b>    | <b>(3,292.41)</b>  | <b>(748.12)</b>    | <b>964.11</b>      | <b>2,962.82</b>    | <b>(10,166.49)</b> |
| DIVIDENDS: COMMON STOCK            | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| <b>Net Income (Or Loss) - YTD</b>  | <b>(15,236.68)</b> | <b>(13,146.99)</b> | <b>(23,355.29)</b> | <b>(20,858.27)</b> | <b>(18,811.62)</b> | <b>(17,222.46)</b> | <b>(13,272.94)</b> | <b>(16,565.35)</b> | <b>(17,313.47)</b> | <b>(16,349.36)</b> | <b>(13,386.54)</b> | <b>(23,553.03)</b> |
| <b>Net Income (Or Loss) - MTD</b>  | <b>(15,236.68)</b> | <b>2,089.69</b>    | <b>(10,208.30)</b> | <b>2,497.02</b>    | <b>2,046.65</b>    | <b>1,589.16</b>    | <b>3,949.52</b>    | <b>(3,292.41)</b>  | <b>(748.12)</b>    | <b>964.11</b>      | <b>2,962.82</b>    | <b>(10,166.49)</b> |

**Pittsfield Aqueduct Company**  
**Balance Sheet**  
**For the Year Ended December 31,2017**

|   | Provided pursuant to NHPUC Rule 1604.01(19) |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|---|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | 1   | 2                   | 3                   | 4                   | 5                   | 6                   | 7                   | 8                   | 9                   | 10                  | 11                  | 12                  |
|   | Jan-17                                      | Feb-17              | Mar-17              | Apr-17              | May-17              | Jun-17              | Jul-17              | Aug-17              | Sep-17              | Oct-17              | Nov-17              | Dec-17              |
| <b>Assets</b>                                 |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <u><b>Land</b></u>                            |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| LAND  | 44,180.00                                   | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           | 44,180.00           |
| EASEMENTS - PITTSFIELD                        | 16,153.19                                   | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           | 16,153.19           |
|   | <b>60,333.19</b>                            | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    | <b>60,333.19</b>    |
| <u><b>Structures</b></u>                      |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| SOURCE OF SUPPLY STRUCTURES                   | 71,250.05                                   | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           | 71,250.05           |
| GENERAL & MISC STRUCTURES                     | 1,080.00                                    | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            | 1,080.00            |
| WATER TREATMENT STRUCTURES                    | 926,599.12                                  | 926,599.12          | 926,599.12          | 926,599.12          | 926,599.12          | 926,599.12          | 926,599.12          | 926,599.12          | 926,599.12          | 926,599.12          | 926,599.12          | 935,239.12          |
| RESERVOIRS & DAMS                             | 137,331.46                                  | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          | 137,331.46          |
| LAKE, RIVER & OTHER INTAKE-PAC                | 38,270.60                                   | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           | 38,270.60           |
|   |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| SUPPLY MAINS: PITTSFIELD                      | 309,352.72                                  | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          | 309,352.72          |
|   | <b>1,483,883.95</b>                         | <b>1,483,883.95</b> | <b>1,483,883.95</b> | <b>1,483,883.95</b> | <b>1,483,883.95</b> | <b>1,483,883.95</b> | <b>1,483,883.95</b> | <b>1,483,883.95</b> | <b>1,483,883.95</b> | <b>1,483,883.95</b> | <b>1,483,883.95</b> | <b>1,492,523.95</b> |
| <u><b>Equipment</b></u>                       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| POWER GENERATED EQUIP: PAC                    | 55,407.06                                   | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           | 55,407.06           |
| ELECTRIC PUMPING EQUIPMENT                    | 1,854.50                                    | 1,854.50            | 1,854.50            | 1,854.50            | 1,854.50            | 1,854.50            | 1,854.50            | 1,854.50            | 1,854.50            | 1,854.50            | 1,854.50            | 1,854.50            |
| PUMPING EQUIP: PUMPS - PAC                    | 12,505.04                                   | 12,505.04           | 12,505.04           | 12,505.04           | 14,105.04           | 14,105.04           | 14,105.04           | 14,105.04           | 14,105.04           | 14,105.04           | 14,105.04           | 14,105.04           |
|   |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| PURIFICATION SYSTEM EQUIPMENT                 | 4,535.36                                    | 4,535.36            | 4,535.36            | 4,535.36            | 4,535.36            | 4,535.36            | 4,535.36            | 4,535.36            | 4,535.36            | 4,535.36            | 4,535.36            | 4,535.36            |
| WATER TREATMENT EQUIPMENT: PAC                | 6,981.56                                    | 6,981.56            | 6,981.56            | 6,981.56            | 16,092.59           | 16,092.59           | 16,092.59           | 16,092.59           | 16,092.59           | 16,092.59           | 16,092.59           | 16,092.59           |
| WTP EQUIPMENT: MEDIA - PAC                    | 41,963.48                                   | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           | 41,963.48           |
|   | <b>123,247.00</b>                           | <b>123,247.00</b>   | <b>123,247.00</b>   | <b>123,247.00</b>   | <b>133,958.03</b>   | <b>133,958.03</b>   | <b>133,958.03</b>   | <b>133,958.03</b>   | <b>133,958.03</b>   | <b>133,958.03</b>   | <b>133,958.03</b>   | <b>133,958.03</b>   |
| <u><b>Transmission &amp; Distribution</b></u> |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| PAVEMENTS - GENERAL                           | 5,000.00                                    | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            | 5,000.00            |
| PAVEMENTS - TRANS MAINS                       | 2,003.77                                    | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            | 2,003.77            |
| PAVEMENTS - DIST MAINS                        | 92,658.30                                   | 92,658.30           | 92,658.30           | 92,658.30           | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          | 124,788.30          |
| PAVEMENTS - GATE VALVES                       | 2,833.21                                    | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            | 2,833.21            |
| MAINS: 6" & LARGER                            | 628,338.00                                  | 628,338.00          | 628,338.00          | 628,338.00          | 641,868.44          | 641,868.44          | 641,868.44          | 641,868.44          | 641,868.44          | 641,868.44          | 641,868.44          | 641,868.44          |
| DEVEL INSTAL MAINS-6" & LARGER                | 316,734.00                                  | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          | 316,734.00          |
| MAINS: 4" & UNDER                             | 216.00                                      | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              | 216.00              |
| GATES: 4" & UNDER                             | 9,528.99                                    | 9,528.99            | 9,528.99            | 9,528.99            | 9,528.99            | 9,528.99            | 9,528.99            | 9,528.99            | 9,528.99            | 9,528.99            | 9,528.99            | 9,528.99            |
| GATES: 6" & LARGER                            | 49,379.13                                   | 49,379.13           | 49,379.13           | 49,379.13           | 49,379.13           | 49,379.13           | 49,379.13           | 49,379.13           | 49,379.13           | 49,379.13           | 49,379.13           | 49,379.13           |
| GATES: UNKNOWN SIZE                           | 754.24                                      | 754.24              | 754.24              | 754.24              | 754.24              | 754.24              | 754.24              | 754.24              | 754.24              | 754.24              | 754.24              | 754.24              |
| DEVEL INSTAL MAINS: 4" & UNDER                | -   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| MAINS: UNKNOWN SIZE                           | 1,018,899.48                                | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        | 1,018,899.48        |
| DEVEL INSTAL MAINS:UNKNOWN SZ                 | 176,678.50                                  | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          | 176,678.50          |
| PAVING - SERVICES                             | 3,700.02                                    | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            | 3,700.02            |
| NEW SERVICES                                  | 110,817.38                                  | 110,817.38          | 110,817.38          | 110,817.38          | 110,817.38          | 110,817.38          | 110,817.38          | 110,817.38          | 110,817.38          | 110,817.38          | 110,817.38          | 110,817.38          |
| RENEWED SERVICES                              | 58,563.07                                   | 58,563.07           | 58,563.07           | 58,563.07           | 58,563.07           | 58,563.07           | 58,563.07           | 58,563.07           | 58,563.07           | 58,563.07           | 58,563.07           | 58,563.07           |
| METERING EQUIPMENT                            | 87,959.07                                   | 87,959.07           | 87,151.65           | 87,151.65           | 87,151.65           | 86,761.13           | 87,273.45           | 87,524.62           | 85,408.30           | 85,408.30           | 85,408.30           | 85,247.38           |
| RADIOS FOR METERING                           | 62,488.49                                   | 62,488.49           | 62,488.49           | 62,616.27           | 62,708.09           | 62,708.09           | 62,708.09           | 62,708.09           | 62,642.48           | 62,734.95           | 62,734.95           | 62,639.95           |
| FIRE PROT EQUIP: HYDRANTS                     | 86,234.66                                   | 86,234.66           | 86,234.66           | 86,234.66           | 86,234.66           | 86,234.66           | 86,234.66           | 86,234.66           | 86,234.66           | 86,234.66           | 86,234.66           | 86,234.66           |
| HYDRANTS - PAVING                             | 184.00                                      | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              | 184.00              |
| HYDRANTS: CIAC                                | 14,550.00                                   | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           | 14,550.00           |
| OTHER PLANT & MISC EQUIP: PAC                 | 1,495.00                                    | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            | 1,495.00            |
|   | <b>2,729,015.31</b>                         | <b>2,729,015.31</b> | <b>2,728,207.89</b> | <b>2,728,335.67</b> | <b>2,774,087.93</b> | <b>2,773,697.41</b> | <b>2,774,209.73</b> | <b>2,774,460.90</b> | <b>2,772,278.97</b> | <b>2,772,371.44</b> | <b>2,772,371.44</b> | <b>2,772,115.52</b> |
| <u><b>Miscellaneous Equipment</b></u>         |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| SHOP EQUIPMENT                                | 9,687.95                                    | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            | 9,687.95            |
| LABORATORY EQUIPMENT                          | 33,352.88                                   | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           | 33,352.88           |
| COMMUNICATION EQUIPMENT - PAC                 | 32,450.75                                   | 32,450.75           | 32,450.75           | 32,450.75           | 32,450.75           | 32,450.75           | 32,450.75           | 32,450.75           | 32,450.75           | 32,450.75           | 32,450.75           | 32,450.75           |
| COMPUTER EQUIPMENT                            | 27,788.24                                   | 27,788.24           | 27,788.24           | 27,788.24           | 27,788.24           | 27,788.24           | 27,788.24           | 27,788.24           | 27,788.24           | 27,788.24           | 27,788.24           | 27,788.24           |
| MISCELLANEOUS GENERAL EQUIP                   | 16,974.54                                   | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           | 16,974.54           |
|   | <b>120,254.36</b>                           | <b>120,254.36</b>   | <b>120,254.36</b>   | <b>120,254.36</b>   | <b>120,254.36</b>   | <b>120,254.36</b>   | <b>120,254.36</b>   | <b>120,254.36</b>   | <b>120,254.36</b>   | <b>120,254.36</b>   | <b>120,254.36</b>   | <b>120,254.36</b>   |
| <u><b>Intangible Plant</b></u>                |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| ORGANIZATION EXPENSE                          | 75,550.65                                   | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           | 75,550.65           |
|   | <b>75,550.65</b>                            | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    | <b>75,550.65</b>    |
| <u><b>Total Plant in Service</b></u>          | <b>4,592,284.46</b>                         | <b>4,592,284.46</b> | <b>4,591,477.04</b> | <b>4,591,604.82</b> | <b>4,648,068.11</b> | <b>4,647,677.59</b> | <b>4,648,189.91</b> | <b>4,648,441.08</b> | <b>4,646,259.15</b> | <b>4,646,351.62</b> | <b>4,646,351.62</b> | <b>4,654,735.70</b> |
| <u><b>Accumulated Depreciation</b></u>        |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| ACCUMULATED DEPRECIATION: PAC                 | (1,725,555.14)                              | (1,734,128.56)      | (1,742,212.01)      | (1,750,772.67)      | (1,759,425.51)      | (1,767,852.81)      | (1,776,483.05)      | (1,785,114.41)      | (1,792,342.37)      | (1,800,778.62)      | (1,809,223.78)      | (1,818,967.80)      |
| ACCUM DEPREC: COST OF REM -PAC                | 232,962.60                                  | 232,962.60          | 232,962.60          | 232,962.60          | 239,048.32          | 239,048.32          | 239,105.24          | 239,133.15          | 239,133.15          | 239,133.15          | 239,133.15          | 240,093.15          |
| ACCUM DEPRECIATION: LOSS -PAC                 | 187,312.11                                  | 187,312.11          | 187,634.01          | 187,634.01          | 187,634.01          | 187,800.18          | 187,800.18          | 188,785.73          | 188,785.73          | 188,785.73          | 188,785.73          | 188,908.31          |
|   | <b>1,305,280.43</b>                         | <b>1,313,853.85</b> | <b>1,321,615.40</b> | <b>1,330,176.06</b> | <b>1,332,743.18</b> | <b>1,341,004.31</b> | <b>1,349,577.63</b> | <b>1,358,181.08</b> | <b>1,364,423.49</b> | <b>1,372,859.74</b> | <b>1,381,304.90</b> | <b>1,389,966.34</b> |
| <u><b>Net Plant in Service</b></u>            | <b>3,287,004.03</b>                         | <b>3,278,430.61</b> | <b>3,269,861.64</b> | <b>3,261,428.76</b> | <b>3,315,324.93</b> | <b>3,306,673.28</b> | <b>3,298,612.28</b> | <b>3,290,260.00</b> | <b>3,281,835.66</b> | <b>3,273,491.88</b> | <b>3,265,046.72</b> | <b>3,264,769.36</b> |
| <u><b>Construction Work in Progress</b></u>   |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| CWIP: CONTRACTOR CLEARING -PAC                | 14,860.82                                   | 14,860.82           | 18,574.02           | 17,142.22           | 827.50              | 827.50              | 827.50              | 827.50              | 827.50              | 827.50              | 10,427.50           | 827.50              |

|                                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Total Plant</b>                  | <b>3,301,864.85</b>   | <b>3,293,291.43</b>   | <b>3,288,435.66</b>   | <b>3,278,570.98</b>   | <b>3,316,152.43</b>   | <b>3,307,500.78</b>   | <b>3,299,439.78</b>   | <b>3,291,087.50</b>   | <b>3,282,663.16</b>   | <b>3,274,319.38</b>   | <b>3,275,474.22</b>   | <b>3,265,596.86</b>   |
| <b>Current Assets</b>               |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Cash</b>                         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| PETTY CASH: PITTSFIELD/NC           | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| CASH: BANK OF AMERICA OPERATING     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| A/R: BILLED WATER REVENUE           | 21,468.37             | 18,252.54             | 15,556.48             | 23,811.04             | 19,190.43             | 42,151.56             | 22,213.52             | 20,536.38             | 28,465.50             | 17,318.27             | 28,575.31             | 45,614.94             |
| A/R: MISCELLANEOUS                  | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 1,701.00              |
| ALLOWANCE FOR DOUBTFUL ACCTS        | 107.09                | -                     | (525.64)              | (56.33)               | -                     | (235.51)              | -                     | (554.18)              | (506.37)              | (936.62)              | (913.57)              | (1,107.53)            |
| A/R: UNBILLED WATER REVENUE         | 78,057.00             | 79,882.00             | 74,559.00             | 75,632.00             | 73,288.00             | 73,794.00             | 82,044.00             | 76,893.00             | 74,458.00             | 80,966.00             | 77,242.00             | 76,493.00             |
| A/R UNBILLED REV: RECOUPMENT        | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| AR: UNBILLED REV RECOUP 2009        | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| <b>Inventory &amp; Supplies</b>     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| INVENTORY: PIPES & FITTINGS         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| INVENTORY: METERS - PAC             | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| INVENTORY: PAC                      | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| <b>Prepaid Expenses &amp; Other</b> |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| PREPAID INSURANCE                   | 104.05                | -                     | 1,854.35              | 987.23                | 2,100.93              | 2,228.59              | 2,353.05              | 2,477.50              | 2,701.95              | 1,834.86              | 951.13                | 83.35                 |
| PREPAID PROPERTY TAXES-PAC          | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| PREPAID EXPENSES                    | 1,962.66              | 1,581.33              | 1,200.00              | 1,050.00              | 1,131.33              | 1,050.00              | 900.00                | 931.34                | 600.00                | 450.00                | 571.34                | 2,735.88              |
| PREPAID PROPERTY TAXES              | 35,735.00             | 17,867.50             | -                     | -                     | -                     | 50,506.50             | 33,671.00             | 16,835.50             | -                     | -                     | 45,875.33             | 34,406.50             |
|                                     | <b>37,801.71</b>      | <b>19,448.83</b>      | <b>3,054.35</b>       | <b>2,037.23</b>       | <b>3,232.26</b>       | <b>53,785.09</b>      | <b>36,924.05</b>      | <b>20,244.34</b>      | <b>3,301.95</b>       | <b>2,284.86</b>       | <b>47,397.80</b>      | <b>37,225.73</b>      |
| <b>Total Current Assets</b>         | <b>137,434.17</b>     | <b>117,583.37</b>     | <b>92,644.19</b>      | <b>101,423.94</b>     | <b>95,710.69</b>      | <b>169,495.14</b>     | <b>141,181.57</b>     | <b>117,119.54</b>     | <b>105,719.08</b>     | <b>99,632.51</b>      | <b>152,301.54</b>     | <b>159,927.14</b>     |
| <b>Other Assets</b>                 |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Other Deferred Charges</b>       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| ACQUISITION PREMIUM - MARA          | 1,284,259.75          | 1,281,519.50          | 1,278,779.25          | 1,276,038.99          | 1,273,298.74          | 1,270,558.49          | 1,267,818.24          | 1,265,077.99          | 1,262,337.74          | 1,259,597.47          | 1,256,857.22          | 1,254,116.97          |
| SARBANES-OXLEY                      | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| TILTON HILL ROAD MAIN BREAK         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| MAIN BREAK - OCTOBER 2003           | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| SOUTH MAIN LEAK RESEARCH            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| ABATEMENT                           | 4,081.94              | 4,138.94              | 4,167.44              | 4,224.44              | 4,623.44              | 5,763.44              | 8,401.34              | 8,857.34              | 8,971.34              | 8,971.34              | 8,971.34              | 8,971.34              |
| GRANT APPLICATION - 2008            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| LOUDON RD MAIN BREAK                | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| FAIRVIEW ROAD MAIN BREAK            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| RATE CASE EXPENSE: 2007             | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| 2010 DEFERRED RATE CASE EXP         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| RATE CASE EXPENSE: 2012             | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| CONCORD HILL ROAD SERVICE REPR      | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| EMINENT DOMAIN                      | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              | 3,668.50              |
| WEB SITE UPGRADE 2006               | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| WEB-SITE UPGRADE 2011               | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| BERRY POND BATHYMETRIC SURVEY       | 14,165.88             | 13,908.48             | 13,651.17             | 13,393.86             | 13,136.55             | 12,879.23             | 12,621.92             | 12,364.60             | 12,107.29             | 11,849.96             | 11,592.65             | 11,335.32             |
| BERRY POND BATHYMETRIC SURVEY       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| EMINENT DOMAIN ALLOWANCE            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            | (3,668.50)            |
|                                     | <b>1,302,507.57</b>   | <b>1,299,566.92</b>   | <b>1,296,597.86</b>   | <b>1,293,657.29</b>   | <b>1,291,058.73</b>   | <b>1,289,201.16</b>   | <b>1,288,841.50</b>   | <b>1,286,299.93</b>   | <b>1,283,416.37</b>   | <b>1,280,418.77</b>   | <b>1,277,421.21</b>   | <b>1,274,423.63</b>   |
| ACQUISITION PREMIUM - MARA          | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| UNAMORTIZED DEBT EXPENSE            | 20,207.67             | 20,207.67             | 20,207.67             | 20,207.67             | 20,207.67             | 20,207.67             | 20,207.67             | 20,207.67             | 20,207.67             | 20,207.67             | 20,207.67             | 20,207.67             |
| <b>Total Other Assets</b>           | <b>1,322,715.24</b>   | <b>1,319,774.59</b>   | <b>1,316,805.53</b>   | <b>1,313,864.96</b>   | <b>1,311,266.40</b>   | <b>1,309,408.83</b>   | <b>1,309,049.17</b>   | <b>1,306,507.60</b>   | <b>1,303,624.04</b>   | <b>1,300,626.44</b>   | <b>1,297,628.88</b>   | <b>1,294,631.30</b>   |
| <b>Total Assets</b>                 | <b>4,762,014.26</b>   | <b>4,730,649.39</b>   | <b>4,697,885.38</b>   | <b>4,693,859.88</b>   | <b>4,723,129.52</b>   | <b>4,786,404.75</b>   | <b>4,749,670.52</b>   | <b>4,714,714.64</b>   | <b>4,692,006.28</b>   | <b>4,674,578.33</b>   | <b>4,725,404.64</b>   | <b>4,720,155.30</b>   |
| <b>Equity and Liabilities</b>       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Shareholder's Equity</b>         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| COMMON STOCK                        | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              | (100.00)              |
| ADDITIONAL PAID IN CAPITAL          | (2,185,203.59)        | (2,064,823.84)        | (2,064,823.84)        | (2,064,823.84)        | (2,064,823.84)        | (2,064,823.84)        | (2,064,823.84)        | (2,064,823.84)        | (2,064,823.84)        | (2,064,823.84)        | (2,064,823.84)        | (2,064,823.84)        |
| RETAINED EARNINGS BEG - PAC         | (3,028.35)            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Net Profit or Loss                  | <b>15,236.68</b>      | <b>13,146.99</b>      | <b>23,355.29</b>      | <b>20,858.27</b>      | <b>18,811.62</b>      | <b>17,222.46</b>      | <b>13,272.94</b>      | <b>16,565.35</b>      | <b>17,313.47</b>      | <b>16,349.36</b>      | <b>13,386.54</b>      | <b>23,553.03</b>      |
| <b>Total Equity</b>                 | <b>(2,173,095.26)</b> | <b>(2,051,776.85)</b> | <b>(2,041,568.55)</b> | <b>(2,044,065.57)</b> | <b>(2,046,112.22)</b> | <b>(2,047,701.38)</b> | <b>(2,051,650.90)</b> | <b>(2,048,358.49)</b> | <b>(2,047,610.37)</b> | <b>(2,048,574.48)</b> | <b>(2,051,537.30)</b> | <b>(2,041,370.81)</b> |

|  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| LTD:SRF CATAMOUNT ROAD                   | (134,462.69)          | (134,462.69)          | (134,462.69)          | (134,462.69)          | (134,462.69)          | (171,162.69)          | (171,162.69)          | (171,162.69)          | (171,162.69)          | (171,162.69)          | (169,800.69)          | (169,800.69)          |
| <b>Long Term Debt</b>                    | <b>(134,462.69)</b>   | <b>(134,462.69)</b>   | <b>(134,462.69)</b>   | <b>(134,462.69)</b>   | <b>(134,462.69)</b>   | <b>(171,162.69)</b>   | <b>(171,162.69)</b>   | <b>(171,162.69)</b>   | <b>(171,162.69)</b>   | <b>(171,162.69)</b>   | <b>(169,800.69)</b>   | <b>(169,800.69)</b>   |
| <b>Current Liabilities</b>               |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| CURRENT PORTION LTD: CATAMOUNT RD        | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | (1,362.00)            | (1,362.00)            |
| <b>Current Portion of Long Term Debt</b> | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>(1,362.00)</b>     | <b>(1,362.00)</b>     |
| ACCOUNTS PAYABLE                         | (5,917.07)            | (973.25)              | (4,460.90)            | (3,083.16)            | (35,707.62)           | (15,157.13)           | (5,230.11)            | (2,198.18)            | (2,297.33)            | (3,695.79)            | (4,467.09)            | (7,622.39)            |
| CLEARING ACCOUNT                         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| LOCAL PROPERTY TAXES PAYABLE             | (1,881.00)            | (3,762.00)            | (5,643.00)            | (19,748.50)           | (37,433.00)           | -                     | (1,881.00)            | (3,762.00)            | -                     | (18,716.50)           | (3,762.00)            | -                     |
| ACCRUED INTEREST PAYABLE                 | (2,578.00)            | (2,690.00)            | (2,802.00)            | (2,914.00)            | (3,026.00)            | (3,169.00)            | (2,369.43)            | (2,369.43)            | (2,369.43)            | (279.57)              | -                     | -                     |
| MISC CURRENT ACCRUED LIABILITY           | -                     | (523.81)              | -                     | (569.94)              | (291.84)              | (447.31)              | (760.64)              | -                     | (833.59)              | (192.09)              | (5,722.68)            | (317.54)              |
| ACCRUED LIABILITY - RETAINAGE            | (10,336.04)           | (10,336.04)           | (10,336.04)           | (10,336.04)           | (14,006.04)           | (2,801.21)            | (2,801.21)            | (2,801.21)            | (2,801.21)            | (2,801.21)            | (2,801.21)            | -                     |
|  | <b>(20,712.11)</b>    | <b>(18,285.10)</b>    | <b>(23,241.94)</b>    | <b>(36,651.64)</b>    | <b>(90,464.50)</b>    | <b>(21,574.65)</b>    | <b>(13,042.39)</b>    | <b>(11,130.82)</b>    | <b>(8,301.56)</b>     | <b>(25,685.16)</b>    | <b>(16,752.98)</b>    | <b>(7,939.93)</b>     |
| HARDSHIP CASES: CREDITS                  | -                     | -                     | -                     | -                     | 48.97                 | 48.97                 | 48.97                 | 48.97                 | 48.97                 | 48.97                 | 48.97                 | 48.97                 |
| INTERCO PAY/REC: PAC/TSC                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| INTERCO PAY/REC: PAC/PWS                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| AP INTERCO PAY/REC:PEU/PAC               | -                     | -                     | -                     | (627.50)              | (627.50)              | (627.50)              | (627.50)              | (2,527.50)            | (3,727.50)            | (3,727.50)            | (6,527.50)            | -                     |
| INTERCO PAY/REC: PAC/PWW                 | (45,882.82)           | (66,349.63)           | (98,036.03)           | (119,658.00)          | (149,318.00)          | (175,911.85)          | (206,030.67)          | (232,855.53)          | (261,285.32)          | (287,039.37)          | (311,838.93)          | -                     |
| INTERCO LOAN PWW/PAC: RSF                | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           | (12,954.74)           |
| INTERCO PAY/REC: PAC/PEU                 | -                     | -                     | -                     | (0.39)                | (1.17)                | (2.09)                | (3.01)                | (5.31)                | (9.88)                | (15.33)               | (22.83)               | -                     |
| INTERCO ADV-PCP PROM NOTE 5/18           | (776,850.00)          | (776,850.00)          | (776,850.00)          | (776,850.00)          | (776,850.00)          | (776,850.00)          | (776,850.00)          | (776,850.00)          | (776,850.00)          | (776,850.00)          | (776,850.00)          | (776,850.00)          |
| INTERCO LOAN PAC - INTERGRATED           | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| INTERCO PAY/REC: PAC/PCP                 | (294,620.39)          | (368,449.64)          | (311,166.20)          | (270,899.63)          | (216,613.45)          | (285,810.20)          | (225,454.55)          | (168,891.01)          | (122,041.27)          | (62,421.62)           | (93,525.73)           | (410,666.98)          |
| <b>Total Current Liabilities</b>         | <b>(1,151,020.06)</b> | <b>(1,242,889.11)</b> | <b>(1,222,248.91)</b> | <b>(1,217,641.90)</b> | <b>(1,246,780.39)</b> | <b>(1,273,682.06)</b> | <b>(1,234,913.89)</b> | <b>(1,205,165.94)</b> | <b>(1,185,121.30)</b> | <b>(1,168,644.75)</b> | <b>(1,219,785.74)</b> | <b>(1,209,724.68)</b> |
| <b>Other Deferred Credits</b>            |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| DEFERRED INCOME TAXES                    | (585,549.95)          | (585,549.95)          | (585,549.95)          | (585,549.95)          | (585,549.95)          | (585,549.95)          | (585,549.95)          | (585,549.95)          | (585,549.95)          | (585,549.95)          | (585,549.95)          | (401,226.77)          |
| ACCUM DEFERRED INC TAX - REG LIAB        | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | (201,217.00)          |
|  | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(585,549.95)</b>   | <b>(602,443.77)</b>   |
| CONTRIBUTIONS IN AID OF CONST            | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          | (750,286.50)          |
| CIAC-WATER FILTRATION GRANT              | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          | (398,349.91)          |
|  | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> | <b>(1,148,636.41)</b> |
| <b>Reserve for Amort of CIAC: All</b>    |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| RESERVE FOR AMORT OF CIAC:PAC            | 430,750.11            | 432,665.62            | 434,581.13            | 436,496.64            | 438,412.14            | 440,327.74            | 442,243.32            | 444,158.84            | 446,074.44            | 447,989.95            | 449,905.45            | 451,821.06            |
|  | <b>430,750.11</b>     | <b>432,665.62</b>     | <b>434,581.13</b>     | <b>436,496.64</b>     | <b>438,412.14</b>     | <b>440,327.74</b>     | <b>442,243.32</b>     | <b>444,158.84</b>     | <b>446,074.44</b>     | <b>447,989.95</b>     | <b>449,905.45</b>     | <b>451,821.06</b>     |
| <b>Total Deferred Credits</b>            | <b>(1,303,436.25)</b> | <b>(1,301,520.74)</b> | <b>(1,299,605.23)</b> | <b>(1,297,689.72)</b> | <b>(1,295,774.22)</b> | <b>(1,293,858.62)</b> | <b>(1,291,943.04)</b> | <b>(1,290,027.52)</b> | <b>(1,288,111.92)</b> | <b>(1,286,196.41)</b> | <b>(1,284,280.91)</b> | <b>(1,299,259.12)</b> |
| <b>Total Equity &amp; Liabilities</b>    | <b>(4,762,014.26)</b> | <b>(4,730,649.39)</b> | <b>(4,697,885.38)</b> | <b>(4,693,859.88)</b> | <b>(4,723,129.52)</b> | <b>(4,786,404.75)</b> | <b>(4,749,670.52)</b> | <b>(4,714,714.64)</b> | <b>(4,692,006.28)</b> | <b>(4,674,578.33)</b> | <b>(4,725,404.64)</b> | <b>(4,720,155.30)</b> |
|  | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |



## **TAB 35**

**1604.01(a)(20) Quarterly Income Statements for Previous Two Years**

**PITTSFIELD AQUEDUCT**  
**Profit and Loss Statement**  
**January - December 2018**

Provided pursuant to NHPUC Rule 1604.01(20)

|                                | Quarter 1   | Quarter 2   | Quarter 3   | Quarter 4    | Total 2018   |
|--------------------------------|-------------|-------------|-------------|--------------|--------------|
| WATER SALES                    | 158,698.43  | 159,344.30  | 163,846.24  | 159,939.69   | 641,828.66   |
| CBFRR REVENUES                 | 36,639.75   | 36,639.75   | 36,639.75   | 36,639.75    | 146,559.00   |
| MISC OPERATING REVENUE         | 977.00      | 542.00      | 954.00      | 698.00       | 3,171.00     |
| TOTAL REVENUES                 | 196,315.18  | 196,526.05  | 201,439.99  | 197,277.44   | 791,558.66   |
|                                | -           | -           | -           | -            | -            |
| PRODUCTION EXPENSES            | 33,556.89   | 21,530.73   | 38,856.20   | 34,345.91    | 128,289.73   |
| TRANSMISSION AND DISTRIB EXP   | 11,928.40   | 19,968.28   | 29,833.56   | 12,080.98    | 73,811.22    |
| CUSTOMER ACCT & COLLECTION EXP | 1,789.00    | 3,276.76    | 3,935.57    | 3,550.97     | 12,552.30    |
| ADMINISTRATIVE & GENERAL EXP   | 8,013.35    | 5,108.88    | 5,658.95    | 5,197.16     | 23,978.34    |
| INTERCO MGMT FEE: PWW          | 46,095.00   | 45,302.00   | 46,274.00   | 41,009.00    | 178,680.00   |
|                                | -           | -           | -           | -            | -            |
| INTERCOMPANY MGMT FEE: PCP     | 1,493.00    | 1,080.00    | 1,180.00    | 887.00       | 4,640.00     |
| TOTAL OPERATING EXPENSES       | 102,875.64  | 96,266.65   | 125,738.28  | 97,071.02    | 421,951.59   |
|                                | -           | -           | -           | -            | -            |
| DEPRECIATION EXPENSE: PAC      | 25,489.50   | 25,497.24   | 25,425.95   | 25,423.69    | 101,836.38   |
| AMORTIZATION EXPENSE: CIAC     | (5,746.71)  | (5,746.62)  | (5,746.71)  | (5,746.36)   | (22,986.40)  |
| AMORT: ACQUISITION PREMIUM     | 8,340.59    | 8,400.52    | 8,400.51    | 8,400.51     | 33,542.13    |
| AMORT EXP - DEFERRED CHARGES   | 771.95      | 771.96      | 771.94      | 771.94       | 3,087.79     |
| GAIN FROM FORGIVENESS SRF DEBT | -           | (357.57)    | (357.57)    | (357.57)     | (1,072.71)   |
| NH BET TAX                     | -           | -           | -           | 28,405.91    | 28,405.91    |
| LOCAL PROPERTY TAXES           | 39,624.49   | 47,661.51   | 47,661.50   | 46,711.01    | 181,658.51   |
| INCOME TAXES                   | 4,597.81    | 6,102.95    | (778.55)    | 100,914.79   | 110,837.00   |
| TOTAL OPERATING DEDUCTIONS     | 175,953.27  | 178,596.64  | 201,115.35  | 301,594.94   | 857,260.20   |
|                                | -           | -           | -           | -            | -            |
| NET OPERATING INCOME           | 20,361.91   | 17,929.41   | 324.64      | (104,317.50) | (65,701.54)  |
|                                | -           | -           | -           | -            | -            |
|                                | -           | -           | -           | -            | -            |
| INTEREST EXPENSE               | (838.71)    | (837.18)    | (832.57)    | (827.93)     | (3,336.39)   |
| AMORTIZATION OF DEBT EXPENSE   | -           | (118.13)    | (187.40)    | (187.03)     | (492.56)     |
|                                | -           | -           | -           | -            | -            |
|                                | -           | -           | -           | -            | -            |
| INTERCOMPANY INTEREST          | (15,583.33) | (9,074.04)  | (9,784.63)  | (9,928.26)   | (44,370.26)  |
| TOTAL INTEREST EXPENSE, NET    | (16,422.04) | (10,029.35) | (10,804.60) | (10,943.22)  | (44,862.82)  |
|                                | -           | -           | -           | -            | -            |
| NET INCOME (OR LOSS)           | 3,939.87    | 7,900.06    | (10,479.96) | (115,260.72) | (113,900.75) |

**PITTSFIELD AQUEDUCT**  
**Profit and Loss Statement**  
**January - December 2019**

Provided pursuant to NHPUC Rule 1604.01(20)

|                                | Quarter 1   | Quarter 2   | Quarter 3   | Quarter 4   | Total 2019   |
|--------------------------------|-------------|-------------|-------------|-------------|--------------|
| WATER SALES                    | 148,643.32  | 155,058.93  | 166,495.39  | 155,117.53  | 625,315.17   |
| CBFRR REVENUES                 | 36,639.75   | 36,639.75   | 36,639.75   | 36,639.75   | 256,478.25   |
| MISC OPERATING REVENUE         | 343.00      | 760.00      | 791.00      | 769.00      | 4,557.00     |
| TOTAL REVENUES                 | 185,626.07  | 192,458.68  | 203,926.14  | 192,526.28  | 886,350.42   |
|                                | -           | -           | -           | -           |              |
| PRODUCTION EXPENSES            | 35,104.67   | 29,831.23   | 27,920.51   | 38,459.71   | 224,172.53   |
| TRANSMISSION AND DISTRIB EXP   | 10,556.48   | 17,903.41   | 12,756.64   | 19,962.69   | 102,395.75   |
| CUSTOMER ACCT & COLLECTION EXP | 2,589.73    | 3,067.28    | 5,047.74    | 4,889.49    | 26,298.99    |
| ADMINISTRATIVE & GENERAL EXP   | 4,685.92    | 4,489.69    | 13,200.59   | 4,412.88    | 49,165.28    |
| INTERCO MGMT FEE: PWW          | 45,648.00   | 40,485.00   | 38,800.00   | 45,086.00   | 294,952.00   |
| INTERCOMPANY MGMT FEE: PCP     | 1,298.00    | 1,174.00    | 950.00      | 1,096.00    | 7,940.00     |
| TOTAL OPERATING EXPENSES       | 99,882.80   | 96,950.61   | 98,675.48   | 113,906.77  | 704,924.55   |
|                                | -           | -           | -           | -           |              |
| DEPRECIATION EXPENSE: PAC      | 25,410.34   | 25,415.66   | 25,457.76   | 25,288.40   | 177,855.92   |
| AMORTIZATION EXPENSE: CIAC     | (5,746.31)  | (5,746.24)  | (5,746.30)  | (5,746.23)  | (40,223.93)  |
| AMORT: ACQUISITION PREMIUM     | 8,536.33    | 8,604.23    | 8,604.24    | 8,604.23    | 60,093.83    |
| AMORT EXP - DEFERRED CHARGES   | 771.92      | 770.62      | 771.91      | 771.93      | 5,400.83     |
| GAIN FROM FORGIVENESS SRF DEBT | (357.57)    | (357.57)    | (357.57)    | (357.57)    | (2,502.99)   |
| NH BET TAX                     | -           | -           | -           | 1,258.00    | 1,258.00     |
| LOCAL PROPERTY TAXES           | 47,484.24   | 47,448.27   | 47,412.25   | 45,347.23   | 330,036.75   |
| INCOME TAXES                   | 2,009.39    | 4,712.75    | 7,353.98    | (547.12)    | 27,605.12    |
| TOTAL OPERATING DEDUCTIONS     | 177,991.14  | 177,798.33  | 182,171.75  | 188,525.64  | 1,264,448.08 |
|                                | -           | -           | -           | -           |              |
| NET OPERATING INCOME           | 7,634.93    | 14,660.35   | 21,754.39   | 4,000.64    | (378,097.66) |
|                                | -           | -           | -           | -           |              |
|                                | -           | -           | -           | -           |              |
| INTEREST EXPENSE               | (823.26)    | (818.56)    | (813.81)    | (809.04)    | (5,720.30)   |
| AMORTIZATION OF DEBT EXPENSE   | (186.99)    | (186.99)    | (186.99)    | (186.99)    | (1,308.93)   |
|                                | -           | -           | -           | -           |              |
|                                | -           | -           | -           | -           |              |
| INTERCOMPANY INTEREST          | (9,794.05)  | (9,527.63)  | (9,558.29)  | (9,093.03)  | (66,852.97)  |
| TOTAL INTEREST EXPENSE, NET    | (10,804.30) | (10,533.18) | (10,559.09) | (10,089.06) | (68,161.90)  |
|                                | -           | -           | -           | -           |              |
| NET INCOME (OR LOSS)           | (3,169.37)  | 4,127.17    | 11,195.30   | (6,088.42)  | (451,979.86) |

## **TAB 36**

**1604.01(a)(21) Quarterly Sales Volumes for the previous 2 years, itemized for residential and other classifications of service, if not previously filed with the Commission.**

**Pittsfield Aqueduct Company, Inc.  
Quarterly Sales Volume Schedule for  
the Five Years from 2017 through 2018**

Provided pursuant to NHPUC Rule 1604.01(21)

| Customer Type | 2017       |             |            |            |              |                 |             |                |            |                   |
|---------------|------------|-------------|------------|------------|--------------|-----------------|-------------|----------------|------------|-------------------|
|               | March \$   | March Cons. | June \$    | June Cons. | September \$ | September Cons. | December \$ | December Cons. | Total \$   | Total Cons.       |
| Residential   | \$ 103,715 | 9,519       | \$ 110,513 | 10,579     | \$ 116,589   | 11,479          | \$ 107,924  | 10,144         | \$ 438,740 | 41,721            |
| Commercial    | \$ 29,041  | 2,564       | \$ 31,084  | 2,822      | \$ 30,607    | 2,743           | \$ 30,723   | 2,771          | \$ 121,455 | 10,900            |
| Industrial    | \$ 6,284   | 544         | \$ 7,518   | 730        | \$ 7,190     | 683             | \$ 10,730   | 1,238          | \$ 31,723  | 3,195             |
| Municipal     | \$ 48,039  | 310         | \$ 49,465  | 374        | \$ 47,650    | 169             | \$ 48,894   | 349            | \$ 194,048 | 1,202             |
|               | \$ 187,079 | 12,937      | \$ 198,579 | 14,505     | \$ 202,036   | 15,074          | \$ 198,271  | 14,502         | \$ 2,692   | Unbilled Revenue  |
|               |            |             |            |            |              |                 |             |                | \$ -       | Abatements        |
|               |            |             |            |            |              |                 |             |                | \$ -       | Other Adjustments |
|               |            |             |            |            |              |                 |             |                | \$ -       | Recoupment        |
|               |            |             |            |            |              |                 |             |                | \$ 788,657 | 57,018            |

| Customer Type | 2018       |             |            |            |              |                 |             |                |            |                   |
|---------------|------------|-------------|------------|------------|--------------|-----------------|-------------|----------------|------------|-------------------|
|               | March \$   | March Cons. | June \$    | June Cons. | September \$ | September Cons. | December \$ | December Cons. | Total \$   | Total Cons.       |
| Residential   | \$ 108,184 | 10,237      | \$ 107,015 | 10,064     | \$ 116,389   | 11,469          | \$ 106,503  | 9,935          | \$ 438,091 | 41,705            |
| Commercial    | \$ 28,835  | 2,487       | \$ 28,748  | 2,471      | \$ 29,183    | 2,524           | \$ 29,907   | 2,655          | \$ 116,673 | 10,137            |
| Industrial    | \$ 13,484  | 1,663       | \$ 9,227   | 1,006      | \$ 7,030     | 667             | \$ 7,128    | 682            | \$ 36,870  | 4,018             |
| Municipal     | \$ 48,823  | 334         | \$ 48,596  | 315        | \$ 47,857    | 206             | \$ 48,551   | 296            | \$ 193,827 | 1,151             |
|               | \$ 199,327 | 14,721      | \$ 193,586 | 13,856     | \$ 200,459   | 14,866          | \$ 192,088  | 13,568         | \$ 3,056   | Unbilled Revenue  |
|               |            |             |            |            |              |                 |             |                | \$ (129)   | Abatements        |
|               |            |             |            |            |              |                 |             |                | \$ -       | Other Adjustments |
|               |            |             |            |            |              |                 |             |                | \$ -       | Recoupment        |
|               |            |             |            |            |              |                 |             |                | \$ 788,388 | 57,011            |

## **TAB 37**

**1604.01(a)(22) Projected Need for External Capital for the 2 year period immediately following the test year.**

**Pittsfield Aqueduct Company**  
**Capital Expenditure Budget - 2020**

Provided pursuant to NHPUC Rule 1604.01(a)(22)

| Project Name                               | Project Description                                     | Total Budgeted    |                |
|--|---|-------------------|----------------|
|  |   | Amount (including | Funding Source |
|  |   | O/H)              |                |
| Berry Pond Dam Breach and ERP              | NHDES required studies for Berry Pond Dam               | \$ 7,000          | Intercompany   |
| New Services (1)                           | New Services (1)  | \$ 5,000          | Intercompany   |
| Renewed Services (2)                       | Renewed Services (2)                                    | \$ 11,000         | Intercompany   |
| Replacement Hydrants (2)                   | Repalce failed Hydrant (2)                              | \$ 12,000         | Intercompany   |
| Replacement/New Gate Valve (2)             | Replacement/New Gate Vavle installation (2)             | \$ 8,000          | Intercompany   |
| Radios New (1) Replace Failed (9)          | Replace failed Radios (9), Meters for New customers (1) | \$ 1,000          | Intercompany   |
| Meters 5/8"-6" New(1) Replace Failed (6)   | Meters 5/8"-6" New Meters - PAC (7)                     | \$ 700            | Intercompany   |
| Berry Pond DBP Treatment evaluation/design | Berry Pond DBP Treatment evaluation/design              | \$ 20,000         | Intercompany   |
| Misc. structural improvements              | Misc. structural improvements                           | \$ 10,000         | Intercompany   |
| PAC lab/Process equipment                  | PAC lab/Process equipment                               | \$ 10,000         | Intercompany   |
| Replace filter valve actuators, 3          | Replace filter valve actuators, 3                       | \$ 4,000          | Intercompany   |
| Replace SCADA PLC                          | Equipment no longer supported by manufacturer           | \$ 15,000         | Intercompany   |
| Switch Replacement for Pittsfield          | Change out end of life switch in Pitts.                 | \$ 1,200          | Intercompany   |
| Total Budgetted CAPEX -                    |   | \$ 104,900        |                |

**Pittsfield Aqueduct Company**  
**Capital Expenditure Budget - 2021**

Provided pursuant to NHPUC Rule 1604.01(a)(22)

| Project Name  | Project Description   | Total 2021 incl O/H | Funding Source |
|---|---|---------------------|----------------|
| PAC Distribution Storage Tank                                       | Design of 500,000 gallon concrete tank, Construction targeted for 2022                | \$ 40,000           | Intercompany   |
| New Services (1)  | New Services (1)  | \$ 5,000            | Intercompany   |
| Renewed Services (2)  | Renewed Services (2)  | \$ 11,000           | Intercompany   |
| Replacement Hydrants (2)  | Repalce failed Hydrant (2)  | \$ 12,000           | Intercompany   |
| Replacement/New Gate Valve (2)                                      | Replacement/New Gate Vavle installation (2)   | \$ 8,000            | Intercompany   |
| Radios New (1) Replace Failed (9)                                   | Replace failed Radios (9), Meters for New customers (1)                               | \$ 1,000            | Intercompany   |
| 2021 Radios (90)  | Year 1 of 7 year replacement of all PEU radios (all initial radios installed in 2007) | \$ 12,000           | Intercompany   |
| Meters 5/8"-6" New(1) Replace Failed (6)                            | Meters 5/8"-6" New Meters - PAC (7)   | \$ 700              | Intercompany   |
| Misc. structural improvements                                       | Misc. structural improvements   | \$ 10,500           | Intercompany   |
| PAC lab/Process equipment - four turbidimeters, 1 Chlorine analyzer | PAC lab/Process equipment - four turbidimeters, 1 Chlorine analyzer                   | \$ 25,000           | Intercompany   |
| Replace filter valve actuators, 3                                   | Replace filter valve actuators, 3   | \$ 4,000            | Intercompany   |
| <b>Total Budgetted CAPEX -</b>                                      |   | <b>\$ 129,200</b>   |                |



## **TAB 38**

**1604.01(a)(23) Capital Budget - Sources and Uses of funds for the 2 years immediately following the test year**

| Department                                       | Project Description  | Total Budgeted<br>Amount (including<br>O/H) | Funding Source        |
|--|--|---|-----------------------|
| <b><u>2019 Carryover/Multi-year Projects</u></b> |  |   |                       |
| Engineering                                      |  | -   |                       |
|  | <b>Subtotal 2019 Carryover/Multi-year Projects</b>                 | -   |                       |
| <b><u>New 2020 Projects</u></b>                  |  |   |                       |
| Engineering                                      | Breach and ERP   | 7.00  | Intercompany          |
|  | <b>Subtotal New 2020 Projects</b>                                  | <b>7.00</b>                                 |                       |
|  | <b>Total 2020 Capital Projects Budget including 2019 carryover</b> | <b>7.00</b>                                 |                       |
| <hr/>  |  |   |                       |
|  | <b>Project Description</b>   | -   | <b>Funding Source</b> |
| <b><u>2019 Carryover/Multi-year Projects</u></b> |  |   |                       |
| T&D  |  | -   |                       |
|  | <b>Subtotal 2019 Carryover/Multi-year Projects</b>                 | -   |                       |
| <b><u>New 2020 Projects</u></b>                  |  |   |                       |
| T&D  | New Services (1)   | 5.00  | Intercompany          |
| T&D  | Renewed Services (2)   | 11.00                                       | Intercompany          |
| T&D  | Hydrants (2)   | 12.00                                       | Intercompany          |
| T&D  | Gates (2)  | 8.00  | Intercompany          |
| T&D  | Radios (10)  | 1.00  | Intercompany          |
| T&D  | Meters 5/8"-6" New(1) Replace Failed (6)                           | 0.70  | Intercompany          |
|  |  | -   |                       |
|  | <b>Subtotal New 2020 Projects</b>                                  | <b>37.70</b>                                |                       |
|  | <b>Total 2020 Capital Projects Budget including 2019 carryover</b> | <b>37.70</b>                                |                       |
| <hr/>  |  |   |                       |
|  | <b>Project Description</b>   | <b>Total 2020 incl O/H</b>                  | <b>Funding Source</b> |
| <b><u>2019 Carryover/Multi-year Projects</u></b> |  |   |                       |
| Water Supply                                     | n/a  | -   |                       |
|  | <b>Subtotal 2019 Carryover/Multi-year Projects</b>                 | -   |                       |
| <b><u>New 2020 Projects</u></b>                  |  |   |                       |
| Water Supply                                     | Berry Pond DBP Treatment evaluation/design                         | 20.00                                       | Intercompany          |
| Water Supply                                     | Misc. structural improvements                                      | 10.00                                       | Intercompany          |
| Water Supply                                     | PAC lab/Process equipment  | 10.00                                       | Intercompany          |
| Water Supply                                     | Replace filter valve actuators, 3                                  | 4.00  | Intercompany          |
| Water Supply                                     | Replace SCADA PLC  | 15.00                                       | Intercompany          |
|  | <b>Subtotal New 2020 Projects</b>                                  | <b>59.00</b>                                |                       |
|  | <b>Total 2020 Capital Projects Budget including 2019 carryover</b> | <b>59.00</b>                                |                       |
| <hr/>  |  |   |                       |
|  | <b>Project Description</b>   | -   | <b>Funding Source</b> |
| IT   |  | -   |                       |
|  | <b>Subtotal 2019 Carryover/Multi-year Projects</b>                 | -   |                       |
| <b><u>PAC lab/Process equipment</u></b>          |  |   |                       |
| IT   | Switch Replacement for Pittsfield                                  | 1.20  | Bond                  |
|  |  | -   |                       |
|  | <b>New Gates installation (2)</b>                                  | <b>1.20</b>                                 |                       |
|  | <b>Total 2020 Capital Projects Budget including 2019 carryover</b> | <b>1.20</b>                                 |                       |
|  | <b>2019 Carryover/Multi-year Projects - Total PAC</b>              | -   |                       |
|  | <b>New 2020 Projects - Total PAC</b>                               | <b>104.90</b>                               |                       |
|  | <b>Total Capital Budget- PAC</b>                                   | <b>104.90</b>                               |                       |

Pittsfield Aqueduct Company, Inc.  
Capital and Construction Budget 2021

Provided pursuant to NHPUC Rule 1604.01(23)

| Department  | Project Description   |   | Total Budgeted Amount (including O/H) | Funding Source |
|---|---|---|---------------------------------------|----------------|
| Engineering   | <u>2020 Carryover/Multi-year Projects</u>                   |   | -                                     |                |
|   | Subtotal 2020 Carryover/Multi-year Projects                 |   | -                                     |                |
|   |   |   |                                       |                |
| Engineering   | <u>New 2021 Projects</u>                                    |   |                                       |                |
|   | Design - 500,000 Gallon Concrete Tank                       | Design - 500,000 Gallon Concrete Tank   | 40.00                                 | SRF            |
|   | Subtotal New 2021 Projects                                  |   | 40.00                                 |                |
|   | Total 2021 Capital Projects Budget including 2020 carryover |   | 40.00                                 |                |
|   |   |   |                                       |                |
|   |   |   |                                       |                |
|   | Project Description   |   | Total 2021 incl O/H                   | Funding Source |
| T&D   | <u>2020 Carryover/Multi-year Projects</u>                   |   | -                                     |                |
|   | Subtotal 2020 Carryover/Multi-year Projects                 |   | -                                     |                |
|   |   |   |                                       |                |
| T&D   | <u>New 2021 Projects</u>                                    |   |                                       |                |
|   | New Services (1)  | New Services (1)  | 5.00                                  | Intercompany   |
|   | Renewed Services (2)  | Renewed Services (2)  | 11.00                                 | Intercompany   |
|   | Hydrants (2)  | Hydrants (2)  | 12.00                                 | Intercompany   |
|   | Gates (2)   | New Gates installation (2)  | 8.00                                  | Intercompany   |
|   | Radios (10)   | Replace failed Radios (10)  | 1.00                                  | Intercompany   |
|   | 2021 Radios (90)  | Begin 7 year replacement of all PEU radios (all initial radios installed in 2007) | 12.00                                 | Intercompany   |
|   | Meters 5/8"-6" New(1) Replace Failed (6)                    | Meters 5/8"-6" New Meters - PAC (7)   | 0.70                                  | Intercompany   |
|   | Total 2021 Capital Projects Budget                          |   | 49.70                                 |                |
|   | Total 2021 Capital Projects Budget including 2020 carryover |   | 49.70                                 |                |
|   |   |   |                                       |                |
|   |   |   |                                       |                |
|   |   |   |                                       |                |
|   | Project Description   |   | Total 2021 incl O/H                   | Funding Source |
| Water Supply  | <u>2020 Carryover/Multi-year Projects</u>                   |   | -                                     |                |
|   | Subtotal 2020 Carryover/Multi-year Projects                 |   | -                                     |                |
|   |   |   |                                       |                |
| Water Supply  | <u>New 2021 Projects</u>                                    |   |                                       |                |
|   | Misc. structural improvements                               | Misc. structural improvements   | 10.00                                 | Intercompany   |
|   | PAC lab/Process equipment                                   | PAC lab/Process equipment   | 10.00                                 | Intercompany   |
|   | DBP treatment   | DBP treatment   | 100.00                                | Intercompany   |
|   | Subtotal New 2021 Projects                                  |   | 120.00                                |                |
| Total 2021 Capital Projects Budget including 2020 carryover |   | 120.00  |                                       |                |
|   |   |   |                                       |                |
| 2020 Carryover/Multi-year Projects - Total PAC              |   |   | -                                     |                |
| New 2021 Projects - Total PAC                               |   |   | 209.70                                |                |
| Total Capital Budget - PAC                                  |   |   | 209.70                                |                |

## **TAB 39**

### **1604.01(a)(24) Outstanding Short-Term Debt on Monthly Basis for Each Indebtedness**

See prior tab (TAB 13) for schedules 1604.08 and in particular Schedule 6, Cost of Short Term Debt.

## **TAB 40**

**1604.01(a)(25) Certificate of Details of Management Fee Information. [If a utility is a subsidiary, a certificate of an appropriate official of the subsidiary detailing any expense of the parent company which was included in the subsidiary's cost of serv**

See Tabs 3 and 33.