

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 1

Date Request Received: 3/11/21  
Request No. Staff 1-29

Date of Response: 03/25/21  
Witness: Donald L. Ware

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**REQUEST: Re: Schedule 1, Attachment F (Page 242), Adjustment IC:**

- a) Please provide documentation in support of the amounts indicated in this pro forma adjustment for the respective years' Health Retirement Expenses:
  - i. 2019 Actual Expense - \$331,493
  - ii. 2020 Estimated Expense - \$353,640 (please update as necessary)
- b) The Company's explanation for this pro forma adjustment indicates increases in both allocated 'pension expenses' and 'health retirement plans'. However, it does not appear that amounts relative to allocated pension expense increases are included within the computation of this adjustment:
  - i. Please explain.
  - ii. Please provide the appropriate calculation along with appropriate supporting documentation for PAC's allocated share of the pension expense adjustment as necessary.

**RESPONSE:**

- a) Please see the attached support of the 2019 and 2020 Health Retirement expense amounts (Attachment Staff 1-29). Please note that the actual 2020 Health Retirement expense was \$404,807 as opposed to the estimated 2020 Health retirement expense of \$353,640 that was used in the rate filing. The Attachment Staff 1-28a Puc 1604.06 schedules, in particular 1604.06 Sch 1, Attach F, Adjustment 1C has been adjusted to reflect the actual 2020 Health retirement expense to the actual amount in lieu of the estimated amount.
- b) The pro forma increase to 2019 Pension expenses was inadvertently excluded from the 1604.06 Sch 1, Attach F, Adjustment C. The pro forma expense has been added to the revised 1604.06 schedules.

200 PENNICHUCK WATER WORKS INC

General ledger card

G/L 926260 / POST-65 RETIREMENT HEALTH EXP  
Type, Sub-class. Profit & Loss

From 1/1/2019 To 12/31/2019 Display: Card Group by: None Unprocessed: Yes

Transaction type: A Show: 1

Date	Our ref.	PO/SO	Your reference	Description	Opening balance	USD 0.00
					Debit USD	Credit USD
1/31/2019	10006268		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
2/28/2019	10006315		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
2/28/2019	10006368		GJE 301	To record prepaid expenses for the month	5,212.74	
3/28/2019	10006407		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
3/31/2019	10006419		GJE 301	To record prepaid expenses for the month	5,212.74	
4/23/2019	10006498		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
4/30/2019	10006514		GJE 900	Reclass Benistar Charges		10,425.48
5/21/2019	10006596		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
6/30/2019	10006698		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
7/31/2019	10006791		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
8/30/2019	10006892		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
9/30/2019	10006987		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
10/31/2019	10007085		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
11/29/2019	10007191		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
12/31/2019	10007270		RJE 1002	To record monthly health & pension based on actuarials	21,844.75	
12/31/2019	10007360		GJE 908	Year end Pension & Retirement Medical Plans accounting	16,791.00	
12/31/2019	10007360		GJE 908	Year end Pension & Retirement Medical Plans accounting	52,564.85	
					<b>341,918.33</b>	<b>10,425.48</b>
<b>Closing balance</b>					<b>USD 331,492.85</b>	

200 PENNICHUCK WATER WORKS INC  
General ledger card

G/L 926260 / POST-65 RETIREMENT HEALTH EXP  
Type, Sub-class. Profit & Loss

From 1/1/2020 To 12/31/2020 Display: Card Group by: None Unprocessed: Yes

Transaction type: A Show: 1

Date	Our ref.	PO/SO	Your refe Description	Opening balance	USD 0.00
				Debit USD	Credit USD
1/31/2020	10007446		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
2/29/2020	10007509		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
3/31/2020	10007601		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
4/30/2020	10007665		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
5/31/2020	10007753		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
6/19/2020	21451673		07012020 Acct 36044 July 2020	6,093.74	
6/30/2020	10007829		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
7/31/2020	10007914		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
8/31/2020	10008000		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
9/30/2020	10008093		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
10/22/2020	10008186		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
11/30/2020	10008274		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
12/31/2020	10008343		RJE 1002 To record monthly health & pension based on actuarials	23,244.00	
12/31/2020	10008425		GJE 912 Year end Pension & Retirement Medical Plans accounting	59,844.26	
12/31/2020	10008425		GJE 912 Year end Pension & Retirement Medical Plans accounting	59,940.73	
				<b>404,806.73</b>	<b>0.00</b>
				<b>Closing balance</b>	<b>USD 404,806.73</b>

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 1

Date Request Received: 3/11/21  
Request No. Staff 1-34

Date of Response: 03/25/21  
Witness: Donald L. Ware

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**REQUEST: Re: Schedule 1, Attachment J (Page 246) – Income Tax Expense:**

- a) Please explain how PAC's share of the NHBET of 1.00% was determined as well as the underlying logic behind this determination.
- b) Please provide a copy of the 2019 NHBET return upon which this adjustment is based.

**RESPONSE:**

- a) Please see the attached Workbook (Attachment Staff 1-34a) which details PAC's share of the NHBET that was the basis of the 1.00% share of PWW's NHBET tax on the worksheet titled "BET per Tax Return". Upon review of this worksheet it became apparent that PAC's share of the BET was only based on Interest paid and did not incorporate PAC's share of Employee Compensation. Attached in the referenced Workbook has a tab title 01-30 BET books which corrects this oversight by distributing PWW's NHBET tax via the 2019 management allocation which results in PAC being responsible for 1.40% of PWW's final 2019 NHBET tax of \$124,3337 or \$1,741. The revised 1604.06 Sch 1, Attachment J has been revised to reflect PEU's correct share of PWW's NHBET tax. See also Attachment Staff 1-28a.
- b) A copy of PWW's NHBET tax is attached to this response. (Attachment Staff 1-34b)

**Pennichuck Corporation**  
**Calculation of Business Enterprise Tax (BET )**  
**Year Ended December 31, 2019**

	PCP	PWW	PEU	PAC	PWSC	TSC			
Compensation and Wages Factor									
1. NH Comp and wages	-	9,519,482	-	-	-	-	9,519,482.10	9,519,482.10	
2. Everywhere Comp	-	9,902,019	-	-	-	-	9,902,018.58	9,902,018.58	
3. Compensation Factor	#DIV/0!	96.13678%	#DIV/0!	#DIV/0!	0.00000%	0.00000%			
Interest Factor	Note: all assets are in NH for PWW, PEU, PAC and PWSC								
1. Average of NH Property									
2. Average of Everywhere Prop									
3. Interest Factor	0.00000%	100.00000%	100.00000%	100.00000%	100.00000%	0.00000%			
Dividend Factor									
1. NH Sales									
2. Everywhere sales									
3. Sales Factor	100.00000%	100.00000%	100.00000%	100.00000%	60.59370%	100.00000%			
	100.00000%	296.13678%	200.00000%	200.00000%	160.59370%	100.00000%			
<b>Dividend Factor</b>	<b>100.000%</b>	<b>98.712%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>80.297%</b>	<b>100.000%</b>			
<b>Dividends paid</b>	<b>279,760</b>	-							
<b>Dividend apportionment factor</b>	100.000%	98.712%	100.000%	100.000%	80.297%	100.000%			
<b>Taxable dividends</b>	279,760	-	-	-	-	-	279,760		
<b>Everywhere Compensation</b>	-	9,902,019	-	-	-	-			
<b>Compensation Apportionment Factor</b>	0.00000%	96.13678%	0.00000%	0.00000%	0.00000%	0.00000%			
<b>Taxable Compensation</b>	-	9,519,482	-	-	-	-	9,519,482		
<b>Interest paid</b>	6,269,262	4,033,144	624,845	4,013	-	-			
<b>Interest apportionment</b>	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%			
<b>Taxable interest</b>	6,269,262	4,033,144	624,845	4,013	-	-	10,931,264		
<b>Total</b>								20,730,506	
<b>Wages</b>	-	9,519,482.10	-	-	-	9,519,482.10			
<b>Dividends</b>	279,760.12	-	-	-	-	279,760.12			
<b>Interest</b>	6,269,261.89	4,033,143.96	624,845.25	4,012.63	-	10,931,263.73			
<b>Total</b>	6,549,022.01	13,552,626.06	624,845.25	4,012.63	-	20,730,505.95			

	<u>2019 Alloc</u>	
PWW	72.1%	89,729
PEU	19.2%	23,911
<b>PAC</b>	<b>1.4%</b>	<b>1,741</b>
PWS	7.2%	8,956
PCP	<u>0.0%</u>	-
	100%	<b>124,337</b>

**Total BET Due 124,383**

	124,383
2018 credit	(40,009.00)
Estimates	(99,991.00)
Due/(credit)	<b>(15,616.96)</b>

**Pennichuck Corporation**  
**Calculation of Business Enterprise Tax (BET)**  
**Year Ended December 31, 2019**

	PCP	PWW	PEU	PAC	PWSC	TSC			
Compensation and Wages Factor									
1. NH Comp and wages	-	9,519,482	-	-	-	-	9,519,482.10	9,519,482.10	
2. Everywhere Comp	-	9,902,019	-	-	-	-	9,902,018.58	9,902,018.58	
3. Compensation Factor	#DIV/0!	96.13678%	#DIV/0!	#DIV/0!	0.00000%	0.00000%			
Interest Factor	Note: all assets are in NH for PWW, PEU, PAC and PWSC								
1. Average of NH Property									
2. Average of Everywhere Prop									
3. Interest Factor	0.00000%	100.00000%	100.00000%	100.00000%	100.00000%	0.00000%			
Dividend Factor									
1. NH Sales									
2. Everywhere sales									
3. Sales Factor	100.00000%	100.00000%	100.00000%	100.00000%	60.59370%	100.00000%			
	100.00000%	296.13678%	200.00000%	200.00000%	160.59370%	100.00000%			
<b>Dividend Factor</b>	<b>100.000%</b>	<b>98.712%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>80.297%</b>	<b>100.000%</b>			
Dividends paid	279,760	-	-	-	-	-			
Dividend apportionment factor	100.000%	98.712%	100.000%	100.000%	80.297%	100.000%			
Taxable dividends	279,760	-	-	-	-	-	279,760		
Everywhere Compensation	-	9,902,019	-	-	-	-			
Compensation Apportionment Factor	0.00000%	96.13678%	0.00000%	0.00000%	0.00000%	0.00000%			
Taxable Compensation	-	9,519,482	-	-	-	-	9,519,482		
Interest paid	6,269,262	4,218,273	680,574	-	-	-			
Interest apportionment	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%			
Taxable Interest	6,269,262	4,218,273	680,574	-	-	-	11,168,108		
<b>Total</b>							<b>20,967,350</b>		
Wages	-	9,519,482.10	-	-	-	-	9,519,482.10		
Dividends	279,760.12	-	-	-	-	-	279,760.12		
Interest	6,269,261.89	4,218,272.55	680,573.70	-	-	-	11,168,108.14		
<b>Total</b>	<b>6,549,022.01</b>	<b>13,737,754.65</b>	<b>680,573.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,967,350.36</b>		

NH/Everywhere Wages per Quarterly Returns

	Qtr 1	Qtr 2	Qtr 3	Qtr 4		Total Payroll per GL	
MA	113,140.62	97,961.89	70,882.10	100,751.87	382,536.48	MA	0.08
NH	2,270,644.69	2,454,924.08	2,418,350.81	2,375,562.52	9,519,482.10	NH	0.92
	2,383,785.31	2,552,885.97	2,489,032.91	2,476,314.39	9,902,018.58		-
MA Wages	<b>382,536</b>						

**Total BET Due 125,804**

	<u>2019 Alloc</u>		
PWW	72.2%	90,828	
PEU	19.2%	24,154	
<b>PAC</b>	<b>1.4%</b>	<b>1,761</b>	
PWS	7.2%	9,058	
PCP	0.0%	-	
	100%	<b>125,801</b>	
Total per BET Tax Return		<b>125,801</b>	
variance		0	
			<b>2018 credit</b> (40,009.00)
			Estimates (99,991.00)
			Due/(credit) (14,195.90)

Summary of 2019 Allocated Costs							
Year to Date Costs through December 31, 2019							
Pennichuck Corporation and Subsidiaries							
(Dollar amounts in \$ 000's)							
	<u>Penn Water</u>	<u>Penn East</u>	<u>Pittsfield</u>	<u>Total Regulated</u>	<u>Con Ops(PWSC)</u>	<u>Real Estate(TSC)</u>	<u>Total</u>
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%
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	\$ 8,996,026	\$ 2,397,262	\$ 174,537	\$ 11,567,825	\$ 900,025	\$ 2,482	\$ 12,470,332
%	72.14%	19.22%	1.40%	92.76%	7.22%	0.02%	100.00%

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)							
	<u>Penn Water</u>	<u>Penn East</u>	<u>Pittsfield</u>	<u>Total Regulated</u>	<u>Con Ops(PWSC)</u>	<u>Real Estate(TSC)</u>	<u>Total</u>
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			
	<u>YTD Costs</u>	<u>Current Balance</u>	<u>Monthly Adj</u>
PCP Mgmt Fee Expense Allocation - PCP	\$ (296,835)	(296,835)	-
PCP Mgmt Fee Expense Allocation - PWW	\$ 224,060	224,060	-
PCP Mgmt Fee Expense Allocation - PEU	\$ 58,359	58,359	-
PCP Mgmt Fee Expense Allocation - PAC	\$ 4,518	4,518	-
PCP Mgmt Fee Expense Allocation - PWS	\$ 9,698	9,698	-

1815	100	815100	1109	000
1815	300	815300	1109	000
1815	250	815250	1109	000
1815	150	815150	1109	000

1815	200	815200	1109	000	PCP Mgmt Fee Expense Allocation - TSC	\$	200	200	-
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%
<b>Total Allocated 2019 Costs</b>	<b>\$ 8,771,963</b>	<b>\$ 2,338,902</b>	<b>\$ 170,019</b>	<b>\$ 11,280,884</b>	<b>\$ 890,327</b>	<b>\$ 2,282</b>	<b>\$ 12,173,494</b>
%	72.1%	19.2%	1.4%	92.7%	7.3%	0.0%	100.0%

**Summary Transfers from PWW Operating to Other Companies - Full Year Amounts**

	YTD Costs	Current Balance	Monthly Adjustment
2930 510 930510 2100 001 PWW operating expense allocation - PWW	\$ (3,401,530)	(3,401,530)	\$ -
7930 510 930510 7100 001 PWW operating expense allocation - PEU	\$ 2,338,902	2,338,902	\$ -
6930 510 930510 6100 001 PWW operating expense allocation - PAC	\$ 170,019	170,019	\$ -
5815 110 815110 5100 000 PWW operating expense allocation - PCP	\$ -	-	\$ -
3815 210 815210 3100 000 PWW operating expense allocation - PWS	\$ 890,327	890,327	\$ -
PWW operating expense allocation - TSC	\$ 2,282	2,282	\$ -
Check Totals	\$ 0	\$ -	\$ -

Data used in F9 functions has been coloured green for illustrative purposes.

01	Budget Code	03	Company
month 5	Reporting Period	05	Company
01	Company	06	Company
2014	Fiscal Year	002	DEPARTMENT CODE
*	DEPARTMENT CODE	001	
^ ^ ^ ^ ^ ^	BSPEC ACCOUNT FORMAT	07	Company
year to date month 5			



BUSINESS TAX RETURN SUMMARY

STEP 1 - PRINT OR TYPE

For the CALENDAR year **2019** or other taxable period beginning: MMDDYYYY 01012019 and ending: MMDDYYYY 12312019

Check box if there has been a name change since last filing. List former name.

Proprietor's Last Name

First Name MI Social Security Number

If issued a DIN,  
use the DIN in the  
appropriate taxpayer  
identification box.  
DO NOT enter SSN or FEIN if  
you have a DIN

Spouse's Last Name (If property jointly owned)

First Name MI Social Security Number

Corporate, Partnership, Estate, Trust, Non-Profit or LLC Name

PENNICHUCK CORPORATION AND SUBSIDIARIES

Taxpayer Identification Number Principal Business Activity Code (Federal)  
551112

Number & Street Address

25 MANCHESTER STREET

Address (continued)

City / Town State ZIP Code + 4 (or Canadian Postal Code)  
MERRIMACK NH 03054-1947

STEP 2 - Return Type and Federal Information  
Are you required to file a BET Return (Gross Business Receipts over \$217,000, or Enterprise Value Tax Base over \$108,000)?  Yes No  
If you checked "yes" to one or both of the first two questions, you must file the completed corresponding return(s) with this BT-Summary.  
Are you required to file a BPT Return (Gross Business Income over \$50,000)?  Yes No  
Do you file a Form 990/990T? Yes  No  
Do you file a Federal Form 8023, Federal Form 8883 and/or have checked box 10b on Schedule B of Federal Form 1065? Yes  No

OR 2 - CORPORATION 3 - PARTNERSHIP 1 - PROPRIETORSHIP AMENDED RETURN LLC  
 2 - COMBINED GROUP 5 - NON-PROFIT 4 - FIDUCIARY FINAL RETURN

Check here if the IRS has made any agreed or partially agreed to adjustment(s) Enter Years Covered by IRS (MMYYYYMMYYYY)  
for any federal income tax return, which adjustment(s) has not been previously reported to New Hampshire. Do not use this form to report an IRS adjustment.

Check Appropriate Box(es):  
Payment Required Refund Request  Credit Next Year's Tax Liability No Payment Required



**BUSINESS TAX RETURN SUMMARY - Continued**

**STEP 3 - Complete the BET and / or BPT return(s) and then complete the BT-Summary and attach return(s)**

**STEP 4 - Calculate Your Balance Due or Overpayment**

Round to the nearest whole dollar

1 (a)	Business Enterprise Tax Net of Statutory Credits 1(a)	125801	
(b)	Business Profits Tax Net of Statutory Credits 1(b)	0	
(c)	Subtotal of Business Tax Due (Line 1(b) plus Line 1(a))	1(c)	125801
2	<b>PAYMENTS</b>		
(a)	Tax paid with application for extension 2(a)	16000	
(b)	Total of taxable period's estimated tax payments 2(b)	99911	
(c)	Credit carryover from prior tax period 2(c)	40009	
(d)	Tax paid with original return (Amended returns only) 2(d)		
(e)	Total of lines 2(a) through 2(d)	2(e)	155920
3	TAX DUE: (Line 1(c) minus Line 2(e))	3	-30119
4	<b>ADDITIONS TO TAX</b>		
(a)	Interest (See instructions) 4(a)		
(b)	Failure to Pay (See instructions) 4(b)		
(c)	Failure to File (See instructions) 4(c)		
(d)	Underpayment of Estimated Tax (See instructions) 4(d)		
(e)	Total of Lines 4(a) through 4(d)	4(e)	
5 (a)	Subtotal of Amount Due (Line 3 plus Line 4(e))	5(a)	-30119
(b)	Return Payment Made Electronically 5(b)		
(c)	<b>BALANCE DUE:</b> Line 5(a) minus 5(b). Make your payment on-line at <a href="http://www.revenue.nh.gov">www.revenue.nh.gov</a> or make check payable to: <b>STATE OF NEW HAMPSHIRE</b> <b>PAY THIS AMOUNT</b> 5(c)		
6	<b>OVERPAYMENT:</b> If balance due is less than zero, enter on Line 6 6	30119	
7	Apply overpayment amount on Line 6 to:		
(a)	Credit - Next Year's Tax Liability	<b>DO NOT PAY</b> 7(a)	30119
(b)	Refund	<b>DO NOT PAY</b> 7(b)	

**STEP 5**

**THIS RETURN MUST BE ACCOMPANIED BY COMPLETE AND LEGIBLE COPIES OF THE APPROPRIATE FEDERAL FORMS AND SCHEDULES**



**BUSINESS TAX RETURN SUMMARY - Continued**

Under penalties of perjury, I declare that I have examined this BT-Summary and the attached returns, and to the best of my belief they are true, correct and complete. If prepared by a person other than the taxpayer, this declaration is based on all information of which the preparer has knowledge. If a combined group, I also certify that all affiliated companies are included in the appropriate group described in this return.

POA: By checking this box and signing below, you authorize us to discuss this return with the preparer listed below.

**TAXPAYER'S SIGNATURE & INFORMATION**

Signature (in ink) MMDDYYYY

Signature (in ink) MMDDYYYY

Print Signatory Name & Title

CEO

Email Address

LARRY.GOODHUE@PENNICHUCK.COM

Phone Number

6039132312

Check this box if you are filing as a surviving spouse

**PAID PREPARER'S SIGNATURE & INFORMATION**

Signature of Preparer MMDDYYYY

JOSEPH T. O'CONNOR, CPA

06032020

Printed Name of Preparer

JOSEPH T OCONNOR CPA

Email Address

JOCONNOR@MELANSONHEATH.COM

Phone Number

6038821111

Preparer Identification Number

P00084303

Preparer's Address

102 PERIMETER ROAD

Address (continued)

City / Town

NASHUA

State

NH

ZIP Code + 4 (or Canadian Postal Code)

03063-1301

**MAIL TO:** NH DRA  
PO BOX 637  
CONCORD NH 03302-0637

Make Check Payable to:  
**STATE OF NEW HAMPSHIRE**





OTHER INTERNAL REVENUE CODE RECONCILING ADJUSTMENTS

Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification Number

For the CALENDAR year **2019** MMDDYYYY  
or other taxable period beginning: **01012019**

MMDDYYYY  
and ending: **12312019**

This form must be completed by any business organization reporting any amounts on Lines 2(d) or 2(f) of Form NH-1120; Lines 10(d) or 10(f) of Form NH-1120-WE; or Lines 2(c) or 2(e) of Forms NH-1040, NH-1041, or NH-1065. Attach additional sheets if necessary.

**PART A - Additions**

Detail any amounts included on Form NH-1120 Line 2(d), NH-1120-WE Line 10(d), NH-1040 Line 2(c), NH-1041 Line 2(c), or NH 1065 Line 2(c). The additions should equal amounts reported on the corresponding return.

Report all values as a positive number  
Round to the nearest whole dollar

1. Qualified Opportunity Zones	1	
2. CUR. YR. DEPREC. ON ASSETS W/ADD. 179/BONUS	2	-682,538
3. CUR. YR. DEPREC. ON ASSETS W/ADD. 179/BONUS	3	-171,838
4. CUR. YR. DEPREC. ON ASSETS W/ADD. 179/BONUS	4	-11,237
5.	5	
6.	6	
7. Total Additions	7	-865,613

**PART B - Deductions**

Detail any amounts included on Form NH-1120 Line 2(f), NH-1120-WE Line 10(f), NH-1040 Line 2(e), NH-1041 Line 2(e), or NH-1065 Line 2(e). The deductions should equal amounts reported on the corresponding return.

Report all values as a positive number  
Round to the nearest whole dollar

1. Global Intangible Low-Taxed Income (GILTI)	1	
2. Business Interest	2	
3. Research and Experimental Expense	3	
4. Like-Kind Exchanges	4	
5. Fringe Benefits	5	
6. CONTRIBUTION ADJUSTMENT	6	9,084
7.	7	
8. Total Deductions	8	9,084



**BUSINESS ENTERPRISE TAX RETURN**

Taxpayer Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification Number

For the CALENDAR year **2019**  
or other taxable period beginning:

MMDDYYYY  
**01012019**

MMDDYYYY  
and ending: **12312019**

You are required to file this return if the gross business receipts were greater than **\$217,000** or the enterprise value tax base is greater than **\$108,000**.

Check here if required to file Form BET-80

Round to the nearest whole dollar

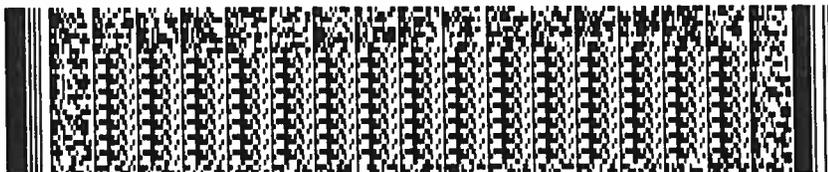
<b>Total Gross Business Receipts for this business organization</b>		<b>48659615</b>
1. Dividends Paid	1	279289
2. Compensation and Wages Paid or Accrued	2	9519480
3. Interest Paid or Accrued	3	11168109
4. Taxable Enterprise Value Tax Base (Sum of Lines 1, 2, and 3)	4	20966878
5. New Hampshire Business Enterprise Tax (BET) (Line 4 multiplied by .006) before credits	5	125801
6. Enter credits against BET. Use DP-160 to determine credit against BET	6	
7. Enter Tax Due (Line 5 minus 6). If negative, enter Zero. Report on BT-SUMMARY Line 1(a) <b>TAX DUE</b>	7	125801

**BET CREDIT WORKSHEET**

1. Business Profits Tax (BPT) from BPT Return, Line 18 NH-1120-WE, Line 10 all other forms. 1
2. Sum the amounts from Lines 3 through 8, Column B plus other credits applied from Form DP-160 part B, not to exceed the amount on Line 1. Include the result on the BPT return, Line 19(a) NH-1120-WE or Line 11(a) all other forms. If other credits are applied, include result on BPT return, Line 19(b) NH-1120-WE, Line 11(b) all other forms.

Use carry forward amounts in the following order for this taxable period

	A Available Credits	B Credit Applied to BPT	C Excess Credits
3. BET tax paid amount from Line 7 BET Return plus Line 4 of DP-160, Part A.	125801		125801
4. Carry over BET from fifth prior taxable period	137231		0
5. Carry over BET from fourth prior taxable period	142225		142225
6. Carry over BET from third prior taxable period	139684		139684
7. Carry over BET from second prior taxable period	141805		141805
8. Carry over BET from first prior taxable period	137941		137941





**BUSINESS ENTERPRISE TAX APPORTIONMENT FOR  
INDIVIDUAL NEXUS MEMBERS OF A COMBINED GROUP**

Business Enterprise Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification #

For the CALENDAR year **2019** MMDDYYYY MMDDYYYY  
or other taxable period beginning: **01012019** and ending: **12312019**

**SECTION I - APPORTIONMENT FACTORS**

See General Instructions

Round to the nearest whole dollar

Column A	Column B	Column C
Name	Name	Name
<b>PENNICHUCK COR</b>	<b>PENNICHUCK WAT</b>	<b>PENNICHUCK EAS</b>
FEIN	FEIN	FEIN

**Compensation and Wages Factor**

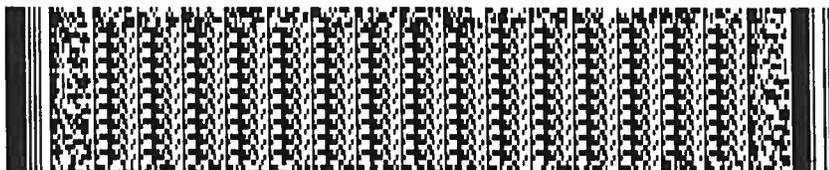
1 New Hampshire Compensation and Wages Paid or Accrued		9519482
2 Everywhere Compensation and Wages Paid or Accrued		10192588
3 COMPENSATION FACTOR (Line 1 divided by Line 2). Enter on Line 21 (express to six decimal places).		.933961

**Interest Factor**

4 Average of New Hampshire Property	3	230575961	33594253
5 Average of Everywhere Property	3	230575961	33594253
6 INTEREST FACTOR (Line 4 divided by Line 5). Enter on Line 26 (express to 6 decimal places).	1.000000	1.000000	1.000000

**Dividend Factor**

7 New Hampshire Sales		32280395	8819088
8 Everywhere Sales		32280395	8819088
9 Sales Factor (Line 7 divided by Line 8). Express to six decimal places.		1.000000	1.000000
10 Subtotal (Sum of Lines 3, 6 and 9)	1.000000	2.933961	2.000000
11 DIVIDEND FACTOR (Line 10 divided by number of "Everywhere" factors in subtotal). Enter on Line 15 (express to six decimal places).	1.000000	.977987	1.000000





**BUSINESS ENTERPRISE TAX APPORTIONMENT - continued**

Business Enterprise Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification #

For the CALENDAR year **2019** or other taxable period beginning: **01012019** and ending: **12312019**

**SECTION II - BUSINESS ENTERPRISE TAX BASE APPORTIONMENT**

See General Instructions

Round to the nearest whole dollar

Column A

Column B

Column C

**Dividend Apportionment**

FEIN

12	Dividends Paid	279289		
13	LESS: Dividend Deduction			
14	Subtotal (Line 12 minus Line 13)	279289		
15	Dividend Apportionment Factor (From Line 11)	1.000000		
16	Taxable Dividends (Line 14 multiplied by Line 15). If negative use a minus sign.	279289		
17	TOTAL TAXABLE DIVIDENDS (From Line 16). If negative enter zero.	279289		
17 (a)	Sum of Columns 17A, 17B, and 17C. Enter this amount on Form BET, Line 1: TOTAL 17(a)			279289

**Compensation and Wages Apportionment**

18	Everywhere Compensation and Wages Paid or Accrued		10192588	
19	LESS: Retained Compensation			
20	Subtotal (Line 18 minus Line 19)		10192588	
21	Compensation Apportionment Factor (From Line 3)		.933961	
22	Taxable Compensation (Line 20 multiplied by Line 21)		9519480	
23	LESS: Dividend Offset (See Instructions)			
24	TOTAL TAXABLE COMPENSATION (Line 22 minus Line 23)		9519480	
24 (a)	Enter Sum of Columns 24A, 24B and 24C. Enter this amount on Form BET, Line 2: TOTAL 24(a)			9519480

**Interest Apportionment**

25	Interest Paid or Accrued	6269262	4218273	680574
26	Interest Apportionment Factor (From Line 6)	1.000000	1.000000	1.000000
27	Taxable Interest (Line 25 multiplied by Line 26)	6269262	4218273	680574
28	LESS: Dividend Offset (See Instructions)			
29	TOTAL TAXABLE INTEREST (Line 27 minus Line 28)	6269262	4218273	680574
29 (a)	Sum of Columns 29A, 29B and 29C. Enter this amount on Form BET, Line 3: TOTAL 29(a)			11168109



**BUSINESS ENTERPRISE TAX APPORTIONMENT FOR  
INDIVIDUAL NEXUS MEMBERS OF A COMBINED GROUP**

Business Enterprise Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification #

For the CALENDAR year **2019**  
or other taxable period beginning:

MMDDYYYY

01012019

MMDDYYYY

and ending: 12312019

**SECTION I - APPORTIONMENT FACTORS**

See General Instructions

			Round to the nearest whole dollar		
	Column A		Column B		Column C
	Name		Name		Name
	PITTSFIELD AQU		PENNICHUCK WAT		
	FEIN		FEIN		FEIN

**Compensation and Wages Factor**

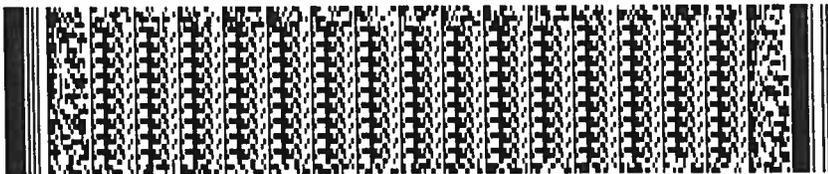
- 1 New Hampshire Compensation and Wages Paid or Accrued
- 2 Everywhere Compensation and Wages Paid or Accrued
- 3 COMPENSATION FACTOR (Line 1 divided by Line 2). Enter on Line 21 (express to six decimal places).

**Interest Factor**

- 4 Average of New Hampshire Property 15604
- 5 Average of Everywhere Property 15604
- 6 INTEREST FACTOR (Line 4 divided by Line 5). Enter on Line 26 (express to 6 decimal places). 1.000000

**Dividend Factor**

- 7 New Hampshire Sales 774537 1585290
- 8 Everywhere Sales 774537 2892867
- 9 Sales Factor (Line 7 divided by Line 8). Express to six decimal places. 1.000000 .548000
- 10 Subtotal (Sum of Lines 3, 6 and 9) 1.000000 1.548000
- 11 DIVIDEND FACTOR (Line 10 divided by number of "Everywhere" factors in subtotal). Enter on Line 15 (express to six decimal places). 1.000000 .774000





**BUSINESS ENTERPRISE TAX APPORTIONMENT - continued**

Business Enterprise Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification #

For the CALENDAR year **2019**  
or other taxable period beginning:

MMDDYYYY

**01012019**

MMDDYYYY

and ending: **12312019**

**SECTION II - BUSINESS ENTERPRISE TAX BASE APPORTIONMENT**

See General Instructions

Round to the nearest whole dollar

Column A

Column B

Column C

**Dividend Apportionment**

**FEIN**

12 Dividends Paid

13 LESS: Dividend Deduction

14 Subtotal (Line 12 minus Line 13)

15 Dividend Apportionment Factor (From Line 11)

16 Taxable Dividends (Line 14 multiplied by Line 15). If  
negative use a minus sign.

17 TOTAL TAXABLE DIVIDENDS (From Line 16). If  
negative enter zero.

17(a) Sum of Columns 17A, 17B, and 17C. Enter this amount on Form BET, Line 1: TOTAL 17(a)

**Compensation and Wages Apportionment**

18 Everywhere Compensation and Wages Paid  
or Accrued

19 LESS: Retained Compensation

20 Subtotal (Line 18 minus Line 19)

21 Compensation Apportionment Factor  
(From Line 3)

22 Taxable Compensation (Line 20 multiplied by Line 21)

23 LESS: Dividend Offset (See Instructions)

24 TOTAL TAXABLE COMPENSATION (Line 22  
minus Line 23)

24(a) Enter Sum of Columns 24A, 24B and 24C. Enter this amount on Form BET, Line 2: TOTAL 24(a)

**Interest Apportionment**

25 Interest Paid or Accrued

**4013**

26 Interest Apportionment Factor (From Line 6)

27 Taxable Interest (Line 25 multiplied by Line 26)

28 LESS: Dividend Offset (See Instructions)

29 TOTAL TAXABLE INTEREST (Line 27 minus Line 28)

29(a) Sum of Columns 29A, 29B and 29C. Enter this amount on Form BET, Line 3: TOTAL 29(a)



COMBINED BUSINESS PROFITS TAX RETURN

Principal Business Organization Name

PENNICHUCK CORPORATION AND SUBSIDIARIES

Taxpayer Identification Number

For the CALENDAR year **2019**  
or other taxable period beginning: **01012019**

MMDDYYYY  
and ending: **12312019**

Check the box to indicate how the principal New Hampshire business organization files its federal tax return

**1120**       **1120S**       **1065**       **1041**       **1040**

**USE FORM DP-87 TO  
REPORT IRS ADJUSTMENTS**

TAXABLE INCOME before Net Operating Loss Deduction and special deductions

Round to the nearest whole dollar

1	US Consolidated reported on Federal Form 1120, Line 28	1	-1800265
2	Less Overseas Business Organizations included in Line 1 above	2	
3	Less Non-Unitary Entities included in Line 1 above	3	
4	Add Consolidating Eliminations attributable to entities included in Line 2 or Line 3 above	4	
5	Add non-consolidated unitary members from Schedule I-A, Line 7	5	
6	Eliminate Inter-Company (income) expense (Report income as a negative amount and expenses as a positive amount)	6	
7	Subtotal (Line 1 minus Lines 2 and 3, plus Lines 4 through Line 6)	7	-1800265
8(a)	Less Income exempt under federal constitutional law	8(a)	
8(b)	Add Expenses related to constitutionally exempt income RSA 77-A:4, X	8(b)	
9	Subtotal (Line 7 adjusted by Lines 8(a) and 8(b))	9	-1800265
<b>10</b>	<b>INCREASE or DECREASE TO GROSS BUSINESS PROFITS TO RECONCILE TO IRC PURSUANT TO RSA 77-A:1 XX. Total adjustments must reflect all members of group. Complete a separate schedule for each member and combine on this page.</b>		
10(a)	Add amount of IRC §179 expense taken on federal return in excess of the amount permitted pursuant to RSA 77-A:3-b, IV, including carryover amounts deducted in this taxable period	10(a)	
10(b)	Add the amount of bonus depreciation taken on the federal return for assets placed in service this year pursuant to RSA 77-A:3-b, I	10(b)	
10(c)	Add the amount of Domestic Production Activities deduction taken on the federal return this taxable period (does not apply to 1120S) pursuant to RSA 77-A:3-b, II	10(c)	
10(d)	Add any other deductions taken on the federal return that need to be eliminated or adjusted pursuant to RSA 77-A:1, XX and 77-A:3-b, III <input checked="" type="checkbox"/> Check here and attach Schedule IV	10(d)	-865613
10(e)	Deduct regular depreciation related to IRC §179 and bonus depreciation not allowed for this taxable period or for prior taxable periods	10(e)	
10(f)	Deduct any other items included on the federal return that need to be eliminated or adjusted pursuant to RSA 77-A: 1, XX. <input checked="" type="checkbox"/> Check here and attach Schedule IV	10(f)	9084
10(g)	Increase or decrease the net gain or loss on the sale of assets used in the business which have a different State basis from the tax basis reported on the federal return	10(g)	-5015
10(h)	Net Lines 10(a) through 10(g) (If negative, use minus sign)	10(h)	-879712



COMBINED BUSINESS PROFITS TAX RETURN

Principal Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification Number

For the CALENDAR year **2019**  
or other taxable period beginning: **01012019**

MMDDYYYY

MMDDYYYY

and ending: **12312019**

Round to the nearest whole dollar

**11 COMBINED NET INCOME**

11(a) Line 9 adjusted by Line 10(h)	11(a)	-2679977
11(b) Separate entity items of income or expense not allowed for on this form (attach schedule)	11(b)	
11(c) Subtotal (Line 11(a) adjusted by Line 11(b)) (If negative, use minus sign) (See instructions on Net Operating Loss)	11(c)	-2679977
11(d) Deduct Foreign Dividends (must be the same amount as Schedule II, Line 6 and the total of Column B on Schedule III)	11(d)	0
11(e) New Hampshire Combined Net Income (Line 11(c) adjusted by Line 11(d)) (If negative, use minus sign)	11(e)	-2679977

**12 ADDITIONS AND DEDUCTIONS (RSA 77-A:4)**

12(a) Deduct interest and dividends subject to tax under RSA 77 (RSA 77-A:4, I)	12(a)	
12(b) Deduct interest on direct US Obligations not subject to tax under RSA 77 (RSA 77-A:4, II) net of expenses	12(b)	
12(c) Deduct compensation deduction for personal services (RSA 77-A:4, III) (Does not apply to business organization taxed federally as a corporation or trust)	12(c)	
12(d) Add income taxes or franchise taxes measured by income (attach schedule of taxes by state) (RSA 77-A:4, VII)	12(d)	
12(e) Add federal non-recognized IRC §337 Gain (RSA 77-A:4, VIII)	12(e)	
12(f) Deduct wage adjustment required by IRC §280C (RSA 77-A:4, IX)	12(f)	
12(g) Deduct foreign dividend gross-up (IRC §78) (RSA 77-A:4, XI)	12(g)	
12(h) Deduct research contribution (attach computation) (RSA 77-A:4, XII)	12(h)	
12(i) Deduct New Hampshire Net Operating Loss Deduction (NOLD) (attach Form DP-132-WE) (RSA 77-A:4, XIII)		
NOLD available	12(i) - A	19332227
Less NOLD used this tax period	12(i)	
NOLD to be carried forward	12(i) - B	19332227

12(j) Adjustments to gross business profits required due to the increase in the basis of assets resulting from the sale or exchange of an interest in the business organization (RSA 77-A:4, XIV)

Add the amount of the increase in the basis of assets federally, due to the sale or exchange of interest in the business organization 12(j) - A

Check yes if an election is being made to recognize the basis increase for any sale or exchange reported above

Yes Multiple Transactions Yes  
(schedule attached)

If not making an election, deduct the basis increase associated with the sale or exchange(s). If making an election, enter zero. If reporting multiple transactions, please attach a schedule reporting the details for each transaction 12(j) - B



COMBINED BUSINESS PROFITS TAX RETURN

Principal Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification Number

MMDDYYYY

MMDDYYYY

For the CALENDAR year **2019**

or other taxable period beginning: **01012019**

and ending: **12312019**

**NH-1120-WE continued**

Round to the nearest whole dollar

Add the amount of depreciation/amortization on the federal return attributable to an increase in the basis of assets not recognized for NH purposes

12(j) - C

Upon the sale of assets, adjust the net gain or loss attributable to an increase in the basis of assets that was not recognized for NH purposes

12(j) - D

Net Lines 12(j) - A through 12(j) - D

12(j)

12(k) Add Qualified Investment Company (QIC) holders' proportional share of QIC profits (RSA 77-A:4, XV)

12(k)

12(l) Deduct assistance payments under 12 USC §1823 (RSA 77-A:4, XVI)

12(l)

12(m) Net Lines 12(a) through 12(l)

12(m)

13 Adjusted Gross Business Profits (Line 11(e) adjusted by Line 12(m))

13

-2679977

14 New Hampshire Apportionment (Form DP-80, Line 5) (Express as a decimal to 6 places) Exempt under P.L. 86-272

14

.968890

15 New Hampshire Water's Edge Taxable Business Profits (Line 13 multiplied by Line 14)

15

-2596603

16 New Hampshire Foreign Dividends Taxable Business Profits (from Schedule II, Line 7)

16

0

17 New Hampshire Taxable Business Profits (Line 15 plus Line 16) (If negative, enter zero)

17

0

18 New Hampshire Business Profits Tax (Line 17 multiplied by 7.7%)

18

0

19 (a) BET Credit only - attach Form BET Credit Worksheet on BET Return

19(a)

0

**-OR-**

(b) Other credit including BET (attach Form DP-160)

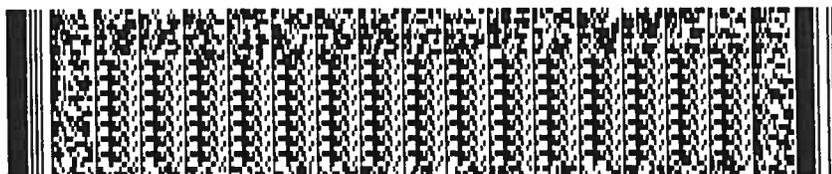
19(b)

20 New Hampshire Business Profits Tax Net of Statutory Credits (Line 18 minus Line 19(a) or 19(b), as applicable, cannot be less than zero) Report on BT-Summary, Line 1(b)

20

0

This return must be accompanied by complete and legible copies of the appropriate federal forms and schedules





**SCHEDULE I-A - SUMMARY OF COMBINED NET INCOME, NON-CONSOLIDATED MEMBERS**

Principal Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification Number

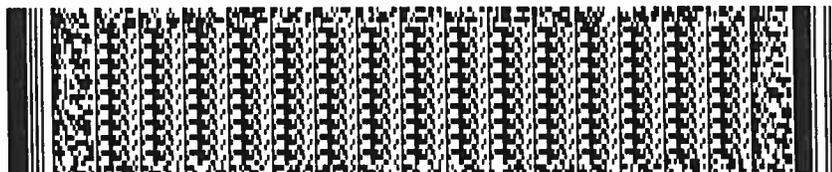
For the CALENDAR year **2019**  
or other taxable period beginning:

MMDDYYYY  
**01012019**

MMDDYYYY  
and ending: **12312019**

Round to the nearest whole dollar

- |   |   |   |
|---|---|---|
| 1 | Non-consolidated corporate members as reported on Federal Form 1120, Line 28                | 1 |
| 2 | Federal Form 1120S members from Form DP-120, Line 2   | 2 |
| 3 | Partnership members from Form DP-120-P, Line 2  | 3 |
| 4 | Proprietorship members from Form DP-121, Part One, Line 10                                  | 4 |
| 5 | Single Member Limited Liability Company (SMLLC) members from Form DP-121, Part One, Line 10 | 5 |
| 6 | Trust members from Form DP-121, Part Two, Line 10   | 6 |
| 7 | Total of Lines 1 through 6; report on Form NH-1120-WE, Page 1, Line 5                       | 7 |





This form should be completed if filing a NH-1120-WE or if New Hampshire apportionment is less than 100%

**BUSINESS PROFITS TAX RETURN ADDITIONAL INFORMATION**

Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification #

MMDDYYYY

MMDDYYYY

For the CALENDAR year **2019**  
or other taxable period beginning:

01012019

and ending: 12312019

**YOU ARE REQUIRED TO FILE A BUSINESS PROFITS TAX RETURN IF GROSS BUSINESS INCOME IS GREATER THAN \$50,000.**

If the business organization is a partnership the due date of the return is the **FIFTEENTH DAY OF THE THIRD MONTH FOLLOWING THE END OF THE TAXABLE PERIOD.** If the business organization is not a partnership the due date of the return is the **FIFTEENTH DAY OF THE FOURTH MONTH FOLLOWING THE END OF THE TAXABLE PERIOD.**

Principal Business Activity in New Hampshire

**HOLDING COMPANY**

Business locations in New Hampshire - location of factories, sales offices, warehouses, etc.

Check box and attach a list if more space is required

1983 Year first NH return filed

NH State of Incorporation

City, State and Country where records are located

City / Town

State

Country

**MERRIMACK**

NH

US

Business locations outside of New Hampshire

Check box and attach a list if more space is required

Answer Yes or No

City / Town

State

Registered to do business in state where located?

Files returns in state where located?

Apportion sales, payroll and/or property in state where located?

Type of Business

City / Town

State

Type of Business

City / Town

State

Type of Business



**BUSINESS PROFITS TAX RETURN ADDITIONAL INFORMATION - continued**

Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification #

For the CALENDAR year **2019**  
or other taxable period beginning: **01012019** and ending: **12312019**

Is the business organization filing its tax return on an IRS approved 52/53 week tax year? Yes  No  If yes, provide the date the period begins **MMDDYYYY** and ends **MMDDYYYY**

Is this business organization affiliated with any other business organization that files business tax returns with this Department? Yes  No   
Identify affiliated business organization by name and FEIN Check box and attach a list if more space is required **FEIN**

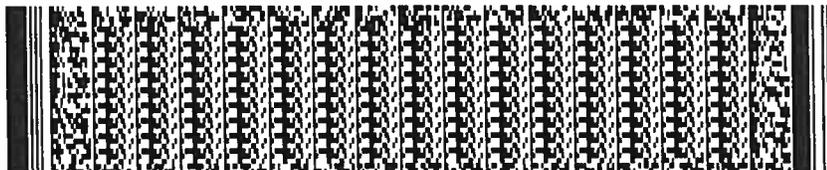
Does the business organization file as part of a unitary group in any other jurisdiction? Yes  No

Is the business organization registered with the NH Secretary of State? Yes  No  If YES, provide Business ID If YES, provide YEAR registered **1983**

In which state is the business organization domiciled?: **NH**

Did the business organization have a change in income due to a final adjustment determined by a court, the Internal Revenue Service, or another state's taxing authority since its most recent filing of a NH BPT return (prior to this return)? Yes  No

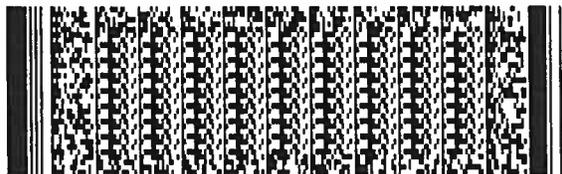
If yes, provide full details. Use additional sheet(s) if necessary.





**BUSINESS PROFITS TAX AFFILIATION SCHEDULE**

This schedule must be completed in its entirety as part of the NH-1120-WE. This schedule identifies the principal New Hampshire business organization, as defined in NH Code of Admin. Rules, Rev 301.24, other members of the Water's Edge Combined Group, as defined in RSA 77-A:1, XV and those affiliates excluded from the group as non-unitary or qualified Overseas Business Organizations, as defined by RSA 77-A:1, XIX.



**A** Principal New Hampshire Business Organization

**PENNICHUCK CORPORATION**

Taxpayer Identification #

For the CALENDAR year **2019**  
or other taxable period beginning:

MMDDYYYY

01012019

MMDDYYYY

and ending: 12312019

Number & Street Address

25 MANCHESTER STREET P.O. BOX 1947

Address (continued)

City / Town

MERRIMACK

State

NH

ZIP Code + 4 (or Canadian Postal Code)

03054-1947

**B** New Hampshire  
Business Activity

**HOLDING COMPANY**

**C** Other members included in the Water's Edge Combined Group. Indicate with an **X** those members who have nexus with New Hampshire.  
Attach additional sheets, if necessary.

Name of Business Organization	Tax Period Ending	FEIN	X
PENNICHUCK WATER WORKS	12312019	020383447	X
PENNICHUCK EAST UTILITY, INC.	12312019	020497296	X
PITTSFIELD AQUEDUCT COMPANY, INC.	12312019	020179120	X
PENNICHUCK WATER SERVICE CORPORATION	12312019	020479641	X
THE SOUTHWOOD CORPORATION	12312019	020383448	X

**D**

Parent Company of this Combined Group

**PENNICHUCK WATER SERVICE CORPORATION**

FEIN

020479641

X

X



**BUSINESS PROFITS TAX AFFILIATION SCHEDULE - Continued**

**E** Name and Federal Employer Identification Numbers (FEIN) of the domestic affiliated business organizations who are excluded from the New Hampshire Water's Edge Combined Group as non-unitary members. Indicate with an **X** those members who have nexus in New Hampshire.

Name of Business Organization. Attach additional sheets, if necessary. FEIN X

**F** Name, location, and FEIN, if applicable, of the affiliates excluded from the group as qualified Overseas Business Organizations, as defined by RSA 77-A:1, XIX. Indicate with an **X** those members who have nexus in New Hampshire.

Name & Location of Business Organization. Attach additional sheets, if necessary. FEIN X

**G**  
Taxpayer Contact

Contact Title

CEO

Phone Number

6039132312



**BUSINESS PROFITS TAX RETURN - BUSINESS PROFITS TAX APPORTIONMENT**

Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification Number

MMDDYYYY

MMDDYYYY

For the CALENDAR year **2019**  
or other taxable period beginning:

01012019

and ending: 12312019

	1(a) Everywhere (Denominator)	1(b) New Hampshire (Numerator)	1(c) Sales/Receipts Factor
1 SALES/RECEIPTS FACTOR	44778920	43471343	
	1(c) Divide 1(b) by 1(a) and multiply by 2 (Express as a decimal to 6 places)		1.941599
	2(a) Everywhere (Denominator)	2(b) New Hampshire (Numerator)	2(c) Payroll Factor
2 PAYROLL FACTOR	10192588	9519482	
	2(c) Divide 2(b) by 2(a) (Express as a decimal to 6 places)		.933961
	3(a) Everywhere (Denominator)		3(b) New Hampshire (Numerator)
3 PROPERTY FACTOR	Beginning of Period	End of Period	Beginning of Period End of Period
Inventory	610852	650735	Inventory 610852 650735
Buildings	0	0	Buildings 0 0
Furniture & Fixtures	0	0	Furniture & Fixtures 0 0
Leasehold Improvements	0	0	Leasehold Improvements 0 0
Land	3285245	2147958	Land 3285245 2147958
Other Tangible Assets	287151337	234525514	Other Tangible Assets 287151337 234525514
Subtotal	291047434	237324207	Subtotal 291047434 237324207
Average of Subtotals		264185821	Average of Subtotals 264185821
Rented Property (annual rate x 8)		0	Rented Property (annual rate x 8) 0
Total Everywhere Property		264185821	Total New Hampshire Property 264185821
	3(c) Divide 3(b) total by 3(a) total (Express as a decimal to 6 places)		1.000000
4 TOTAL OF LINES 1(c), 2(c) and 3(c)			4 3.875560
5 NEW HAMPSHIRE APPORTIONMENT: Line 4 divided by 4 and expressed as a decimal to 6 places. If there are only one or two factors with an "Everywhere" denominator, see instructions.			5 .968890





**NET OPERATING LOSS (NOL) DEDUCTION FOR COMBINED GROUPS**

See Form DP-132 for instructions

Principal New Hampshire Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIES**

Taxpayer Identification Number

MMDDYYYY

MMDDYYYY

For the CALENDAR year **2019**  
or other taxable period beginning:

01012019

and ending: 12312019

Nexus Member Name

Federal Employer ID Number, Social Security  
Number or Department ID Number

**PENNICHUCK CORPORATION**

	Column A	Column B	Column C	Column D	Column E
	Ending date of tax year in which NOL occurred as calculated, per applicable statute and administrative rule	NOL amount available for carryforward. See instructions for limitations from DP-131-A	Amount of NOL carry forward which has been used in taxable periods prior to this taxable period	Amount of NOL to be used as a deduction in this taxable period	Amount of NOL to carry forward to future taxable periods
1	12312012	1000000	814910		185090
2	12312013	910151			910151
3	12312014	2998118			2998118
4	12312015	4314614			4314614
5	12312016	2700303			2700303
6	12312017	6914799			6914799
7					
8					
9					
10					
11		18837985	814910		18023075

Line 11 - Total Columns B, C, D, & E (Sum Lines 1 - 10 in each respective column).

The amount of NOL carryforward deducted this taxable period is Column D, Line 11. If you have more than one Form DP-132-WE total all Line 11 D amounts to calculate your NOL carryforward deduction.

This is the amount to be reported on the applicable Business Profits Tax return. This amount cannot reduce New Hampshire Adjusted Gross Business Profits below zero. Use additional Forms DP-132-WE if you have NOL carryforward deduction(s) for more than one entity.

**NOTE:** Column B less Column C should equal the sum of Column D plus Column E.





**NET OPERATING LOSS (NOL) DEDUCTION FOR COMBINED GROUPS**

See Form DP-132 for instructions

Principal New Hampshire Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIE**

Taxpayer Identification Number

MMDDYYYY

MMDDYYYY

For the CALENDAR year **2019**  
or other taxable period beginning:

01012019

and ending: 12312019

Nexus Member Name

Federal Employer ID Number, Social Security  
Number or Department ID Number

**PENNICHUCK WATER WORKS**

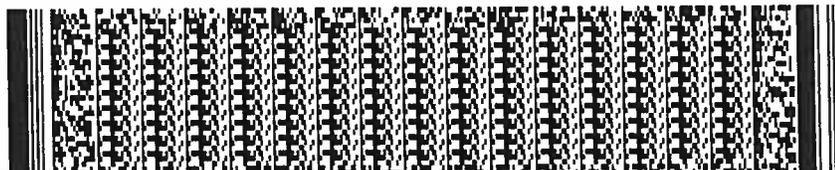
	<b>Column A</b> Ending date of tax year in which NOL occurred as calculated, per applicable statute and administrative rule	<b>Column B</b> NOL amount available for carryforward. See instructions for limitations from DP-131-A	<b>Column C</b> Amount of NOL carry forward which has been used in taxable periods prior to this taxable period	<b>Column D</b> Amount of NOL to be used as a deduction in this taxable period	<b>Column E</b> Amount of NOL to carry forward to future taxable periods
1	12312012	1000000			1000000
2					
3					
4					
5					
6					
7					
8					
9					
10					
11		1000000			1000000

Line 11 - Total Columns B, C, D, & E (Sum Lines 1 - 10 in each respective column).

The amount of NOL carryforward deducted this taxable period is Column D, Line 11. If you have more than one Form DP-132-WE total all Line 11 D amounts to calculate your NOL carryforward deduction.

This is the amount to be reported on the applicable Business Profits Tax return. This amount cannot reduce New Hampshire Adjusted Gross Business Profits below zero. Use additional Forms DP-132-WE if you have NOL carryforward deduction(s) for more than one entity.

**NOTE:** Column B less Column C should equal the sum of Column D plus Column E.





**NET OPERATING LOSS (NOL) DEDUCTION FOR COMBINED GROUPS**

See Form DP-132 for instructions

Principal New Hampshire Business Organization Name

**PENNICHUCK CORPORATION AND SUBSIDIARIE**

Taxpayer Identification Number

For the CALENDAR year **2019**  
or other taxable period beginning:

MMDDYYYY

01012019

MMDDYYYY

and ending: 12312019

Nexus Member Name

**PENNICHUCK EAST UTILITY, INC.**

Federal Employer ID Number, Social Security  
Number or Department ID Number

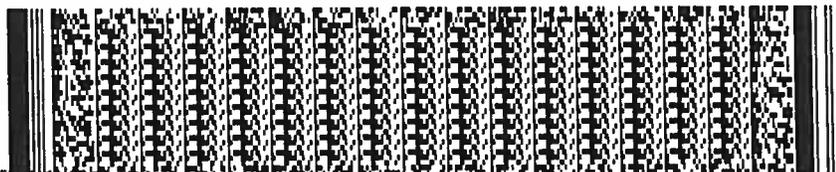
	<b>Column A</b> Ending date of tax year in which NOL occurred as calculated, per applicable statute and administrative rule	<b>Column B</b> NOL amount available for carryforward. See instructions for limitations from DP-131-A	<b>Column C</b> Amount of NOL carry forward which has been used in taxable periods prior to this taxable period	<b>Column D</b> Amount of NOL to be used as a deduction in this taxable period	<b>Column E</b> Amount of NOL to carry forward to future taxable periods
1	12312012	309152			309152
2					
3					
4					
5					
6					
7					
8					
9					
10					
11		309152			309152

Line 11 - Total Columns B, C, D, & E (Sum Lines 1 - 10 in each respective column).

The amount of NOL carryforward deducted this taxable period is Column D, Line 11. If you have more than one Form DP-132-WE total all Line 11 D amounts to calculate your NOL carryforward deduction.

This is the amount to be reported on the applicable Business Profits Tax return. This amount cannot reduce New Hampshire Adjusted Gross Business Profits below zero. Use additional Forms DP-132-WE if you have NOL carryforward deduction(s) for more than one entity.

**NOTE:** Column B less Column C should equal the sum of Column D plus Column E.



COMBINED BUSINESS PROFITS TAX APPORTIONMENT SCHEDULE

	COMBINED AMOUNTS	PENNICHUCK CORPORATION	PENNICHUCK WATER WORKS	PENNICHUCK EAST UTILITY, INC.	PITTSFIELD AQUEDUCT COMPANY, INC.	PENNICHUCK WATER SERVICE CORPORATION	THE SOUTHWOOD CORPORATION
<b>Sales Factor</b>							
Sales Everywhere	44778920.		32280395.	8819088.	774537.	2892867.	12033.
New Hampshire Sales	43471343.		32280395.	8819088.	774537.	1585290.	12033.
<b>Payroll Factor</b>							
Payroll Everywhere	10192588.		10192588.				
New Hampshire Payroll	9519482.		9519482.				
<b>Property Factor</b>							
Total property everywhere - Beginning	610852.	1.	600610.	0.		10241.	
Inventories							
Buildings							
Furniture & Fixtures							
Leasehold Improvements	3285245.	1.	2178106.	1107138.		0.	
Land	287151337.	1.	221064605.	66081368.		5363.	
Other Tangible Assets	291047434.	3.	223843321.	67188506.		15604.	
Total Everywhere - Beginning							
Total property everywhere - Ending	650735.	1.	640493.			10241.	
Inventories							
Buildings							
Furniture & Fixtures							
Leasehold Improvements	2147958.	1.	2147957.			0.	
Land	234525514.	1.	234520150.			5363.	
Other Tangible Assets	237324207.	3.	237308600.			15604.	
Total Everywhere - Ending							
Rented Property - Everywhere							
New Hampshire property - Beginning	610852.	1.	600610.	0.		10241.	
Inventories							
Buildings							
Furniture & Fixtures							
Leasehold Improvements	3285245.	1.	2178106.	1107138.		0.	
Land	287151337.	1.	221064605.	66081368.		5363.	
Other Tangible Assets	291047434.	3.	223843321.	67188506.		15604.	
Total New Hampshire property - Beginning							
New Hampshire property - Ending	650735.	1.	640493.			10241.	
Inventories							
Buildings							
Furniture & Fixtures							
Leasehold Improvements	2147958.	1.	2147957.			0.	
Land	234525514.	1.	234520150.			5363.	
Other Tangible Assets	237324207.	3.	237308600.			15604.	
Total New Hampshire property - Ending							
Rented Property - New Hampshire							

COMBINED RECONCILIATION OF GROSS BUSINESS PROFITS, NH-1120-WE

	COMBINED AMOUNTS	PENNICHUCK CORPORATION	PENNICHUCK WATER WORKS	PENNICHUCK EAST UTILITY, INC.	PITTSFIELD AQUEDUCT COMPANY, INC.	PENNICHUCK WATER SERVICE CORPORATION	THE SOUTHWOOD CORPORATION
<b>10 Gross Business Profits</b>							
<b>Additions</b>							
(a) IRC section 179 expense taken on federal return	0.	0.	0.	0.	0.	0.	0.
(b) Bonus depreciation	0.	0.	0.	0.	0.	0.	0.
(c) Domestic production activities deduction	0.	0.	0.	0.	0.	0.	0.
(d) Other amounts	-865613.		-682538.	-171838.	-11237.	0.	0.
<b>Deductions</b>							
(e) Depreciation related to items added back under 2(a) and 2 (b)	0.	0.	0.	0.	0.	0.	0.
(f) Other deductions	9084.		0.	0.	0.	9084.	0.
<b>Adjustment on sale of assets</b>							
(g) Net income (loss)	-5015.	0.	7022.	-12037.	0.	0.	0.

COMBINED BUSINESS ENTERPRISE TAX CREDIT SCHEDULE

CREDIT

	COMBINED AMOUNTS	PENNICHUCK CORPORATION	PENNICHUCK WATER WORKS	PENNICHUCK EAST UTILITY, INC.	PITTSFIELD AQUEDUCT COMPANY, INC.	PENNICHUCK WATER SERVICE CORPORATION	THE SOUTHWOOD CORPORATION
1. Business Profits Tax from BPT Return, NH-1120-WE, Line 18	0.						
2. Sum the amounts from Lines 3b through 8b, Column B plus other credits applied from Form DP-160	0.	0.	0.	0.	0.	0.	0.
3. BET tax paid amount from Line 7 BET Return	125801.	39291.	82427.	4083.			
(a) Apply credit	0.						
(b) Sum of credit to BPT	125801.	39291.	82427.	4083.			
(c) Excess credits							
4. Carry over BET from fifth prior tax period	137231.	137231.					
(a) Apply credit	0.						
(b) Sum of credit to BPT	137231.	137231.					
(c) Excess credits							
5. Carry over BET from fourth prior tax period	142225.	142225.					
(a) Apply credit	0.						
(b) Sum of credit to BPT	142225.	142225.					
(c) Excess credits							
6. Carry over BET from third prior tax period	139684.	139684.					
(a) Apply credit	0.						
(b) Sum of credit to BPT	139684.	139684.					
(c) Excess credits							
7. Carry over BET from second prior tax period	141805.	141805.					
(a) Apply credit	0.						
(b) Sum of credit to BPT	141805.	141805.					
(c) Excess credits							
8. Carry over BET from first tax period	137941.	137941.					
(a) Apply credit	0.						
(b) Sum of credit to BPT	137941.	137941.					
(c) Excess credits							

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 1

Date Request Received: 3/11/21  
Request No. Staff 1-35

Date of Response: 03/25/21  
Witness: Donald L. Ware

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**REQUEST: Re: Schedule 1B (Page 252) – Non-Union Payroll Summary:**

- a) Please provide detailed documentation in support of the Non-Union Salary and Wage amounts for 2019 totaling \$5,008,498
- b) Please reconcile the amounts provided in (a) to Pennichuck Water Works' 2019 Annual Report, Schedule F-58 (Page 83) posted on the Commission's website.
- c) Please provide detailed documentation in support of the Annualized 2020 Non-Union Salaries totaling \$4,919,850.

**RESPONSE:**

- a) The \$5,008,498 was run via a report from the Company's payroll software. The report that was run was different than the report run for the 2019 annual report. This report was rerun, using the criteria used for the 2019 NHPUC report. The Non-Union Salary and Wage amount tab of the 1604.06 report has been revised to the results of this report and tie out to the annual report. The biggest difference between the 1604.06 Non-Union Salary and Wage amount tab and the 2019 annual report is the removal of the Pennichuck Water Service Company Labor Engineering capitalized labor, Information capitalized labor, one time severance and short-term disability pay, which are part of the 2019 PUC salary report but not part of the salary that would be supported by PEU.
- b) See the reconciliation of the attached spreadsheet prepared in response to this data requests. (Attachment Staff 1-35)
- c) The Annualized 2020 Non-Union salary projection of Non-Union Salaries of \$4,919,850 has been replaced with actual salaries paid, less adjustments for Pennichuck Water Service Company Labor Engineering capitalized labor, Information capitalized labor, one-time severance and short-term disability pay.

**Pennichuck Water Works, Inc.**  
**Non Union Payroll Summary**  
**PRO FORMA Adjustments**  
**For the Twelve Months Ended December 31, 2019**

**Schedule 1B**

Revised per Staff DR 1-38  
3/4/2020

	<b>Twelve Months Ending 12/31/19<sup>(1)</sup></b>	<b>Actual Adjusted 2020 Non Union Salaries<sup>2</sup></b>	<b>Total Proformed Twelve Months 12/31/19</b>
Production Non Union Salaries	\$ 820,706	\$ 736,816	\$ (83,889)
Distribution Non Union Salaries	\$ 454,774	502,099	\$ 47,325
Engineering Salaries	\$ 518,433	673,975	\$ 155,542
Admin & General Salaries	<u>\$ 3,131,684</u>	3,055,282	<u>\$ (76,403)</u>
Total Non Union Salaries	4,925,597	4,968,172	42,575

**Notes:**

- (1) 12/31/2019 Payroll tied to 2019 NHPUC report less adjustments per "Reconciliation of PR" tab
- (2) Actual 12/31/2020 Payroll less adjustments per "Reconciliation of PR" tab.

**Pennichuck Water Works, Inc.**  
**Non Union Payroll Summary**  
**PRO FORMA Adjustments**  
**For the Twelve Months Ended December 31, 2019**

	<b>2019 NHPUC report</b>	<b>Adjustments<sup>1</sup></b>	<b>Twelve Months Ending 12/31/2019 reconciled to 2019 NHPUC Report</b>
Production Non Union Salaries	\$ 820,706	\$ -	\$ 820,706
Distribution Non Union Salaries	\$ 454,774	\$ -	\$ 454,774
Engineering Salaries	\$ 1,207,889	\$ 689,456	\$ 518,433
Admin & General Salaries	\$ 3,135,716	\$ 4,032	\$ 3,131,684
Total Non Union Salaries	\$ 5,619,085	\$ 693,488	\$ 4,925,597

Notes:

1. Eng Capital Labor	\$ 689,456
IS Capital Labor	\$ 4,032
2. Gen & Admin Severance & STD	\$ 35,561
IS Capital Labor	\$ 85,014
Engineering Capital Labor	\$ 733,904
PWSC Salaries	\$ 167,552
Production labor retirement	\$ 98,771

<b>12/31/2020 Year End Payroll</b>	<b>Adjustments<sup>2</sup></b>	<b>12/31/2020 Year End payroll after adjustments</b>
\$ 835,587	\$ 98,771	\$ 736,816
\$ 502,099	-	\$ 502,099
\$ 1,407,879	\$ 733,904	\$ 673,975
\$ 3,343,409	\$ 288,127	\$ 3,055,282
\$ 6,088,974	\$ 1,120,802	\$ 4,968,172

**F-58 DISTRIBUTION OF SALARIES AND WAGES**

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing account to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged to Clearing Accounts (c)	Total (d)
1	<b>Operation</b>			
2	Source of Supply	\$ 250,492		
3	Pumping	\$ 704,090		
4	Water Treatment	\$ 673,555		
5	Transmission and Distribution	\$ 953,864		
6	Customer Accounts	\$ 212,297		
7	Sales			
8	Administration and General	\$ 820,706		
9	Total Operation	\$ 3,615,002	\$ -	\$ -
10	<b>Maintenance</b>			
11	Source of Supply	\$ 263,158		
12	Pumping	\$ 178,805		
13	Water Treatment	\$ 62,017		
14	Transmission and Distribution	\$ 795,593		
15	Administrative and General	\$ 454,774		
16	Total Maintenance	\$ 1,754,346	\$ -	\$ -
17	<b>Total Operation and Maintenance</b>			
18	Source of supply (Lines 2 and 11)	\$ 513,650		-
19	Pumping (Lines 3 and 12)	\$ 882,895	-	-
20	Water Treatment Lines 4 and 13)	\$ 735,571	-	-
21	Transmission and Distribution (Lines 5 & 14)	\$ 1,749,456	-	-
22	Customer Accounts (Line 6)	\$ 212,297	-	-
23	Sales (Line 7)	\$ -	-	-
24	Administrative and General (Lines 8 and 15)	\$ 1,275,480	-	-
25	Total Operation and Maintenance (Lines 18-24)	\$ 5,369,348	\$ -	\$ -
26	<b>Utility Plant</b>			
27	<b>Construction (by utility departments)</b>	\$ 189,066		
28	<b>Plant Removal (by utility departments)</b>			
29	<b>Other Accounts (Specify)</b>			
30	Officers	\$ 644,727		
31	Accounting	\$ 724,045		
32	Customer Service (includes Admin)	\$ 1,279,550		
33	Data Processing	\$ 487,394		
34	Engineering	\$ 1,207,889		
35	Jobbing	\$ -		
36	Other	\$ -		
37	Total Other Accounts	\$ 4,343,605	\$ -	\$ -
38	Total Salaries and Wages	\$ 9,902,019	\$ -	\$ -

2019 Workorder Costs													
Source: 2019 Mgt Fee	Production		Distribution		Jobbing			Jobbing			Jobbing		Total
	PWW Capital	070 WTP Maintenance	080 OPS Maintenance	Fleet	PWW Jobbing	PWS Maintenance	PWS Jobbing	PAC Capital	PAC Maintenance	PEU Capital	PEU 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	66.8%
PEU										67,151	403,109	470,260	17.9%
PAC								3,291	35,492			38,783	1.5%
PWS						210,632	152,004					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	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)			5,619,085.00							
Totals						9,902,019.28							
Totals		189,066	4,093,869	4,282,934									

Department	Wages	STD	Severance	Wkrs Comp	
					-
Production Non Union Salaries	835,587				835,587
Distribution Non Union Salaries	502,099				502,099
Engineering Salaries	1,407,879				1,407,879
Admin & General Salaries	3,307,847	15,174	20,388		3,343,409
Total Non Union Salaries	<u>6,053,412</u>	<u>15,174</u>	<u>20,388</u>	<u>-</u>	<u>6,088,974</u>
Union					
Production	1,727,968	19,010			1,746,978
Distribution	2,339,145	58,843	5,398	5,413	2,408,799
Total Union	<u>4,067,112</u>	<u>77,854</u>	<u>5,398</u>	<u>5,413</u>	<u>4,155,777</u>
Total Salaries	<u><b>10,120,525</b></u>	<u><b>93,027</b></u>	<u><b>25,785</b></u>	<u><b>5,413</b></u>	<u><b>10,244,751</b></u>
Total per Master Control variance					10,244,752 (1)

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 1

Date Request Received: 3/11/21  
Request No. Staff 1-40

Date of Response: 03/25/21  
Witness: Donald L. Ware

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**REQUEST: Re: Schedule 5 (Page 280) and NHPUC Final Audit Report dated 1/19/21, Page 23 regarding 427300-6100-001 Interest Expense: Bonds & Notes - \$3,265:** The NHPUC Staff Audit report appears to indicate that the interest rate of the ‘SRF Catamount Road’ loan is 1.96% rather than 3.168% as indicated on Schedule 5 (Page 280). Please confirm.

**RESPONSE:**

The correct interest rate for the SRF Catamount Road loan is 1.96%. The attached revised 1604.08 Schedule 5 (Attachment Staff 1-40) has been corrected to reflect the correct interest rate.

**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> <u>12/31/19</u>	<u>Proforma</u>	<u>Proforma Amount</u> <u>12/31/19</u>	<u>Proforma</u> <u>Component Ratio</u>	<u>Component</u> <u>Cost Rate</u> <u>12/31/2019</u>	<u>Proforma</u> <u>Component Cost</u> <u>Rate</u>	<u>Proforma</u> <u>Average Cost</u> <u>Rate</u>
Long-term Debt (3)	1,312,186 (3)	-	1,312,186	64.58%	3.10%	3.10%	2.00%
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>\$ 3,095,167</b>		<b>\$ 2,031,926</b>	<b>100.00%</b>			<b>3.71%</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 methodolog 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 Adjustments</u>	<u>Pro Forma Test Year</u>	<u>Component 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 1/25/1	826,112
Paid in Capital as of 1/25/12	237,129
	<u>1,063,241</u>

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

**Schedule 3**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</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**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</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  
Weighted Average Cost of Long-Term Debt  
For the Twelve Months Ended December 31, 2019  
Revised per Staff DR1's  
3/17/2021

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			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
												Principal and Interest	Principal	Interest						
SRF Catamount Road	30	04/30/48	1.960%	164,458		3,223	673	3,897	2.37%	\$ 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		
<b>TOTAL</b>				<b>1,312,186</b>	<b>-</b>	<b>39,951</b>	<b>748</b>	<b>40,699</b>	<b>3.10%</b>	<b>\$ 26,554</b>	<b>\$ 41,238</b>	<b>\$ 67,791</b>	<b>\$ 113</b>	<b>\$ (77)</b>	<b>\$ 67,828</b>	<b>\$ 26,667</b>	<b>\$ 41,161</b>	<b>\$ 67,828</b>		

Notes:

(1) Intercompany debt approved 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 PROM NOTE 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**

<u>Security</u>	<u>Term</u>	<u>Maturity</u>	<u>Rate</u>	<u>Outstanding Balance</u>	<u>Annual Dividends</u>	<u>Annual Amortization</u>	<u>All In Annual Cost</u>	<u>Effective Rate</u>
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**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%
April 2020				1.2700%
May 2020				1.3800%
Jun 2020				1.4900%
Jul 2020				1.3100%
30 year Treasury bonds				1.8458%
Average Plus				3.0000%
Cost of Equity				4.8458%

**Pittsfield Aqueduct Company  
Report of Proposed Rate Changes  
For the Twelve Months Ended December 31, 2019**

**Pro Forma  
Schedule 9  
Permanent**

DOCKET NO: \_\_\_\_\_ DATE FILED: \_\_\_\_\_  
TARIFF NO.: 1 or PAGE NOS. 38, 40, 42-43,45,48 EFF. DATE: \_\_\_\_\_

Rate or Class of Service	Effect of Proposed Change	Average Number of Customers	Pro Forma Rates to five Year Ave.	Proposed Perm Rates	Proposed Change	
					Amount	% Increase
G-M <sup>2</sup>	Increase	630	571,273	635,149	\$63,876	11.18%
Private FP <sup>3</sup>	Increase	12	29,067	32,317	\$3,250	11.18%
FP - Hydrants	Increase	1	175,804	195,461	\$19,657	11.18%
<b>TOTALS</b>		<b>643</b>	<b>776,144</b>	<b>862,927</b>	<b>\$86,783</b>	

Signed by: \_\_\_\_\_

<sup>3</sup> Includes Private Fire Services and Private Hydrants - count is number of accounts

**Donald L. Ware**

Title: **Chief Operating Officer**

**Pittsfield Aqueduct Company  
Bingo Sheet Perm  
For the Twelve Months Ended December 31, 2019**

UTILITY: Pittsfield Aqueduct Company DATE FILED: \_\_\_\_\_  
 TARIFF NO.: 5 or PAGE NOS. 39-40 EFF. DATE: \_\_\_\_\_

Rate or Class of Service	Effect of Proposed Change	Average Number of Customers	Estimated Annual Revenue	Proposed Change		
			Pro Forma Rate to TY Five Year Ave (1)	Proposed Rates	\$\$ Amunt Increase over TY Current Rates 5 Yr. Ave. Pro Forma	% Increase
G-M <sup>2</sup>	Increase	630	571,273	635,149	63,876	11.18%
Private FP <sup>3</sup>	Increase	12	29,067	32,317	3,250	11.18%
FP - Hydrants	Increase	1	175,804	195,461	19,657	11.18%
<b>TOTALS</b>		<b>643</b>	<b>776,144</b>	<b>862,927</b>	<b>86,783</b>	

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 2

Date Request Received: 4/8/21  
Request No. Staff 2-12

Date of Response: 04/22/21  
Witness: Donald L. Ware

---

**REQUEST: Re: Response to Staff 1-25:**

- a) Schedule 1, Attachment E (Attachment Staff 1-28a, Page 12), Adjustment IA indicates that the Company's 2019 Insurance Expense was \$10,654. However, Attachment Staff 1-25a, Page 1 appears to indicate that the Company's allocated 2019 Insurance Expense was \$10,579, a difference of \$75. Please reconcile and explain.
- b) Schedule 1, Attachment E (Attachment Staff 1-28a, Page 12), Adjustment IA indicates that the Company's 2020 Insurance Expense was \$11,196. However, Attachment Staff 1-25b appears to indicate that the Company's allocated 2020 Insurance Expense was \$9,844, a difference of \$1,352. Please reconcile and explain.

**RESPONSE:**

- a) Schedule 1 Attach E of the attached revised 1604.06 schedules has been changed to reflect \$10,579 for 2019 insurance expenses between Staff DR1-25a. See Attachment Staff 2-12. The \$10,654 in the original schedule was from PAC's unaudited 2019 financials.
- b) Schedule 1 Attach E of the attached revised 1604.06 schedules has been changed to reflect \$9,844 for 2020 insurance expenses between Staff DR1-25a. See Attachment Staff 2-12. The \$11,196 in the original schedule was an estimate of PAC's share of the Corporate insurance expense at the time of the rate filing in November of 2020.

**Pittsfield Aqueduct Company**  
**Pro Forma Adjustment Income or Expense**  
**Administrative and General Expense**  
**For the Twelve Months Ended December 31, 2019**  
**Revised Per Staff DR 2-12**

**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	\$ 10,579
2020 Insurance Expense	<u>\$ 9,844</u>
	<u>\$ (735)</u>

**Therefore:** **\$ (735)**

**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>\$ 3,088</u>
<b>Therefore:</b>	<u>\$ 103</u>

**\$ 103**

**TOTAL ADMINISTRATIVE & GENERAL EXPENSE PRO FORMA:** **\$ (632)**

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 2

Date Request Received: 4/8/21  
Request No. Staff 2-13

Date of Response: 04/22/21  
Witness: Donald L. Ware

---

**REQUEST: Re: Response to Staff 1-26:** The Company's response confirms a 51.25% non-union benefits percentage relative to Schedule 1, Attachment F (Attachment Staff 1-28a, Page 13), Adjustment IA. However, Attachment Staff 1-23 appears to indicate a calculated non-union benefits percentage of 52.86%. Please explain.

**RESPONSE:**

The 51.25% direct overhead on non-union salaries was the percentage used during 2019 and was based on year end 2018 data. The 52.86% detailed on Attachment Staff 1-23 reflected the 2020 direct overhead on non-union salaries of 52.86% and is based upon year end 2019. Schedule 1, Attachment F has been revised on the revised 1604.06 schedules (Attachment Staff 2-12) to reflect the 52.86% Direct Overhead.

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 2

Date Request Received: 4/8/21  
Request No. Staff 2-15

Date of Response: 04/22/21  
Witness: Donald L. Ware

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**REQUEST: Re: Schedule 1, Attachment E, Adjustment IIA (Attachment Staff 1-28a, Page 12):** It appears that the NHPUC Assessment for Fiscal Year 2021 (7/1/20 – 6/30/21) is \$3,088. Would the Company be amenable to using that assessment as its pro forma Regulatory Commission Expense? Please explain.

**RESPONSE:**

Yes. Since the NHPUC assessment was known and measurable within 12 months of the end of the test year the Company has changed the NHPUC Assessment on Schedule 1, Attach E, Adjust IIA on the revised 1604.06 schedules (Attachment Staff 2-12).

**Pittsfield Aqueduct Company, Inc.**

**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 2

Date Request Received: 4/8/21  
Request No. Staff 2-17

Date of Response: 04/22/21  
Witness: Donald L. Ware

---

**REQUEST: Re: Response to Staff 1-30:**

- a) Please provide a detailed “walk through” explanation with regard to the purpose, basis, and support for pro forma entry ID found on Schedule 1, Attachment F (Attachment Staff 1-28a, Page 13).
- b) The Company’s response appears to indicate that pro forma entry ID on Schedule 1, Attachment F (Attachment Staff 1-28a, Page 13) should be \$(3,112). However, the actual pro forma entry on Attachment Staff 1-28a, Page 13 still indicates \$3,018. Please explain.
- c) The Company’s response references “page 480” of its original submission. Please confirm whether “page 411” should not be referenced, instead. Please explain.

**RESPONSE:**

- a) The change in PWW’s Revenues impacts the Tier 1 allocation of the PWW management fee allocation. I have attached two spreadsheets, 2-17a and 2-17b to this response detailing the 2019 PWW Tier 1 Mgt Fee allocation without and with PWW’s 2019 Revenues of \$32,280,395 and with the approved DW19-084 PWW revenues of \$35,661,132. The proforma change in revenues to PWW redistributes the Tier 1 expenses between each of the utilities (see Row 110 of the PWW Mgt Fee allocation with PWW proforma revenues, Spreadsheet 2-17b) resulting in a reduction of PAC’s share of PWW’s Tier 1 management fee by \$2,198.
- b) See response a) above. Schedule 1, Attach F of the revised 1604.06 schedules (Attachment Staff 2-12) reflects the proforma reduction in PAC’s share of the PWW Management fee of \$2,198.
- c) Bates Page 411 is the correct reference. Please note the difference in the reduction in PAC’s share of PWW Tier 1 management fee in this response to that given in Staff 1-30. Upon review of the spreadsheet that was calculating the difference, there was a reference error found in one of the formulas which has been corrected on both of the d PWW Management fee calculations (Attachment Staff 2-17).

Operating Expense Allocation (to other Subsidiary Companies)  
For Month Ending 12/31/2019  
Staff DR 2-17a

Dollars Applicable to:

Full Year Amounts (to be allocated)	YTD EXPENSES	Tier Allocation		Tier 1 (All)	Tier 2 (Regulated + PWSC)	Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only	C Sheing Wages & Fringes Only (budgeted specifically on PAC P/L)
		Required	Special Allocation							
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	Special Allocation	Tier 1 (All)	Tier 2 (Regulated + PWSC)	Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only	C Sheing Wages & Fringes Only (budgeted specifically on PAC P/L)
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	-	-	-	-	-	-
<b>Total Allocable Expenses</b>	<b>\$ 8,470,160</b>		<b>5,133,886</b>	<b>1,705,294</b>	<b>-</b>	<b>1,414,489</b>	<b>216,491</b>	<b>-</b>	<b>-</b>

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.  
(1) Retention/Bonus, Overtime, Merit increases and summer temp help are included in Officers' and Office Salaries  
(2) Outside Services include temporary help from temporary services providers  
(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 77.09%	8,819,088 21.06%	774,537 1.85%	\$ 41,874,020 93.51%	2,892,868 6.46%	12,033 0.03%	\$ 44,778,922 100.00%
Employees (FTE's) - 2019 (excluding employees without benefits)				<b>128</b> 99.22%	<b>1</b> 0.78%	<b>0</b> 0.00%	<b>129</b> 100.00%
Square Footage - w/ add'l lease space Manchester Street Facility <sup>2</sup>				19,421 99.00%	196 1.00%	0 0.00%	19,617 100.00%
Total Assets <sup>2</sup>	\$ 267,705,032 79.02%	\$ 66,609,561 19.66%	\$ 4,461,150 1.32%	\$ 338,775,744 99.82%	\$ 249,629 0.07%	\$ 365,332 0.11%	\$ 339,390,705 100.00%
Customers <sup>3</sup>	<b>29,006</b> 76.55%	<b>8,248</b> 21.77%	<b>639</b> 1.69%	\$ 37,893 100.00%			
Average Percentage	77.55%	20.83%	1.62%	98.31%	1.66%	0.03%	100.01%
Allocation of Allocable Expenses	3,914,232	1,051,321	81,644	5,047,198	85,307	1,381	\$ 5,133,886
Effective Allocation %	76.24%	20.48%	1.59%		1.66%	0.03%	
							<b>Check Total</b> \$ -

<sup>1</sup> - PWS - 100% of 1 employee  
<sup>2</sup> - Based on December 2019 Preliminary Less Intercompany Account Balances  
<sup>3</sup> - Based on December 2019 Actuals  
<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) 1	Real Estate (TSC)	Total
Total Assets <sup>2</sup>	\$ 267,705,032 79.02%	\$ 66,609,561 19.66%	\$ 4,461,150 1.32%	\$ 338,775,744 99.93%	\$ 249,629 0.07%	\$ - 0.00%	\$ 339,025,373 100.00%
Customers <sup>3</sup>	29,006 76.55%	8,248 21.77%	639 1.69%	37,893 82.33%	8,131 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	
							<b>Check Total</b> \$ -

<sup>1</sup> - 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 80.02%	\$ 66,609,561 19.91%		\$ 249,629 0.07%		\$ 334,564,223 100.00%	
Customers <sup>3</sup>	29,006 63.91%	8,248 18.17%		8,131 17.92%		45,385 100.00%	
Average Percentage	71.97%	19.04%		9.00%		100.01%	
Allocation of Allocable Expenses	\$ -	\$ -	0	\$ -	0	\$ -	<b>Check Total</b>
Effective Allocation %	#DIV/0!	#DIV/0!	N/A	#DIV/0!	N/A		\$ -

<b>Allocation Calculation - Tier 4 (Regulated Companies)</b>							
	<u>PWW</u>	<u>PEU</u>	<u>Pittsfield</u>	<u>Con Ops (PWS)</u>	<u>Real Estate (TSC)<sup>1</sup></u>	<u>Total</u>	
Total Assets <sup>2</sup>	\$ 267,705,032 79.02%	\$ 66,609,561 19.66%	\$ 4,461,150 1.32%			\$ 338,775,744 100.00%	
Customers <sup>3</sup>	29,006 76.55%	8,248 21.77%	639 1.69%			37,893 100.01%	
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	
Effective Allocation %	77.77%	20.72%	1.51%	N/A	N/A		<b>Check Total</b> \$ -

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

<b>Summary of Allocations</b>	<u>PWW</u>	<u>PEU</u>	<u>Pittsfield</u>	<u>Con Ops (PWS)</u>	<u>Real Estate (TSC)</u>	<u>Totals</u>			
Tier 1	3,914,232	1,051,321	81,644	85,307	1,381	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	<u>unallocated</u> <u>PAC/PEU</u>	<u>Total</u>	<u>Check Total</u>
Total Allocations	<u>6,222,852</u>	<u>1,666,399</u>	<u>126,469</u>	<u>453,058</u>	<u>1,381</u>	<u>8,470,160</u>	-	<u>8,470,160</u>	-
	73.47%	19.67%	1.49%	5.35%	0.02%	100.00%			

<u>PWSC Customers</u>	<u>Operations</u>	<u>Water Supply</u>	<u>Billing</u>	<u>Cust Svc</u>	<u>Customers</u>	<u>Customers</u>
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
Eastham	-	-	0.125	0.125	800	200
Wellfleet	-	-	0.125	0.125	264	66
Woodstock	0.250	0.250	-	-	990	495
					<u>8,131</u>	*

Note: Customer Counts updated 11/13/2019

**Pennichuck Water Works**  
**Operating Expense Allocation (to other Subsidiary Companies) with PWW Revenue Proforma**  
**For Month Ending 12/31/2019**  
**Staff DR 2-17b**

		Dollars Applicable to:							C Sheing Wages & Fringes Only (budgeted specifically on PAC P/L)
Full Year Amounts (to be allocated)	YTD EXPENSES	Tier Allocation	Special Allocation	Tier 1 (All)	Tier 2 (Regulated + PWSC)	Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only
		Required							
<b>Wages</b>									
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)	-	-
<b>Benefits (Based on 12/31/18 Schedule)</b>									
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	Special Allocation	Tier 1 (All)	Tier 2 (Regulated + PWSC)	Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only
		Required							
<b>Facilities - Manchester Street</b>									
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		-	-	-	-	-	-
<b>Miscellaneous Charges</b>									
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	-	-	-	-	-
<b>Depreciation - 2403 &amp; Amort</b>									
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	-	-	-	-	-	-
<b>Total Allocable Expenses</b>	<b>\$ 8,470,160</b>		<b>5,133,886</b>	<b>1,705,294</b>	<b>-</b>	<b>1,414,489</b>	<b>216,491</b>	<b>-</b>	<b>-</b>

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.

(1) Retention/Bonus, Overtime, Merit increases and summer temp help are included in Officers' and Office Salaries

(2) Outside Services include temporary help from temporary services providers

(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>	35,661,132 78.80%	8,819,088 19.49%	774,537 1.71%	\$ 45,254,757 93.97%	2,892,868 6.01%	12,033 0.02%	\$ 48,159,658 100.00%
Employees (FTE's) - 2019 (excluding employees without benefits)				128 99.22%	1 0.78%	0 0.00%	129 100.00%
Square Footage - w/ add'l lease space Manchester Street Facility <sup>5</sup>				19,421 99.00%	196 1.00%	0 0.00%	19,617 100.00%
Total Assets <sup>2</sup>	\$ 267,705,032 79.02%	\$ 66,609,561 19.66%	\$ 4,461,150 1.32%	\$ 338,775,744 99.82%	\$ 249,629 0.07%	\$ 365,332 0.11%	\$ 339,390,705 100.00%
Customers <sup>3</sup>	29,006 76.55%	8,248 21.77%	639 1.69%	\$ 37,893 100.00%			
Average Percentage	78.12%	20.30%	1.57%	98.40%	1.57%	0.03%	100.00%
Allocation of Allocable Expenses	3,946,658	1,025,769	79,446	5,051,874	80,650	1,362	\$ 5,133,886
Effective Allocation %	76.56%	19.90%	1.54%		1.57%	0.03%	
Change due to PWW revs over 2019 Mgt Fee -	32,426	(25,552)	(2,198)				
							<b>Check Total</b> \$ -

<sup>1</sup> - PWS - 100% of 1 employee  
<sup>2</sup> - Based on December 2019 Preliminary Less Intercompany Account Balances  
<sup>3</sup> - Based on December 2019 Actuals  
<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 79.02%	\$ 66,609,561 19.66%	\$ 4,461,150 1.32%	\$ 338,775,744 99.93%	\$ 249,629 0.07%	\$ - 0.00%	\$ 339,025,373 100.00%
Customers <sup>3</sup>	29,006 76.55%	8,248 21.77%	639 1.69%	37,893 82.33%	8,131 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	
							<b>Check Total</b> \$ -

<sup>1</sup> - 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 80.02%	\$ 66,609,561 19.91%		\$ 249,629 0.07%		\$ 334,564,223 100.00%	
Customers <sup>3</sup>	29,006 63.91%	8,248 18.17%		8,131 17.92%		45,385 100.00%	
Average Percentage	71.97%	19.04%		9.00%		100.01%	
Allocation of Allocable Expenses							
Effective Allocation %							

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 79.02%	\$ 66,609,561 19.66%	\$ 4,461,150 1.32%			\$ 338,775,744 100.00%	
Customers <sup>3</sup>	29,006 76.55%	8,248 21.77%	639 1.69%			37,893 100.01%	
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	<b>Check Total</b>
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 N/A	0 N/A	-	216,491	0 N/A	216,491	\$ -

Summary of Allocations	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC)	Totals			
Tier 1	3,946,658	1,025,769	79,446	80,650	1,362	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	<u>unallocated</u>		
Total Allocations	6,255,277	1,640,847	124,271	448,402	1,362	8,470,160	<u>PAC/PEU</u>	<b>Total</b>	<b>Check Total</b>
	73.85%	19.37%	1.47%	5.29%	0.02%	100.00%	-	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
Eastham	-	-	0.125	0.125	800	200
Wellfleet	-	-	0.125	0.125	264	66
Woodstock	0.250	0.250	-	-	990	495
					<b>8,131</b>	

Note: Customer Counts updated 11/13/2019

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 2

Date Request Received: 4/8/21  
Request No. Staff 2-21

Date of Response: 04/22/21  
Witness: Donald L. Ware

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**REQUEST: Re: Response to Staff 1-38 (b):** It appears that the calculated production 5-year average of 60,773 ccf indicated on Schedule 1C (Attachment Staff 1-28a, Page 26) still only incorporates the average of the production data for the years 2017, 2018, and 2019 relative to its determination. Please explain.

**RESPONSE:**

Staff is correct. The formula for the calculation of the average production was not changed in the revised 1604.06 Sch 1C. That Attached revised 1604.06 Schedule 1C average production calculation has been corrected to reflect the average production over the five years. See Attachment Staff 2-12.

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 2

Date Request Received: 4/8/21  
Request No. Staff 2-22

Date of Response: 04/22/21  
Witness: Donald L. Ware

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**REQUEST: Re: Response to Staff 1-38 (c):** It appears that the revenue pro forma of \$4,270 indicated on Schedule 1C (Attachment Staff 1-28a, Page 26) is based on the 5-year average adjustment of volumetric sales from 2015 through 2019 of 659 ccf (659 ccf x \$6.48/ccf = \$4,270). (See Schedule 1C, Page 255 of Company's Original Filing.) Please explain why the calculated revenue pro forma should not, instead, be \$(5,061) as determined based on the 5-year average adjustment of volumetric sales for 2013, 2014, 2017, 2018, and 2019 of -781 ccf (-781 ccf x \$6.48/ccf = \$(5,061)) as determined on Schedule 1C (Attachment Staff 1-28a, Page 26).

**RESPONSE:**

The calculation of the revenue proforma was not corrected on the revised 1604.06 Schedules. The correct calculation is as indicated above and is now reflected in the attached revised 1604.06 Schedule 1C. See Attachment Staff 2-12.

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 3

Date Request Received: 05/5/21  
Request No. Staff 3-5

Date of Response: 05/13/21  
Witness: Donald L. Ware

---

**REQUEST: Re: Responses to Staff 1-32 and Staff 2-18:** The Company appears to be proposing a pro forma property tax expense amount of \$187,462 in its revenue requirement. (See Attachment Staff 2-4A, Schedule 1-Proposed (Page 6)) However, based on Staff's analysis of the Company's property tax bills provided in the Company's responses to Staff 1-32 and Staff 2-18, it appears the Company paid a total of \$147,931 in municipal and state property taxes for 2020. (See Attached Schedule) This is \$39,531 less than the Company's proposed pro forma amount. Would the Company be agreeable to reflecting its 2020 property tax payments in its proposed revenue requirement in this rate proceeding? Please explain.

**RESPONSE:**

Yes, the Company always has and always will be willing to pro form the property tax expense to reflect the actual property taxes incurred during the year following the Test Year, whether the expense goes up or down. Please see the attached revised 1604.06 schedules (Attachment Staff 3-2b) for this adjustment. The Company is supplying the requested revision on the "No MOEF" schedules.

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 3

Date Request Received: 05/5/21  
Request No. Staff 3-6

Date of Response: 05/13/21  
Witness: Donald L. Ware

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**REQUEST: Re: Response to Staff 2-17(a):** The Company's response indicates that the approved revenue requirement for PWW in DW 19-084 was \$35,661,132. (See also Attachment Staff 2-17B, Page 3, Cell H92) However, Commission Order No. 26,425 (November 24, 2020), Page 1, actually indicates an approved revenue requirement for PWW of \$35,819,773. Please explain.

**RESPONSE:**

The Company used the PWW revenue requirement from a draft settlement schedule. Please find a corrected Attachment Staff 2-17B reflecting the approved PWW revenue requirement for PWW of \$35,819,773. Changing the approved PWW revenue requirement as stated resulted in an increase in the reduction in PAC's share of PWW's management fee allocation from \$2,198 to \$2,296. The attached revised "No MOEF" 1604.06 schedules (Attachment Staff 3-2b) have been corrected to reflect this change.

12 December 2019

**Pennichuck Water Works  
Operating Expense Allocation (to other Subsidiary Companies) with PWV Revenue Proforma  
For Month Ending 12/31/2019  
Staff DR 2-17b, Revised for Staff DR3-6**

Dollars Applicable to:

				Dollars Applicable to:							C Sheing Wages & Fringes Only (budgeted specifically on PAC P/L)	
Full Year Amounts (to be allocated)				Tier Allocation Required	Special Allocation	Tier 1 (All)	Tier 2 (Regulated) + PWSC	Tier 3 (PWV+PEU+PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only	
YTD EXPENSES												
<b>Wages</b>												
	920100	2109 001	Officers Salaries & Wages	1		499,167	-	-	-	-	-	-
	660200	2107 001	Salaries - Engineering	4		-	-	-	1,207,889	-	-	-
	920003	2110 001	Office Salaries and Wages - IS	1		487,394	-	-	-	-	-	-
	920002	2109 001	Office Salaries and Wages - Acctg	1		724,045	-	-	-	-	-	-
	920000	2109 001	Office Salaries and Wages - Admin	1		184,571	-	-	-	-	-	-
	920001	2108 001	Office Salaries and Wages - C/S	2		1,094,979	1,094,979	-	-	-	-	-
	920004	2109 001	Office Salaries and Wages - BR	6		145,560	-	-	-	145,560	-	-
Timesheets			Less: Capitalized Overhead - IS	1		(1,942)	-	-	-	-	-	-
Timesheets			Less: Capitalized Overhead Engineering	4		(353,484)	-	-	(353,484)	-	-	-
<b>Benefits (Based on 12/31/18 Schedule)</b>												
	Calc		Officers Salaries & Wages	1		243,244	-	-	-	-	-	-
	Calc		Salaries - Engineering	4		588,604	-	-	588,604	-	-	-
	Calc		Office Salaries and Wages - IS	1		237,507	-	-	-	-	-	-
	Calc		Office Salaries and Wages - Acctg	1		352,827	-	-	-	-	-	-
	Calc		Office Salaries and Wages - Admin	1		89,941	-	-	-	-	-	-
	Calc		Office Salaries and Wages - C/S	2		533,583	533,583	-	-	-	-	-
	Calc		Office Salaries and Wages - BR	6		70,931	-	-	-	70,931	-	-
	Calc		Less: Capitalized Overhead IS	1		(946)	-	-	-	-	-	-
	Calc		Less: Capitalized Overhead Engineering	4		(172,253)	-	-	(172,253)	-	-	-
<b>Facilities - Manchester Street</b>												
	921000	2109 001	Office Supplies & Expense	1		34,990	-	-	-	-	-	-
	921130	2109 001	Office Equipment Rental	1		46,804	-	-	-	-	-	-
	921150	2109 001	Rental Exp HECOP III	1		338,567	-	-	-	-	-	-
	921160	2110 001	Manchester St Phone	1		29,302	-	-	-	-	-	-
	921170	2109 001	Manchester St Electric	1		44,960	-	-	-	-	-	-
	950110	2109 001	Maintenance Manchester St	1		33,117	-	-	-	-	-	-
	950200	2109 001	Office Equipment maintenance	1		-	-	-	-	-	-	-
<b>Miscellaneous Charges</b>												
	921002	2109 001	Senior Management Vehicles	1		3,822	-	-	-	-	-	-
	921003	2109 001	Senior Management Fuel Purchased	1		4,504	-	-	-	-	-	-
	921004	2109 001	Senior Management Vehicle Registrations	1		476	-	-	-	-	-	-
	921140	2108 001	Courier & Express Mail Expense	1		253	-	-	-	-	-	-
	923000	2109 001	Outside Svcs (Supervision/Spec Svcs)	1		269,938	-	-	-	-	-	-
	930100	2109 001	Meetings and Conventions	1		46,091	-	-	-	-	-	-
	930102	2109 001	License Fees	1		15,327	-	-	-	-	-	-
	930300	2109 001	Meals	1		2,190	-	-	-	-	-	-
	930405	2109 001	Recruiter Fees	1		8,851	-	-	-	-	-	-
	662001	2107 001	Engineering Dept Expense	4		105,970	-	-	105,970	-	-	-
	660001	2107 001	Engineering Vehicles	4		12,890	-	-	12,890	-	-	-
	660002	2107 001	Engineering - Fuel Purchased	4		20,385	-	-	20,385	-	-	-
	660003	2107 001	Engineering - Vehicle Registration	4		4,488	-	-	4,488	-	-	-
	950300	2110 001	Maint of Communication Equip	2		23,570	23,570	-	-	-	-	-
	950500	2110 001	Computer Maintenance	1		590,310	-	-	-	-	-	-
<b>Depreciation - 2403 &amp; Amort</b>												
	346000	RAM	Comm Depreciation	2		-	53,162	-	-	-	-	-
	347110	RAM	Computer Depreciation	1		826,915	-	-	-	-	-	-
	340100	RAM	Office Furniture Depreciation	1		13,389	-	-	-	-	-	-
	304950	RAM	Leasehold Improvements-15 year property	1		6,796	-	-	-	-	-	-
	186205	RAM	Union Negotiations - 2013	1		-	-	-	-	-	-	-
	186206	RAM	Union Negotiations - 2015	1		-	-	-	-	-	-	-
	186207	RAM	Union Negotiations - 2017	1		1,476	-	-	-	-	-	-
			Total Allocable Expenses			\$ 8,470,160	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.  
 Tier 2 - allocate to PWV, PEU, PAC and PWSC based on total assets and customers  
 Tier 3 - allocate to PWV, PEU and PWSC based on total assets and customers  
 Tier 4 - allocate to the regulated utilities (PWV, PEU and PAC) based on total assets and customers.  
 (1) Retention/Bonus, Overtime, Merit increases and summer temp help are included in Officers' and Office Salaries  
 (2) Outside Services include temporary help from temporary services providers  
 (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

Notes:



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	<u>Check Total</u>
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	3,948,064	1,024,664	79,349	80,448	1,361	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	6,256,683	1,639,742	124,174	448,199	1,361	8,470,160	<u>Check Total</u>
	73.87%	19.36%	1.47%	5.29%	0.02%	100.00%	

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
Eastham	-	-	0.125	0.125	800	200
Wellfleet	-	-	0.125	0.125	264	66
Woodstock	0.250	0.250	-	-	990	495
						<b>8,131</b>

Note: Customer Counts updated 11/13/2019  
 Salisbury/Amesbury/Rowley provided by T. King  
 Woodstock provided by D. Ware  
 \*Customers prorated based on level of services provided per each contract

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 3

Date Request Received: 05/5/21  
Request No. Staff 3-7

Date of Response: 05/13/21  
Witness: Donald L. Ware

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**REQUEST: Re: Response to Staff 2-23:** The Company's response indicates that an annual principal and interest payment amount of \$61,549 should be reflected on Schedule 5 relative to the Intercompany Loan from PCP. However, Attachment Staff 2-23, Schedule 5 (Page 5) still indicates an annual principal and interest payment amount for this loan of \$62,084. Please explain. (Note: This amount appears to carry through to Attachment Staff 2-4A, Schedule A-Proposed (Page 3).)

**RESPONSE:**

The correct annual principal and interest payment for the Intercompany loan from PCP is \$61,549. I have attached a revised updated 1604.08 Sch 5 reflecting the correct P&I payment amount. See Attachment Staff 3-7.

**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> <u>12/31/19</u>	<u>Proforma</u>	<u>Proforma Amount</u> <u>12/31/19</u>	<u>Proforma</u> <u>Component Ratio</u>	<u>Component</u> <u>Cost Rate</u> <u>12/31/2019</u>	<u>Proforma</u> <u>Component Cost</u> <u>Rate</u>	<u>Proforma</u> <u>Average Cost</u> <u>Rate</u>
Long-term Debt (3)	1,312,186 (3)	-	1,312,186	64.58%	3.10%	3.10%	2.00%
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>	<u>\$ 3,095,167</u>		<u>\$ 2,031,926</u>	<u>100.00%</u>			<u>3.71%</u>

**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 methodolog 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> <u>Adjustments</u>	<u>Pro Forma</u> <u>Test Year</u>	<u>Component</u> <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 1/25/1	826,112
Paid in Capital as of 1/25/12	237,129
	<u>1,063,241</u>

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

**Schedule 3**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</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**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</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**  
**Weighted Average Cost of Long-Term Debt**  
**For the Twelve Months Ended December 31, 2019**  
**Revised per Staff DR's**  
**5/15/2021**

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			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
												Principal and Interest Payments	Principal	Interest						
SRF Catamount Road	30	04/30/48	1.960%	164,458		3,223	673	3,897	2.37%	\$ 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%	\$ 23,576	\$ 37,973	\$ 61,549	\$ 535	\$ (535)	\$ 61,549	\$ 24,111	\$ 37,438	\$ 61,549		
<b>TOTAL</b>				<b>1,312,186</b>	<b>-</b>	<b>39,951</b>	<b>748</b>	<b>40,699</b>	<b>3.10%</b>	<b>\$ 26,019</b>	<b>\$ 41,238</b>	<b>\$ 67,257</b>	<b>\$ 648</b>	<b>\$ (612)</b>	<b>\$ 67,293</b>	<b>\$ 26,667</b>	<b>\$ 40,626</b>	<b>\$ 67,293</b>		

**Notes:**

(1) Intercompany debt approved in DW18-033 - \$ 1,186,000  
 Loan Term - 30 Year  
 Loan Interest Rate - 3.20%  
 Annual P&I - \$61,549

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 PROM NOTE 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**

<u>Security</u>	<u>Term</u>	<u>Maturity</u>	<u>Rate</u>	<u>Outstanding Balance</u>	<u>Annual Dividends</u>	<u>Annual Amortization</u>	<u>All In Annual Cost</u>	<u>Effective Rate</u>
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**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%
April 2020				1.2700%
May 2020				1.3800%
Jun 2020				1.4900%
Jul 2020				1.3100%
30 year Treasury bonds				1.8458%
Average Plus				3.0000%
Cost of Equity				4.8458%

**Pittsfield Aqueduct Company  
Report of Proposed Rate Changes  
For the Twelve Months Ended December 31, 2019**

**Pro Forma  
Schedule 9  
Permanent**

DOCKET NO: \_\_\_\_\_ DATE FILED: \_\_\_\_\_  
TARIFF NO.: 1 or PAGE NOS. 38, 40, 42-43,45,48 EFF. DATE: \_\_\_\_\_

Rate or Class of Service	Effect of Proposed Change	Average Number of Customers	Pro Forma Rates to five Year Ave.	Proposed Perm Rates	Proposed Change	
					Amount	% Increase
G-M <sup>2</sup>	Increase	630	571,273	635,149	\$63,876	11.18%
Private FP <sup>3</sup>	Increase	12	29,067	32,317	\$3,250	11.18%
FP - Hydrants	Increase	1	175,804	195,461	\$19,657	11.18%
<b>TOTALS</b>		<b>643</b>	<b>776,144</b>	<b>862,927</b>	<b>\$86,783</b>	

Signed by: \_\_\_\_\_

<sup>3</sup> Includes Private Fire Services and Private Hydrants - count is number of accounts

**Donald L. Ware**

Title: **Chief Operating Officer**

**Pittsfield Aqueduct Company  
Bingo Sheet Perm  
For the Twelve Months Ended December 31, 2019**

UTILITY: Pittsfield Aqueduct Company DATE FILED: \_\_\_\_\_  
 TARIFF NO.: 5 or PAGE NOS. 39-40 EFF. DATE: \_\_\_\_\_

Rate or Class of Service	Effect of Proposed Change	Average Number of Customers	Estimated Annual Revenue	Proposed Change		
			Pro Forma Rate to TY Five Year Ave (1)	Proposed Rates	\$\$ Amunt Increase over TY Current Rates 5 Yr. Ave. Pro Forma	% Increase
G-M <sup>2</sup>	Increase	630	571,273	635,149	63,876	11.18%
Private FP <sup>3</sup>	Increase	12	29,067	32,317	3,250	11.18%
FP - Hydrants	Increase	1	175,804	195,461	19,657	11.18%
<b>TOTALS</b>		<b>643</b>	<b>776,144</b>	<b>862,927</b>	<b>86,783</b>	

**Pittsfield Aqueduct Company, Inc.**  
**DW 20-153**

Permanent Rate Proceeding  
Responses to Staff Data Requests – Set 3

Date Request Received: 05/5/21  
Request No. Staff 3-8

Date of Response: 05/13/21  
Witness: Donald L. Ware

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**REQUEST: Re: Staff Final Audit Report (January 19, 2021), Page 51, Audit Issue # 8:** In its response to this Audit Issue, the Company indicated that it concurred with reducing its test year production expenses by \$2,352. Please provide updated revenue requirement schedules reflecting this adjustment.

**RESPONSE:**

The reduction in production expenses of \$2,352 noted above and agreed to by the Company as part of the Audit have been removed from the attached revised “No MOEF” 1604.06 Schedules (Attachment 3-2b). See Schedule 1, Attach B, D. for this pro forma adjustment.