

TAB 16

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

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

TAB	Document	Authority	Notes
17	Internal Financial Reports	Puc 1604.01(a)(1)	
18	Annual Reports to Stockholders	Puc 1604.01(a)(2)	Data Not Exist
19	Federal Income Tax Reconciliation	Puc 1604.01(a)(3)	
20	Detailed NH and Federal Tax Factor Computation	Puc 1604.01(a)(4)	
21	Detailed Charitable Contribution	Puc 1604.01(a)(5)	Data Not Exist
22	List of Advertising	Puc 1604.01(a)(6)	Data Not Exist
23	Most Recent Cost of Service Study	Puc 1604.01(a)(7)	
24	Most Recent Construction Budget	Puc 1604.01(a)(8)	
25	Chart of Accounts if Different than NHPUC	Puc 1604.01(a)(9)	Data Not Exist
26	Securities and Exchange Commission 10K and 10Q	Puc 1604.01(a)(10)	Data Not Exist
27	Membership Fees, Dues and Lobbying Expenses	Puc 1604.01(a)(11)	
28	Depreciation Study	Puc 1604.01(a)(12)	
29	Management and Financial Audits if not previously filed	Puc 1604.01(a)(13)	
30	Officer and Director Compensation	Puc 1604.01(a)(14)	Data Not Exist
31	Officer and Executive Incentive Plans	Puc 1604.01(a)(15)	Data Not Exist
32	List of Amount of Voting Stock	Puc 1604.01(a)(16)	Data Not Exist
33	Payments for Contractual Services in Excess of \$50,000	Puc 1604.01(a)(17)	
34	Amount of Assets and Costs Allocated to Non-Utility Operations	Puc 1604.01(a)(18)	
35	Balance Sheets and Income Statements for Previous Two Years	Puc 1604.01(a)(19)	
36	Quarterly Income Statements for Previous Two Years	Puc 1604.01(a)(20)	
37	Quarterly Sales Volumes	Puc 1604.01(a)(21)	
38	Projected Need for External Capital	Puc 1604.01(a)(22)	
39	Capital Budget - Sources and Uses	Puc 1604.01(a)(23)	
40	Outstanding Short-Term Debt on Monthly Basis for Each Indebtedness	Puc 1604.01(a)(24)	See Tab 14 for schedule 1604.08 Schedule 6 Cost of Short Term Debt.
41	Certificate of Details of Management Fee Information	Puc 1604.01(a)(25)	See Tabs 4 and 34

TAB 17

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

PENNICHUCK EAST UTILITIES

Profit and Loss Statement

January - December 2018

Provided pursuant to NHPUC Rule 1604.01(a)(1)

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Total 2018
WATER SALES	519,079.37	427,066.58	432,389.72	492,970.57	533,621.56	847,934.83	929,677.20	689,919.87	641,875.47	1,156,414.45	516,030.66	602,622.95	7,789,603.23
CBFRR REVENUES	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	898,863.00
MISC OPERATING REVENUE	2,579.00	1,907.00	2,962.00	2,160.00	3,637.00	4,787.00	2,393.00	2,898.00	3,353.00	2,298.00	3,512.00	3,503.00	35,989.00
TOTAL REVENUES	596,563.62	503,878.83	510,256.97	570,035.82	612,163.81	927,627.08	1,006,975.45	767,723.12	720,133.72	1,233,617.70	594,447.91	681,031.20	8,724,455.23
PRODUCTION EXPENSES	189,127.79	194,621.19	212,953.59	160,265.97	183,579.33	195,374.30	229,944.14	211,426.14	188,153.94	197,715.44	155,978.96	171,284.57	2,290,425.36
TRANSMISSION AND DISTRIB EXP	58,949.36	47,239.31	62,554.29	84,437.72	67,461.49	48,001.09	44,623.62	53,215.24	64,902.73	62,139.30	66,024.79	78,035.41	737,584.35
CUSTOMER ACCT & COLLECTION EXP	14,943.18	13,764.42	10,561.14	16,433.04	16,828.54	20,781.88	23,014.46	12,559.94	19,530.36	12,158.10	23,039.77	16,537.14	200,151.97
ADMINISTRATIVE & GENERAL EXP	12,671.22	16,611.51	14,730.15	13,966.03	21,818.47	19,561.08	12,188.22	11,798.64	13,582.23	17,552.48	12,971.69	17,085.17	184,536.89
INTERCO MGMT FEE: PWV	187,325.00	172,578.00	192,288.00	191,296.00	201,717.00	185,162.00	199,615.00	186,173.00	182,631.00	209,460.00	205,101.00	186,166.00	2,299,512.00
INTERCOMPANY MGMT FEE: PCP	5,174.00	3,877.00	5,884.00	4,303.00	4,224.00	4,765.00	4,317.00	6,350.00	5,381.00	7,309.00	7,744.00	(1,884.00)	57,444.00
TOTAL OPERATING EXPENSES	468,190.55	448,691.43	498,971.17	470,701.76	495,628.83	473,645.35	513,702.44	481,522.96	474,181.26	506,334.32	470,860.21	467,224.29	5,769,654.57
DEP EXP/ACQ ADJ EXPENSE	100,596.53	98,718.46	100,107.37	100,124.47	100,290.67	101,067.41	100,333.94	100,791.71	100,886.08	101,635.77	103,409.30	146,288.62	1,254,250.33
AMORTIZATION EXPENSE: CIAC	(30,957.52)	(31,204.13)	(31,226.35)	(31,283.18)	(31,453.81)	(31,509.10)	(31,569.50)	(31,592.69)	(32,493.70)	(33,478.33)	(34,896.01)	(40,557.92)	(392,222.24)
AMORT: ACQUISITION PREMIUM	17,017.81	17,389.93	17,389.93	17,389.93	17,389.93	17,390.02	17,389.93	17,389.93	17,389.92	17,389.93	17,389.93	17,389.93	208,307.12
AMORT EXP - DEFERRED CHARGES	3,405.32	3,404.33	3,404.34	3,404.32	3,404.31	9,949.60	9,949.58	9,949.58	9,949.61	9,949.56	9,949.56	9,962.87	86,682.98
LOCAL PROPERTY TAXES	77,141.25	77,141.25	77,141.24	113,280.23	79,119.17	78,130.24	41,991.21	78,130.21	78,130.20	78,130.21	100,869.43	142,201.52	1,021,406.16
NH BET TAX	-	-	-	-	-	-	-	-	-	-	-	18,778.69	18,778.69
GAIN FROM FORGIVENESS SRF DEBT	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(22,613.28)
INCOME TAXES	(23,137.59)	(41,807.89)	(31,881.82)	(40,903.99)	(24,072.86)	63,343.92	83,440.62	15,627.93	11,992.10	143,042.20	(549.13)	615,916.51	771,010.00
TOTAL OPERATING DEDUCTIONS	610,371.91	570,448.94	632,021.44	630,829.10	638,421.80	710,133.00	733,353.78	669,935.19	658,151.03	821,119.22	665,148.85	1,375,320.07	8,715,254.33
NET OPERATING INCOME	(13,808.29)	(66,570.11)	(121,764.47)	(60,793.28)	(26,257.99)	217,494.08	273,621.67	97,787.93	61,982.69	412,498.48	(70,700.94)	(694,288.87)	9,200.90
MISC NON-UTILITY INCOME	-	-	-	-	-	-	-	-	-	-	114,867.55	-	114,867.55
OTHER INCOME (EXPENSE)	-	-	-	-	-	-	-	-	-	-	114,867.55	-	114,867.55
AFUDC-INTEREST(DEBT) COMPONENT	900.00	1,017.00	1,038.00	1,096.00	1,119.00	3,179.00	3,217.00	6,191.00	22,530.00	11,987.00	10,440.00	11,772.00	74,486.00
AFUDC - EQUITY COMPONENT	211.00	239.00	244.00	193.00	182.00	518.00	524.00	1,008.00	3,976.00	1,951.00	1,989.00	2,242.00	13,277.00
TOTAL AFUDC	1,111.00	1,256.00	1,282.00	1,289.00	1,301.00	3,697.00	3,741.00	7,199.00	26,506.00	13,938.00	12,429.00	14,014.00	87,763.00
INTEREST EXPENSE													
INTEREST EXP: BONDS & NOTES	(51,580.35)	(50,036.74)	33,599.06	(50,328.63)	(50,445.39)	(50,124.86)	(51,169.44)	(59,724.27)	(53,143.69)	(41,076.99)	(54,255.76)	(56,519.03)	(534,806.09)
LINE OF CREDIT INTEREST	-	-	-	-	-	-	-	-	-	-	-	(3,659.88)	(3,659.88)
AMORTIZATION OF DEBT EXPENSE	(1,497.31)	(1,497.31)	(1,497.31)	(1,497.31)	(1,497.31)	(2,108.61)	(2,046.93)	(1,929.34)	(1,929.34)	(2,004.02)	(1,944.28)	(1,944.28)	(21,393.35)
INTERCOMPANY INTEREST	(13,041.90)	(12,208.01)	(14,163.57)	(15,311.69)	(4,787.33)	(17,160.00)	(18,671.57)	(18,982.06)	(18,775.42)	(18,688.68)	(19,252.18)	(21,085.47)	(192,127.88)
TOTAL INTEREST EXPENSE, NET	(66,119.56)	(63,742.06)	17,938.18	(67,137.63)	(56,730.03)	(69,393.47)	(71,887.94)	(80,635.67)	(73,848.45)	(61,769.69)	(75,452.22)	(83,208.66)	(751,987.20)
NET INCOME (OR LOSS)	(78,816.85)	(129,056.17)	(102,544.29)	(126,641.91)	(81,687.02)	151,797.61	205,474.73	24,351.26	14,640.24	364,666.79	(18,856.61)	(763,483.53)	(540,155.75)

PENNICHUCK EAST UTILITY
THIRTEEN MONTH BALANCE SHEET

Provided pursuant to NHPUC Rule 1604.01(a)(1)

	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	13 Month Average
ASSETS														
LAND	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,062,381.00	1,087,381.00	1,086,881.00	1,102,687.82	1,069,289.22
PROPERTY HELD FUTURE USE	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76
STRUCTURES	10,016,897.33	10,016,897.33	10,016,897.33	10,016,897.33	10,016,897.33	10,016,897.33	10,021,057.42	10,033,785.36	10,044,247.48	10,044,247.48	10,044,247.48	10,047,251.18	10,275,320.64	10,047,041.62
EQUIPMENT	3,988,653.86	3,992,712.73	4,010,619.46	4,010,619.46	4,028,156.99	4,028,156.99	3,993,472.58	3,987,481.58	3,995,224.75	4,003,100.12	4,008,903.92	4,010,200.05	3,919,601.98	3,998,223.42
TRANSMISSION & DISTRIBUTION	45,037,235.02	45,045,441.68	45,111,484.65	45,159,321.90	45,187,457.73	45,328,002.22	45,347,672.79	45,508,308.47	45,736,483.97	45,810,256.89	46,055,658.65	46,470,353.44	50,751,501.84	45,888,398.40
MISCELLANEOUS EQUIPMENT	737,866.01	737,866.01	744,853.77	744,853.77	744,853.77	744,853.77	744,853.77	754,849.93	754,849.93	693,302.21	693,302.21	693,302.21	721,385.92	731,614.87
INTANGIBLE PLANT	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64
TOTAL PLANT IN SERVICE	61,303,760.62	61,316,026.15	61,406,963.61	61,454,800.86	61,500,474.22	61,641,018.71	61,630,164.96	61,807,533.74	62,053,914.53	62,074,015.10	62,350,220.66	62,768,715.28	67,231,225.60	62,195,294.93
ACCUMULATED DEPRECIATION	13,510,696.31	13,627,197.43	13,744,271.13	13,858,571.04	13,975,117.52	14,092,241.55	14,099,895.53	14,206,737.77	14,269,223.88	14,346,573.86	14,447,508.11	14,567,629.98	14,491,318.82	14,095,152.53
NET PLANT IN SERVICE	47,793,064.31	47,688,828.72	47,662,692.48	47,596,229.82	47,525,356.70	47,548,777.16	47,530,269.43	47,600,795.97	47,784,690.65	47,727,441.24	47,902,712.55	48,201,085.30	52,739,906.78	48,100,142.39
CWIP: CONTRACTOR CLEARING	1,141,891.59	1,025,550.94	1,035,186.40	1,055,295.34	1,126,379.22	1,905,398.53	1,855,728.25	2,902,823.03	3,296,936.24	3,781,224.93	4,026,676.83	4,471,372.10	413,558.03	2,156,770.88
TOTAL PLANT	48,934,955.90	48,714,379.66	48,697,878.88	48,651,525.16	48,651,735.92	49,454,175.69	49,385,997.68	50,503,619.00	51,081,626.89	51,508,666.17	51,929,389.38	52,672,457.40	53,153,464.81	50,256,913.27
CURRENT ASSETS														
CASH	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
RESTRICTED CASH - TD BANK - RSF	-	-	-	-	-	-	-	-	-	-	-	200.00	28,347.90	2,195.99
DSRR 1.0 RSF	-	-	-	-	-	-	-	-	-	-	-	200.00	47,100.04	3,638.46
MOERR RSF	-	-	-	-	-	-	-	-	-	-	-	200.00	771,068.94	59,328.38
MOERR	-	-	-	-	-	-	-	-	-	-	-	200.00	240,362.61	18,504.82
DSRR 1.0	-	-	-	-	-	-	-	-	-	-	-	200.00	116,725.18	8,994.24
DSRR 0.1	-	-	-	-	-	-	-	-	-	-	-	200.00	11,161.29	873.95
OTHER SPECIAL DEPOSITS	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00
ACCOUNTS RECEIVABLE, NET	928,775.40	446,224.78	428,436.93	498,905.82	407,797.08	379,639.91	751,675.40	708,191.32	499,364.84	663,798.56	465,152.72	590,975.96	483,568.02	557,885.13
PREPAID EXPENSES AND OTHER	201,541.40	157,321.97	89,799.95	23,354.58	23,404.29	37,511.99	233,265.32	168,051.98	104,748.64	37,565.32	36,465.86	343,180.85	242,872.88	130,698.85
A/R: UNBILLED WATER REV-RECOUP 2017	-	-	-	-	-	-	-	-	-	-	577,594.00	577,594.00	577,594.00	133,290.92
A/R: UNBILLED WATER REVENUE	458,100.00	511,305.00	490,830.00	421,214.00	471,614.00	542,902.00	656,060.00	801,569.00	766,767.00	633,130.00	603,883.00	490,317.00	553,616.00	569,331.31
TOTAL CURRENT ASSETS	1,628,486.80	1,154,921.75	1,049,136.88	983,544.40	942,885.37	1,000,123.90	1,681,070.72	1,717,882.30	1,410,950.48	1,374,563.88	1,723,165.58	2,043,337.81	3,112,486.86	1,524,812.06
OTHER ASSETS														
UNAMORTIZED DEBT EXPENSE	237,564.05	236,066.74	234,569.43	233,072.12	237,154.81	243,873.50	242,142.98	243,491.55	241,562.21	242,524.12	245,000.56	243,393.78	241,862.00	240,175.22
DEFERRED CHARGES	822,800.43	821,701.11	872,755.09	890,338.63	888,353.31	889,315.00	903,749.70	897,823.24	894,166.66	885,427.05	871,389.03	861,439.47	854,514.10	873,367.14
ACQUISITION PREMIUM - MARA	7,788,458.63	7,771,440.82	7,754,050.89	7,736,660.96	7,719,271.03	7,701,881.10	7,684,491.08	7,667,101.15	7,649,711.22	7,632,321.30	7,614,931.37	7,597,541.44	7,580,151.51	7,684,462.50
TOTAL OTHER ASSETS	8,848,823.11	8,829,208.67	8,861,375.41	8,860,071.71	8,844,779.15	8,835,069.60	8,830,383.76	8,808,415.94	8,785,440.09	8,760,272.47	8,731,320.96	8,702,374.69	8,676,527.61	8,798,004.86
TOTAL ASSETS	59,412,265.81	58,698,510.08	58,608,391.17	58,495,141.27	58,439,400.44	59,289,369.19	59,897,452.16	61,029,917.24	61,278,017.46	61,643,502.52	62,383,875.92	63,418,169.90	64,942,479.28	60,579,730.19
EQUITY AND LIABILITIES														
COMMON STOCK	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
OTHER COMPREHENSIVE INCOME	(224,522.40)	(185,592.60)	(170,405.40)	(167,942.40)	(147,041.40)	(157,302.60)	(143,465.40)	(135,130.20)	(146,889.00)	(119,278.80)	(112,659.00)	(130,643.40)	(157,657.80)	(153,733.11)
ADDITIONAL PAID IN CAPITAL	12,482,362.87	12,482,362.87	12,482,362.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,583,499.87	11,790,929.79
RETAINED EARNINGS BEG - PEU	(128,250.46)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(636,301.04)	(597,220.23)
NET PROFIT (OR LOSS)	(508,050.58)	(78,816.85)	(207,873.02)	(310,417.31)	(437,059.22)	(518,746.24)	(366,948.63)	(161,473.90)	(137,122.64)	(122,482.40)	242,184.39	223,327.78	(540,155.75)	(224,894.95)
TOTAL EQUITY	11,621,639.43	11,581,752.38	11,467,883.41	10,468,939.12	10,363,198.21	10,271,249.99	10,436,884.80	10,650,694.73	10,663,287.19	10,705,537.63	11,076,824.22	11,039,983.21	10,249,485.28	10,815,181.51
LONG TERM DEBT: SRF LOANS	17,818,046.17	17,749,532.35	17,662,948.93	17,525,647.61	17,790,017.37	18,596,230.17	19,269,230.52	19,826,924.83	19,769,638.55	20,439,304.37	20,707,936.63	20,726,128.40	20,586,416.84	19,112,923.29
TOTAL LONG TERM DEBT	17,818,046.17	17,749,532.35	17,662,948.93	17,525,647.61	17,790,017.37	18,596,230.17	19,269,230.52	19,826,924.83	19,769,638.55	20,439,304.37	20,707,936.63	20,726,128.40	20,586,416.84	19,112,923.29
CURRENT LIABILITIES														
CURRENT PORTION OF LONG TERM DEBT	1,072,265.48	1,072,265.48	1,078,589.32	1,082,021.27	1,086,646.80	806,052.30	807,590.06	809,112.69	761,193.41	814,079.18	815,613.57	819,038.60	856,670.45	913,933.74
OTHER LIABILITY: DERIVATIVE	374,204.00	309,321.00	284,009.00	279,904.00	245,069.00	262,171.00	239,109.00	225,217.00	244,815.00	198,798.00	187,765.00	217,739.00	262,763.00	256,221.85
FIXED ASSET LINE OF CREDIT	-	-	-	-	-	-	-	-	14,160.52	18,263.92	101,504.57	534,788.18	691,425.14	104,626.33
ST NOTE PAYABLE: PCP-2014 1M LOAN	94,890.84	94,890.84	94,890.84	95,532.80	95,963.38	-	-	-	-	-	-	-	-	36,628.36
ST NOTE PAYABLE: PCP-2018 1.7M LOAN	-	-	-	-	-	34,354.32	34,445.94	34,537.79	34,629.89	34,722.24	34,814.83	34,907.67	35,000.76	21,339.50
ST NOTE PAYABLE: PCP-2018 1.1M LOAN	-	-	-	-	-	23,368.41	23,430.73	23,493.21	23,555.86	23,618.68	23,681.67	23,744.82	23,808.14	14,515.50
INTERCO PAY/REC: PEU/PCP	4,785,714.23	3,870,269.72	3,772,518.89	4,613,549.46	3,856,867.08	2,967,304.85	3,370,740.85	2,713,244.92	2,853,881.28	1,800,692.03	1,169,771.41	1,322,519.35	5,932,995.42	3,310,005.35
INTERCO PAY/REC: PEU/PWS	-	-	-	(3,493.88)	(3,497.16)	(3,500.44)	(3,503.72)	(3,507.37)	(3,514.68)	(3,522.00)	(3,530.07)	(3,538.16)	-	(2,431.34)
INTERCO PAY/REC: PEU/PAC	-	-	-	-	-	58.56	(41.42)	(1,266.61)	(1,603.19)	(5,198.15)	(5,210.06)	(10,227.73)	-	(1,806.82)
INTERCO PAY/REC: PEU/PWW														

PENNICHUCK EAST UTILITIES
Profit and Loss Statement
January - December 2019

Provided pursuant to NHPUC Rule 1604.01(a)(1)

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total 2019
WATER SALES	567,148.18	513,534.61	569,914.45	574,347.21	610,893.07	707,767.74	873,335.20	853,496.32	751,654.96	646,873.02	495,305.99	698,320.08	7,862,590.83
CBFRR REVENUES	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	77,192.43	926,309.16
MISC OPERATING REVENUE	1,937.00	1,706.00	1,786.00	1,035.00	2,328.00	2,809.00	3,346.00	3,096.00	3,201.00	3,377.00	2,686.00	2,881.00	30,188.00
TOTAL REVENUES	646,277.61	592,433.04	648,892.88	652,574.64	690,413.50	787,769.17	953,873.63	933,784.75	832,048.39	727,442.45	575,184.42	778,393.51	8,819,087.99
PRODUCTION EXPENSES	190,295.71	177,945.39	201,356.57	182,745.80	181,421.49	179,728.04	226,855.95	145,289.80	228,631.16	193,476.22	163,494.82	185,957.72	2,257,198.67
TRANSMISSION AND DISTRIB EXP	95,622.07	56,771.70	53,230.65	139,291.99	69,558.40	91,608.02	56,048.20	105,079.48	92,464.77	96,316.59	93,500.79	56,738.12	1,006,230.78
CUSTOMER ACCT & COLLECTION EXP	14,025.23	12,909.33	16,265.12	11,975.21	15,783.60	23,180.34	25,862.23	17,462.01	15,219.59	16,847.09	15,566.44	19,621.38	204,717.57
ADMINISTRATIVE & GENERAL EXP	13,533.45	14,856.40	14,154.60	15,149.01	18,182.93	17,095.22	19,701.68	13,067.43	13,230.32	12,868.83	16,253.04	13,368.45	181,461.36
INTERCO MGMT FEE: PWV	168,733.00	139,458.00	288,030.00	203,259.00	198,601.00	179,188.00	189,984.00	191,362.00	178,415.00	201,559.00	185,416.00	214,897.00	2,338,902.00
INTERCOMPANY MGMT FEE: PCP	4,740.00	4,818.00	5,935.00	4,763.00	5,159.00	4,929.00	4,784.00	4,998.00	4,188.00	4,390.00	4,531.00	5,124.00	58,359.00
TOTAL OPERATING EXPENSES	486,949.46	406,758.82	578,971.94	557,184.01	488,706.42	495,728.62	523,236.06	477,258.72	532,148.84	525,457.73	478,762.09	495,706.67	6,046,869.38
DEP EXP/ACQ ADJ EXPENSE	109,206.84	110,350.45	110,506.93	110,716.64	110,826.18	110,984.59	112,125.12	117,600.88	111,073.47	111,608.82	117,107.35	121,469.83	1,353,577.10
AMORTIZATION EXPENSE: CIAC	(34,297.84)	(34,310.47)	(34,601.38)	(34,796.61)	(34,863.18)	(34,927.61)	(35,962.90)	(41,418.32)	(35,935.68)	(35,957.18)	(36,008.39)	(38,155.71)	(431,235.27)
AMORT: ACQUISITION PREMIUM	17,389.93	17,811.71	17,811.62	17,811.63	17,811.71	17,811.62	17,811.71	17,811.63	17,811.71	17,811.62	17,811.62	17,811.71	213,318.22
AMORT EXP - DEFERRED CHARGES	9,962.84	9,962.85	9,962.87	9,962.83	10,013.74	9,983.84	9,983.81	9,983.82	9,983.84	9,983.80	17,672.06	9,983.83	127,440.13
LOCAL PROPERTY TAXES	94,858.43	94,858.43	94,858.40	94,858.43	93,241.41	93,412.25	93,412.25	93,412.25	91,883.85	104,997.24	105,460.52	118,790.63	1,174,044.09
NH BET TAX	-	-	-	-	-	-	-	-	-	-	-	3,775.00	3,775.00
GAIN FROM FORGIVENESS SRF DEBT	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(1,884.44)	(2,059.04)	(2,059.04)	(2,059.04)	(2,059.04)	(2,059.04)	(2,059.04)	(23,660.88)
INCOME TAXES	(24,379.31)	(4,084.97)	78,526.57	(44,871.69)	(2,571.55)	19,098.23	308,985.49	57,219.74	17,203.82	(18,741.96)	(46,437.38)	75,412.59	415,359.58
TOTAL OPERATING DEDUCTIONS	657,805.91	599,462.38	854,152.51	708,980.80	681,280.29	710,207.10	1,027,532.50	729,809.68	742,110.81	713,101.03	652,308.83	802,735.51	8,879,487.35
NET OPERATING INCOME	(11,528.30)	(7,029.34)	(205,259.63)	(56,406.16)	9,133.21	77,562.07	(73,658.87)	203,975.07	89,937.58	14,341.42	(77,124.41)	(24,342.00)	(60,399.36)
MISC NON-UTILITY INCOME	17,435.86	-	-	-	-	-	-	-	-	-	-	-	17,435.86
OTHER INCOME (EXPENSE)	17,435.86	-	-	-	-	-	-	-	-	-	-	-	17,435.86
AFUDC-INTEREST(DEBT) COMPONENT	252.00	281.00	373.00	627.00	717.00	1,014.00	1,052.00	1,335.00	1,335.00	(6,986.00)	-	-	-
AFUDC - EQUITY COMPONENT	38.00	38.00	46.00	78.00	80.00	113.00	117.00	132.00	132.00	(774.00)	-	-	-
TOTAL AFUDC	290.00	319.00	419.00	705.00	797.00	1,127.00	1,169.00	1,467.00	1,467.00	(7,760.00)	-	-	-
INTEREST EXPENSE													
INTEREST EXP: BONDS & NOTES	(61,414.36)	(54,316.75)	23,891.60	(73,572.83)	(42,483.26)	(55,846.98)	(55,633.40)	(57,452.28)	(58,714.00)	(58,481.99)	(58,936.70)	(50,276.46)	(603,237.41)
LINE OF CREDIT INTEREST	(2,931.74)	(1,025.19)	(2,180.99)	78.30	(18,956.41)	(6,801.33)	(7,221.12)	(2,743.20)	(2,871.01)	(2,956.72)	(2,728.05)	(3,235.92)	(53,573.38)
AMORTIZATION OF DEBT EXPENSE	(1,941.59)	(1,941.59)	(1,941.59)	(1,941.59)	(1,941.59)	(1,941.59)	(1,941.59)	(1,954.17)	(1,954.17)	(2,087.94)	(2,087.94)	(2,087.94)	(23,763.29)
INTERCOMPANY INTEREST	(22,415.42)	(22,047.51)	(22,151.94)	(22,846.11)	(23,162.57)	(23,940.07)	(23,467.84)	(22,374.19)	(21,422.99)	(18,548.75)	(16,787.63)	(17,102.30)	(256,267.32)
TOTAL INTEREST EXPENSE, NET	(88,703.11)	(79,331.04)	(2,382.92)	(98,282.23)	(86,543.83)	(88,529.97)	(88,263.95)	(84,523.84)	(84,962.17)	(82,075.40)	(80,540.32)	(72,702.62)	(936,841.40)
NET INCOME (OR LOSS)	(82,505.55)	(86,041.38)	(207,223.55)	(153,983.39)	(76,613.62)	(9,840.90)	(160,753.82)	120,918.23	6,442.41	(75,493.98)	(157,664.73)	(97,044.62)	(979,804.90)

Provided pursuant to NHPUC Rule 1604.01(a)(1)

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TAB 18

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

This data does not exist for PEU

TAB 19

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

Pennichuck East Utilities, Inc.
Federal Income Tax Reconciliation
For the Twelve Months Ended December 31, 2019

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

Net income per books for the test year	\$ (979,805)
Addback provision for Federal and State income taxes	415,360
Pretax Book Income before permanent items	<u>(564,445)</u>
Permanent Items:	
50% meals & entertainment expenses	-
Amortization of Municipal Acquisition Regulatory Asset (MARA	213,318
Disqualifying Dispositions (ISO's)	-
	<u>213,318</u>
Taxable Income	<u>(351,127)</u>
NHBPT	90,059
Federal Income Tax	325,301
Amortization of Investment Tax Credit	-
Total Income Taxes	<u><u>\$ 415,360</u></u>

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

Accelerated depreciation/Amortization of CIAC	(646,553)
Book/Tax Difference on disposal of assets	(248,451)
Prior Year's Charitable Contributions	-
Prepaid Expenses	-
A/R Reserve	-
Deferred Debits	4,460
	<u>(890,544)</u>

TAB 20

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

Computation of Detailed Tax Factor
Pennichuck East Utility, Inc.
December 31, 2019

Provided pursuant to NHPUC Rule 1604.01(4)

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

TAB 21

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

This data does not exist for PAC

TAB 22

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

This data does not exist for PAC

TAB 23

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

See Tab 11

TAB 24

1604.01(a)(8) Most Recent Construction Budget

**Pennichuck East Utilities, Inc.
Capital and Construction Budget 2020**

Provided pursuant to NHPUC Rule 1604.01(a)(8)

		Total 2020 incl O/H
<u>2019 Carryover/Multi-year Projects</u>		
Londonderry Storage, Booster Station, and Transmission Main	Construct 1.25 MG Groung Level Storage Tank, 3,500 gpm Booster Station and 6300 LF 16 inch Transmission Main	1,545.00
Airstrip alternative arsenic treatment	Raw Water Pipeline from Air Strip well to Peacham Road WTP	540.00
Georgetown Drive water main replacement	Replace 4600 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	10.00
Bradford Lane water main replacement	Replace 1825 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	10.00
N.Barnstead Road - Eliminate deadend piping	Add 680 LF of 4 inch C-900 PVC to eliminate dead end. Replace 275 LF of 4 inch sch 40 PVC with 6 inch C900 PVC	239.00
Belmont Drive water main replacement	Replace 500 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	5.00
Route 28 Replacement		80.00
Rolling Hills Water Main Replacement - Site Restoration from 2019 Project	Replace substandard 2 inch diameter pipe with 4 inch C900 PVC	32.00
		-
Subtotal 2019 Carryover/Multi-year Projects		2,461.00
<u>New 2020 Projects</u>		
Locke Lake Surface Water Treatment	Intake & Treatment Facility Construction	835.00
Pelham Main Replacement/Addition	Replace 1600 LF of 3 inch PE with 12 in C-900 and add 775 LF of 12 in C-90 Monticello & Lane	285.00
1x revenue investments Normal Run Rate with two months of PFOA in Litchfield	Per Tariff	100.00
Sunrise Estates	Station Replacement (design)	40.00
Londonderry Core Re-Chloramination	Re-chloramination Evalution and Preliminary Design	35.00
		-
		-
		-
Subtotal New 2020 Projects		1,295.00
Total 2020 Capital Projects Budget		3,756.00

		Total 2020 incl O/H
<u>2019 Carryover/Multi-year Projects</u>		
Water Supply	Atkinson Booster pump station design	30.00
Subtotal 2019 Carryover/Multi-year Projects		30.00
<u>New 2020 Projects</u>		
Water Supply	Booster Pump replacement/rebuild	40.00
Water Supply	Well Pump replacements	40.00
Water Supply	Chemical Feed pump replacements	10.00
Water Supply	Install/replace treatment systems in small CWS	25.00
Water Supply	Misc. Structural Improvements	20.00
Water Supply	Miscellaneous Fencing and Security projects	10.00
Water Supply	Miscellaneous SCADA/Electrical	30.00
Water Supply	Well Rehabilitation	60.00
Water Supply	Atkinson Station Rebuild	500.00
Water Supply	Install web based communication equipment, 4 locations	20.00
		-
		-
		-
Subtotal New 2020 Projects		755.00

		Project Description	Total 2020 incl O/H
		Total 2020 Capital Projects Budget	785.00
		Project Description	Total 2020 incl O/H
T&D	<u>2019 Carryover/Multi-year Projects</u>		-
		Subtotal 2019 Carryover/Multi-year Projects	-
		<u>New 2020 Projects</u>	
T&D	New Services (5)	Single Family, Owner Build, New Homes	25.00
T&D	Renewed Services (10)	Replacement of failed services	55.00
T&D	Hydrants (5)	Replacement of non functional hydrants	30.00
T&D	Gates (8)	Replacement of Failed Gate Valves	32.00
T&D	Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading	31.50
T&D	Meters (Growth) 5/8"-2" - PEU (220)	New meters for new customers (220)	22.00
T&D	Meters 5/8"-6" Lead Meter Exchange - PEU (0)	Replace High lead brass meter with new no lead brass meter	-
		Subtotal New 2020 Projects	195.50
		Total 2020 Capital Projects Budget	195.50
		2019 Carryover/Multi-year Projects - Total PEU	2,491.00
		New 2020 Projects - Total PEU	2,245.50
		Total Capital Budget - PEU	4,736.50

Breakout	
Land	0.00
Buildings	2,930.00
Equipment & software	1,806.50
	4,736.50

TAB 25

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

The information does not exist

TAB 26

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

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

TAB 27

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

All memberships are through PWW

TAB 28

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

Depreciation Study was filed in DW 05-072 and is attached



25 MANCHESTER STREET
MERRIMACK, NH 03054
(603) 882-5191
FAX (603) 913-2305
WWW.PENNICHUCK.COM

SENT VIA FEDERAL EXPRESS

July 15, 2005



Debra A. Howland
Executive Director and Secretary
N. H. Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

Re: Pennichuck East Utility, Inc. Rate Case DW 05-072

Dear Ms. Howland:

Please find enclosed an original and 4 copies of the Pennichuck East Utility Depreciation Study as of December 31, 2004.

I trust you will find this satisfactory and if you have any questions, please feel free to call.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Bonalyn J. Hartley'.

Bonalyn J. Hartley
Vice President, Administration

cc: Sarah B. Knowlton, Esq., McLane, Graf, Raulerson & Middleton
F. Anne Ross, Office of Consumer Advocate
R. Descoteau, Pennichuck

Enclosures

R:\PEU 2005 RATE CASE EXHIBITS\NHPUC Letter re Depreciation Study.doc

PENNICHUCK

Pennichuck East Utility

Depreciation Study
as of
December 31, 2004



AUS CONSULTANTS
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E-MAIL: erobinson@wfw-ausinc.com

Earl M. Robinson, CDP
President & CEO

July 12, 2005

Mrs. Bonnie Hartley, Vice President - Controller
Pennichuck Water Works
25 Manchester Street
Merrimack, NY 03054

RE: Pennichuck East Utility.

Dear Mrs Hartley:

In accordance with your authorization, we have prepared a depreciation study related to the utility plant in service of the Pennichuck East Utility as of December 31, 2004. Our findings and recommendations, together with supporting schedules and exhibits, are set forth in the accompanying report.

Summary schedules have been prepared to illustrate the impact of instituting the recommended annual depreciation rates as a basis for the Company's annual depreciation expense as compared to the rates presented utilized. The application of the present rates to the Company's total depreciable plant in service as of December 31, 2004 results in an annual depreciation expense of \$604,810. In comparison, the application of the proposed depreciation rates to the Company's total depreciable plant in service at December 31, 2004 results in an annual depreciation expense of \$799,088, a depreciation expense increase of \$194,278. The composite annual depreciation rate under present rates is 2.07 percent, while the proposed composite depreciation rate is 2.74 percent.

Section 2 of our report contains the summary schedules showing the results of our service life and salvage studies and summarizes of presently utilized depreciation rates. The subsequent sections of the report present a detailed outline of the methodology and procedures used in the study together with supporting calculations and analyses used in the development of the results. A detailed table of contents follows this letter.

Respectfully submitted,

A handwritten signature in black ink that reads "Earl M. Robinson".

EARL M. ROBINSON

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Pennichuck East Utility

Executive Summary

Table 1 on pages 2-1 and 2-2 is a comparative summary which illustrates the effect on instituting the revised proposed depreciation rates. The schedule includes a comparison of the annual depreciation rates and annual depreciation expense under both present and proposed rates for each plant account related to the Company's plant in service as of December 31, 2004. The proposed depreciation rates are based upon the Broad Group / Average Remaining Life procedure and technique.

Table 2 on pages 2-3 and 2-4 provides a summary of the detailed life estimated, service life parameters (Iowa Curves), and salvage factors utilized in preparing the proposed Average Remaining Life depreciation rates for each property group. The schedule provides a summary of the detailed data and narrative of study results set forth in Section 4 of this report.

Table 3 on pages 2-5 and 2-6, reconciles the December 31, 2004 account level plant in service balances per books versus the balances utilized in the performance of the depreciation study.

Likewise, Table 4, on pages 2-7 to 2-8, reconciles the December 31, 2004 book depreciation reserve balances per books versus the balances utilized in preparing the depreciation rates per this study. Furthermore, the table contains the allocation of the Company's functional book depreciation reserve to the applicable individual property categories within the functional categories.

The depreciation rates developed per this study were determined by studying the Company's investment and retirement data together with the interpretation of future expectancies which have a bearing on the overall service life of the Company's property. The proposed average remaining life-based depreciation rates, which reflect the analysis of past experience as well as present interpretations of future expectancies, will provide the Company with a better opportunity to recover the cost of its plant in service over the property's current estimate of remaining useful life than afforded under present rates. In order to develop ARL-based depreciation rates for each of the Company's depreciable property groups, it was necessary to obtain the Company's present accrued book depreciation reserve on an individual plant account level.

The depreciation rate for each individual account changed as a result of reflecting estimates obtained through the in-depth analysis and the Company's most recent data and interpretation of current and future events. Some of the revisions were not significant and typically reflect only fine tuning of previously utilized depreciation rates while others were more substantial in nature. Several of the accounts did reflect marked changes (as outlined in Section 4 of this report) from the previously utilized depreciation rates. The most notable changes are in Account 331 - Mains, and Account 334 - Meters.

The proposed implicit composite depreciation rate for Account 331 - Mains increased from 1.36 percent to 1.88 percent. The proposed depreciation rate incorporates the current estimates of average service life and future net salvage parameters developed through the review and analysis of the content of the account and the Company's available historical data relative to this property group. The proposed depreciation rates also give

recognition of the level of depreciation recovery that the Company has achieved to date. Accordingly, the proposed depreciation rate is being impacted by the fact that the level of the book depreciation reserve is proportionately lower versus the applicable theoretical reserve for the property group.

The implicit composite annual depreciation rate for Account 334 - Meters increase from 4.75 percent to 6.91 percent as a result of the impact of the Company's in the investment for Auto Meter Reading Devices into the property group's investment. The useful service life estimated for the Meter-Datamatic Readers is reflective of the maximum useful service life that is anticipated by the new sub-category of property within the overall property group.

While various of the property accounts experienced only modest increases or decreases in depreciation expense several of the accounts, as noted, did experience larger depreciation expense changes. The net change under the proposed depreciation rates, results in an aggregate net increase in annual depreciation expense of \$194,278 over current rates when applied to the Company's plant in service investment as of December 31, 2004. This change in annual depreciation expense is the result of both changes in the estimated service lives and salvage factors, as compared to those underlying the current depreciation.

The Composite Depreciation Rate should not be applied to the total plant investment. The non-proportional change in plant investment, as a result of property additions or retirements, would render the composite rate inappropriate. That is, the Company's historical experience, etc. was studied in detail for each depreciable group in

the process of this study, thus, the resultant proposed depreciation rates should be applied on a similar basis. Accordingly, the following composite summary is provided for illustrative purposes only as a means to compare the present and proposed composite depreciation rates.

Present Depreciation Rates

Depreciable Plant in Service at December 31, 2004	\$29,213,916
Annual Depreciation Expense	604,810
Composite Annual Depreciation Rate	2.07%

Proposed Depreciation Rates

Depreciable Plant in Service at December 31, 2004	\$29,213,916
Annual Depreciation Expense	799,088
Composite Annual Depreciation Rate	2.74%

Pennichuck East Utility, Inc.

TABLE 1

Summary of Original Cost of Utility Plant In Service as of December 31, 2004 and Related Annual Depreciation Expenses Under Present and Proposed Depreciation Rates

Acct. No.	Account Description	Original	Present Rates		Proposed Rates		Net Change
		Cost 12-31-2004	Rates %	Annual Accrual	Rates %	Annual Accrual	Depreciation Expense
(a)	(b)	(c)	(d)	(e)=(c)*(d)	(f)	(g)=(c)*(f)	(i)=(g)-(e)
DEPRECIABLE PLANT							
Source of Supply							
304.10	Structures & Improvements	726,265.89	2.00%	14,525.00	3.05%	22,151.00	7,626.00
307.10	Wells & Springs	651,630.00	2.00%	13,033.00	4.05%	26,391.00	13,358.00
	TOTAL Source of Supply	1,377,895.89	2.00%	27,558.00	3.52%	48,542.00	20,984.00
Pumping Plant							
304.20	Structures & Improvements	1,601,378.99	2.62%	41,956.00	3.01%	48,202.00	6,246.00
311.20	Electric Pumping Equipment	932,642.61	6.11%	56,984.00	6.16%	57,451.00	467.00
311.60	Other Power Pumping Equipment	4,175.71	2.86%	119.00	3.47%	145.00	26.00
	TOTAL Pumping Plant	2,538,197.31	3.90%	99,059.00	4.17%	105,798.00	6,739.00
Water Treatment Plant							
Water Treatment Equipment							
320.00	Purification System Equipment	305,717.33	6.67%	20,391.00	12.39%	37,878.00	17,487.00
320.10	Other Production Equipment	19,382.52	6.67%	1,293.00	5.63%	1,091.00	-202.00
320.20	Water Treatment Equipment	1,014.32	2.91%	30.00	12.42%	126.00	96.00
	TOTAL Water Treatment	326,114.17	6.66%	21,714.00	11.99%	39,095.00	17,381.00
Transmission & Distribution Plant							
304.50	Distr Reservoir & Standpipe Structures	7,360.00	2.59%	191.00	2.77%	204.00	13.00
304.55	Booster Station Structure	338,462.42	2.59%	8,766.00	2.72%	9,206.00	440.00
330.00	Distribution Reservoirs & Standpipes	811,800.00	2.44%	19,808.00	1.96%	15,911.00	-3,897.00
Transmission & Distribution Mains							
331.01	Pavements-Transmission Mains	877.10	1.27%	11.00	7.52%	66.00	55.00
331.02	Pavements-Distribution Mains	2,763.72	1.27%	35.00	6.95%	192.00	157.00
331.04	Pavements	2,808.61	1.27%	36.00	6.73%	189.00	153.00
331.10	Transmission Mains-New	1,299,944.83	1.19%	15,469.00	1.21%	15,729.00	260.00
331.15	Transmission Mains-Developer Installed	215,050.15	1.19%	2,559.00	1.21%	2,602.00	43.00
331.20	Distribution Mains-New	13,579,181.23	1.38%	187,393.00	1.96%	266,152.00	78,759.00
331.25	Distribution Mains-Gate Valves	14,520.56	1.38%	200.00	1.85%	269.00	69.00
331.30	Distribution Mains-Developer Installed	3,486,300.02	1.38%	48,111.00	1.86%	64,845.00	16,734.00
	Total Account 331	18,601,446.22	1.36%	253,814.00	1.88%	350,044.00	96,230.00
Services							
333.04	New Services-Pavement	28,021.39	2.44%	684.00	6.91%	1,936.00	1,252.00
333.10	Services-New	1,642,949.10	2.48%	40,745.00	2.60%	42,717.00	1,972.00
333.20	Services-Renewed	133,779.27	2.48%	3,318.00	2.46%	3,291.00	-27.00
333.23	Services-Developer Installed (CIAC)	359,239.84	2.48%	8,909.00	2.48%	8,909.00	0.00
333.25	Services-Developer Installed (PAID)	475,900.08	2.48%	11,802.00	2.49%	11,850.00	48.00
	Total Account 333	2,639,889.68	2.48%	65,458.00	2.60%	68,703.00	3,245.00
Meters & Meter Installs							
334.10	Meters & Meter Installs	943,348.54	4.75%	44,809.00	4.72%	44,526.00	-283.00
334.11	Meters-Digamatic Readers	602,589.16	4.75%	28,623.00	10.33%	62,247.00	33,624.00
	Total Account 334	1,545,937.70	4.75%	73,432.00	6.91%	106,773.00	33,341.00
335.00	Hydrants	327,613.53	2.00%	6,552.00	1.55%	5,078.00	-1,474.00
335.10	Hydrants-Developer Installed	313,535.62	2.00%	6,271.00	1.48%	4,640.00	-1,631.00
	Total Account 335	641,149.15	2.00%	12,823.00	1.52%	9,718.00	-3,105.00
339.00	Other Plant & Misc Equip	71,542.00	2.50%	1,789.00	2.04%	1,459.00	-330.00
	TOTAL Transmission & Distribution	24,657,587.17	1.77%	436,081.00	2.28%	562,018.00	125,937.00

Pennichuck East Utility, Inc.

TABLE 1

Summary of Original Cost of Utility Plant In Service as of December 31, 2004 and Related Annual Depreciation Expenses Under Present and Proposed Depreciation Rates

Acct. No.	Account Description	Original Cost 12-31-2004	Present Rates		Proposed Rates		Net Change Depreciation Expense
			Rates %	Annual Accrual (e)=(c)*(d)	Rates %	Annual Accrual (g)=(c)*(f)	
(a)	(b)	(c)	(d)	(e)=(c)*(d)	(f)	(g)=(c)*(f)	(i)=(g)-(e)
General Plant							
343.00	Shop Equipment	83,373.00	6.67%	5,561.00	15.28%	12,739.00	7,178.00
346.00	Communication Equipment	185,264.00	5.00%	9,263.00	12.49%	23,139.00	13,876.00
347.11	Computer Equipment-Hardware/Software	36,484.00	14.29%	5,214.00	18.73%	6,833.00	1,619.00
348.00	Miscellaneous General Equipment	9,000.00	4.00%	360.00	10.27%	924.00	564.00
	TOTAL General	314,121.00	6.49%	20,398.00	13.89%	43,635.00	23,237.00
	TOTAL Depreciable Plant	29,213,915.54	2.07%	604,810.00	2.74%	799,088.00	194,278.00
NON-DEPRECIABLE PLANT							
301.00	Organization	58,478.00					
302.00	Franchise	36,457.00					
303.10	Land	221,980.92					
303.24	Easements	1,330.88					
303.25	Easements-Gage Hill	2,548.85					
303.26	Easements-Oakwood	11,693.67					
303.27	Easements-Gilcreast Road	387.29					
303.50	Distr Reservoir & Standpipe Land	190,707.74					
303.60	Distr System Land & ROW	69,584.26					
	TOTAL Non-Depreciable Plant	593,168.61					
	TOTAL Utility Plant In Service	29,807,084.15					

Pennichuck East Utility, Inc.

TABLE 2

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Depreciation Reserve and Average Remaining Lives of Utility Plant in Service as of December 31, 2004

Acct. No.	Account Description	Original Cost 12-31-2004	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Book Reserve	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
(a)	(b)	(c)	(d)	(e)=(c)-(d)	(f)=(c)-(e)	(g)	(h)=(f)-(g)	(i)	(j)	(k)=(h)/(j)	(l)=(k)/(c)
DEPRECIABLE PLANT											
Source of Supply											
304.10	Structures & Improvements	726,265.89	-5%	-36,313.00	762,578.89	56,287.78	706,291.11 (1)	50-L0.5	31.9	22,141.00	3.05%
307.10	Wells & Springs	651,630.00	-10%	-65,163.00	716,793.00	144,480.56	572,312.44	29-L3	21.7	26,374.00	4.05%
	TOTAL Source of Supply	1,377,895.89		-101,476.00	1,479,371.89	200,768.34	1,278,603.55		26.4	48,515.00	3.52%
Pumping Plant											
304.20	Structures & Improvements	1,601,378.99	-5%	-80,069.00	1,681,447.99	293,119.58	1,388,328.41 (1)	48-L1	28.8	48,206.00	3.01%
311.20	Electric Pumping Equipment	932,642.61	-15%	-139,896.00	1,072,538.61	228,249.62	844,288.99	20-L0.5	14.7	57,435.00	6.16%
311.60	Other Power Pumping Equipment	4,175.71	0%	0.00	4,175.71	568.66	3,607.05	30-R3	24.9	145.00	3.47%
	TOTAL Pumping Equipment	2,538,197.31		-219,965.00	2,758,162.31	521,938.06	2,236,224.25		21.1	105,786.00	4.17%
Water Treatment Plant											
Water Treatment Equipment											
320.00	Purification System Equipment	305,717.33	-15%	-45,858.00	351,575.33	105,417.58	246,157.75	12-R2.5	6.5	37,870.00	12.39%
320.10	Other Production Equipment	19,382.52	0%	0.00	19,382.52	3,322.99	16,059.53	20-R3	14.7	1,092.00	5.63%
320.20	Water Treatment Equipment	1,014.32	-15%	-152.00	1,166.32	357.21	809.11	12-R2.5	6.4	126.00	12.42%
	TOTAL Water Treatment	326,114.17		-46,010.00	372,124.17	109,097.78	263,026.39		6.7	39,088.00	11.99%
Transmission & Distribution Plant											
304.50	Distr Reservoir & Standpipe Structures	7,360.00	-5%	-368.00	7,728.00	642.85	7,085.15 (1)	60-L1	34.8	204.00	2.77%
304.55	Booster Station Structure	338,462.42	-5%	-16,923.00	355,385.42	10,174.74	345,210.68 (1)	60-L1	37.5	9,206.00	2.72%
330.00	Distribution Reservoirs & Standpipes	811,800.00	-10%	-81,180.00	892,980.00	17,708.02	875,271.98 (1)	85-R2.5	55.1	15,885.00	1.96%
Transmission & Distribution Mains											
331.01	Pavements-Transmission Mains	877.10	0%	0.00	877.10	231.39	645.71	15-R3	9.8	66.00	7.52%
331.02	Pavements-Distribution Mains	2,763.72	0%	0.00	2,763.72	340.29	2,423.43	15-R3	12.6	192.00	6.95%
331.04	Pavements	2,808.61	0%	0.00	2,808.61	69.92	2,738.69	15-R3	14.5	189.00	6.73%
331.10	Transmission Mains-New	1,299,944.83	-20%	-259,989.00	1,559,933.83	50,605.78	1,509,328.05	100-R3	95.7	15,771.00	1.21%
331.15	Transmission Mains-Developer Installed	215,050.15	-20%	-43,010.00	258,060.15	6,745.30	251,314.85	100-R3	96.6	2,602.00	1.21%
331.20	Distribution Mains-New	13,579,181.23	-20%	-2,715,836.00	16,295,017.23	2,429,432.31	13,865,584.92	65-R2.5	52.2	265,624.00	1.96%
331.25	Distribution Mains-Gate Valves	14,520.56	-20%	-2,904.00	17,424.56	312.85	17,111.71	65-R2.5	63.5	269.00	1.85%
331.30	Distribution Mains-Developer Installed	3,486,300.02	-20%	-697,260.00	4,183,560.02	126,431.71	4,057,128.31	65-R2.5	62.4	65,018.00	1.86%
	Total Account 331	18,601,446.22		-3,718,999.00	22,320,445.22	2,614,169.55	19,706,275.67		56.3	349,731.00	1.88%

TABLE 2

Pennichuck East Utility, Inc.

Summary of Original Cost of Utility Plant in Service and Calculation of Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of Book Depreciation Reserve and Average Remaining Lives of Utility Plant in Service as of December 31, 2004

Acct. No.	Account Description	Original Cost 12-31-2004	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Book Reserve	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
(a)	(b)	(c)	(d)	(e)=(c)*(d)	(f)=(c)-(e)	(g)	(h)=(f)-(g)	(i)	(j)	(k)=(h)/(j)	(l)=(k)/(c)
Services											
333.04	New Services-Pavement	28,021.39	0%	0.00	28,021.39	3,033.97	24,987.42	15-R3	12.9	1,937.00	6.91%
333.10	Services-New	1,642,949.10	-35%	-575,032.00	2,217,981.10	329,528.10	1,888,453.00	55-R2	44.2	42,725.00	2.60%
333.20	Services-Renewed	133,779.27	-35%	-46,823.00	180,602.27	1,514.30	179,087.97	55-R2	54.4	3,292.00	2.46%
333.23	Services-Developer Installed (CIAC)	359,239.84	-35%	-125,734.00	484,973.84	18,964.51	466,009.33	55-R2	52.2	8,927.00	2.48%
333.25	Services-Developer Installed (PAID)	475,900.08	-35%	-166,565.00	642,465.08	26,284.90	616,180.18	55-R2	52.0	11,850.00	2.49%
	Total Account 333	2,639,889.68		-914,154.00	3,554,043.68	379,325.79	3,174,717.89		46.2	68,731.00	2.60%
Meters & Meter Installs											
334.10	Meters & Meter Installs	943,348.54	-5%	-47,167.00	990,515.54	251,974.59	738,540.95	25-R2.5	16.6	44,490.00	4.72%
334.11	Meters-Digamatic Readers	602,589.16	0%	0.00	602,589.16	60,898.14	541,691.02	10-R2	8.7	62,263.00	10.33%
	Total Account 334	1,545,937.70		-47,167.00	1,593,104.70	312,872.73	1,280,231.97		12.0	106,753.00	6.91%
335.00	Hydrants	327,613.53	-10%	-32,761.00	360,374.53	54,341.62	306,032.91	75-R3	60.1	5,092.00	1.55%
335.10	Hydrants-Developer Installed	313,535.62	-10%	-31,354.00	344,889.62	7,461.63	337,427.99	75-R3	72.9	4,629.00	1.48%
	Total Account 335	641,149.15		-64,115.00	705,264.15	61,803.25	643,460.90		66.2	9,721.00	1.52%
339.00	Other Trans/Distr Equip	71,542.00	0%	0.00	71,542.00	4,322.60	67,219.40	50-R3	46.0	1,461.00	2.04%
	TOTAL Transmission & Distribution	24,657,587.17		-4,842,906.00	29,500,493.17	3,401,019.53	26,099,473.64		46.5	561,692.00	2.28%
General Plant											
343.00	Shop Equipment	83,373.00	0%	0.00	83,373.00	45,151.92	38,221.08	12-L4	3.0	12,740.00	15.28%
346.00	Communication Equipment	185,264.00	0%	0.00	185,264.00	41,772.64	143,491.36	9-L2	6.2	23,144.00	12.49%
347.11	Computer Equipment-Hardware/Software	36,484.00	0%	0.00	36,484.00	16,670.92	19,813.08	8-R4	2.9	6,832.00	18.73%
348.00	Miscellaneous General Equipment	9,000.00	0%	0.00	9,000.00	2,067.82	6,932.18	11-L5	7.5	924.00	10.27%
	TOTAL General	314,121.00		0.00	314,121.00	105,663.30	208,457.70		4.8	43,640.00	13.89%
	TOTAL Depreciable Plant	29,213,915.54		-5,210,357.00	34,424,272.54	4,338,487.00	30,085,785.54			798,721.00	2.73%
NON-DEPRECIABLE PLANT											
301.00	Organization	58,478.00									
302.00	Franchise	36,457.00									
303.10	Land	221,980.92									
303.24	Easements	1,330.88									
303.25	Easements-Gage Hill	2,548.85									
303.26	Easements-Oakwood	11,693.67									
303.27	Easements-Gilcrest Road	387.29									
303.50	Distr Reservoir & Standpipe Land	190,707.74									
303.60	Distr System Land & ROW	69,584.26									
	TOTAL Non-Depreciable Plant	593,168.61									
	TOTAL Utility Plant in Service	29,807,084.15									

(1) Interim Retirement Rate. Life Span Method Utilized. Service Lives Vary

TABLE 3

Pennichuck East Utility, Inc.

**Summary of Original Cost as of December 31, 2004, Study Adjustments,
Plant In Service Per Depr Study By Account As Of December 31, 2004**

<u>Acct. No.</u> (a)	<u>Account Description</u> (b)	<u>Original Cost 12-31-2004</u> (c)	<u>Adjustments Per Depr Study</u> (d)	<u>Original Cost Per Depr. Study 12-31-2004</u> (h)=c+(d)
<u>DEPRECIABLE PLANT</u>				
<u>Source of Supply</u>				
304.10	Structures & Improvements	1,524,992.89	-798,727.00 (1)	726,265.89
307.10	Wells & Springs	651,630.00		651,630.00
	TOTAL Source of Supply	2,176,622.89	-798,727.00	1,377,895.89
<u>Pumping Plant</u>				
304.20	Structures & Improvements	1,601,378.99		1,601,378.99
311.20	Electric Pumping Equipment	932,642.61		932,642.61
311.60	Other Power Pumping Equipment	4,175.71		4,175.71
	TOTAL Pumping Plant	2,538,197.31	0.00	2,538,197.31
<u>Water Treatment Plant</u>				
<u>Water Treatment Equipment</u>				
320.00	Purification System Equipment	305,717.33		305,717.33
320.10	Other Production Equipment	19,382.52		19,382.52
320.20	Water Treatment Equipment	1,014.32		1,014.32
	TOTAL Water Treatment	326,114.17	0.00	326,114.17
<u>Transmission & Distribution Plant</u>				
304.50	Distr Reservoir & Standpipe Structures	7,360.00		7,360.00
304.55	Booster Station Structure	338,462.42		338,462.42
330.00	Distribution Reservoirs & Standpipes	13,073.00	798,727.00 (1)	811,800.00
<u>Transmission & Distribution Mains</u>				
331.01	Pavements-Transmission Mains	877.10		877.10
331.02	Pavements-Distribution Mains	2,763.72		2,763.72
331.04	Pavements	2,808.61		2,808.61
331.10	Transmission Mains-New	1,299,944.83		1,299,944.83
331.15	Transmission Mains-Developer Installed	215,050.15		215,050.15
331.20	Distribution Mains-New	13,579,181.23		13,579,181.23
331.25	Distribution Mains-Gate Valves	14,520.56		14,520.56
331.30	Distribution Mains-Developer Installed	3,486,300.02		3,486,300.02
	Total Account 331	18,601,446.22	0.00	18,601,446.22
<u>Services</u>				
333.04	New Services-Pavement	28,021.39		28,021.39
333.10	Services-New	1,642,949.10		1,642,949.10
333.20	Services-Renewed	133,779.27		133,779.27
333.23	Services-Developer Installed (CIAC)	359,239.84		359,239.84
333.25	Services-Developer Installed (PAID)	475,900.08		475,900.08
	Total Account 333	2,639,889.68	0.00	2,639,889.68
<u>Meters & Meter Installs</u>				
334.10	Meters & Meter Installs	943,348.54		943,348.54

TABLE 3

Pennichuck East Utility, Inc.

**Summary of Original Cost as of December 31, 2004, Study Adjustments,
Plant In Service Per Depr Study By Account As Of December 31, 2004**

Acct. No.	Account Description	Original Cost 12-31-2004	Adjustments Per Depr Study	Original Cost Per Depr. Study 12-31-2004
(a)	(b)	(c)	(d)	(h)=c+(d)
334.11	Meters-Digamatic Readers	602,589.16		602,589.16
	Total Account 334	1,545,937.70	0.00	1,545,937.70
335.00	Hydrants	327,613.53		327,613.53
335.10	Hydrants-Developer Installed	313,535.62		313,535.62
	Total Account 335	641,149.15	0.00	641,149.15
339.00	Other Plant & Misc Equip	71,542.00		71,542.00
	TOTAL Transmission & Distribution	23,858,860.17	798,727.00	24,657,587.17
<u>General Plant</u>				
343.00	Shop Equipment	83,373.00		83,373.00
346.00	Communication Equipment	185,264.00		185,264.00
347.11	Computer Equipment-Hardware/Software	36,484.00		36,484.00
348.00	Miscellaneous General Equipment	9,000.00		9,000.00
	TOTAL General	314,121.00	0.00	314,121.00
	TOTAL Depreciable Plant	29,213,915.54	0.00	29,213,915.54
<u>NON-DEPRECIABLE PLANT</u>				
301.00	Organization	58,478.00		58,478.00
302.00	Franchise	36,457.00		36,457.00
303.10	Land	221,980.92		221,980.92
303.24	Easements	1,330.88		1,330.88
303.25	Easements-Gage Hill	2,548.85		2,548.85
303.26	Easements-Oakwood	11,693.67		11,693.67
303.27	Easements-Gilcreast Road	387.29		387.29
303.50	Distr Reservoir & Standpipe Land	190,707.74	0.00	190,707.74
303.60	Distr System Land & ROW	69,584.26		69,584.26
	TOTAL Non-Depreciable Plant	593,168.61	0.00	593,168.61
	TOTAL Utility Plant in Service	29,807,084.15	0.00	29,807,084.15

(1) Litchfield Storage Tank

TABLE 4

Pennichuck East Utility, Inc.

Summary of Book Depreciation Reserve as of December 31, 2004, Allocation of Book Depreciation Reserve (And Gains and Loss Balance) Over Theoretical Depreciation Reserve As Of December 31, 2004 And Book Depreciation Reserve Per Depr Study By Account As Of December 31, 2004

Acct. No.	Account Description	Original Cost Per Depr. Study 12-31-2004	Est'd Future Net Salvage %	A.S.L./ Survivor Curve	Book Depr Reserve 12-31-2004	Theoretical Depr. Reserv 12-31-2004	Allocation of 12-31-2004 Book Depr Reserve	Gains and Loss Balance	Allocation of Gains and Loss Balance	Depr Reserve Per Depr. Study 12-31-2004
(a)	(b)				(c)				(d)	(h)=G+(d)
DEPRECIABLE PLANT										
Source of Supply										
304.10	Structures & Improvements	726,265.89	-5%	50-L0.5		70,817.40	57,324.24	-1,036.46		56,287.78
307.10	Wells & Springs	651,630.00	-10%	29-L3		181,775.47	147,140.96	-2,660.40		144,480.56
	TOTAL Source of Supply	1,377,895.89				252,592.87	204,465.20	-3,696.86		200,768.34
Pumping Plant										
304.20	Structures & Improvements	1,601,378.99	-5%	48-L1		368,782.82	298,516.95	-5,397.38		293,119.58
311.20	Electric Pumping Equipment	932,642.61	-15%	20-L0.5		287,168.17	232,452.71	-4,202.89		228,249.82
311.60	Other Power Pumping Equipment	4,175.71	0%	30-R3		715.45	579.13	-10.47		568.66
	TOTAL Pumping Plant	2,538,197.31				656,666.44	531,548.80	-9,610.74		521,938.06
	Total Source of Supply and Pumping Plant				736,014.00	909,259.31	736,014.00			
Water Treatment Plant										
Water Treatment Equipment										
320.00	Purification System Equipment	305,717.33	-15%	12-R2.5		162,361.38	107,793.85	-2,376.26		105,417.58
320.10	Other Production Equipment	19,382.52	0%	20-R3		5,117.98	3,397.89	-74.90		3,322.99
320.20	Water Treatment Equipment	1,014.32	-15%	12-R2.5		550.16	365.26	-8.05		357.21
	TOTAL Water Treatment	326,114.17			111,557.00	168,029.52	111,557.00	-2459.22	1803	109,097.78
Transmission & Distribution Plant										
304.50	Distr Reservoir & Standpipe Structures	7,360.00	-5%	60-L1		846.17	655.23	-12.38		642.85
304.55	Booster Station Structure	338,462.42	-5%	60-L1		13,392.84	10,370.76	-196.01		10,174.74
330.00	Distribution Reservoirs & Standpipes	811,600.00	-10%	85-R2.5		23,308.76	18,049.16	-341.14		17,708.02
Transmission & Distribution Mains										
331.01	Pavements-Transmission Mains	877.10	0%	15-R3		304.57	235.84	-4.46		231.39
331.02	Pavements-Distribution Mains	2,763.72	0%	15-R3		447.92	346.85	-6.56		340.29
331.04	Pavements	2,808.61	0%	15-R3		92.04	71.27	-1.35		69.92
331.10	Transmission Mains-New	1,299,944.83	-20%	100-R3		66,611.51	51,580.68	-974.90		50,605.78
331.15	Transmission Mains-Developer Installed	215,050.15	-20%	100-R3		8,878.72	6,875.24	-129.95		6,745.30
331.20	Distribution Mains-New	13,579,181.23	-20%	65-R2.5		3,197,819.58	2,476,234.49	-46,802.18		2,429,432.31
331.25	Distribution Mains-Gate Valves	14,520.56	-20%	65-R2.5		411.80	318.88	-6.03		312.85
331.30	Distribution Mains-Developer Installed	3,486,300.02	-20%	65-R2.5		166,419.86	128,867.37	-2,435.66		126,431.71
	Total Account 331	18,601,446.22				3,440,986.00	2,664,530.63	-50,361.08		2,614,169.55
Services										
333.04	New Services-Pavement	28,021.39	0%	15-R3		3,993.56	3,092.42	-58.45		3,033.97
333.10	Services-New	1,642,949.10	-35%	55-R2		433,752.12	335,876.35	-6,348.25		329,528.10
333.20	Services-Renewed	133,779.27	-35%	55-R2		1,993.25	1,543.47	-29.17		1,514.30

TABLE 4

Pennichuck East Utility, Inc.

Summary of Book Depreciation Reserve as of December 31, 2004, Allocation of Book Depreciation Reserve (And Gains and Loss Balance) Over Theoretical Depreciation Reserve As Of December 31, 2004 And Book Depreciation Reserve Per Depr Study By Account As Of December 31, 2004

Acct. No.	Account Description	Original Cost Per Depr. Study 12-31-2004	Est'd Future Net Salvage %	A.S.L./ Survivor Curve	Book Depr Reserve 12-31-2004	Theoretical Depr. Reserv 12-31-2004	Allocation of 12-31-2004 Book Depr Reserve	Gains and Loss Balance	Allocation of Gains and Loss Balance	Depr Reserve Per Depr. Study 12-31-2004
(a)	(b)				(c)				(d)	(h)=c+(d)
333.23	Services-Developer Installed (CIAC)	359,239.84	-35%	55-R2		24,962.66	19,329.86		-365.34	18,964.51
333.25	Services-Developer Installed (PAID)	475,900.08	-35%	55-R2		34,598.36	26,791.27		-506.37	26,284.90
	Total Account 333	2,639,889.68				499,299.95	386,633.37		-7,307.58	379,325.79
	Meters & Meter Installs									
334.10	Meters & Meter Installs	943,348.54	-5%	25-R2.5		331,689.78	256,828.79		-4,854.20	251,974.59
334.11	Meters-Digamatic Readers	602,589.18	0%	10-R2		80,159.16	82,071.32		-1,173.18	60,898.14
	Total Account 334	1,545,937.70				411,828.94	318,900.11		-6,027.39	312,872.73
335.00	Hydrants	327,613.53	-10%	75-R3		71,528.93	55,388.49		-1,046.87	54,341.62
335.10	Hydrants-Developer Installed	313,535.62	-10%	75-R3		9,821.82	7,605.38		-143.75	7,461.63
	Total Account 335	641,149.15				81,350.55	62,993.87		-1,190.62	61,803.25
339.00	Other Plant & Misc Equip	71,542.00	0%	50-R3		5,689.76	4,405.87		-83.27	4,322.60
	TOTAL Transmission & Distribution	24,657,587.17			3,466,539.00	4,476,702.97	3,466,539.00		-65,519.47	3,401,019.53
	General Plant									
343.00	Shop Equipment	83,373.00	0%	12-L4		62,531.50	46,067.11		-915.19	45,151.92
346.00	Communication Equipment	185,264.00	0%	9-L2		57,851.50	42,619.34		-846.69	41,772.64
347.11	Computer Equipment-Hardware/Software	36,484.00	0%	8-R4		23,087.78	17,008.82		-337.90	16,670.92
348.00	Miscellaneous General Equipment	9,000.00	0%	11-L5		2,863.75	2,109.73		-41.91	2,067.82
	TOTAL General	314,121.00			107,805.00	146,334.53	107,805.00		-2,141.70	105,663.30
	TOTAL Depreciable Plant	29,213,915.54			4,421,915.00	5,700,326.33	4,421,915.00	(83,428)	-83,428.00	4,338,487.00
	NON-DEPRECIABLE PLANT									
301.00	Organization	58,478.00								
302.00	Franchise	36,457.00								
303.10	Land	221,980.92								
303.24	Easements	1,330.88								
303.25	Easements-Gage Hill	2,548.85								
303.26	Easements-Oakwood	11,693.67								
303.27	Easements-Gikreast Road	387.29								
303.50	Distr Reservoir & Standpipe Land	190,707.74								
303.60	Distr System Land & ROW	89,584.26								
	TOTAL Non-Depreciable Plant	593,168.61								
	TOTAL Utility Plant in Service	29,807,084.15								

Pennichuck East Utility

General

This report sets forth the results of our study of the depreciable property of Pennichuck East Utility (the Company) as of December 31, 2004 and contains the basic parameters (recommended average service lives and life characteristics) for the proposed average remaining life depreciation rates until a subsequent service life study is completed. All average service lives set forth in this report are developed based upon plant in service as of December 31, 2004.

The scope of the study included an analysis of Company historical data through December 31, 2004, discussions with Company management and staff to identify prior and prospective factors affecting the Company's plant in service, as well as interpretation of past service life data experience and future life expectancies to determine the appropriate average service lives of the Company's surviving plant. The service lives and life characteristics resulting from the in-depth study were utilized together with the Company's plant in service and book depreciation reserve to determine the recommended Average Remaining Life (ARL) depreciation rates related to the Company's plant in service as of December 31, 2004.

In preparing the study, the Company's historical investment data were studied using various service life analysis techniques. Further, discussions were held with the Company's management to obtain an overview of the Company's facilities and to discuss the general scope of operations together with other factors which could have a bearing on the service lives of the Company's property. Finally, the study results were tempered by

information gathered during plant inspection tours of a representative portion of the Company's property.

The Company maintains property records containing a summary of its fixed capital investments by property account. This investment data was analyzed and summarized by property group and/or sub group and vintage then utilized as a basis for the various depreciation calculations.

Depreciation Study Overview

There are numerous methods utilized to recover property investment depending upon the goal. For example, accelerated methods such as double declining balance and sum of years digits are methods used in tax accounting to motivate additional investments. Broad Group (BG) and Equal Life Group (ELG) are both Straight Line Grouping Procedures recognized and utilized by various regulatory jurisdictions depending upon the policy of the specific agency.

The Straight Line Group Method of depreciation utilized in this study to develop the recommended depreciation rates is the Broad Group Procedure together with the Average Remaining Life Technique. The use of this procedure and technique is based upon recovering the net book cost (original cost less book reserve) of the surviving plant in service over its estimated remaining useful life. Any variance between the book reserve and an implied theoretical calculated reserve is compensated for under this procedure. That is, as the Company's book reserve increases above or declines below the theoretical reserve at a specific point in time, the Company's average remaining life depreciation rate in subsequent years will be increased or decreased to compensate for the variance, thereby, assuring full recovery of the Company's investment by the end of the property's

life.

The Company, like any other business, includes as an annual operating expense an amount which reflects a portion of the capital investment which was consumed in providing service during the accounting period. The annual depreciation amount to be recognized is based upon the remaining productive life over which the undepreciated capital investment needs to be recovered. The determination of the productive remaining life for each property group usually includes an in-depth study of past experience in addition to estimates of future expectations.

Annual Depreciation Accrual

Through the utilization of the Average Remaining Life Technique, the Company will recover the undepreciated fixed capital investment in the appropriate amounts as annual depreciation expense in each year throughout the remaining life of the property. The procedure incorporates the future life expectancy of the property, the vintaged surviving plant in service, and estimated net salvage, together with the book depreciation reserve balance to develop the annual depreciation rate for each property account. Accordingly, the ARL technique meets the objective of providing a straight line recovery of the undepreciated fixed capital property investment.

As indicated, the use of the Average Remaining Life Technique results in charging the appropriate annual depreciation amounts over the remaining life of the property to insure full recovery by the end of the life of the property. The annual expense is calculated on a Straight Line Method rather than by the previously mentioned, "sum of the years digits" or "double declining balance" methods, etc. The "group" refers to the method of calculating annual depreciation on the summation of the investment in any one depreciable

group or plant account rather than calculating depreciation for each individual unit.

Under Broad Group Depreciation some units may be over depreciated and other units may be under depreciated at the time when they are retired from service, but overall, the account is fully depreciated when average service life is attained. By comparison, Equal Life Group depreciation rates are designed to fully accrue the cost of the asset group by the time of retirement. For both the Broad Group and Equal Life Group Procedures the full cost of the investment is credited to plant in service when the retirement occurs and likewise the depreciation reserve is debited with an equal retirement cost. No gain or loss is recognized at the time of property retirement because of the assumption that the retired property was at average service life.

Group Depreciation Procedures

Group depreciation procedures are utilized to depreciate property when more than one item of property is being depreciated. Such a procedure is appropriate because all of the items within a specific group typically do not have identical service lives, but have lives which are dispersed over a range of time. Utilizing a group depreciation procedure allows for a condensed application of depreciation rates to groups of similar property in lieu of extensive depreciation calculations on an item by item basis. The two more common group depreciation procedures are the Broad Group (BG) and Equal Life Group (ELG) approach.

In developing depreciation rates using the Broad Group procedure, the annual depreciation rate is based on the average life of the overall property group, which is then applied to the group's surviving original cost investment. A characteristic of this procedure is that retirements of individual units occurring prior to average service life will be under

depreciated, while individual units retired after average service life will be over depreciated when removed from service, but overall, the group investment will achieve full recovery by the end of the life of the total property group. That is, the under recovery occurring early in the life of the account is balanced by the over recovery occurring subsequent to average service life. In summary, the cost of the investment is complete at the end of the property's life cycle, but the rate of recovery does not match the consumption pattern which was used to provide service to the company's customers.

Under the average service life procedure, the annual depreciation rate is calculated by the following formula:

$$\text{Annual Accrual Rate, Percent} = \frac{100\% - \text{Salvage}}{\text{Average Service Life}} \times 100$$

The application of the broad group procedure to life span groups results in each vintage investment having a different average service life. This circumstance exists because the concurrent retirement of all vintages at the anticipated retirement year results in truncating and, therefore, restricting the life of each successive years vintage investment. An average service life is calculated for each vintage investment in accordance with the above formula. Subsequently, a composite service life and depreciation rate is calculated relative to all vintages within the property group by weighting the life for each vintage by the related surviving vintage investment within the group.

In the Equal Life Group, the property group is subdivided, through the use of plant life tables, into equal life groups. In each equal life group, portions of the overall property group includes that portion which experiences the life of the specific sub-group. The relative size of each sub-group is determined from the overall group life characteristic (property dispersion curve). This procedure both overcomes the disadvantage of

voluminous record requirements of unit depreciation, as well as eliminates the need to base depreciation on overall lives as required under the broad group procedure. The application of this procedure results in each sub-group of the property having a single life. In this procedure, the full cost of short lived units is accrued during their lives leaving no under accruals to be recovered by over accruals on long lived plant. The annual depreciation for the group is the summation of the depreciation accruals based on the service life of each Equal Life Group.

The ELG Procedure is superior to the BG Procedure because it allocates the capital cost of a group property to annual expense in accordance with the consumption of the property group providing service to customers. In this regard, the company's customers are more appropriately charged with the cost of the property consumed in providing them service during the applicable service period. The more timely return of plant cost is accomplished by fully accruing each unit's cost during its service life, thereby not only reducing the risk of incomplete cost recovery, but also resulting in less return on rate base over the life of a depreciable group. The total depreciation expense over the life of the property is the same for all procedures which allocate the full capital cost to expense, but at any specific point in time, the depreciated original cost is less under the ELG procedure than under the BG procedure. This circumstance exists because under the equal life group procedure, the rate base is not maintained at a level of greater than the future service value of the surviving plant as is the case when using the average service life procedure. Consequently, the total return required from the ratepayers is less under the ELG procedure.

While the Equal Life Group procedure has been known to depreciation experts for

many years, widespread interest in applying the procedure developed only after high speed electronic computers became available to perform the large volume of arithmetic computations required in developing ELG based depreciation lives and rates. The table on the following page illustrates the procedure for calculating equal life group depreciation accrual rates and summarizes the results of the underlying calculations. Depreciation rates are determined for each age interval (one year increment) during the life of a group of property which was installed in a given year or vintage group. The age of the vintage group is shown in column (A) of the ELG table. The percent surviving at the beginning of each age interval is determined from the Iowa 10-R3 survivor curve which is set forth in column (B). The percent retired during each age interval, as shown in column (C), is the difference between the percent surviving at successive age intervals. Accordingly, the percentage amount of the vintage group retired defines the size of each equal life group. For example, during the interval 3 1/2 to 4 1/2, 1.93690 percent of the vintage group is retired at an average age of four years. In this case, the 1.93690 percent of the group experiences an equal life of four years. Likewise, 3.00339 percent is retired during the interval 4 1/2 to 5 1/2 and experiences a service life of five years. Furthermore, 4.42969 percent experiences a six-year life; etc. Calculations are made for each age interval from the zero age interval through the end of the life of the vintage group. The average service life for each age interval's equal life group is shown in column (E) of the table.

The amount to be accrued annually for each equal life group is equal to the percentage retired in the equal life group divided by its service life. In as much as additions and retirements are assumed, for calculation purposes, to occur at midyear only one-half of the equal life group's annual accrual is allocated to expense during its first and last years

XYZ UTILITY COMPANY
CALCULATION OF ASL, ARL AND ACCRUED DEPRECIATION FACTORS
BASED UPON AN IOWA 10-RS CURVE USING THE EQUAL LIFE GROUP (ELG) PROCEDURE

AGE AT BEGIN OF INTERVAL	LIFE TABLE BEGIN OF INTERVAL	RETIREMENT DURING INTERVAL	AVERAGE SURVIVING	AGE OF AMOUNT RETIRED	AMOUNT FOR EACH LIFE GROUP	AMOUNT FOR REMAINING LIFE GROUPS	EQUAL LIFE GROUP PROCEDURE			
							AVERAGE SERVICE LIFE	AVERAGE REMAINING LIFE	ELGIARL DEPR RATE	ACCRUED DEPR RES FACTOR
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
0.0	1.0000000	0.0009198	0.9995401	0.25	0.0009198	0.0583036	8.57	8.57	11.67	0.0000000
0.5	0.9990802	0.0033314	0.9974145	1.0	0.0033314	0.1131019	8.82	8.32	11.34	0.0566975
1.5	0.9957488	0.0065393	0.9924792	2.0	0.0032697	0.1098013	9.04	7.54	11.06	0.1659501
2.5	0.9892095	0.0117037	0.9833577	3.0	0.0039012	0.1062159	9.26	6.76	10.80	0.2700337
3.5	0.9775058	0.0193690	0.9678213	4.0	0.0048422	0.1018442	9.50	6.00	10.52	0.3683062
4.5	0.9581368	0.0300339	0.9431199	5.0	0.0060068	0.0964196	9.78	5.28	10.22	0.4600565
5.5	0.9281029	0.0442969	0.9059545	6.0	0.0073828	0.0897248	10.10	4.60	9.90	0.5447146
6.5	0.8838060	0.0631367	0.8522377	7.0	0.0090195	0.0815237	10.45	3.95	9.57	0.6217794
7.5	0.8206693	0.0876232	0.7768577	8.0	0.0109529	0.0715375	10.86	3.36	9.21	0.6906424
8.5	0.7330461	0.1166879	0.6747022	9.0	0.0129653	0.0595783	11.32	2.82	8.83	0.7505770
9.5	0.6163582	0.1431836	0.5447664	10.0	0.0143184	0.0459365	11.86	2.36	8.43	0.8010714
10.5	0.4731746	0.1533568	0.3964962	11.0	0.0139415	0.0318066	12.47	1.97	8.02	0.8423003
11.5	0.3198178	0.1363216	0.2516570	12.0	0.0113601	0.0191557	13.14	1.64	7.61	0.8753616
12.5	0.1834962	0.0975199	0.1347363	13.0	0.0075015	0.0097249	13.85	1.35	7.22	0.9022159
13.5	0.0859763	0.0559043	0.0580242	14.0	0.0039932	0.0039775	14.59	1.09	6.85	0.9254232
14.5	0.0300720	0.0244398	0.0178521	15.0	0.0016293	0.0011663	15.31	0.81	6.53	0.9473077
15.5	0.0056322	0.0055324	0.0028660	16.0	0.0003458	0.0001788	16.03	0.53	6.24	0.9667657
16.5	0.0000998	0.0000998	0.0000499	17.0	0.0000059	0.0000029	17.00	0.50	5.88	0.9705882
17.5	0.0000000	0.0000000	0.0000000	18.0	0.0000000	0.0000000				
		1.0000000				1.0000000				

of service life. The accrual amount for the property retired during age interval 0 to .5 must be equal to the amount retired to insure full recovery of that component during that period. The accruals for each equal life group during the age intervals of the vintage group's life cycle are shown in column (F). The total accrual for a given year is the summation of the equal life group accruals for that year. For example, the total accrual for the second year, as shown in column (G), is 11.31019 percent and is the sum of all succeeding years remaining equal life group accruals plus one half of the current years life group accrual listed in column (F). For the zero age interval year, the total accrual is equal to one half of the sum of all succeeding years remaining equal life accruals plus the amount for the zero interval equal life group accrual. The one half year accrual for the zero age interval is consistent with the half year convention relative to property during its installation year. The sum of the annual accruals for each age interval contained in column (G) total to 1.000 demonstrating that the developed rates will recover 100% of plant no more and no less. The annual accrual rate which will result in the accrual amount is the ratio of the accrual amount (11.31019 percent) to the average percent surviving during the interval, column (D), (99.74145 percent), which is a rate of 11.34% (column J). Column (J) contains a summary of the accrual rates for each age interval of the property groups life cycle based upon an Iowa 10-R3 survivor curve.

Remaining Life Technique

In the Average Remaining Life depreciation technique, the annual accrual is calculated according to the following formula where, (A) the annual depreciation for each group equals, (D) the depreciable cost of plant less (U) the accumulated provision for depreciation less (S) the estimated future net salvage, divided by (R) the composite

remaining life of the group:

$$A = \frac{D - U - S}{R}$$

The annual accrual rate (a) is expressed as a percentage of the depreciable plant balance by dividing the equation by (D) the depreciable cost of plant times 100:

$$(a) = \frac{D - U - S}{R} \times \frac{1}{D} \times 100$$

As further indicated by the equation, the accumulated provision for depreciation by vintage is required in order to calculate the remaining life depreciation rate for each property group. In practice, most often such detail is not available; therefore, composite remaining lives are determined for each depreciable group, (i.e., property account).

The remaining life for a depreciable group is calculated by first determining the remaining life for each vintage year in which there is surviving investment. This is accomplished by solving the area under the survivor curve selected to represent the average life and life characteristic of the property account. The remaining life for each vintage is determined by dividing (D) the depreciable cost of each vintage, by (L) its average service life, and multiplying this ratio by its average remaining life (E). The composite remaining life of the group (R) equals the sums of products divided by the sum of the quotients:

$$R \text{ Group} = \frac{\sum \frac{D/L \times E}{\sum D/L}}$$

The functional level accumulated provision for depreciation, which was the basis for developing the composite average remaining life accrual and annual depreciation rate for each property account as per this report, was obtained from the Company's books and records. The functional level depreciation reserve was further allocated to each property

account and sub-account based upon a detailed theoretical depreciation reserve calculation as of December 31, 2003.

Salvage

Net salvage is the difference between gross salvage, or what is received when an asset is disposed of, and the cost of removing it from service. Salvage experience is normally included with the depreciation rate so that current accounting periods reflect a proportional share of the ultimate abandonment and removal cost or salvage received at the end of the property service life. Net salvage is said to be positive if gross salvage exceeds the cost of removal, but if cost of removal exceeds gross salvage the result is then negative salvage.

The cost of removal includes such costs as demolishing, dismantling, tearing down, disconnecting or otherwise removing plant, as well as normal environmental clean up costs associated with the property. Salvage includes proceeds received for the sale of plant and materials or the return of equipment to stores for reuse.

Net salvage experience is studied for a period of years to determine the trends which have occurred in the past. These trends are considered together with any changes that are anticipated in the future to determine the future net salvage factor for remaining life depreciation purposes. The net salvage percentage is determined by relating the total net positive or negative salvage to the book cost of the property investment.

Many retired assets generate little, if any, positive salvage. Conversely, many of the Company's asset property groups generate negative net salvage at end of their life as a result of the cost of removal (retirement).

The method used to estimate the retirement cost is a standard analysis approach

which is used to identify a company's historical experience with regard to what the end of life cost will be relative to the cost of the plant when first placed into service. This information, along with knowledge about the average age of the historical retirements that have occurred to date, enables the depreciation professional to estimate the level of retirement cost that will be experienced by the Company at the end of each property group's useful life. The study methodology utilized has been extensively set forth in depreciation textbooks and has been the accepted practice by depreciation professionals for many decades. Furthermore, the cost of removal analysis approach is the current standard practice used for mass assets by essentially all depreciation professionals in estimating future net salvage for the purpose of identifying the applicable depreciation for a property group. There is a direct relationship to the installation of specific plant in service and its corresponding removal in that the installation is its beginning of life cost while the removal is its end of life cost. Also, it is important to note that average remaining life based depreciation rates incorporate future net salvage which is routinely more representative of recent versus long-term past average net salvage.

The Company's historical net salvage experience was analyzed to identify the historical net salvage factor for each applicable property group. This analysis routinely identifies that historical retirements have occurred at average ages significantly prior to the property group's average service life. This occurrence of historical retirements, at an age which is significantly younger than the average service life of the property category, clearly demonstrates that the historical data does not appropriately recognize the true level of retirement cost at the end of the property's useful life. An additional level of cost to retire will occur due to the passage of time until all the current in service plant is retired at end

of life. That is, the level of retirement costs will increase over time until the average service life is attained. The estimated additional inflation, within the estimate of retirement cost, is related to those additional year's cost increases (primarily higher labor costs over time) that will occur prior to the end of the property group's average life.

To provide an additional explanation of the issue, several general principles surrounding property retirements and related net salvage need to be highlighted. Those are that as property continues to age, the retirement of assets, if generating positive salvage when retired, will typically generate a lower percent of positive salvage. By comparison, if the class of property is one that typically generates negative net salvage (cost of removal), with increasing age at retirement the negative percentage as related to original cost will typically be greater. This situation is routinely driven by the higher labor cost with the passage of time.

Next, a simple example will aid in a better understanding of the above discussed net salvage analysis and the required adjustment to the historical analysis results. Assume the following scenario. A company has two (2) cars, Car #1 and Car #2, each purchased for \$20,000. Car #1 is retired after 2 years and Car #2, is retired after 10 years. Accordingly, the average life of the two cars is six (6) years (2 Yrs. Plus 10 Yrs./2). Car #1 generates 75% salvage or \$15,000 when retired and Car #2 generates 5% salvage or \$1,000 when retired.

<u>Unit</u>	<u>Cost</u>	<u>Ret. Age (Yrs)</u>	<u>% Salv.</u>	<u>Salvage Amount</u>
Car # 1	\$20,000	2	75%	\$15,000
<u>Car # 2</u>	<u>20,000</u>	<u>10</u>	<u>5%</u>	<u>1,000</u>
Total	40,000	6	40%	16,000

Assume an analysis of the experienced net salvage at year three (3). Based upon the Car #1 retirement, which was retired at a young age (2 Yrs.) as compared to the average six (6) year life of the property group, the analysis indicates that the property group would generate 75% salvage. This analysis indication is incorrect and is the result of basing the estimate on incomplete data. That is, the estimate is based upon the salvage generated from a retirement that occurred at an average age which is far less than the average service life of the property group. The actual total net salvage, that occurred over the average life of the assets (which experienced a six (6) year average life for the property group) is 40% as opposed to the initial incorrect estimate of 75%.

This is exactly the situation with the majority of the Company's historical net salvage data except that most of the Company's plant property groups routinely experience negative net salvage (cost of removal) as opposed to positive salvage.

The total end of life net salvage amount must be incorporated in the development of annual depreciation rates to enable the Company to fully recover its total plant life costs. Otherwise, upon retirement of the plant, the Company will incur end of life costs without having recovered those plant related costs from the customers who benefitted from the use of the expired plant.

With regard to location type properties (e.g. generation facilities, etc.) a company will routinely experience both interim and terminal net salvage. Interim net salvage occurs in conjunction with interim retirements that occur throughout the life of the asset group. This net salvage activity (routinely and largely cost of removal) is attributable to the removal of components within the Company's facilities to enable the placement of a new asset

component. Interim net salvage is routinely negative given the care required in removing the defective component so as not to damage the remaining plant in service. Interim net salvage is applicable to the estimated interim retirement assets.

The terminal net salvage component is attributable to the end of life costs incurred (less any gross salvage received) to disconnect, remove, demolish and/or dispose of the operating asset. Terminal net salvage is attributable to those assets remaining in service subsequent to the occurrence of interim retirements.

The total net salvage incorporated into the depreciation rate for location type plant account investments is the sum of interim and terminal net salvage. Both of the items must be incorporated in the development of annual depreciation rates to enable the Company to fully recover its total plant life costs. Otherwise, upon retirement of the plant, the Company will incur end of life costs without having recovered those plant related costs from the customers who benefitted from the use of the expired facility.

Service Lives

Several factors contribute to the length of time or average service life which the property achieves. The three (3) major categories under which these factors fall are: (1) physical; (2) functional, and; (3) contingent casualties.

The physical category includes such things as deterioration, wear and tear and the action of the natural elements. The functional category includes inadequacy, obsolescence and requirements of governmental authorities. Obsolescence occurs when it is no longer economically feasible to use the property to provide service to customers or when technological advances have provided a substitute of superior performance. The remaining factor of contingent casualties relates to retirements caused by accidental

damage or construction activity of one type or another.

In performing the life analysis for any property being studied, both past experience and future expectations must be considered in order to fully evaluate the circumstances which may have a bearing on the remaining life of the property. This ensures the selection of an average service life which best represents the expected life of each property investment.

Survivor Curves

The preparation of a depreciation study or theoretical depreciation reserve typically incorporates smooth curves to represent the experienced or estimated survival characteristics of the property. The "smoothed" or standard survivor curves generally used are the family of curves developed at Iowa State University which are widely used and accepted throughout the utility industry.

The shape of the curves within the Iowa family are dependent upon whether the maximum rate of retirement occurs before, during or after the average service life. If the maximum retirement rate occurs earlier in life, it is a left (L) mode curve; if occurring at average life, it is a symmetrical (S) mode curve; if it occurs after average life, it is a right (R) mode curve. In addition, there is the origin (O) mode curve for plant which has heavy retirements at the beginning of life.

Many times, actual Company data has not completed its life cycle, therefore, the survivor table generated from the Company data is not extended to zero percent surviving. This situation requires an estimate be made with regard to the remaining segment of the property group's life experience. Furthermore, actual Company experience is often erratic, making its utilization for average service life estimating difficult. Accordingly, the Iowa

curves are used to both extend Company experience to zero percent surviving as well as to smooth actual Company data.

Study Procedures

Several study procedures were used to determine the prospective service lives recommended for the Company's plant in service. These include the review and analysis of historical retirements, current and future construction, historical experience and future expectations of salvage and cost of removal as related to plant investment. Service lives are affected by many different factors, some of which can be obtained from studying plant experience, others which may rely heavily on future expectations. When physical aspects are the controlling factor in determining the service life of property, historical experience is a valuable tool in selecting service lives. In the case where changing technology or a less costly alternative develops, then historical experience is of lesser value.

While various methods are available to study historical data, the principal methods utilized to determine average service lives for a Company's property are the Retirement Rate Method, the Simulated Plant Record Method, the Life Span Method, and the Judgement Method.

Retirement Rate Method - The Retirement Rate Method uses actual Company retirement experience to develop a survivor curve (Observed Life Table) which is used to determine the average service life being experienced in the account under study. Computer processing provides the opportunity to review various experience bands throughout the life of the account to observe trends and changes. For each experience band studied, the "observed life table" is constructed based on retirement experience within the band of years. In some cases, the total life of the account has not been

achieved and the experienced life table, when plotted, results in a "stub curve." It is this "stub curve" or total life curve, if achieved, which is matched or fitted to a standard Survivor curve. The matching process is performed both by computer analysis, using a least squares technique, and by manually plotting observed life tables to which smooth curves are fitted. The fitted smooth curve provides the basis to determine the average service life of the property group under study.

Simulated Balances Method - In this method of analysis, simulated surviving balances are determined for each balance included in the test band by multiplying each proceeding year's original gross additions installed by the Company by the appropriate factor of each Standard Survivor Curve, summing the products, and comparing the results with the related year end plant balance to determine the "best fitting" curve and life within the test period. Various test bands are reviewed to determine trends or changes to indicated service lives in various bands of years. By definition, the curve with the "best fit" is the curve which produces simulated plant balances that most closely matches the actual plant balances as determined by the sum of the "least squares". The sum of the "least squares" is arrived at by starting with the difference between the simulated balances and the actual balance for a given year, squaring the difference, and the curve which produces the smallest sum (of squared difference) is judged to be the "best fit".

Period Retirements Method - The application of the Period Retirements Method is similar to the "Simulated Plant Balances" Method, except the procedure utilizes a Standard Survivor Curve and service life to simulate annual retirements instead of balances in performing the "least squares" fitting process during the test period. This procedure does tend to experience wider fluctuations due to the greater variations in level of experienced

retirements versus additions and balances thereby producing greater variation in the study results.

Life Span Method - The Life Span or Forecast Method is a method utilized to study various accounts in which the expected retirement dates of specific property or locations can be reasonably estimated. In the Life Span Method, an estimated probable retirement year is determined for each location of the property group. An example of this would be a structure account, in which the various segments of the account are "life spanned" to a probable retirement date which is determined after considering a number of factors, such as management plans, industry standards, the original construction date, subsequent additions, resultant average age and the current - as well as the overall - expected service life of the property being studied. If, in the past, the property has experienced interim retirements, these are studied to determine an interim retirement rate. Otherwise, interim retirement rate parameters are estimated for properties which are anticipated to experience such retirements. The selected interim service life parameters (Iowa curve and life) are then used with the vintage investment and probable retirement year of the property to determine the average remaining life as of the study date.

Judgement Method - Standard quantitative methods such as the Retirement Rate Method, Simulated Plant Record Method, etc. are normally utilized to analyze a Company's available historical service life data. The results of the analysis together with information provided by management as well as judgement are utilized in estimating the prospective recommended average service lives. However, there are some circumstances where sufficient retirements have not occurred, or where prospective plans or guidelines are unavailable. In these circumstances, judgement alone is utilized to estimate service

lives based upon service lives used by other utilities for this class of plant as well as what is considered to be a reasonable life for this plant giving consideration to the current age and use of the facilities.

Pennichuck East Utility

Study Results

Account 304.10 - Source of Supply Structures & Improvements

The Company's investment in this account totals \$726,266, has attained an average age of 3.9 years and the current depreciation rate is 2.00 percent. The investment in this account is attributable to the Company's current investment for facilities located at its water source locations.

The Life Span Method is routinely utilized to define the applicable life for this type property. Based upon the general characteristic of the property contained in the account a forty-five (45) year life span was utilized to develop the applicable probable retirement year for each of the structure locations. In addition, an analysis was completed on the Company's historical retirement data totaling \$2,771 and which occurred at an average age of 8.6 years, via the retirement rate method. Based upon the study analysis of the available data and general experience an Iowa 50-L0.5 life and curve was selected as the applicable life interim retirement rate for this property group. Application of the estimated service life parameters to the current surviving investment produces an average remaining life of 31.9 years

Due to the relatively short time since the Company acquired this property net salvage data is not available. Nevertheless, it can be anticipated that negative net salvage will be incurred in conjunction with the ultimate retirement of the existing facilities. Accordingly, future net salvage of negative five (5) percent was utilized in developing the applicable annual depreciation. The resulting proposed annual depreciation rate is 3.05

percent.

Account 304.20 - Structures and Improvements - Pumping Plant

The current investment in this account totals only \$1,601,379 has attained a current average age of 9.6 years, and is currently based upon an annual depreciation rate of 2.62 percent. These facilities vary in size depending upon the specific requirements, but in most circumstances, the few structures are generally modest sized industrial steel buildings. Most of the Company's well sites include site improvements such as driveways, fences, security lights, etc.

The Life Span Method is routinely utilized to define the applicable life for this type property. Based upon the general characteristic of the property contained in the account a forty-five (45) year life span was utilized to develop the applicable probably retirement year for each of the structure locations. In addition, interim retirements totaling \$168,766 occurred from this property group at an average age of 15.6 years. Based upon an analysis of the Company's data via the retirement rate method an Iowa 48-L1 life and curve was estimated as the applicable interim retirement rate. Application of the recommended service life parameters to the Company's investment produces an average remaining life of 28.8 years.

The Company has not experience any net salvage to date, however, it is anticipated that the Company will need to expend future funds to dismantle and/or dispose of existing facilities when no longer utilized. Based upon the expectation of future costs of removal, net salvage is currently estimated at negative five (5) percent. The resulting recommended annual depreciation rate for this asset category is 3.01 percent.

Account 304.50 - Distr Reservoir and Standpipe Structures

The investment in this account totals only \$7,360 and is related to the structures located at the Company's standpipe. The current surviving investment has achieved a current average age of 4.5 years and is presently being depreciated based upon an annual depreciation rate of 2.59 percent. The useful service life and resulting depreciation rates for this property group were developed using the Life Span Method. The facility was life spanned forty-five (45) years from its principal construction date to an estimated probable retirement year.

Given the young age of the property, no changes have occurred in conjunction with this facility. However, as the property ages it is anticipated ongoing changes will occur during future years. Accordingly, based upon the content of the account and judgement and interim retirement rate reflective of an Iowa 60-L1 life and curve is estimated for the property. The result of applying the recommended service life parameters to the account investment produced an average remaining life of 34.8 years.

While no net salvage was experienced to date, a modest level of cost is anticipated at the end of the property's useful life. Accordingly, net salvage is estimated at negative five (5) percent. The resulting recommended annual depreciation rate for this property class is 2.77 percent.

Account 304.55 - Booster Station Structures

The investment in this account totals \$338,462 and is related to the structures located at the Company's booster stations. The current surviving investment has achieved a current average age of 1.5 years and is presently being depreciated based upon an annual depreciation rate of 2.59 percent. The useful service life and resulting depreciation

rates for this property group were developed using the Life Span Method. The facility was life spanned forty-five (45) years from its principal construction date to an estimated probable retirement year.

Given the young age of the property, no changes have occurred to date. However, as the property ages it is anticipated ongoing changes will occur during future years. Accordingly, based upon the content of the account and judgement an interim retirement rate reflective of an Iowa 60-L1 life and curve is estimated for the property. The result of applying the recommended service life parameters to the account investment produced an average remaining life of 37.5 years.

No net salvage has been experienced to date, however, a modest level of cost is anticipated at the end of the property's useful life. Accordingly, net salvage is estimated at negative five (5) percent. The resulting recommended annual depreciation rate for this property class is 2.72 percent.

Account 307.10 - Wells and Springs

The Company's investment in this account totals \$651,630, has attained an average age of 7.9 years, and the current annual depreciation rate is 2.00 percent. The Company's shallow wells generally range in depth from 35 to 50 feet, while it has several 200 foot plus or minus bedrock wells, its deeper bedrock wells range between 400 and 900 plus feet in depth. The majority of the wells are typically six (6) diameter. The Company monitors its production capabilities closely and makes adjustments or changes to its well facilities, as required.

Historical retirements totaling \$27,135, which occurred at an average age of 15.0 years during the period 2002 to present, were analyzed via the Retirement Rate Method.

The analysis indicates that the property group had experienced an average service life of twenty-nine (29) years. Based upon the completed analysis, an Iowa 29-L3 life and curve is estimated as the applicable service life parameters for the Company's property group investment. Application of the estimated service life parameters to the Company's surviving investment produces an average remaining life of 21.7 years.

The Company's has not booked net salvage during the time since acquiring the property. Nevertheless, in conjunction with the future retirement of property cost will be incurred to property close facilities. Experience of other companies within the industry has routinely indicated levels of negative net salvage. Given the fact that the Company will continue to experience increasing regulations relative to water supplies, plus will be required to provide protection of aquifers, it is anticipated that such costs will likely increase in future years. Accordingly, based upon the recent experience, a modest level of negative ten (10) percent net salvage is estimated for this property class. The resulting annual depreciation rate relative to this property class is 4.05 percent.

Account 311.20 - Electric Pumping Equipment

The investment in this account currently totals \$932,643, has attained a current average age of 9.33 years, and is being depreciated based upon an annual depreciation rate of 6.11 percent. The majority of the Company's well pumps are submersible pumps with a few jet pumps used in conjunction with the shallow wells. Conversely, the booster and distribution facilities are equipped with centrifugal pumps. While they have lower initial cost, the submersible and jet pumps often tend to be less durable and repairable plus are often susceptible to lightning strikes and/or other voltage surges plus are subject to far greater levels of replacement than vertical turbine pumps used by others in the industry.

The fact is that the Company has, at a relatively young age, replaced sizable segments of its electric pumping equipment. The analysis of the Company's overall historical data during the period 1987-2002 utilizing the Retirement Rate Method identifies that the Company has experienced retirements totaling \$85,770, which occurred at an average age of 10.5 years. Based upon an analysis of the Company's historical investment data within this property group during the most recent five year period (2000-2004), via the use of the retirement rate method, an Iowa 20-L0.5 life and curve is indicated as the applicable average service life anticipated to be experienced by this property class in coming years. Application of the Iowa 20-L0.5 life and curve to the current surviving investment produces an average remaining life of 14.7 years.

Based upon the expectation that the Company will incur cost of removal in conjunction with future retirements, future net salvage is estimated at negative fifteen (15) percent. The resulting recommended annual depreciation rate for this asset group is 6.16 percent.

Account 311.60 - Other Power Pumping Equipment

The investment in this account currently totals \$4,176, has attained a current average age of 5.3 years, and is being depreciated based upon an annual depreciation rate of 2.86 percent. Based upon a general review of the Company's historical investment data within this property group and typically service life parameters for this property class an Iowa 30-R3 life and curve is estimated for the property category investment, current surviving investment produces an average remaining life of 24.9 years.

Future net salvage for the property group is estimated at zero (0) percent and the resulting recommended annual depreciation rate for this asset group is 3.47 percent.

Account 320.00 - Purification System

The investment in this account totals \$305,717, has achieved a current average age of 6.9 years, and is currently being depreciated based upon an annual depreciation rate of 6.67 percent.

Historically, the Company has experienced retirements totaling \$213,800, which occurred at an average age of 8.3 years. An analysis of the Company's historical data relative to this equipment category, via the Retirement Rate Method, provided the basis for an estimated twelve (12) year average service life for this category. Furthermore, ever increasing water standards and ongoing modernization of the facilities will likely impact the future useful life of this property. Application of the recommended service life parameters, an Iowa 12-R2.5 life and curve to the Company's current surviving investment produces an average remaining life of 6.5 years. Future net salvage relative to this property class is estimated at negative fifteen (15) percent and when incorporated with the current remaining life of the property results in an annual depreciation rate of 12.39 percent.

Account 320.10 - Other Production Equipment

The investment in this account totals \$106,576, has achieved a current average age of 5.1 years, and is currently being depreciated based upon an annual depreciation rate of 6.67 percent.

Based upon the general content of the account a twenty (20) year average service life is estimated for this category. Increasing water standards and ongoing modernization of the facilities may impact the future useful life of this property. Application of the recommended Iowa 20-R3 service life parameters to the current surviving investment produces an average remaining life of 14.7 years. Future net salvage relative to this

property class is estimated at zero (0) percent and when incorporated with the current remaining life of the property results in an annual depreciation rate of 5.63 percent.

Account 320.20 - Water Treatment Equipment

The investment in this account totals only \$106,576, has achieved a current average age of 5.1 years, and is currently being depreciated based upon an annual depreciation rate of 2.91 percent.

Based upon the analysis results of Account 320.00 Purification System Equipment, an Iowa 12-R2.5 life and curve is recommended for this property group. Application of the recommended service life parameters produces an average remaining life of 6.4 years. Future net salvage relative to this property class is estimated at negative fifteen (15) percent and when incorporated with the current remaining life of the property results in an annual depreciation rate of 12.42 percent.

Account 330 - Distribution Reservoirs and Standpipes

The Company's investment for storage reservoirs totals \$811,800 has attained a current average age of 1.53 years, and is being depreciated based upon an annual depreciation rate of 2.44 percent. . The facilities include a new 940,000 gallon concrete storage tank in Litchfield and a small tank located at the Windham W&E station. To develop the overall useful service life for the property group, each of the Company's investment locations were life spanned sixty (60) years from there principal construction date to an estimated probable retirement year. In addition, an interim retirement rate of an Iowa 85-R2.5 life and curve is estimated for this property class. Application of the recommended service life parameters to the plant in service investment via the Life Span Method produces an average remaining life of 55.1 years.

No net salvage has been experienced to date. Based upon general experience future net salvage relative to this property class is estimated at a modest negative ten (10) percent. Incorporating the account's investment, related average remaining life, and estimated negative ten (10) percent net salvage together produces a recommended annual depreciation rate of 1.96 percent.

Account 331- Transmission and Distribution Mains

The Company's investment in this account totals \$18,601,446 and contains approximately sixty-four (64) percent of the Company's current depreciable plant in service. This property class is presently depreciated based upon a composite implicit annual depreciation rate of 1.36 percent. The Company T & D Main's investment is comprised various individual sub-categories (property groups) including Pavements, Transmission Mains (New and Developer Installed) plus Distribution Mains (New, Gate Valves, and Developer Installed). The Transmission Mains included the larger diameter Ductile Iron and PVC and PE Plastic pipe included in the system, while the Distribution Mains generally includes far small diameter Ductile Iron, PVC, and PE pipe ranging from one (1) inch to eight (8) inch diameter.

The investment in Mains-Pavements currently totals \$6,449, has attained a current average age of only 2.0 years, and is being depreciated based upon an annual depreciation rate of 1.27 percent. This category of property will experience a far shorter average service life than the Mains, Due to the very young age of the property investment no retirements have been experienced to date. Considering the content of the property group an Iowa 15-R3 life and curve is estimated for the property category investment. Application of the recommended service life parameters to the Company's investment

produces an average remaining life of 13.0 years.

The Company's current investment in Transmissions Mains totals \$1,514,995, has attained a current average age of 4.2 years and is being depreciated using an annual depreciation rate of 1.19 percent. Given the limited range of experience, and the generally longer service life experienced by the Transmission Mains, the Company has not experienced any retirements from this property category to date. Accordingly, considering the general content of the property group along with the limited size, growth, and potential changes within the various service areas, average service life parameters reflective of an Iowa 100-R3 life and curve are estimated for this property class. Application of the recommended service life parameters to the Company's investment produces an average remaining life of 95.9 years.

The Company's investment in Distribution Mains totals \$17,080,002, and has achieved a current average age of 11.6 years. The asset classes includes various smaller diameter pipe (including PVC and Asbestos Cement pipe, fittings, etc. ranging from one (1) inch to four (4) inch in diameter). These smaller sizes of pipe comprise more than twenty-five (25) percent of the footages of Distribution Mains in service. The remaining portion of the Distribution Mains are comprised of six (6) and eight (8) inch PVC, PE, and Ductile Iron pipe, fittings, etc. This property group, for which a modest amount of historical accounting data was available, was analyzed utilizing the Retirement Rate Method during the period in which the Company has owned the operating systems. The retirement rate analysis of the retirement activity totaling \$241,031, which occurred at an average age of 14.2 years, generally indicates that the property group is experiencing an average service life of approximately fifty-five (55) years, however, various of the recent changes were the

product of the Company's updating/replacing increased amount of Mains to bring the systems up to the Company's operating standard, just subsequent to the Company's acquisition of the various operating system. Accordingly, a life more reflect of the property contained in this asset group, an Iowa 65-R2.5 life and curve is estimated for each of the segments of the Company's Distribution Main investments. Furthermore, considering the limited size of the various of the facilities serving some of the service areas, and the potential for ongoing upgrades, and/or changes the proposed service life parameters are considered appropriate of these property groups. Application of the recommended service life parameters to the Company's investment produces an average remaining life of 54.3 years.

Based upon the general historical investment's analysis as well as a review and analysis of the investments of mains included in the asset account, weighted annual depreciation rate was developed as summarized below:

Pennichuck East Utility
Account 331 - Mains
Weighting of Average Service Lives for Mains
Based upon December 31, 2004 Surviving Investments

<u>Category</u>	<u>Plant In Service</u>	<u>Net Salv - %</u>	<u>ASL/ Curve</u>	<u>ARL/ (Yrs.)</u>	<u>Ann. Depr. Rate %</u>
Pavements-Trans Mains	887	0%	15-R3	9.8	7.52%
Pavements-Distr Mains	2,763	0%	15-R3	12.6	6.95%
Pavements	2,808	0%	15-R3	14.5	6.73%
Trans Mains-New	1,299,945	-20%	100-R3	95.7	1.21%
Trans Mains-Dev Installed	215,050	-20%	100-R3	96.6	1.21%
Distr Mains-New	13,579,181	-20%	65-R2.5	52.2	1.96%
Distr Mains Gate Valves	14,520	-20%	65-R2.5	63.5	1.85%
Distr Mains-Dev Installed	3,486,300	-20%	65-R2.5	62.4	1.86%
Grand Total	18,601,446			56.4	1.88%

Due to the relatively short time since the Company acquired this property net salvage data is not available. Nevertheless, it can be anticipated that negative net salvage

will be incurred in conjunction with the ultimate retirement of the existing facilities. Accordingly, a modest future net salvage of negative twenty (20) percent (relative to the Mains Piping, etc) was utilized in developing the annual depreciation rates for each of the applicable property groups. An additional factor which is anticipated to further impact the level of negative net salvage for this property group is the probable inclusion of even greater levels of cost of removal (cost to retire) above the amount presently estimated. The increased level of future cost of removal is expected to be driven by the increasing end of life costs as a result of the ever increasing costs.

The resulting proposed composite annual depreciation rate for the total account is 1.88 percent. Proposed individual depreciation rates for the applicable sub-categories of mains are contained above and on Table 1, page 2-1 of this report.

Account 333 - Services

The Company's investment in this account totals \$2,639,8980, has attained a current average age of 8.8 years, and is presently depreciated based upon a composite implicit annual depreciation rate of 2.48 percent. The Company Service's investment category is comprised various individual sub-categories (property groups) including Pavements, Services-New, Services-Renew, Services-Developer Installed-CIAC, and Services-Developer Installed-PAID. Given the limited size of the Company's service areas and there general custom base, the Services for a large part are generally of smaller 5/8 and 3/4 inch diameter service pipes and serving mostly residential customers.

The investment in Services-Pavements currently totals \$28,021, has attained a current average age of only 2.2 years, and is being depreciated based upon an annual depreciation rate of 2.44 percent. This category of property will experience a far shorter

average service life than the Mains, The Company's investment in Services-Pavements, for which a modest amount of historical accounting data was available, was analyzed utilizing the Retirement Rate Method during the period in which the Company has owned the operating systems. The retirement rate analysis of the retirement activity totaling \$422, which occurred at an average age of 1.5 years, provides a general indication that the property group is experiencing an average service life reflective of an Iowa 15-R3 life and curve. Considering the content of the property group an Iowa 15-R3 life and curve is estimated for the property category investment. Application of the recommended service life parameters to the Company's investment produces an average remaining life of 12.9 years.

The overall average service life parameters for each of the Service piping sub-categories were estimated based upon the aggregate of the Service piping investment. The Company's investment in Services, for which a modest amount of historical accounting data was available, was analyzed utilizing the Retirement Rate Method during the period in which the Company has owned the operating systems. The retirement rate analysis of the retirement activity totaling \$73,845, which occurred at an average age of 5.2 years, generally indicates that the property group is experiencing an average service life of forty (40) years, however various of the recent changes were the product of the Company updating replacing increased amount of Services to bring the systems up to the Company's operating standard, just subsequent to the Company's acquisition of the various operating system. Accordingly, a life more reflect of the property contained in this asset group, an Iowa 55-R2 life and curve is estimated for each of the segments of the Company's service investments. Furthermore, considering the limited size of the facilities serving the various

service areas, and the potential for ongoing upgrades, and/or changes the proposed service life parameters are considered appropriate of these property groups.

The Company's current investment in Services-New totals \$1,642,949, has attained a current average age of 12.4 years and is being depreciated using an annual depreciation rate of 2.48 percent. Application of the account level Service piping average service life parameters of an Iowa 55-R2 life and curve to the property groups vintage investment produces an average remaining life of 44.2 years.

The Company's current investment in Services-Renewed totals \$133,780, has attained a current average age of 0.7 years and is being depreciated using an annual depreciation rate of 2.48 percent. Application of the account level Service piping average service life parameters of an Iowa 55-R2 life and curve to the property groups vintage investment produces an average remaining life of 54.4 years.

The Company's current investment in Services-Developer Installed-CIAC totals \$359,240, has attained a current average age of 3.2 years and is being depreciated using an annual depreciation rate of 2.48 percent. Application of the account level Service piping average service life parameters of an Iowa 55-R2 life and curve to the property groups vintage investment produces an average remaining life of 52.2 years.

The Company's current investment in Services-Developer Installed-PAID totals \$479,900 has attained a current average age of 3.3 years and is being depreciated using an annual depreciation rate of 2.48 percent. Application of the account level Service piping average service life parameters of an Iowa 55-R2 life and curve to the property groups vintage investment produces an average remaining life of 52.0 years.

As previously noted, the overall average service life parameters for each of the

Service piping sub-categories were estimated based upon the aggregate of the Service piping investment. The average service life parameters for Pavements was estimated independently of the service piping investments. Subsequently, the service life parameters were applied to the vintage level investments within the individual investment categories and then composited to an overall average annual depreciation rate for the account by weighting each type of service property group investments on Table 2 of this report and as summarized below. The result of this weighting process is a proposed overall account level annual depreciation rate of 2.60 percent.

Pennichuck East Utility
Account 333 - Service
Weighting of Average Service Lives for Mains
Based upon December 31, 2004 Surviving Investments

<u>Category</u>	<u>Plant In Service</u>	<u>Net Salv - %</u>	<u>ASL/ Curve</u>	<u>ARL/ (Yrs.)</u>	<u>Ann. Depr. Rate %</u>
New Services-Pavements	28,021	0%	15-R3	12.9	6.91%
Pavements-Distr Mains	1,642,949	-35%	55-R2	44.2	2.60%
Pavements	133,579,181	-35%	55-R2	54.4	2.46%
Trans Mains-New	359,240	-35%	55-R2	52.2	2.48%
Trans Mains-Dev Installed	475,900	-35%	55-R2	52.0	2.49%
Grand Total	2,639,890			46.2	2.60%

Due to the relatively short time since the Company acquired this property net salvage data is not available. Nevertheless, it can be anticipated that negative net salvage will be incurred in conjunction with the ultimate retirement of the existing facilities. Accordingly, a modest future net salvage of negative thirty-five (35) percent (relative to the Service Piping) was utilized in developing the annual depreciation rates for each of the applicable property groups. The increased level of future cost of removal is expected to be driven by the increasing end of life costs as a result of the ever increasing costs. That is, in future years it is anticipated that the Company will be required expended considerable

funds in relationship Service retirements. Such cost of removal (cost to retire) routinely includes any required material, but more importantly, the ever increasing labor costs to disconnect customer services. In addition, cost of removal also includes such items as permits, street safety, paving costs, and overheads associated with completing the tasks.

The resulting proposed composite annual depreciation rate for the total account is 2.60 percent. Proposed individual depreciation rates for the applicable sub-categories of mains are contained above and on Table 1, page 2-1 of this report.

Account 334.10 - Meters & Meter Install

The Company's investment in this account totals \$943,349 and is currently being depreciated based upon an annual depreciation rate of 4.75 percent. The Company's meters in service range from smaller to larger diameters; however, as with most operating companies, the overwhelming majority of the meters are smaller diameter units utilized to serve residential and smaller commercial customers. Only a limited quantity of meters are over 1-Inch in diameter.

Retirements totaling \$175,656 during the period 1989-2002 were analyzed via the Simulated Plant Record Method. The result of this analysis identifies that the retirement levels have occurred at varying levels during the retirement band and it is anticipated that such levels will continue to occur in future years as the Company maintains its current meter policy. The analysis of the Company's historical data indicates that the property group's investment has been experiencing an average service life of eighteen (18) years. However, subsequent to the Company's acquisition of the operating property, it replaced much of the non-standard and/or sub-standard meters with current technology based facilities. Accordingly, giving consideration to the current Meters in service an Iowa 25-R2

life and curve is estimated at the applicable depreciation parameters for developing the current proposed depreciation rate for this account investment. Application of the proposed depreciation parameters to the Company's current surviving investment produces an average remaining life of 16.6 years for the property group's investment.

The Company's historical net salvage experience was analyzed for the years 1988-2002. This analysis identifies that past property retirements have experienced net salvage ranging from approximately seven (7) percent to negative six (6) percent net salvage during the study period and have averaged five (5) percent overall. Based upon the content of the account and future expectations, future net salvage is estimated at negative five (5) percent. The resulting proposed annual depreciation rate is 4.72 percent.

Account 334.11 - Meters-Digital Readers

The Company's investment in this component of the Meter account totals \$602,589 and is currently being depreciated based upon an annual depreciation rate of 4.75 percent. The Company initiated an AMR program during 2003 and chose Datamatic as its vendor to provide AMR devices for its meters. After a short duration of time it became apparent that failure rates were far higher than originally anticipated. Typically, the batteries within the units are anticipated to have a ten year life at which time it is expected that the facilities will be replaced. While the longer term solution to the unit failures have yet to be resolved, it is estimated that the maximum probable life for the units is likely to be ten (10) years with increasing amounts of property being replaced at younger ages. Accordingly, an Iowa 10-R2 life and curve is currently estimated for the property class. Application of the recommended service life parameters produces an average remaining life of 8.7 years. Future net salvage relative to this property class is estimated at zero (0) percent and when

incorporated with the current remaining life of the property results in an annual depreciation rate of 10.33 percent.

Account 335.00 - Hydrants

The Company's present investment in this property category totals \$327,614, has achieved a current average age of 15.4 years, and is being depreciated utilizing an annual depreciation rate of 2.00 percent

Retirements have totaled only \$934 and occurred at an average age of 6.5 years during the period 2000-2004, The limited available historical data was analyzed via the Retirement Rate Method.

Based upon the Company's upon the content of the account, and the general life often associated with this property class plus expectation that future change outs will occur, an Iowa 75-R3 life and curve is recommended for this property group. Applying the recommended service life parameters to the surviving investments result in a composite average remaining life of 60.1 years relative to the Company's current surviving vintage investment.

Due to the relatively short time since the Company acquired this property net salvage data is not available. Nevertheless, it can be anticipated that negative net salvage will be incurred in conjunction with the ultimate retirement of the existing facilities. Accordingly, future net salvage of negative ten (10) percent was utilized in developing the applicable annual depreciation. The resulting proposed depreciation rate for this property group is 1.55 percent.

Account 335.10 - Hydrants-Developer Installed

The Company's investment in this account totals \$313,536, has attained a current

average age of 2.17 years, and is depreciated using a present annual depreciation rate of 2.00 percent. No retirements have been experienced to date (since the Company acquired these operating properties) relative to this property class.

Based upon the Company's upon the content of the account, and the general life often associated with this property class plus expectation that future change outs will occur, an Iowa 75-R3 life and curve is recommended for this property group. Applying the recommended service life parameters to the surviving investments result in a composite average remaining life of 72.9 years relative to the Company's current surviving vintage investment.

Future net salvage relative to this property class is estimated at negative ten (10) percent and the resulting recommended annual depreciation rate is 1.48 percent.

Account 339 - Other Plant & Misc Equipment

The Company's investment in this account totals only \$71,542, has achieved a current average age of 4.06 years, and is depreciated based upon an annual depreciation rate of 2.50 percent.

Since no retirements have occurred to date an Iowa 50-R3 life and curve, based upon judgement, is estimated for this property class. Application of the estimated service life parameters to the Company's surviving investment produced an average remaining life of 46.0 years. Future net salvage is estimated at zero (0) percent and the resulting annual depreciation rate for this account is 2.04 percent

Account 343 - Tools, Shop, and Garage Equipment

The Company's investment in this account totals only \$83,373, has achieved a current average age of 11.1 years, and is depreciated based upon an annual depreciation

rate of 6.67 percent.

Retirements totaling \$75,910 were analyzed via the Retirement Rate Method and produced a service life indication of an Iowa 12-L4 life and curve. Application of the estimated service life parameters to the Company's surviving investment produced an average remaining life of 3.0 years. Future net salvage is estimated at zero (0) percent and the resulting annual depreciation rate for this account is 15.28 percent.

Account 346 - Communication Equipment

The current surviving investment in this account totals \$185,264, has attained a current average age of 3.91 years, and is presently depreciated using depreciation rates which composite to 5.00 percent.

Retirements totaling \$34,204, which occurred at an average age of eleven (11) years were analyzed via the Retirement Rate Method and produced a service life indication of an Iowa 9-L2 life and curve. Given the Company experience and the rapid changes in technology, the indicated useful service life of nine (9) years is deemed appropriate for this property group. Application of the estimated Iowa 9-L2 life and curve to the Company's current investment produces an average remaining life of 6.2 years for this property group. Net salvage is estimated at zero (0) percent. The resulting annual depreciation rate is 12.49 percent.

Account 347.11 - Computer Equipment

The current investment in this account totals \$36,484, has achieved a current average age of 5.37 years, and is presently being depreciated based upon a depreciation rate of 14.29 percent. Based upon the content of the account and the ongoing rapid changes in technology an Iowa 8-R4 life and curve is recommended for this property group.

Application of the service life parameters results in an average remaining life of 2.9 years. Future net salvage is estimated at zero (0) percent and the resulting annual depreciation rate is 18.73 percent.

Account 348 - Misc. General Equipment

The investment in this account totals only \$9,000, and the current annual depreciation rate is 4.0 percent. Retirements totaling \$2,160, which occurred at an average age of 11.9 years, were analyzed via the Retirement Rate Method and produced a service life indication of an Iowa 11-L5 life and curve. The resulting composite average remaining life is 7.5 years. Future net salvage relative to the property class is estimated at zero (0) percent and the resulting annual depreciation rate is 10.27 percent.

Pennichuck East Utility
Total Company
348.00 MISCELLANEOUS GENERAL EQUIPMENT

Observed Life Table
Retirement Expr. 1999 TO 2004
Placement Years 1984 TO 2001

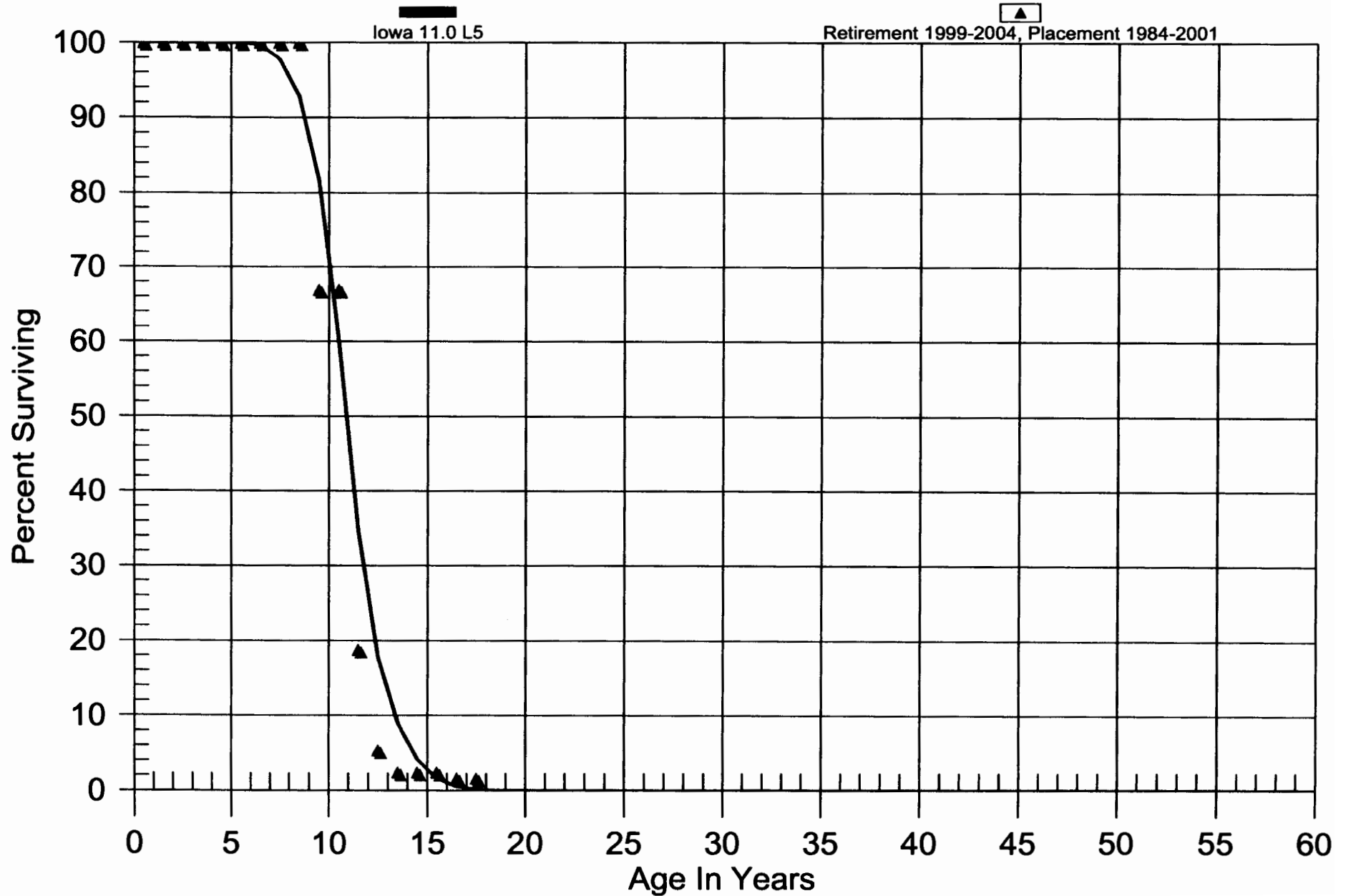
<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$8,999.46	\$0.00	0.00000	100.00
0.5 - 1.5	\$8,999.46	\$0.00	0.00000	100.00
1.5 - 2.5	\$8,999.46	\$0.00	0.00000	100.00
2.5 - 3.5	\$8,999.46	\$0.00	0.00000	100.00
3.5 - 4.5	\$0.00	\$0.00	0.00000	100.00
4.5 - 5.5	\$0.00	\$0.00	0.00000	100.00
5.5 - 6.5	\$595.00	\$0.00	0.00000	100.00
6.5 - 7.5	\$595.00	\$0.00	0.00000	100.00
7.5 - 8.5	\$1,534.98	\$0.00	0.00000	100.00
8.5 - 9.5	\$1,796.87	\$595.00	0.33113	100.00
9.5 - 10.5	\$1,306.31	\$0.00	0.00000	66.89
10.5 - 11.5	\$1,306.31	\$939.98	0.71957	66.89
11.5 - 12.5	\$366.33	\$261.89	0.71490	18.76
12.5 - 13.5	\$188.44	\$104.44	0.55423	5.35
13.5 - 14.5	\$84.00	\$0.00	0.00000	2.38
14.5 - 15.5	\$259.00	\$0.00	0.00000	2.38
15.5 - 16.5	\$259.00	\$84.00	0.32432	2.38
16.5 - 17.5	\$175.00	\$0.00	0.00000	1.61

Pennichuck East Utility

Total Company

348.00 MISCELLANEOUS GENERAL EQUIPMENT

Original And Smooth Survivor Curves

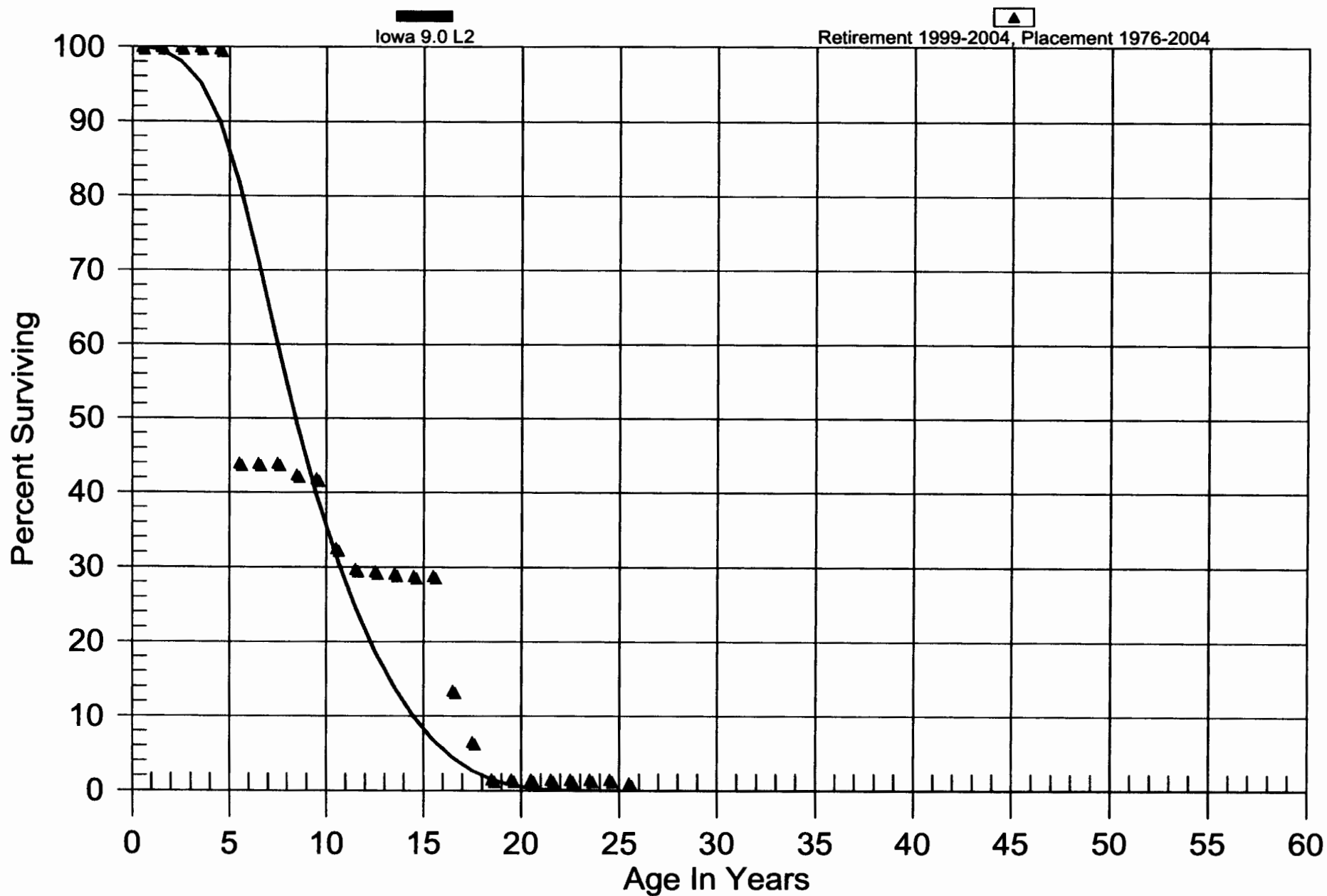


Pennichuck East Utility
Total Company
346.00 COMMUNICATION EQUIPMENT

Observed Life Table
Retirement Expr. 1999 TO 2004
Placement Years 1976 TO 2004

Age Interval	\$ Surviving At Beginning of Age Interval	\$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	\$157,055.43	\$0.00	0.00000	100.00
0.5 - 1.5	\$137,184.59	\$0.00	0.00000	100.00
1.5 - 2.5	\$126,254.88	\$0.00	0.00000	100.00
2.5 - 3.5	\$43,378.13	\$0.00	0.00000	100.00
3.5 - 4.5	\$20,976.54	\$49.61	0.00237	100.00
4.5 - 5.5	\$20,365.81	\$11,386.12	0.55908	99.76
5.5 - 6.5	\$4,794.84	\$0.00	0.00000	43.99
6.5 - 7.5	\$31,856.10	\$0.00	0.00000	43.99
7.5 - 8.5	\$31,433.60	\$1,128.71	0.03591	43.99
8.5 - 9.5	\$30,574.84	\$359.96	0.01177	42.41
9.5 - 10.5	\$34,791.14	\$7,784.48	0.22375	41.91
10.5 - 11.5	\$27,166.65	\$2,308.67	0.08498	32.53
11.5 - 12.5	\$24,857.98	\$269.95	0.01086	29.77
12.5 - 13.5	\$11,723.06	\$108.05	0.00922	29.44
13.5 - 14.5	\$14,235.20	\$159.99	0.01124	29.17
14.5 - 15.5	\$15,969.45	\$0.00	0.00000	28.84
15.5 - 16.5	\$10,926.24	\$5,828.77	0.53347	28.84
16.5 - 17.5	\$5,097.47	\$2,620.19	0.51402	13.46
17.5 - 18.5	\$2,477.28	\$1,894.24	0.76465	6.54
18.5 - 19.5	\$0.00	\$0.00	0.00000	1.54
19.5 - 20.5	\$0.00	\$0.00	0.00000	1.54
20.5 - 21.5	\$0.00	\$0.00	0.00000	1.54
21.5 - 22.5	\$96.63	\$0.00	0.00000	1.54
22.5 - 23.5	\$305.63	\$0.00	0.00000	1.54
23.5 - 24.5	\$305.63	\$0.00	0.00000	1.54
24.5 - 25.5	\$305.63	\$96.63	0.31617	1.54

Pennichuck East Utility
Total Company
346.00 COMMUNICATION EQUIPMENT
Original And Smooth Survivor Curves

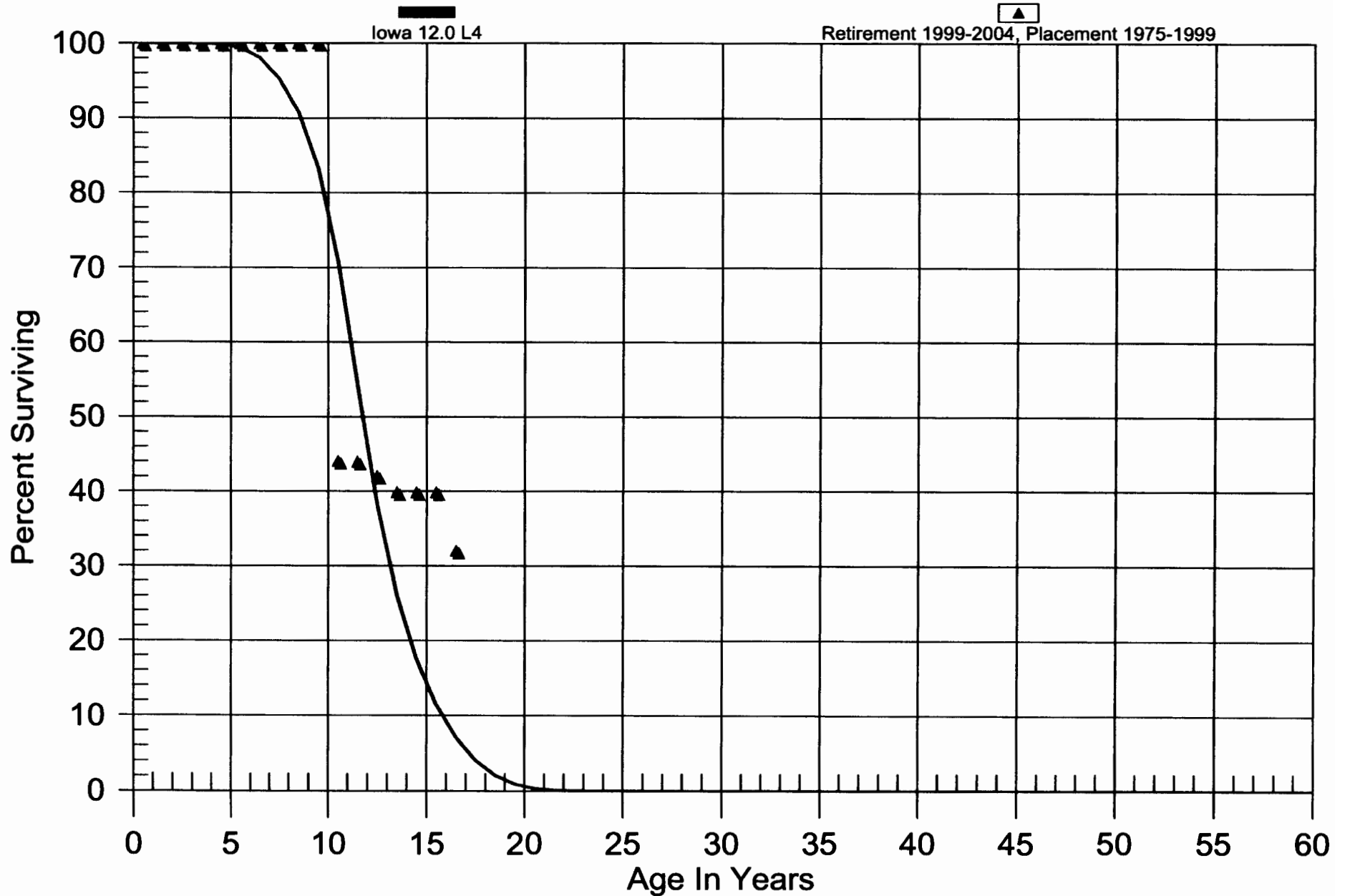


Pennichuck East Utility
Total Company
343.00 SHOP EQUIPMENT

Observed Life Table
Retirement Expr. 1999 TO 2004
Placement Years 1975 TO 1999

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$0.00	\$0.00	0.00000	100.00
0.5 - 1.5	\$0.00	\$0.00	0.00000	100.00
1.5 - 2.5	\$12,052.30	\$0.00	0.00000	100.00
2.5 - 3.5	\$29,136.44	\$0.00	0.00000	100.00
3.5 - 4.5	\$29,136.44	\$0.00	0.00000	100.00
4.5 - 5.5	\$35,827.29	\$0.00	0.00000	100.00
5.5 - 6.5	\$50,193.16	\$0.00	0.00000	100.00
6.5 - 7.5	\$139,308.97	\$0.00	0.00000	100.00
7.5 - 8.5	\$129,168.07	\$0.00	0.00000	100.00
8.5 - 9.5	\$119,625.23	\$0.00	0.00000	100.00
9.5 - 10.5	\$128,899.75	\$72,110.77	0.55943	100.00
10.5 - 11.5	\$50,098.13	\$86.40	0.00172	44.06
11.5 - 12.5	\$35,645.86	\$1,561.42	0.04380	43.98
12.5 - 13.5	\$17,215.08	\$904.52	0.05254	42.05
13.5 - 14.5	\$15,043.48	\$0.00	0.00000	39.84
14.5 - 15.5	\$9,063.60	\$0.00	0.00000	39.84
15.5 - 16.5	\$693.60	\$135.68	0.19562	39.84

Pennichuck East Utility
Total Company
343.00 SHOP EQUIPMENT
Original And Smooth Survivor Curves



Pennichuck East Utility
Total Company
334.10 METERING EQUIPMENT

Simulated Plant Record Analysis Calculated As Of 12/31/2004

Simulated Balances Method

No. Of Test Points - 31
Interval Between Test Points - 1
First Test Point - 1974
Last Test Point - 2004

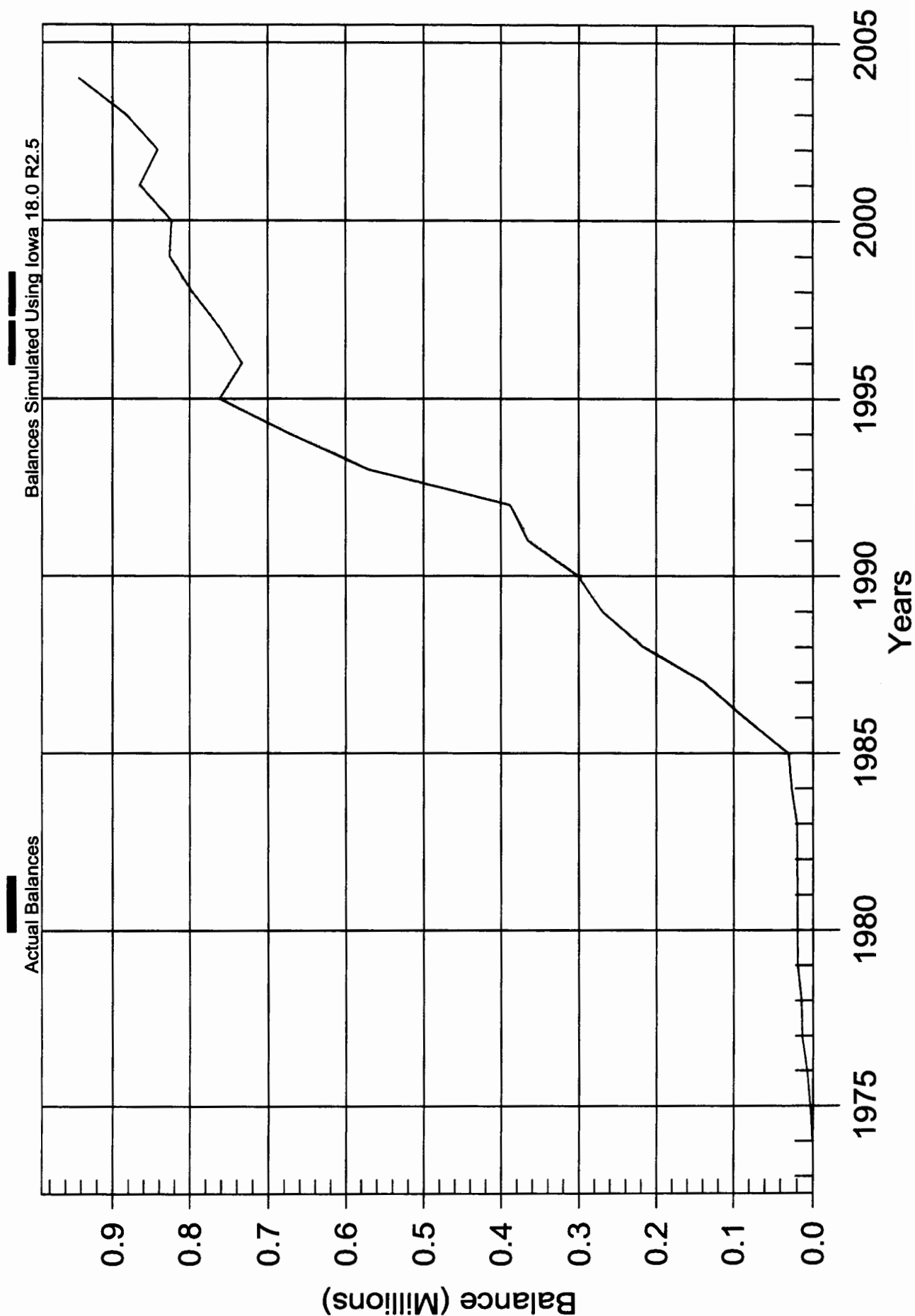
<i>Curve Type</i>	<i>Average Service Life</i>	<i>Sum Of Squares Difference</i>	<i>Conformance Index</i>	<i>Index Of Variation</i>	<i>Ret Exp Index</i>
S0	23.25 Yrs.	2.8322E+09	38.59	25.91	71.15
L1	23.66 Yrs.	2.8612E+09	38.40	26.04	71.84
S0.5	21.09 Yrs.	2.8971E+09	38.16	26.21	82.64
L0.5	26.88 Yrs.	2.9912E+09	37.55	26.63	62.65
R2	19.06 Yrs.	3.1244E+09	36.74	27.22	96.89
L1.5	21.41 Yrs.	3.2860E+09	35.83	27.91	80.77
R1.5	21.16 Yrs.	3.3108E+09	35.69	28.02	84.90
L0	31.16 Yrs.	3.4177E+09	35.13	28.47	54.02
S1	19.41 Yrs.	3.5697E+09	34.37	29.09	92.42
R2.5	17.81 Yrs.	3.7062E+09	33.74	29.64	99.67
S.5	27.81 Yrs.	3.9213E+09	32.80	30.49	55.77
R1	24.06 Yrs.	3.9458E+09	32.70	30.59	67.77
S1.5	18.31 Yrs.	4.4863E+09	30.66	32.61	97.42
L2	19.66 Yrs.	4.5439E+09	30.47	32.82	88.09
R0.5	28.88 Yrs.	4.7542E+09	29.79	33.57	52.07
O2	39.25 Yrs.	5.2470E+09	28.35	35.27	43.67
SC	34.91 Yrs.	5.2513E+09	28.34	35.28	43.69
O1	34.91 Yrs.	5.2513E+09	28.34	35.28	43.69
R3	16.84 Yrs.	5.3024E+09	28.20	35.46	100.00
O3	56.88 Yrs.	5.3963E+09	27.96	35.77	40.85
O4	78.91 Yrs.	5.4632E+09	27.79	35.99	39.81
S2	17.41 Yrs.	6.0970E+09	26.30	38.02	99.69
L3	17.47 Yrs.	7.6362E+09	23.50	42.55	97.29
S3	16.31 Yrs.	9.4008E+09	21.18	47.21	100.00
R4	15.91 Yrs.	1.0068E+10	20.47	48.86	100.00
L4	16.13 Yrs.	1.1656E+10	19.02	52.57	99.98
S4	15.59 Yrs.	1.4127E+10	17.28	57.87	100.00
L5	15.50 Yrs.	1.6272E+10	16.10	62.11	100.00
R5	15.34 Yrs.	1.7364E+10	15.59	64.16	100.00
S5	15.25 Yrs.	1.9080E+10	14.87	67.26	100.00
S6	15.09 Yrs.	2.3941E+10	13.27	75.34	100.00
SQ	15.00 Yrs.	3.1374E+10	11.59	86.24	100.00

Pennichuck East Utility

Total Company

334.10 METERING EQUIPMENT

Actual And Simulated Balances 1974-2004



Pennichuck East Utility

Total Company

333.10, 333.20, 333.23, 333.25

Observed Life Table

Retirement Expr. 1998 TO 2004

Placement Years 1974 TO 2004

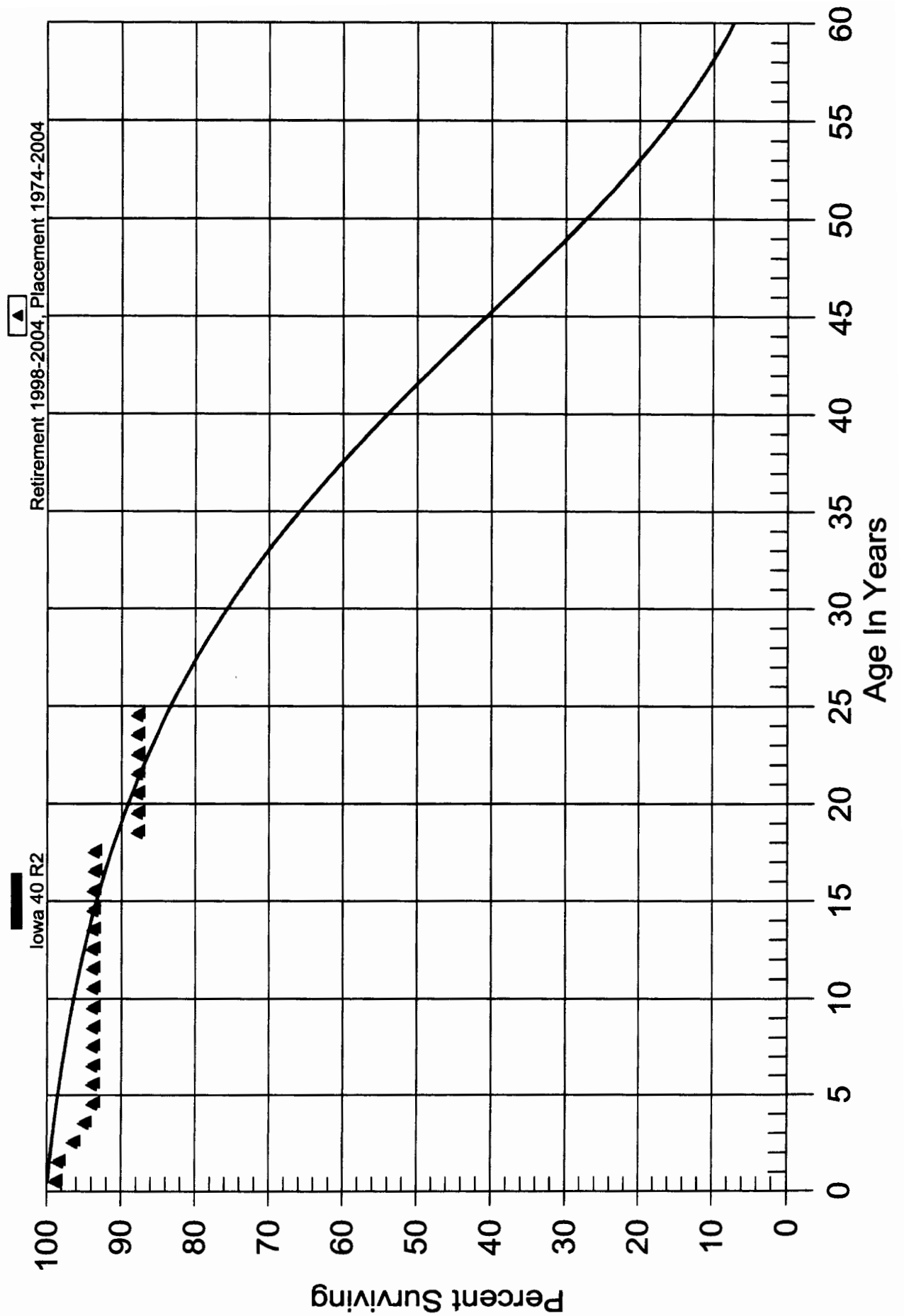
<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$1,220,858.73	\$11,969.93	0.00980	100.00
0.5 - 1.5	\$1,017,915.12	\$4,152.79	0.00408	99.02
1.5 - 2.5	\$1,013,281.49	\$20,422.01	0.02015	98.62
2.5 - 3.5	\$932,104.10	\$14,287.04	0.01533	96.63
3.5 - 4.5	\$930,618.06	\$10,746.00	0.01155	95.15
4.5 - 5.5	\$876,108.36	\$0.00	0.00000	94.05
5.5 - 6.5	\$857,351.58	\$0.00	0.00000	94.05
6.5 - 7.5	\$810,262.15	\$278.98	0.00034	94.05
7.5 - 8.5	\$753,165.39	\$39.37	0.00005	94.02
8.5 - 9.5	\$861,493.36	\$0.00	0.00000	94.01
9.5 - 10.5	\$828,209.47	\$0.00	0.00000	94.01
10.5 - 11.5	\$762,760.49	\$8.40	0.00001	94.01
11.5 - 12.5	\$769,826.27	\$0.00	0.00000	94.01
12.5 - 13.5	\$689,632.58	\$292.96	0.00042	94.01
13.5 - 14.5	\$608,336.06	\$80.00	0.00013	93.97
14.5 - 15.5	\$545,678.89	\$395.00	0.00072	93.96
15.5 - 16.5	\$325,388.46	\$429.29	0.00132	93.89
16.5 - 17.5	\$227,544.33	\$0.00	0.00000	93.77
17.5 - 18.5	\$174,161.12	\$10,743.65	0.06169	93.77
18.5 - 19.5	\$66,188.25	\$0.00	0.00000	87.98
19.5 - 20.5	\$37,947.32	\$0.00	0.00000	87.98
20.5 - 21.5	\$33,826.25	\$0.00	0.00000	87.98
21.5 - 22.5	\$39,498.10	\$0.00	0.00000	87.98
22.5 - 23.5	\$35,163.66	\$0.00	0.00000	87.98
23.5 - 24.5	\$34,886.19	\$0.00	0.00000	87.98
24.5 - 25.5	\$34,886.19	\$0.00	0.00000	87.98
25.5 - 26.5	\$34,694.00	\$0.00	0.00000	87.98
26.5 - 27.5	\$33,020.17	\$0.00	0.00000	87.98
27.5 - 28.5	\$12,137.56	\$0.00	0.00000	87.98
28.5 - 29.5	\$4,468.40	\$0.00	0.00000	87.98
29.5 - 30.5	\$383.40	\$0.00	0.00000	87.98

Pennichuck East Utility

Total Company

333.10, 333.20, 333.23, 333.25

Original And Smooth Survivor Curves

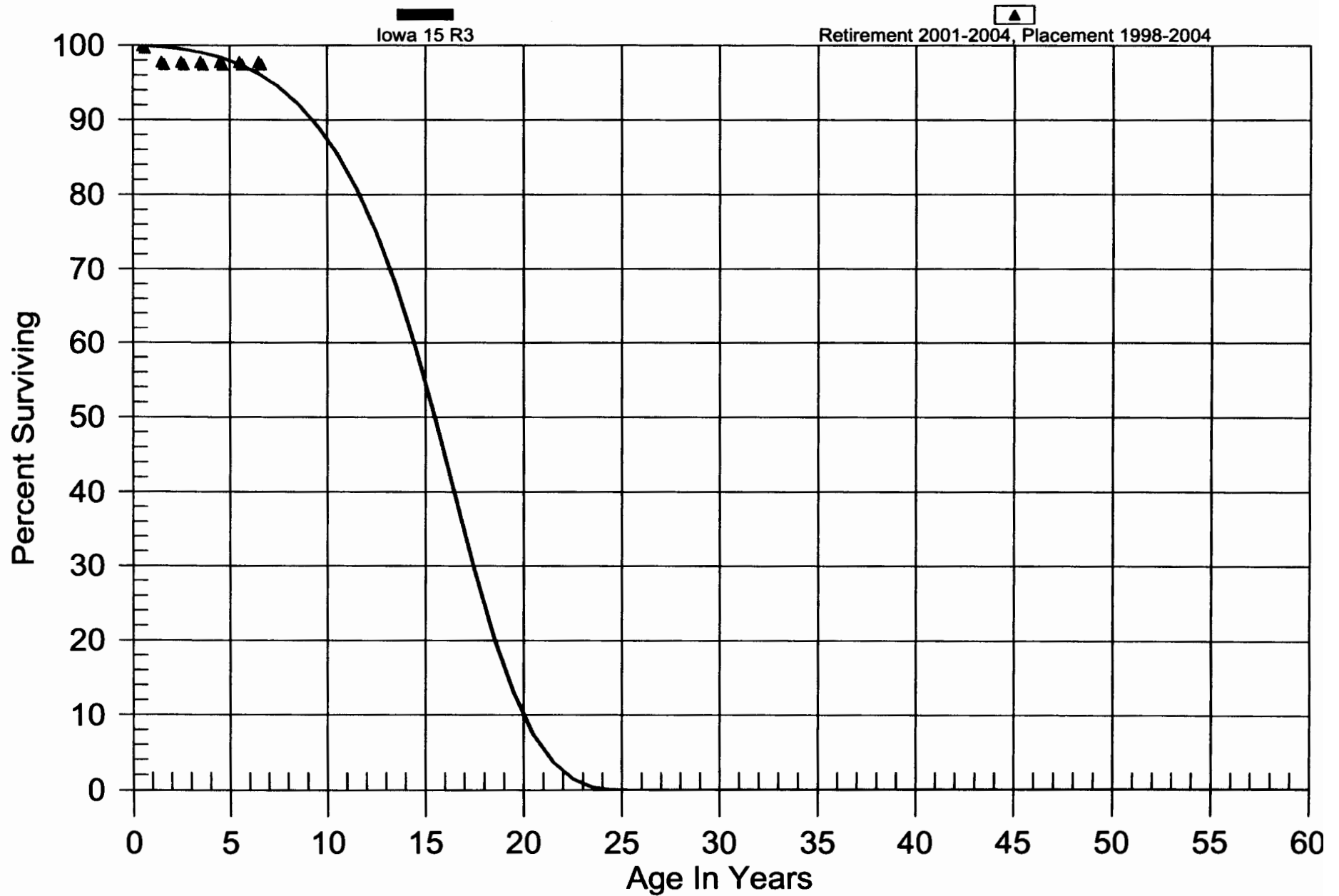


Pennichuck East Utility
Total Company
333.04 PAVEMENTS-NEW SERVICES

Observed Life Table
Retirement Expr. 2001 TO 2004
Placement Years 1998 TO 2004

Age Interval	\$ Surviving At Beginning of Age Interval	\$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	\$23,805.28	\$0.00	0.00000	100.00
0.5 - 1.5	\$20,086.22	\$442.75	0.02204	100.00
1.5 - 2.5	\$8,195.54	\$0.00	0.00000	97.80
2.5 - 3.5	\$7,884.28	\$0.00	0.00000	97.80
3.5 - 4.5	\$4,658.86	\$0.00	0.00000	97.80
4.5 - 5.5	\$3,521.26	\$0.00	0.00000	97.80
5.5 - 6.5	\$357.39	\$0.00	0.00000	97.80

Pennichuck East Utility
Total Company
333.04 PAVEMENTS-NEW SERVICES
Original And Smooth Survivor Curves



Pennichuck East Utility

Total Company

331.20, 331.25, 331.30

Observed Life Table

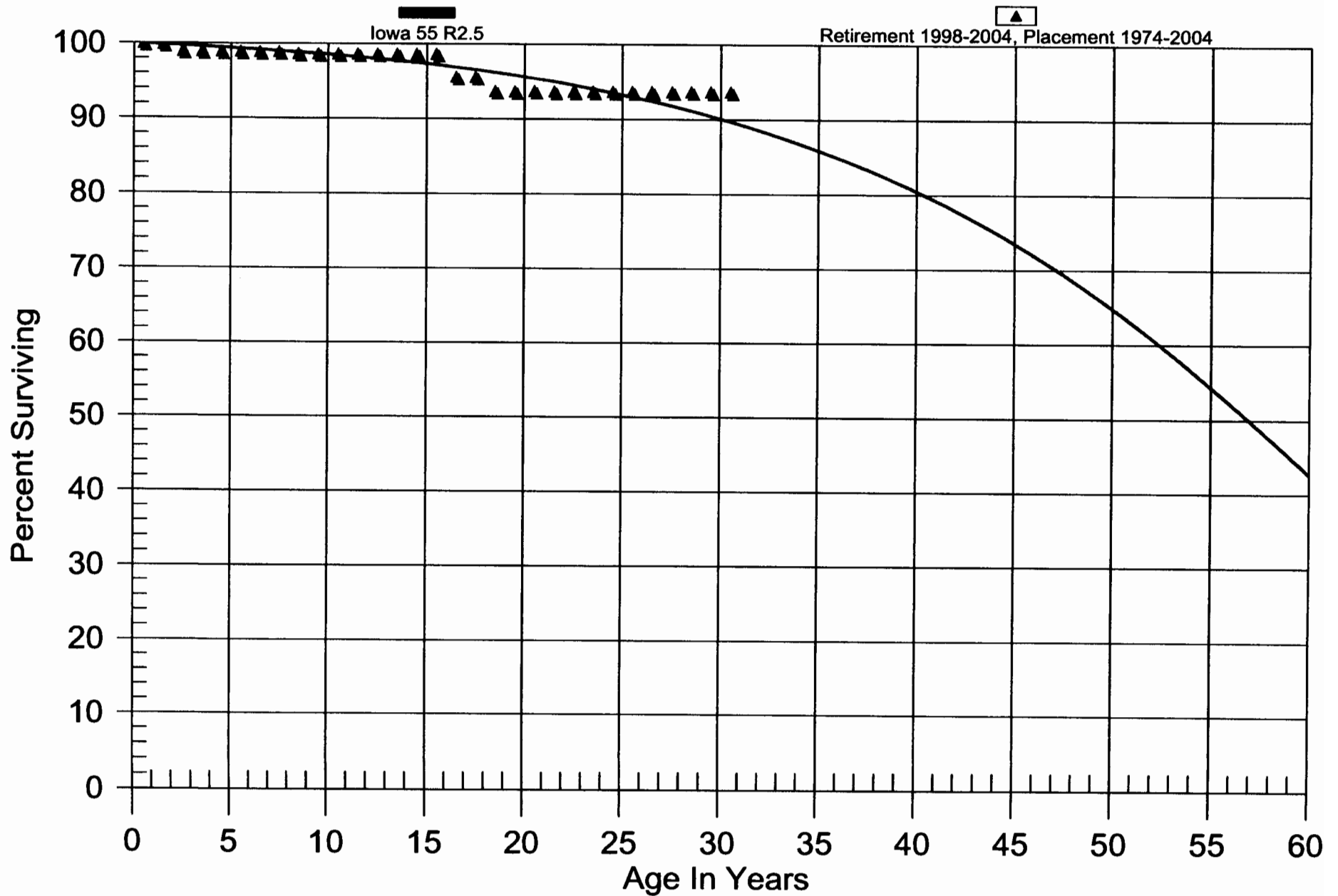
Retirement Expr. 1998 TO 2004

Placement Years 1974 TO 2004

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$5,919,503.38	\$99.74	0.00002	100.00
0.5 - 1.5	\$5,009,249.40	\$6,722.00	0.00134	100.00
1.5 - 2.5	\$3,696,709.53	\$32,935.71	0.00891	99.86
2.5 - 3.5	\$3,248,802.33	\$0.00	0.00000	98.97
3.5 - 4.5	\$2,803,239.16	\$1,136.50	0.00041	98.97
4.5 - 5.5	\$1,778,212.57	\$0.00	0.00000	98.93
5.5 - 6.5	\$1,755,939.19	\$242.36	0.00014	98.93
6.5 - 7.5	\$998,937.74	\$0.00	0.00000	98.92
7.5 - 8.5	\$1,557,056.89	\$3,857.35	0.00248	98.92
8.5 - 9.5	\$5,588,892.48	\$499.15	0.00009	98.68
9.5 - 10.5	\$8,565,260.95	\$141.24	0.00002	98.67
10.5 - 11.5	\$8,958,708.61	\$183.43	0.00002	98.67
11.5 - 12.5	\$9,547,592.86	\$56.18	0.00001	98.66
12.5 - 13.5	\$10,050,620.26	\$928.22	0.00009	98.66
13.5 - 14.5	\$10,046,536.77	\$149.53	0.00001	98.65
14.5 - 15.5	\$9,372,160.58	\$314.95	0.00003	98.65
15.5 - 16.5	\$5,327,808.70	\$164,295.92	0.03084	98.65
16.5 - 17.5	\$1,927,924.91	\$0.00	0.00000	95.61
17.5 - 18.5	\$1,469,202.22	\$29,468.37	0.02006	95.61
18.5 - 19.5	\$774,943.11	\$0.00	0.00000	93.69
19.5 - 20.5	\$184,123.84	\$0.00	0.00000	93.69
20.5 - 21.5	\$281,690.30	\$0.00	0.00000	93.69
21.5 - 22.5	\$272,301.01	\$0.00	0.00000	93.69
22.5 - 23.5	\$273,204.75	\$0.00	0.00000	93.69
23.5 - 24.5	\$275,843.54	\$0.00	0.00000	93.69
24.5 - 25.5	\$275,843.54	\$0.00	0.00000	93.69
25.5 - 26.5	\$275,843.54	\$0.00	0.00000	93.69
26.5 - 27.5	\$273,614.61	\$0.00	0.00000	93.69
27.5 - 28.5	\$73,137.51	\$0.00	0.00000	93.69
28.5 - 29.5	\$25,994.66	\$0.00	0.00000	93.69
29.5 - 30.5	\$2,638.79	\$0.00	0.00000	93.69

Pennichuck East Utility

Total Company
331.20, 331.25, 331.30
Original And Smooth Survivor Curves



Pennichuck East Utility

Total Company

320.00, 320.20

Observed Life Table

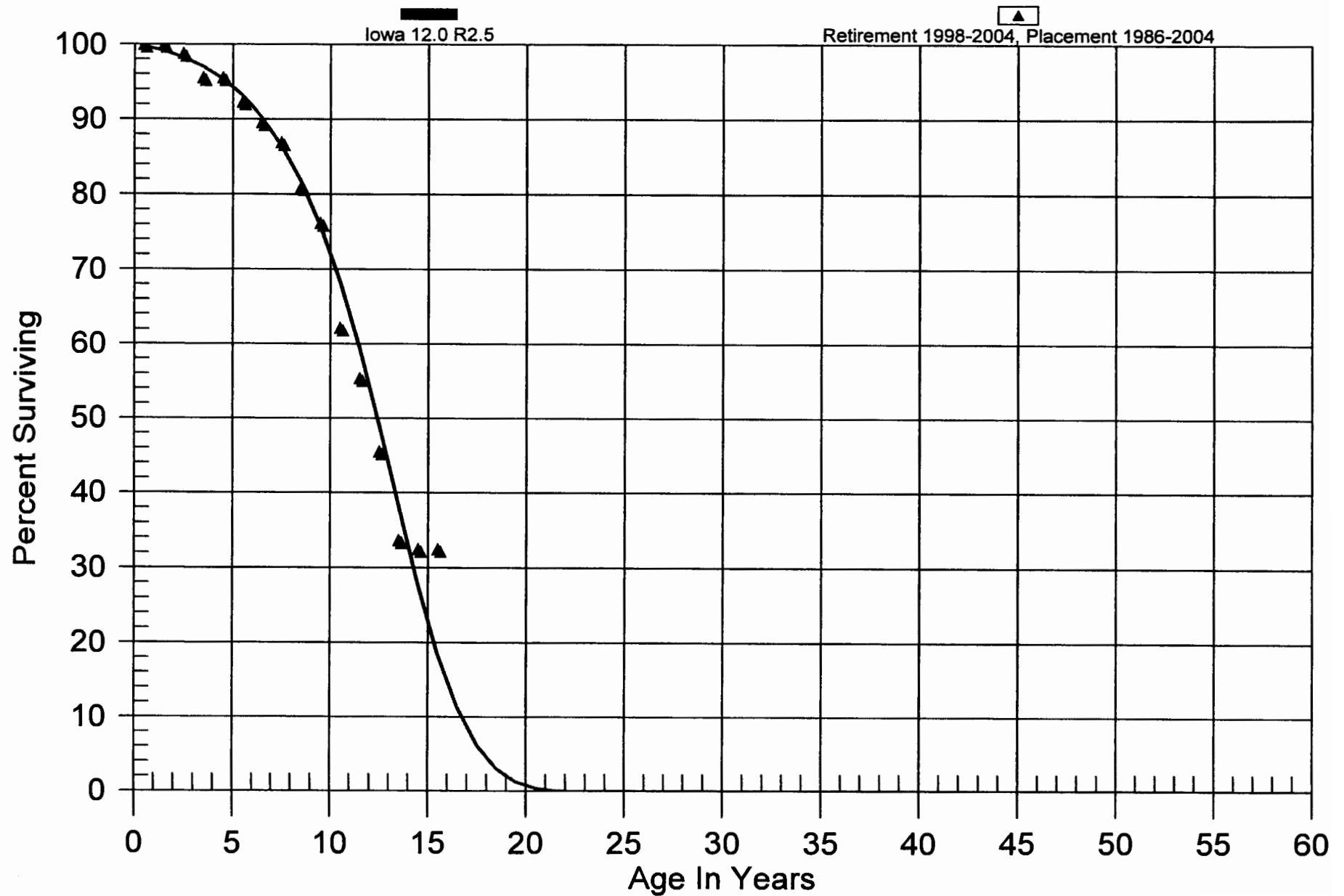
Retirement Expr. 1998 TO 2004

Placement Years 1986 TO 2004

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$191,045.12	\$0.00	0.00000	100.00
0.5 - 1.5	\$180,595.97	\$0.00	0.00000	100.00
1.5 - 2.5	\$209,573.52	\$2,538.30	0.01211	100.00
2.5 - 3.5	\$206,780.52	\$6,700.54	0.03240	98.79
3.5 - 4.5	\$161,754.81	\$0.00	0.00000	95.59
4.5 - 5.5	\$159,860.53	\$5,450.85	0.03410	95.59
5.5 - 6.5	\$179,945.12	\$5,257.94	0.02922	92.33
6.5 - 7.5	\$168,202.14	\$5,010.97	0.02979	89.63
7.5 - 8.5	\$199,852.57	\$13,794.47	0.06902	86.96
8.5 - 9.5	\$145,127.40	\$8,532.79	0.05880	80.96
9.5 - 10.5	\$137,317.78	\$25,289.74	0.18417	76.20
10.5 - 11.5	\$103,635.95	\$11,273.48	0.10878	62.16
11.5 - 12.5	\$90,013.48	\$16,036.72	0.17816	55.40
12.5 - 13.5	\$45,612.29	\$11,861.33	0.26005	45.53
13.5 - 14.5	\$22,198.15	\$787.89	0.03549	33.69
14.5 - 15.5	\$1,884.22	\$0.00	0.00000	32.50

Pennichuck East Utility

Total Company
320.00, 320.20
Original And Smooth Survivor Curves

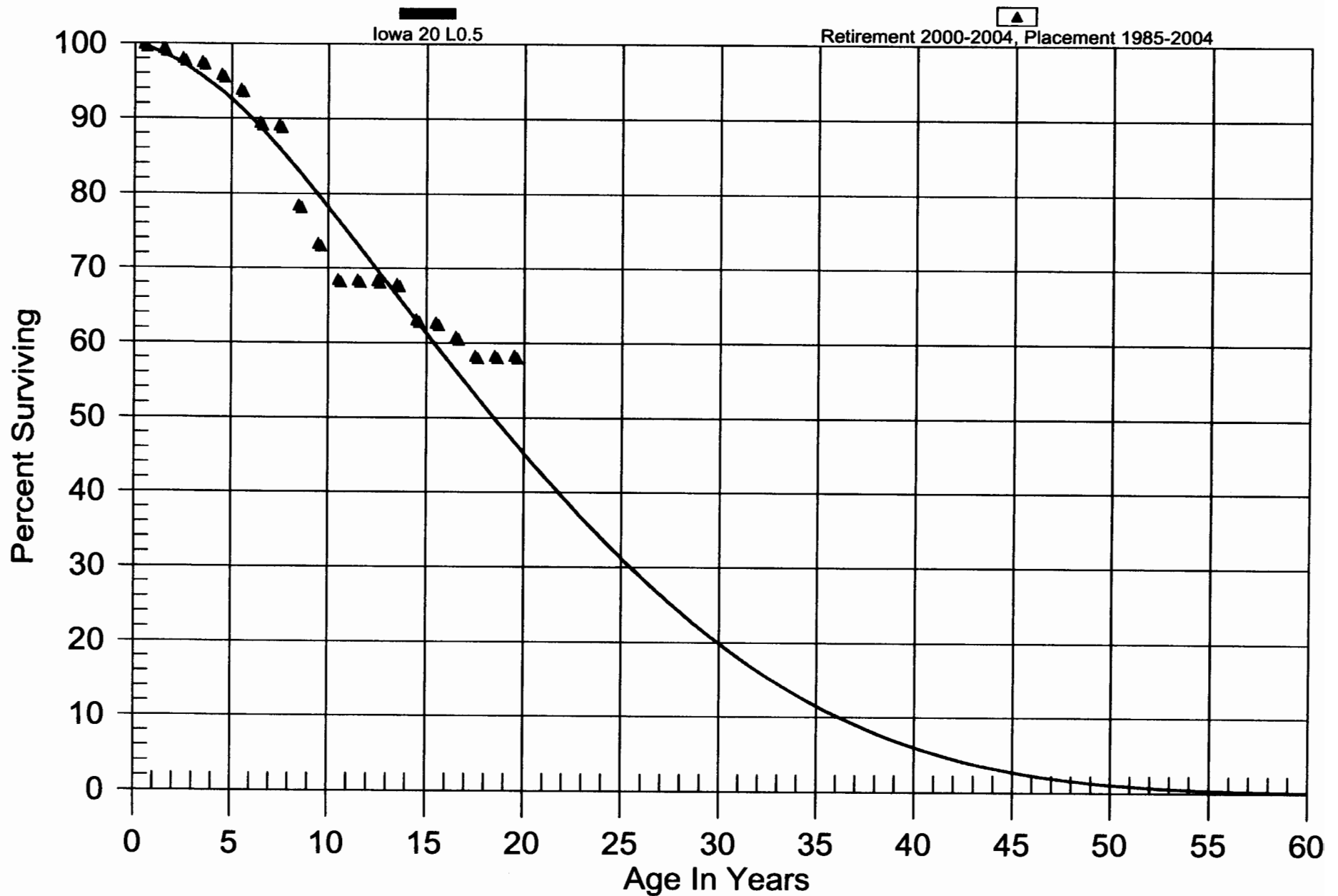


Pennichuck East Utility
Total Company
311.20 ELECTRIC PUMPING EQUIPMENT

Observed Life Table
Retirement Expr. 2000 TO 2004
Placement Years 1985 TO 2004

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$313,884.25	\$0.00	0.00000	100.00
0.5 - 1.5	\$342,398.31	\$1,950.97	0.00570	100.00
1.5 - 2.5	\$349,031.80	\$4,617.85	0.01323	99.43
2.5 - 3.5	\$357,677.41	\$1,754.80	0.00491	98.11
3.5 - 4.5	\$264,161.67	\$4,668.45	0.01767	97.63
4.5 - 5.5	\$231,481.52	\$4,763.50	0.02058	95.91
5.5 - 6.5	\$181,976.86	\$8,563.05	0.04706	93.93
6.5 - 7.5	\$167,646.57	\$537.46	0.00321	89.51
7.5 - 8.5	\$88,895.26	\$10,635.85	0.11964	89.23
8.5 - 9.5	\$70,597.42	\$4,644.90	0.06579	78.55
9.5 - 10.5	\$62,549.86	\$4,163.62	0.06656	73.38
10.5 - 11.5	\$253,249.60	\$101.96	0.00040	68.50
11.5 - 12.5	\$290,707.37	\$175.49	0.00060	68.47
12.5 - 13.5	\$294,040.82	\$2,113.64	0.00719	68.43
13.5 - 14.5	\$384,934.99	\$27,042.45	0.07025	67.94
14.5 - 15.5	\$357,143.68	\$2,381.50	0.00667	63.17
15.5 - 16.5	\$140,260.18	\$4,205.84	0.02999	62.74
16.5 - 17.5	\$83,422.64	\$3,448.49	0.04134	60.86
17.5 - 18.5	\$66,891.37	\$0.00	0.00000	58.35
18.5 - 19.5	\$0.00	\$0.00	0.00000	58.35

Pennichuck East Utility
Total Company
311.20 ELECTRIC PUMPING EQUIPMENT
Original And Smooth Survivor Curves

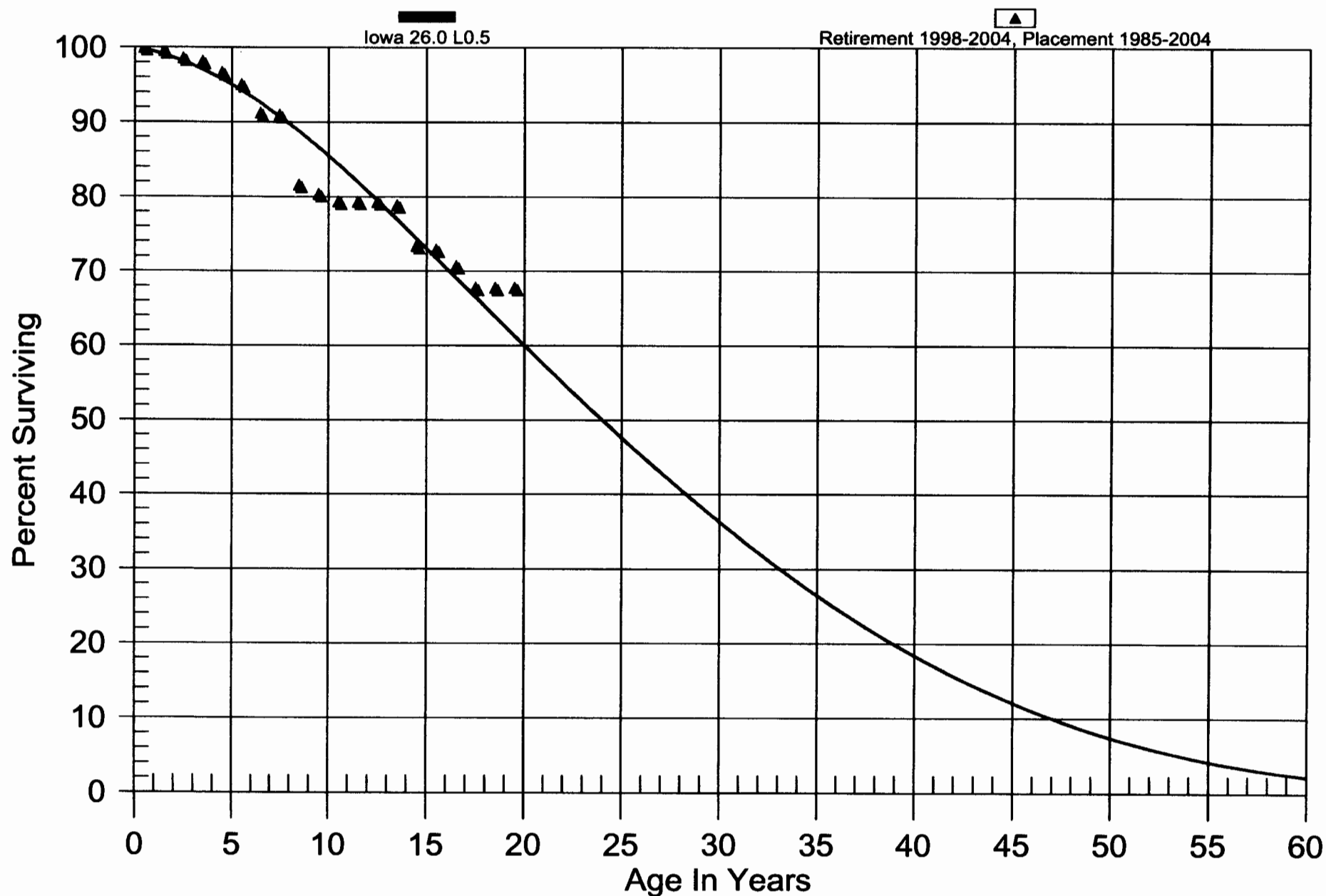


Pennichuck East Utility
Total Company
311.20 ELECTRIC PUMPING EQUIPMENT

Observed Life Table
Retirement Expr. 1998 TO 2004
Placement Years 1985 TO 2004

Age Interval	\$ Surviving At Beginning of Age Interval	\$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	\$418,205.60	\$0.00	0.00000	100.00
0.5 - 1.5	\$463,635.71	\$1,950.97	0.00421	100.00
1.5 - 2.5	\$467,744.55	\$4,617.85	0.00987	99.58
2.5 - 3.5	\$397,897.57	\$1,754.80	0.00441	98.60
3.5 - 4.5	\$312,459.74	\$4,668.45	0.01494	98.16
4.5 - 5.5	\$283,545.07	\$4,763.50	0.01680	96.69
5.5 - 6.5	\$213,789.25	\$8,563.05	0.04005	95.07
6.5 - 7.5	\$186,121.42	\$537.46	0.00289	91.26
7.5 - 8.5	\$103,803.62	\$10,635.85	0.10246	91.00
8.5 - 9.5	\$294,328.60	\$4,644.90	0.01578	81.67
9.5 - 10.5	\$332,164.35	\$4,163.62	0.01253	80.39
10.5 - 11.5	\$321,007.16	\$101.96	0.00032	79.38
11.5 - 12.5	\$404,119.65	\$175.49	0.00043	79.35
12.5 - 13.5	\$396,915.74	\$2,113.64	0.00533	79.32
13.5 - 14.5	\$388,383.48	\$27,042.45	0.06963	78.90
14.5 - 15.5	\$357,143.68	\$2,381.50	0.00667	73.40
15.5 - 16.5	\$140,260.18	\$4,205.84	0.02999	72.91
16.5 - 17.5	\$83,422.64	\$3,448.49	0.04134	70.73
17.5 - 18.5	\$66,891.37	\$0.00	0.00000	67.80
18.5 - 19.5	\$0.00	\$0.00	0.00000	67.80

Pennichuck East Utility
Total Company
311.20 ELECTRIC PUMPING EQUIPMENT
Original And Smooth Survivor Curves

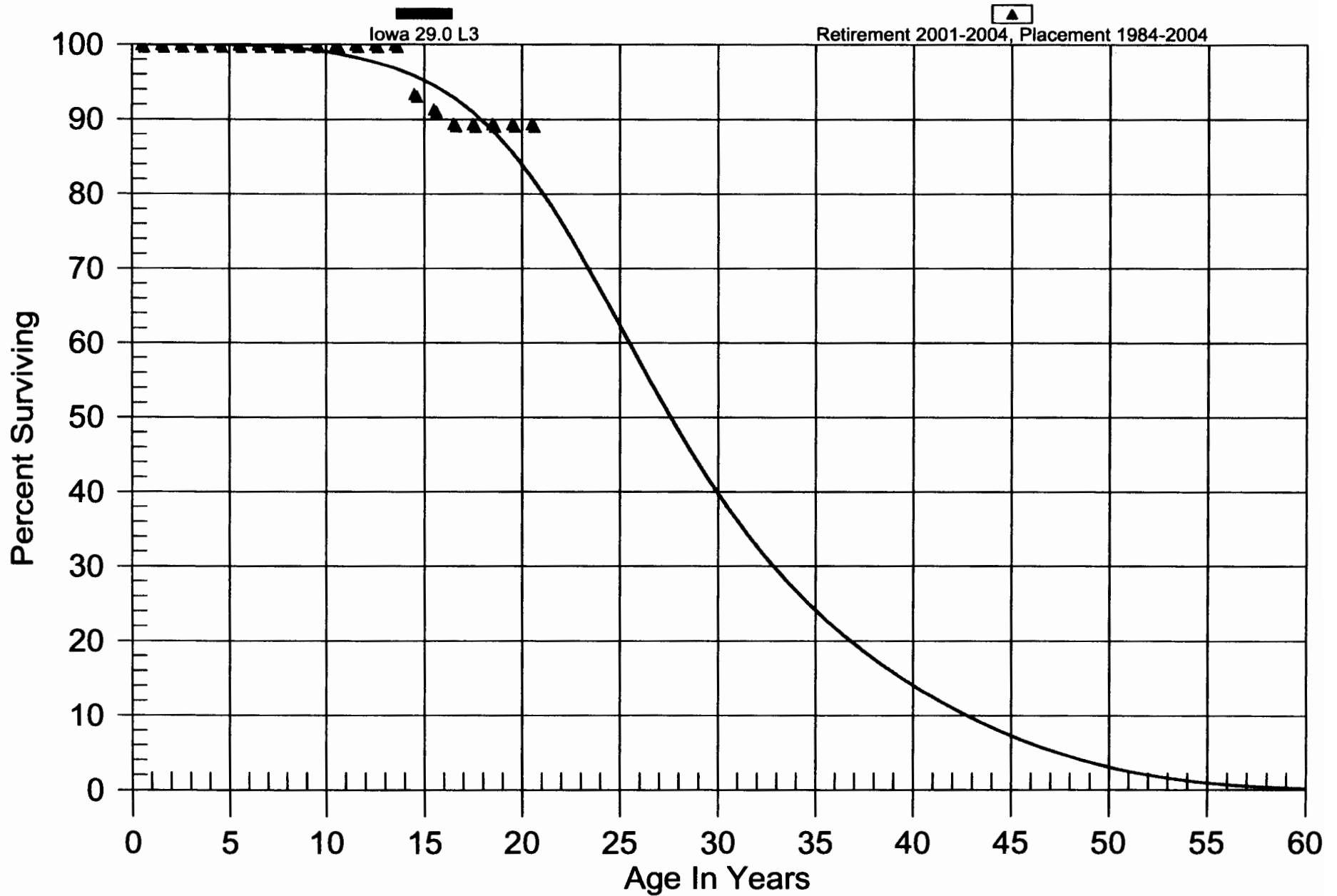


***Pennichuck East Utility
Total Company
307.10 WELLS & SPRINGS***

***Observed Life Table
Retirement Expr. 2001 TO 2004
Placement Years 1984 TO 2004***

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$357,834.00	\$0.00	0.00000	100.00
0.5 - 1.5	\$124,993.34	\$0.00	0.00000	100.00
1.5 - 2.5	\$121,716.54	\$0.00	0.00000	100.00
2.5 - 3.5	\$62,821.40	\$0.00	0.00000	100.00
3.5 - 4.5	\$11,032.70	\$0.00	0.00000	100.00
4.5 - 5.5	\$11,032.70	\$0.00	0.00000	100.00
5.5 - 6.5	\$10,437.50	\$0.00	0.00000	100.00
6.5 - 7.5	\$1,777.34	\$0.00	0.00000	100.00
7.5 - 8.5	\$12,940.34	\$0.00	0.00000	100.00
8.5 - 9.5	\$12,940.34	\$0.00	0.00000	100.00
9.5 - 10.5	\$18,772.36	\$0.00	0.00000	100.00
10.5 - 11.5	\$20,195.02	\$0.00	0.00000	100.00
11.5 - 12.5	\$74,880.89	\$0.00	0.00000	100.00
12.5 - 13.5	\$264,407.27	\$0.00	0.00000	100.00
13.5 - 14.5	\$264,239.34	\$17,420.07	0.06593	100.00
14.5 - 15.5	\$258,433.79	\$5,664.09	0.02192	93.41
15.5 - 16.5	\$193,363.21	\$4,041.52	0.02090	91.36
16.5 - 17.5	\$22,845.45	\$9.62	0.00042	89.45
17.5 - 18.5	\$22,835.83	\$0.00	0.00000	89.41
18.5 - 19.5	\$12,062.83	\$0.00	0.00000	89.41
19.5 - 20.5	\$5,630.07	\$0.00	0.00000	89.41

Pennichuck East Utility
Total Company
307.10 WELLS & SPRINGS
Original And Smooth Survivor Curves

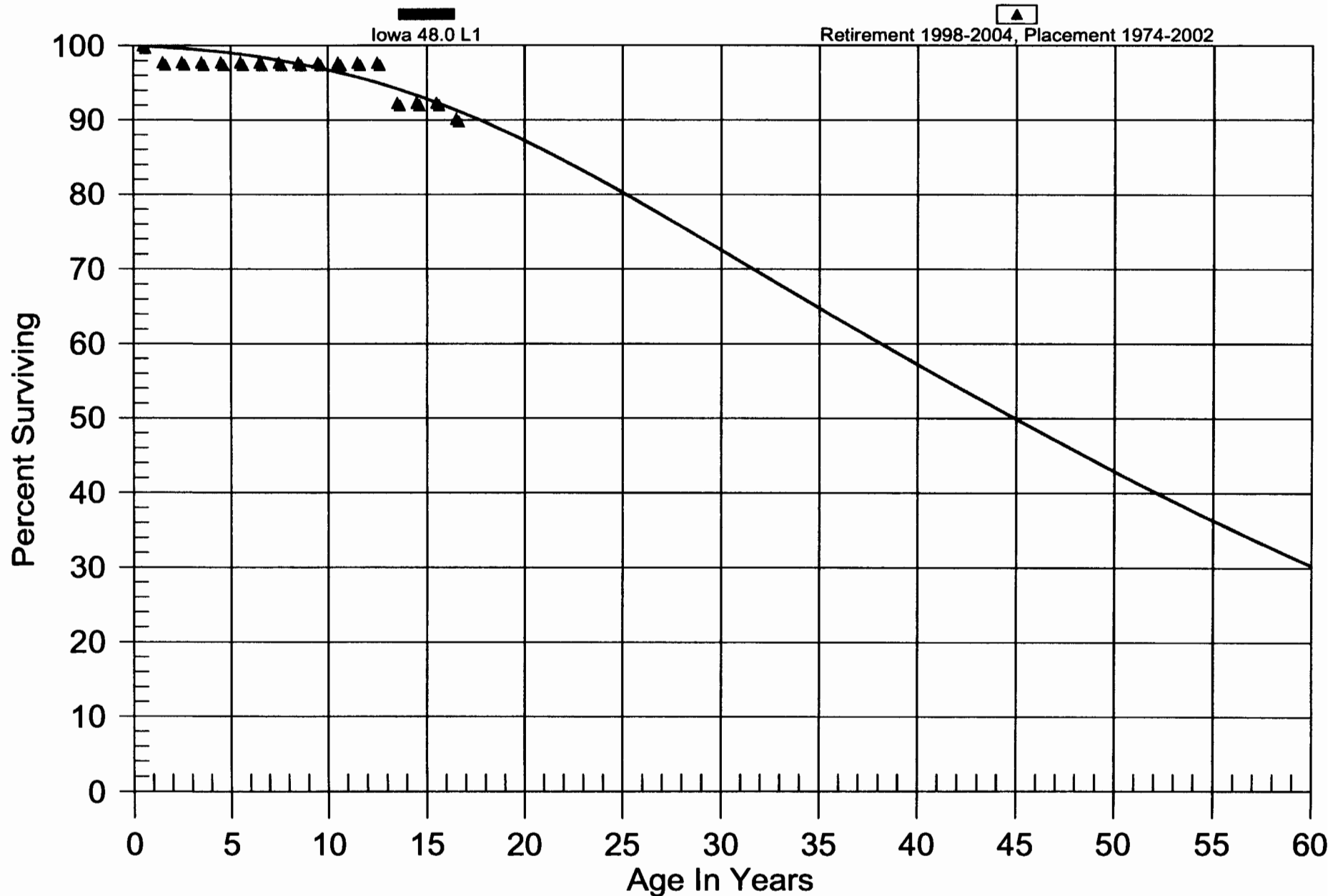


Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES

Observed Life Table
Retirement Expr. 1998 TO 2004
Placement Years 1974 TO 2002

<i>Age Interval</i>	<i>\$ Surviving At Beginning of Age Interval</i>	<i>\$ Retired During The Age Interval</i>	<i>Retirement Ratio</i>	<i>% Surviving At Beginning of Age Interval</i>
0.0 - 0.5	\$747,415.26	\$0.00	0.00000	100.00
0.5 - 1.5	\$843,175.39	\$18,494.10	0.02193	100.00
1.5 - 2.5	\$825,212.00	\$0.00	0.00000	97.81
2.5 - 3.5	\$770,417.71	\$253.75	0.00033	97.81
3.5 - 4.5	\$329,701.51	\$0.00	0.00000	97.77
4.5 - 5.5	\$351,007.43	\$0.00	0.00000	97.77
5.5 - 6.5	\$355,473.69	\$125.60	0.00035	97.77
6.5 - 7.5	\$330,998.92	\$0.00	0.00000	97.74
7.5 - 8.5	\$262,575.65	\$0.00	0.00000	97.74
8.5 - 9.5	\$356,346.45	\$0.00	0.00000	97.74
9.5 - 10.5	\$609,304.71	\$0.00	0.00000	97.74
10.5 - 11.5	\$468,475.84	\$121.45	0.00026	97.74
11.5 - 12.5	\$505,344.00	\$0.00	0.00000	97.71
12.5 - 13.5	\$505,023.93	\$27,714.22	0.05488	97.71
13.5 - 14.5	\$642,580.22	\$0.00	0.00000	92.35
14.5 - 15.5	\$615,243.36	\$132.73	0.00022	92.35
15.5 - 16.5	\$548,648.94	\$12,924.17	0.02356	92.33
16.5 - 17.5	\$247,242.85	\$0.00	0.00000	90.16
17.5 - 18.5	\$239,716.69	\$108,761.54	0.45371	90.16
18.5 - 19.5	\$76,180.79	\$0.00	0.00000	49.25
19.5 - 20.5	\$72,034.60	\$0.00	0.00000	49.25
20.5 - 21.5	\$12,124.36	\$0.00	0.00000	49.25
21.5 - 22.5	\$12,124.36	\$238.28	0.01965	49.25
22.5 - 23.5	\$19,626.96	\$0.00	0.00000	48.28
23.5 - 24.5	\$21,072.33	\$0.00	0.00000	48.28
24.5 - 25.5	\$21,072.33	\$0.00	0.00000	48.28
25.5 - 26.5	\$21,072.33	\$0.00	0.00000	48.28
26.5 - 27.5	\$21,072.33	\$0.00	0.00000	48.28
27.5 - 28.5	\$9,186.25	\$0.00	0.00000	48.28
28.5 - 29.5	\$9,186.25	\$0.00	0.00000	48.28
29.5 - 30.5	\$1,445.37	\$0.00	0.00000	48.28

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original And Smooth Survivor Curves

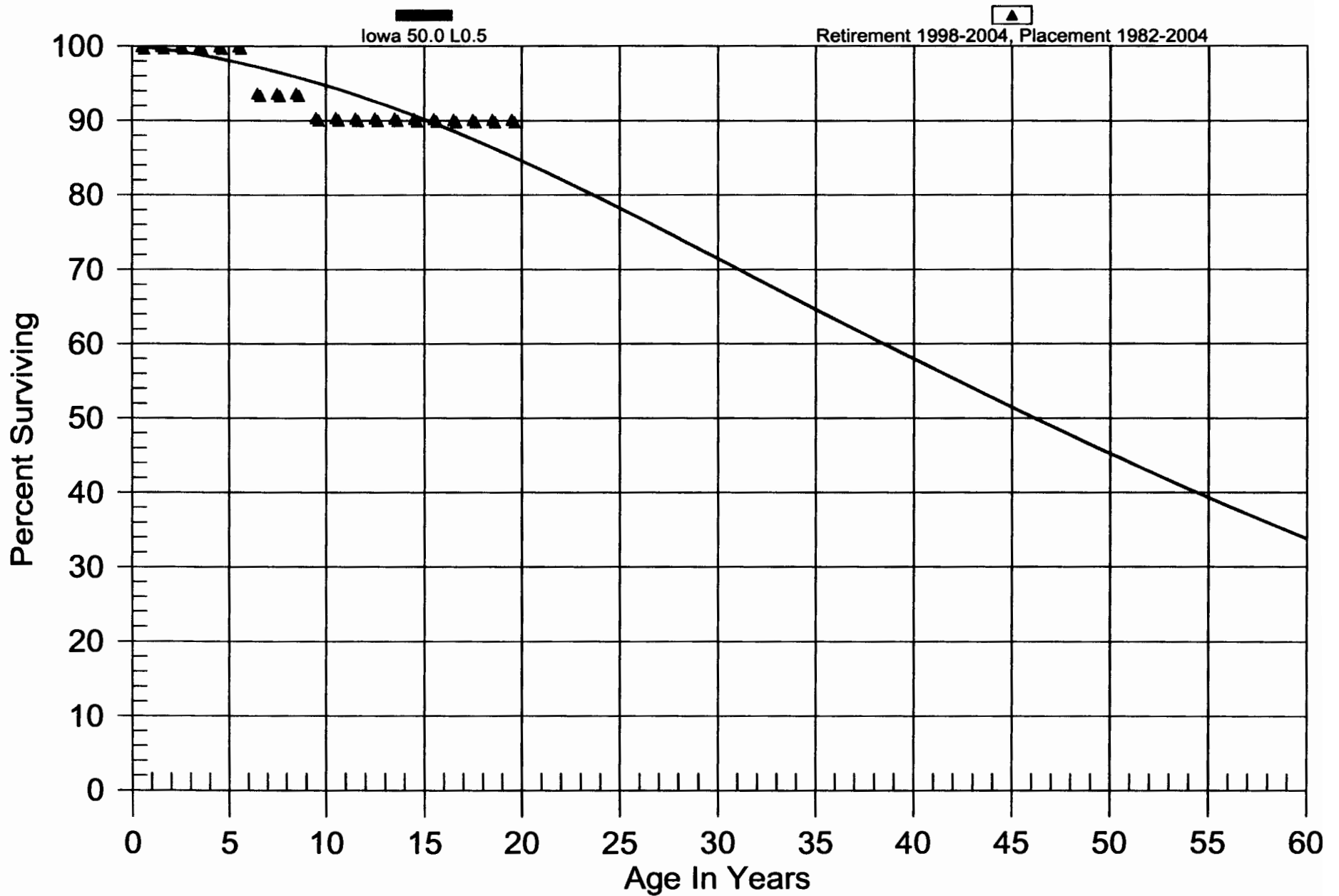


Pennichuck East Utility
Total Company
304.10 SOURCE OF SUPPLY STRUCTURES

Observed Life Table
Retirement Expr. 1998 TO 2004
Placement Years 1982 TO 2004

Age Interval	\$ Surviving At Beginning of Age Interval	\$ Retired During The Age Interval	Retirement Ratio	% Surviving At Beginning of Age Interval
0.0 - 0.5	\$650,807.63	\$0.00	0.00000	100.00
0.5 - 1.5	\$487,481.90	\$0.00	0.00000	100.00
1.5 - 2.5	\$487,481.90	\$0.00	0.00000	100.00
2.5 - 3.5	\$279,678.20	\$0.00	0.00000	100.00
3.5 - 4.5	\$37,909.97	\$0.00	0.00000	100.00
4.5 - 5.5	\$34,668.19	\$0.00	0.00000	100.00
5.5 - 6.5	\$22,344.84	\$1,404.31	0.06285	100.00
6.5 - 7.5	\$21,659.60	\$0.00	0.00000	93.72
7.5 - 8.5	\$21,659.60	\$0.00	0.00000	93.72
8.5 - 9.5	\$32,733.32	\$1,152.04	0.03519	93.72
9.5 - 10.5	\$42,436.48	\$0.00	0.00000	90.42
10.5 - 11.5	\$30,089.33	\$21.00	0.00070	90.42
11.5 - 12.5	\$57,803.15	\$0.00	0.00000	90.35
12.5 - 13.5	\$57,803.15	\$0.00	0.00000	90.35
13.5 - 14.5	\$55,077.56	\$26.87	0.00049	90.35
14.5 - 15.5	\$55,050.69	\$17.65	0.00032	90.31
15.5 - 16.5	\$44,047.44	\$61.34	0.00139	90.28
16.5 - 17.5	\$33,157.77	\$0.00	0.00000	90.16
17.5 - 18.5	\$33,157.77	\$0.00	0.00000	90.16
18.5 - 19.5	\$88.12	\$0.00	0.00000	90.16

Pennichuck East Utility
Total Company
304.10 SOURCE OF SUPPLY STRUCTURES
Original And Smooth Survivor Curves



Pennichuck East Utility
Total Company
304.10 SOURCE OF SUPPLY STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Bow_White Rock

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2049

2004	162,000.00	35.80	4,524.63	35.34	159,885.89
Total	162,000.00	35.80	4,524.63	35.34	159,885.89

Derry_East DerryFarmstead

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2045

2000	1,990.00	35.80	55.58	31.86	1,770.95
Total	1,990.00	35.80	55.58	31.86	1,770.95

Derry_Maple Hills

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2031

1986	12,977.77	35.80	362.47	21.19	7,679.97
Total	12,977.77	35.80	362.47	21.19	7,679.97

Londonderry_Avery

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2043

1993	1,225.13	38.22	32.05	28.91	926.65
1994	2,364.80	37.76	62.62	29.16	1,826.17
Total	3,589.93	37.92	94.68	29.08	2,752.82

Pennichuck East Utility

Total Company

304.10 SOURCE OF SUPPLY STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Londonderry_Harvest Village

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2043

1998	2,027.52	35.80	56.63	30.23	1,711.60
<i>Total</i>	2,027.52	35.80	56.63	30.23	1,711.60

Londonderry_Londonderry

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2046

1988	4,947.81	41.46	119.33	29.01	3,462.23
2004	1,325.73	34.20	38.76	33.73	1,307.56
<i>Total</i>	6,273.54	39.68	158.10	30.17	4,769.80

Londonderry_Nesenkeag

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2031

1986	15,687.92	35.80	438.16	21.19	9,283.78
1993	1,269.66	31.88	39.82	22.13	881.25
<i>Total</i>	16,957.58	35.48	477.98	21.27	10,165.03

Londonderry_Pine Haven

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2042

1994	10,000.00	37.29	268.16	28.66	7,685.95
<i>Total</i>	10,000.00	37.29	268.16	28.66	7,685.95

NOV 1994 TO 12/31/2004 THE ABOVE INFORMATION WAS OBTAINED FROM THE RECORDS OF THE PENNICHUCK EAST UTILITY COMPANY. THE INFORMATION IS SUBJECT TO THE ACCURACY OF THE RECORDS AND THE COMPLETENESS OF THE INFORMATION PROVIDED BY THE COMPANY. THE INFORMATION IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE COMPANY.

Pennichuck East Utility

Total Company

304.10 SOURCE OF SUPPLY STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Pelham_Gage Hill

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2031

1986	644.74	35.80	18.01	21.19	381.54
<i>Total</i>	644.74	35.80	18.01	21.19	381.54

Pelham_Meadowview

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2047

2002	152,834.86	35.80	4,268.65	33.56	143,249.70
<i>Total</i>	152,834.86	35.80	4,268.65	33.56	143,249.70

Pelham_Williamsburg

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2033

2002	37,748.39	27.31	1,382.27	25.00	34,557.67
<i>Total</i>	37,748.39	27.31	1,382.27	25.00	34,557.67

Raymond_Liberty Tree

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2033

1988	5,880.52	35.80	164.24	22.63	3,716.48
1993	972.89	33.07	29.42	23.40	688.37
<i>Total</i>	6,853.41	35.39	193.66	22.75	4,404.85

Pennichuck East Utility

Total Company

304.10 SOURCE OF SUPPLY STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Sandown_Beaver Hollow

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2034

1986	3,759.22	37.29	100.81	22.91	2,309.48
1993	1,026.30	33.64	30.51	24.01	732.49
1999	12,323.35	30.00	410.73	25.11	10,312.11
2000	1,590.00	29.35	54.17	25.30	1,370.62
Total	18,698.87	31.36	596.21	24.70	14,724.70

Windham_Goldenbrook

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2034

1989	3,553.72	35.80	99.25	23.35	2,318.07
2000	6,209.99	29.35	211.58	25.30	5,353.16
Total	9,763.71	31.41	310.84	24.68	7,671.24

Windham_Hardwood

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2036

1991	2,725.59	35.80	76.13	24.83	1,889.84
1993	902.19	34.75	25.96	25.20	654.15
Total	3,627.78	35.54	102.09	24.92	2,543.99

Windham_W&E

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2046

Pennichuck East Utility

Total Company

304.10 SOURCE OF SUPPLY STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1989	7,520.00	41.10	182.98	29.26	5,353.54
2001	255,537.34	35.80	7,137.12	32.70	233,401.74
2002	17,220.45	35.28	488.07	33.03	16,122.62
<i>Total</i>	280,277.79	35.90	7,808.17	32.64	254,877.90
<i>Account</i>					
<i>Total</i>	726,265.89	35.12	20,678.12	31.86	658,833.61

Composite Average Remaining Life ... 31.86 Years

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Atkinson_Atkinson

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2038

1990	1,194.63	37.74	31.65	25.26	799.72
1993	24,671.00	36.31	679.50	26.09	17,726.94
Total	25,865.63	36.37	711.16	26.05	18,526.66

Derry_East DerryFarmstead

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2045

1991	843.83	40.24	20.97	28.67	601.30
1994	479.03	39.05	12.27	29.74	364.90
1995	866.00	38.63	22.42	30.12	675.32
2001	4,443.50	35.80	124.12	32.51	4,034.47
Total	6,632.36	36.89	179.78	31.57	5,675.97

Derry_Maple Hills

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2031

1986	6,325.98	36.31	174.23	20.76	3,616.46
1987	4,764.16	35.80	133.07	20.92	2,784.42
1988	13,063.99	35.28	370.29	21.10	7,812.23
1989	9,165.00	34.75	263.78	21.28	5,612.78
1990	9,219.06	34.20	269.60	21.47	5,787.33
1995	2,396.41	31.22	76.76	22.49	1,726.32
Total	44,934.60	34.89	1,287.72	21.23	27,339.53

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Hooksett_Wesco

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2045

2000	9,403.00	36.31	258.98	32.10	8,313.40
<i>Total</i>	9,403.00	36.31	258.98	32.10	8,313.40

Litchfield_Litchfield

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2039

1974	1,445.37	43.64	33.12	22.49	744.68
1975	7,740.88	43.39	178.40	22.65	4,041.47
1977	11,886.08	42.85	277.37	22.99	6,376.54
1994	146,433.08	36.31	4,033.14	26.90	108,502.50
1995	1,358.80	35.80	37.95	27.21	1,032.75
<i>Total</i>	168,864.21	37.03	4,559.98	26.47	120,697.94

Londonderry_Avery

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1988	66,192.44	40.61	1,630.15	26.93	43,893.83
1989	561.48	40.24	13.95	27.22	379.87
1990	1,063.79	39.85	26.69	27.53	734.80
1994	439.56	38.19	11.51	28.85	332.11
<i>Total</i>	68,257.27	40.57	1,682.31	26.95	45,340.61

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Londonderry_Londonderry

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2046

1984	71,796.32	42.85	1,675.43	26.89	45,045.13
1985	4,146.19	42.57	97.40	27.16	2,645.58
1986	28,520.41	42.27	674.73	27.45	18,519.45
1990	1,212.46	40.96	29.60	28.72	850.00
2001	546,530.20	36.31	15,052.83	33.01	496,968.10
2002	63,353.88	35.80	1,769.59	33.43	59,164.40
Total	715,559.46	37.08	19,299.59	32.29	623,192.65

Londonderry_Nesenkeag

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2031

1986	5,073.42	36.31	139.73	20.76	2,900.39
1988	10,251.99	35.28	290.58	21.10	6,130.66
1989	530.79	34.75	15.28	21.28	325.06
1993	613.80	32.46	18.91	22.07	417.32
Total	16,470.00	35.46	464.51	21.04	9,773.43

Londonderry_Pine Haven

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2042

1997	21,311.24	36.31	586.97	29.44	17,277.46
Total	21,311.24	36.31	586.97	29.44	17,277.46

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Londonderry_R&B

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1988	1,356.53	40.61	33.41	26.93	899.55
Total	1,356.53	40.61	33.41	26.93	899.55

Londonderry_Springwood Hills

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2042

1997	74,448.89	36.31	2,050.51	29.44	60,357.24
Total	74,448.89	36.31	2,050.51	29.44	60,357.24

Pelham_Gage Hill

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2031

1986	4,693.46	36.31	129.27	20.76	2,683.18
1990	2,886.36	34.20	84.41	21.47	1,811.93
1993	1,672.00	32.46	51.52	22.07	1,136.78
Total	9,251.82	34.89	265.19	21.24	5,631.89

Pelham_Pelham

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1987	3,000.28	40.96	73.24	26.64	1,951.40
1989	14,599.74	40.24	362.86	27.22	9,877.57
1990	7,493.00	39.85	188.02	27.53	5,175.71

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<i>Total</i>	25,093.02	40.21	624.12	27.25	17,004.67

Pelham_Stonegate

Interim Survivor Curve: Iowa 48 LI

Probable Retirement Year: 2047

1990	1,261.09	41.31	30.53	29.09	887.99
1991	2,441.58	40.96	59.61	29.44	1,754.94
1992	2,613.00	40.61	64.35	29.81	1,918.35
1993	2,211.00	40.24	54.95	30.19	1,658.96
1995	879.49	39.46	22.29	30.98	690.48
2002	25,393.44	36.31	699.40	33.94	23,738.99
<i>Total</i>	34,799.60	37.37	931.13	32.92	30,649.70

Pelham_Williamsburg

Interim Survivor Curve: Iowa 48 LI

Probable Retirement Year: 2033

1988	152,590.29	36.31	4,202.72	22.22	93,391.74
1993	900.00	33.63	26.76	23.29	623.35
1994	900.00	33.05	27.23	23.53	640.63
<i>Total</i>	154,390.29	36.27	4,256.72	22.24	94,655.73

Plaistow_Rolling Hills

Interim Survivor Curve: Iowa 48 LI

Probable Retirement Year: 2031

1986	7,126.10	36.31	196.27	20.76	4,073.88
1992	1,041.37	33.05	31.51	21.86	688.80
1998	550.00	29.25	18.80	23.15	435.17

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
Total	8,717.47	35.35	246.58	21.08	5,197.85

Raymond_Liberty Tree

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2033

1988	43,727.18	36.31	1,204.36	22.22	26,762.89
1989	1,128.30	35.80	31.52	22.42	706.63
Total	44,855.48	36.29	1,235.87	22.23	27,469.52

Sandown_Beaver Hollow

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2034

1986	3,034.99	37.74	80.42	22.36	1,798.50
1988	1,299.50	36.80	35.31	22.76	803.73
1989	6,060.24	36.31	166.91	22.97	3,833.95
1990	1,918.62	35.80	53.59	23.19	1,242.61
Total	12,313.35	36.62	336.24	22.84	7,678.78

Windham_Goldenbrook

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2034

1989	17,460.57	36.31	480.91	22.97	11,046.24
1993	641.12	34.20	18.75	23.88	447.77
Total	18,101.69	36.23	499.66	23.00	11,494.01

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Windham_Hardwood

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2036

1989	1,133.21	37.28	30.40	24.02	730.17
1990	1,087.85	36.80	29.56	24.26	717.06
1991	12,001.94	36.31	330.56	24.50	8,099.44
1992	811.89	35.80	22.68	24.76	561.39
1994	474.37	34.75	13.65	25.28	345.18
1995	2,900.60	34.20	84.82	25.56	2,167.75
1996	405.11	33.63	12.05	25.83	311.18
1998	39,207.97	32.46	1,208.03	26.40	31,889.44
Total	58,022.94	33.51	1,731.76	25.88	44,821.63

Windham_Shadybrook

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2034

1989	2,149.83	36.31	59.21	22.97	1,360.07
Total	2,149.83	36.31	59.21	22.97	1,360.07

Windham_W&E

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2046

1989	13,672.53	41.31	331.00	28.38	9,394.28
1995	27,122.36	39.05	694.59	30.56	21,223.88
Total	40,794.89	39.78	1,025.59	29.85	30,618.16

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

WindhamDerry_Oakwood

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2046

2001	38,214.79	36.31	1,052.53	33.01	34,749.28
2002	1,570.63	35.80	43.87	33.43	1,466.77
Total	39,785.42	36.29	1,096.40	33.03	36,216.05

Account

Total	1,601,378.99	36.88	43,423.36	28.79	1,250,192.50
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Composite Average Remaining Life ... 28.79 Years

Pennichuck East Utility

Total Company

304.50 DISTRIBUTION RESERVOIR & STANDPIPE BLDGS

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Hooksett_Wesco

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2045

2000	7,360.00	39.03	188.59	34.76	6,554.60
<i>Total</i>	7,360.00	39.03	188.59	34.76	6,554.60
<i>Account</i>					
<i>Total</i>	7,360.00	39.03	188.59	34.76	6,554.60

Composite Average Remaining Life ... 34.76 Years

Pennichuck East Utility

Total Company

304.55 BOOSTER STATION STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Litchfield_Litchfield

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2048

2003	118,529.98	39.03	3,037.15	37.59	114,154.53
2004	26,088.60	38.39	679.61	37.91	25,761.03
Total	144,618.58	38.91	3,716.76	37.64	139,915.55

Londonderry_South Road

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2043

1998	36,623.62	39.03	938.42	32.91	30,880.88
Total	36,623.62	39.03	938.42	32.91	30,880.88

Londonderry_Springwood Hills

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2048

2003	14,852.66	39.03	380.58	37.59	14,304.38
2004	2,346.08	38.39	61.12	37.91	2,316.62
Total	17,198.74	38.94	441.69	37.63	16,621.01

Windham_Castle Reach

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2049

2004	112,500.00	39.03	2,882.64	38.55	111,111.43
Total	112,500.00	39.03	2,882.64	38.55	111,111.43

Pennichuck East Utility

Total Company

304.55 BOOSTER STATION STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Windham_W&E

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2049

<i>2004</i>	<i>27,521.48</i>	<i>39.03</i>	<i>705.20</i>	<i>38.55</i>	<i>27,181.79</i>
<i>Total</i>	<i>27,521.48</i>	<i>39.03</i>	<i>705.20</i>	<i>38.55</i>	<i>27,181.79</i>
<i>Account</i>					
<i>Total</i>	<i>338,462.42</i>	<i>38.97</i>	<i>8,684.71</i>	<i>37.50</i>	<i>325,710.67</i>

Composite Average Remaining Life ... 37.50 Years

Pennichuck East Utility

Total Company

307.10 WELLS & SPRINGS

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 29

Survivor Curve: L3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1984	5,630.07	29.00	194.14	11.19	2,172.63
1985	6,432.76	29.00	221.82	11.73	2,601.44
1986	10,773.00	29.00	371.49	12.32	4,578.24
1988	172,106.31	29.00	5,934.80	13.69	81,276.62
1989	65,848.87	29.00	2,270.69	14.46	32,827.37
1990	3,200.00	29.00	110.35	15.26	1,683.75
1991	5,832.02	29.00	201.11	16.09	3,236.56
1993	11,163.00	29.00	384.94	17.84	6,868.31
1994	1,777.34	29.00	61.29	18.75	1,149.05
1998	10,437.50	29.00	359.92	22.53	8,110.24
1999	595.20	29.00	20.52	23.51	482.61
2001	51,788.70	29.00	1,785.85	25.50	45,539.44
2002	69,332.64	29.00	2,390.82	26.50	63,355.56
2003	3,872.00	29.00	133.52	27.50	3,671.72
2004	232,840.66	29.00	8,029.13	28.50	228,826.10
<i>Total</i>	651,630.07	29.00	22,470.39	21.65	486,379.64

Composite Average Remaining Life ... 21.65 Years

Pennichuck East Utility

Total Company

311.20 ELECTRIC PUMPING EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20

Survivor Curve: L0.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	66,891.37	20.00	3,344.42	10.88	36,387.57
1987	13,082.78	20.00	654.11	11.20	7,323.40
1988	52,631.70	20.00	2,631.47	11.52	30,317.93
1989	214,502.00	20.00	10,724.63	11.86	127,144.09
1990	4,197.35	20.00	209.86	12.20	2,560.10
1991	6,418.62	20.00	320.92	12.55	4,028.32
1992	10,476.91	20.00	523.82	12.92	6,765.75
1993	16,211.98	20.00	810.56	13.29	10,772.52
1994	20,979.42	20.00	1,048.93	13.68	14,348.04
1995	11,291.06	20.00	564.53	14.09	7,954.12
1996	14,681.95	20.00	734.07	14.53	10,664.86
1997	89,668.74	20.00	4,483.24	15.00	67,260.59
1998	26,124.74	20.00	1,306.18	15.51	20,264.28
1999	76,447.21	20.00	3,822.19	16.07	61,416.63
2000	44,603.72	20.00	2,230.09	16.67	37,168.72
2001	115,389.08	20.00	5,769.20	17.31	99,879.20
2002	81,821.15	20.00	4,090.88	18.00	73,652.05
2003	17,568.33	20.00	878.38	18.75	16,469.72
2004	49,654.50	20.00	2,482.62	19.56	48,553.25
<i>Total</i>	932,642.61	20.00	46,630.11	14.65	682,931.16

Composite Average Remaining Life ... 14.65 Years

Pennichuck East Utility

Total Company

311.60 OTHER POWER PUMPING EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 30

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	3,888.00	30.00	129.60	24.66	3,196.04
2002	287.71	30.00	9.59	27.55	264.22
<i>Total</i>	<i>4,175.71</i>	<i>30.00</i>	<i>139.19</i>	<i>24.86</i>	<i>3,460.26</i>

Composite Average Remaining Life ... 24.86 Years

Pennichuck East Utility

Total Company

320.00 PURIFICATION SYSTEM EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 12

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1990	19,526.04	12.00	1,627.11	1.97	3,199.28
1991	11,552.81	12.00	962.70	2.28	2,198.17
1992	28,364.47	12.00	2,363.62	2.66	6,298.97
1993	4,297.93	12.00	358.15	3.12	1,117.13
1994	8,392.09	12.00	699.32	3.65	2,549.90
1996	52,792.03	12.00	4,399.18	4.89	21,517.42
1998	29,276.81	12.00	2,439.65	6.34	15,468.64
1999	36,005.90	12.00	3,000.38	7.13	21,384.46
2000	17,476.41	12.00	1,456.31	7.95	11,578.62
2001	56,783.90	12.00	4,731.82	8.81	41,670.71
2002	1,534.46	12.00	127.87	9.69	1,239.16
2003	23,814.48	12.00	1,984.47	10.60	21,035.18
2004	15,900.00	12.00	1,324.95	11.53	15,275.88
<i>Total</i>	305,717.33	12.00	25,475.52	6.46	164,533.52

Composite Average Remaining Life ... 6.46 Years

Pennichuck East Utility

Total Company

320.10 OTHER PRODUCTION EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	19,382.52	20.00	969.13	14.72	14,264.54
<i>Total</i>	19,382.52	20.00	969.13	14.72	14,264.54

Composite Average Remaining Life ... 14.72 Years

Pennichuck East Utility

Total Company

320.20 WATER TREATMENT EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 12

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	1,014.32	12.00	84.52	6.34	535.92
<i>Total</i>	1,014.32	12.00	84.52	6.34	535.92

Composite Average Remaining Life ... 6.34 Years

Pennichuck East Utility
Total Company
330.00 DISTRIBUTION RESERVOIRS & STANDPIPES
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Litchfield_Litchfield

Interim Survivor Curve: Iowa 85 R2.5

Probable Retirement Year: 2063

2003	798,727.00	56.55	14,125.21	55.10	778,316.52
Total	798,727.00	56.55	14,125.21	55.10	778,316.52

Windham_W&E

Interim Survivor Curve: Iowa 85 R2.5

Probable Retirement Year: 2061

2001	13,072.97	56.55	231.19	53.18	12,294.57
Total	13,072.97	56.55	231.19	53.18	12,294.57

Account

Total	811,799.97	56.55	14,356.41	55.07	790,611.09
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Composite Average Remaining Life ... 55.07 Years

Pennichuck East Utility

Total Company

331.01 PAVEMENTS-TRANSMISSION MAINS

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 15

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	877.10	15.00	58.47	9.79	572.53
<i>Total</i>	877.10	15.00	58.47	9.79	572.53

Composite Average Remaining Life ... 9.79 Years

Pennichuck East Utility

Total Company

331.02 PAVEMENTS-DISTRIBUTION MAINS

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 15

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2002	2,763.72	15.00	184.25	12.57	2,315.80
<i>Total</i>	2,763.72	15.00	184.25	12.57	2,315.80

Composite Average Remaining Life ... 12.57 Years

Pennichuck East Utility

Total Company

331.04 PAVEMENTS

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 15

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2004	2,808.61	15.00	187.24	14.51	2,716.57
<i>Total</i>	2,808.61	15.00	187.24	14.51	2,716.57

Composite Average Remaining Life ... 14.51 Years

Pennichuck East Utility

Total Company

331.10 TRANSMISSION MAINS-NEW

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 100

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2000	1,161,240.27	100.00	11,612.45	95.58	1,109,895.81
2001	76,802.97	100.00	768.03	96.56	74,160.52
2002	61,901.59	100.00	619.02	97.54	60,378.92
<i>Total</i>	1,299,944.83	100.00	12,999.50	95.73	1,244,435.24

Composite Average Remaining Life ... 95.73 Years

Pennichuck East Utility

Total Company

331.15 TRANSMISSION MAINS-DEVELOPER INSTALLED

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 100

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2001	215,050.15	100.00	2,150.51	96.56	207,651.22
<i>Total</i>	215,050.15	100.00	2,150.51	96.56	207,651.22

Composite Average Remaining Life ... 96.56 Years

Pennichuck East Utility

Total Company

331.20 DISTRIBUTION MAINS-NEW

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 65

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1974	2,638.79	65.00	40.60	38.02	1,543.68
1975	23,355.87	65.00	359.32	38.83	13,952.54
1976	47,142.85	65.00	725.27	39.64	28,750.61
1977	200,477.10	65.00	3,084.26	40.46	124,788.80
1978	2,228.93	65.00	34.29	41.28	1,415.66
1982	22,452.13	65.00	345.42	44.64	15,420.29
1983	56,532.14	65.00	869.72	45.50	39,570.89
1984	102,910.64	65.00	1,583.24	46.36	73,394.57
1985	593,048.20	65.00	9,123.81	47.22	430,863.39
1986	664,790.74	65.00	10,227.54	48.10	491,898.88
1987	458,722.69	65.00	7,057.26	48.97	345,603.54
1988	3,235,587.87	65.00	49,778.21	49.85	2,481,600.73
1989	4,066,489.06	65.00	62,561.29	50.74	3,174,288.38
1990	730,758.80	65.00	11,242.43	51.63	580,451.70
1991	106,217.76	65.00	1,634.12	52.53	85,832.83
1992	89,964.62	65.00	1,384.07	53.43	73,945.69
1993	105,264.14	65.00	1,619.45	54.33	87,984.75
1994	65,448.74	65.00	1,006.90	55.24	55,620.81
1995	422,941.14	65.00	6,506.78	56.15	365,366.00
1996	31,724.34	65.00	488.07	57.07	27,853.44
1997	172,695.83	65.00	2,656.86	57.99	154,067.71
1998	861,710.28	65.00	13,257.06	58.91	781,021.17
2000	102,778.97	65.00	1,581.21	60.77	96,093.74
2001	52,773.06	65.00	811.89	61.71	50,099.19
2002	212,500.28	65.00	3,269.23	62.64	204,796.79
2003	797,574.20	65.00	12,270.36	63.58	780,203.14
2004	350,452.06	65.00	5,391.56	64.53	347,902.64

Pennichuck East Utility

Total Company

331.20 DISTRIBUTION MAINS-NEW

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 65

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<i>Total</i>	13,579,181.23	65.00	208,910.20	52.24	10,914,331.58

Composite Average Remaining Life ... 52.24 Years

Pennichuck East Utility

Total Company

331.25 DISTR MAINS-GATE VALVES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 65

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	1,450.00	65.00	22.31	58.91	1,314.22
2000	1,944.07	65.00	29.91	60.77	1,817.62
2004	11,126.49	65.00	171.18	64.53	11,045.55
<i>Total</i>	14,520.56	65.00	223.39	63.46	14,177.39

Composite Average Remaining Life ... 63.46 Years

Pennichuck East Utility

Total Company

331.30 DISTR MAINS-DEVELOPER INSTALLED

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 65

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	112,379.24	65.00	1,728.91	59.84	103,460.45
2000	1,024,930.34	65.00	15,768.14	60.77	958,264.05
2001	462,096.20	65.00	7,109.16	61.71	438,683.03
2002	625,412.35	65.00	9,621.72	62.64	602,740.10
2003	540,210.37	65.00	8,310.92	63.58	528,444.66
2004	721,271.52	65.00	11,096.47	64.53	716,024.52
<i>Total</i>	3,486,300.02	65.00	53,635.31	62.41	3,347,616.80

Composite Average Remaining Life ... 62.41 Years

Pennichuck East Utility

Total Company

333.04 PAVEMENTS-NEW SERVICES

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 15

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	357.39	15.00	23.83	8.92	212.43
1999	3,163.87	15.00	210.92	9.79	2,065.24
2000	1,137.60	15.00	75.84	10.69	811.08
2001	3,225.42	15.00	215.03	11.62	2,499.02
2002	668.65	15.00	44.58	12.57	560.28
2003	14,611.80	15.00	974.11	13.53	13,182.28
2004	4,856.66	15.00	323.78	14.51	4,697.51
<i>Total</i>	28,021.39	15.00	1,868.08	12.86	24,027.83

Composite Average Remaining Life ... 12.86 Years

Pennichuck East Utility

Total Company

333.10 SERVICES-NEW

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55

Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1974	383.40	55.00	6.97	29.96	208.88
1975	4,085.00	55.00	74.27	30.68	2,278.94
1976	7,669.16	55.00	139.44	31.41	4,380.10
1977	20,882.61	55.00	379.68	32.15	12,206.41
1978	1,673.83	55.00	30.43	32.89	1,001.05
1979	192.19	55.00	3.49	33.64	117.57
1981	660.87	55.00	12.02	35.17	422.59
1982	8,419.44	55.00	153.08	35.94	5,502.23
1983	1,997.31	55.00	36.31	36.72	1,333.63
1984	25,003.68	55.00	454.61	37.51	17,053.51
1985	29,914.76	55.00	543.90	38.31	20,835.24
1986	97,421.41	55.00	1,771.29	39.11	69,270.04
1987	53,383.21	55.00	970.60	39.92	38,741.88
1988	98,075.71	55.00	1,783.19	40.73	72,629.34
1989	228,314.87	55.00	4,151.17	41.55	172,484.93
1990	64,574.48	55.00	1,174.08	42.38	49,755.12
1991	106,007.24	55.00	1,927.40	43.21	83,282.90
1992	110,108.45	55.00	2,001.97	44.05	88,185.80
1993	101,915.17	55.00	1,853.00	44.90	83,190.33
1994	118,832.19	55.00	2,160.58	45.75	98,838.02
1995	131,439.60	55.00	2,389.80	46.60	111,371.44
1996	120,240.49	55.00	2,186.18	47.46	103,767.01
1997	121,392.26	55.00	2,207.12	48.33	106,673.92
1998	57,031.12	55.00	1,036.93	49.20	51,021.76
1999	14,355.42	55.00	261.01	50.08	13,072.04
2000	22,659.52	55.00	411.99	50.97	20,997.66
2001	13,242.93	55.00	240.78	51.85	12,485.54

Pennichuck East Utility

Total Company

333.10 SERVICES-NEW

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55

Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2002	52,231.26	55.00	949.66	52.75	50,091.26
2003	8,254.27	55.00	150.08	53.64	8,050.85
2004	22,587.25	55.00	410.68	54.55	22,401.25
<i>Total</i>	<i>1,642,949.10</i>	<i>55.00</i>	<i>29,871.70</i>	<i>44.24</i>	<i>1,321,651.23</i>

Composite Average Remaining Life ... 44.24 Years

Pennichuck East Utility

Total Company

333.20 SERVICES-RENEWED

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55

Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	3,172.94	55.00	57.69	50.08	2,889.28
2000	306.45	55.00	5.57	50.97	283.97
2002	1,590.51	55.00	28.92	52.75	1,525.34
2003	2,759.37	55.00	50.17	53.64	2,691.37
2004	125,950.00	55.00	2,289.99	54.55	124,912.83
<i>Total</i>	133,779.27	55.00	2,432.34	54.39	132,302.79

Composite Average Remaining Life ... 54.39 Years

Pennichuck East Utility

Total Company

333.23 SERVICES-DEVELOPER INSTALLED (CIAC)

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55

Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	48,424.00	55.00	880.43	49.20	43,321.57
1999	55,841.00	55.00	1,015.29	50.08	50,848.78
2000	38,284.00	55.00	696.07	50.97	35,476.23
2002	83,418.63	55.00	1,516.70	52.75	80,000.83
2003	65,399.18	55.00	1,189.07	53.64	63,787.46
2004	67,873.03	55.00	1,234.05	54.55	67,314.11
<i>Total</i>	359,239.84	55.00	6,531.61	52.17	340,748.98

Composite Average Remaining Life ... 52.17 Years

Pennichuck East Utility

Total Company

333.25 SERVICES-DEVELOPER INSTALLED (PAID)

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55

Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	47,649.95	55.00	866.36	49.20	42,629.08
1999	55,495.87	55.00	1,009.01	50.08	50,534.50
2000	84,428.90	55.00	1,535.07	50.97	78,236.83
2001	92,827.63	55.00	1,687.77	51.85	87,518.66
2002	55,233.56	55.00	1,004.24	52.75	52,970.55
2003	44,308.51	55.00	805.61	53.64	43,216.56
2004	95,955.66	55.00	1,744.64	54.55	95,165.48
<i>Total</i>	<i>475,900.08</i>	<i>55.00</i>	<i>8,652.70</i>	<i>52.04</i>	<i>450,271.67</i>

Composite Average Remaining Life ... 52.04 Years

Pennichuck East Utility
Total Company
334.10 METERING EQUIPMENT

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 25

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1978	17,043.90	25.00	681.75	5.33	3,636.08
1979	2,825.13	25.00	113.00	5.76	650.49
1980	8.99	25.00	0.36	6.21	2.23
1981	29.19	25.00	1.17	6.71	7.83
1982	46.28	25.00	1.85	7.23	13.39
1983	95.29	25.00	3.81	7.79	29.71
1984	94.94	25.00	3.80	8.38	31.84
1985	774.89	25.00	31.00	9.00	279.10
1986	3,307.63	25.00	132.30	9.65	1,276.93
1987	16,189.01	25.00	647.56	10.32	6,685.22
1988	61,340.53	25.00	2,453.60	11.02	27,038.09
1989	17,250.72	25.00	690.02	11.74	8,099.47
1990	34,902.10	25.00	1,396.07	12.48	17,419.10
1991	64,667.71	25.00	2,586.69	13.24	34,238.60
1992	28,116.51	25.00	1,124.65	14.01	15,761.77
1993	170,028.50	25.00	6,801.08	14.81	100,733.51
1994	98,372.47	25.00	3,934.87	15.63	61,483.89
1995	74,794.75	25.00	2,991.77	16.46	49,232.59
1996	27,891.88	25.00	1,115.67	17.30	19,303.71
1997	32,808.60	25.00	1,312.33	18.16	23,836.75
1998	33,438.02	25.00	1,337.51	19.04	25,464.57
1999	40,774.14	25.00	1,630.95	19.93	32,499.84
2000	40,024.25	25.00	1,600.96	20.83	33,343.16
2001	40,804.15	25.00	1,632.15	21.74	35,479.96
2002	35,328.10	25.00	1,413.11	22.66	32,020.15
2003	41,363.73	25.00	1,654.54	23.59	39,029.83
2004	61,027.13	25.00	2,441.06	24.53	59,874.73

Pennichuck East Utility
Total Company
334.10 METERING EQUIPMENT

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 25

Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
Total	943,348.54	25.00	37,733.63	16.63	627,472.55

Composite Average Remaining Life ... 16.63 Years

Pennichuck East Utility

Total Company

334.11 METERS-DIGAMATIC READERS

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 10

Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2003	602,589.16	10.00	60,253.44	8.67	522,430.00
<i>Total</i>	602,589.16	10.00	60,253.44	8.67	522,430.00

Composite Average Remaining Life ... 8.67 Years

Pennichuck East Utility

Total Company

335.00 HYDRANTS

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 75

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1975	1,677.09	75.00	22.36	47.18	1,055.10
1976	3,346.06	75.00	44.61	48.07	2,144.42
1977	18,518.42	75.00	246.91	48.95	12,087.00
1978	828.77	75.00	11.05	49.85	550.82
1979	8,480.80	75.00	113.08	50.74	5,738.09
1984	21,266.87	75.00	283.56	55.31	15,684.24
1985	20,679.92	75.00	275.73	56.24	15,507.00
1986	23,299.25	75.00	310.66	57.17	17,760.39
1987	19,873.40	75.00	264.98	58.11	15,397.23
1988	28,190.88	75.00	375.88	59.05	22,194.53
1989	67,060.64	75.00	894.14	59.99	53,639.90
1990	6,968.37	75.00	92.91	60.94	5,661.92
1993	3,932.50	75.00	52.43	63.80	3,345.36
1994	16,345.44	75.00	217.94	64.76	14,114.32
1995	33,027.29	75.00	440.36	65.73	28,943.35
1996	22,946.37	75.00	305.95	66.69	20,404.86
1997	24,849.60	75.00	331.33	67.66	22,418.33
1998	1,816.02	75.00	24.21	68.63	1,661.86
2000	3,051.23	75.00	40.68	70.58	2,871.56
2002	1,454.61	75.00	19.39	72.54	1,406.94
<i>Total</i>	327,613.53	75.00	4,368.18	60.11	262,587.23

Composite Average Remaining Life ... 60.11 Years

Pennichuck East Utility

Total Company

335.10 HYDRANTS-DEVELOPER INSTALLED

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 75

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	10,453.68	75.00	139.38	69.61	9,702.10
2000	60,372.49	75.00	804.97	70.58	56,817.55
2001	34,756.44	75.00	463.42	71.56	33,163.05
2002	32,110.21	75.00	428.14	72.54	31,057.94
2003	62,659.00	75.00	835.45	73.52	61,425.87
2004	113,183.80	75.00	1,509.12	74.51	112,440.37
<i>Total</i>	313,535.62	75.00	4,180.47	72.86	304,606.87

Composite Average Remaining Life ... 72.86 Years

Pennichuck East Utility

Total Company

339.00 OTHER TRANS/DISTR EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 50

Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	14,442.26	50.00	288.85	44.62	12,889.23
2000	30,373.80	50.00	607.48	45.59	27,697.08
2001	7,557.57	50.00	151.15	46.57	7,038.76
2002	19,167.71	50.00	383.35	47.54	18,226.50
<i>Total</i>	71,541.34	50.00	1,430.83	46.02	65,851.58

Composite Average Remaining Life ... 46.02 Years

Pennichuck East Utility

Total Company

343.00 SHOP EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 12

Survivor Curve: L4

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1989	8,370.00	12.00	697.51	1.78	1,241.99
1990	5,979.88	12.00	498.33	2.00	994.66
1991	1,825.00	12.00	152.09	2.18	331.60
1992	17,005.04	12.00	1,417.11	2.32	3,284.76
1993	14,365.87	12.00	1,197.18	2.48	2,974.79
1994	6,690.85	12.00	557.58	2.79	1,553.29
1996	17,084.14	12.00	1,423.70	3.98	5,669.80
1997	12,052.30	12.00	1,004.38	4.77	4,790.69
<i>Total</i>	83,373.08	12.00	6,947.88	3.00	20,841.58

Composite Average Remaining Life ... 3.00 Years

Pennichuck East Utility

Total Company

346.00 COMMUNICATION EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 9

Survivor Curve: L2

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	583.04	9.00	64.78	1.35	87.26
1989	5,043.21	9.00	560.35	1.96	1,095.96
1992	19,276.78	9.00	2,141.85	2.66	5,703.62
1995	575.00	9.00	63.89	3.40	217.32
1997	2,731.17	9.00	303.46	3.90	1,182.33
1999	4,544.81	9.00	504.98	4.60	2,321.36
2000	1,689.83	9.00	187.76	5.13	963.26
2001	22,976.59	9.00	2,552.94	5.82	14,870.76
2002	82,876.75	9.00	9,208.47	6.64	61,175.43
2003	25,047.00	9.00	2,782.98	7.54	20,978.49
2004	19,920.45	9.00	2,213.37	8.50	18,817.34
<i>Total</i>	185,264.63	9.00	20,584.82	6.19	127,413.13

Composite Average Remaining Life ... 6.19 Years

Pennichuck East Utility

Total Company

347.11 COMPUTER EQUIPMENT-HARDWARE/SOFTWARE

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 8

Survivor Curve: R4

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	2,470.42	8.00	308.80	2.08	643.64
1999	26,695.90	8.00	3,336.96	2.82	9,412.44
2000	7,318.01	8.00	914.74	3.65	3,340.46
<i>Total</i>	36,484.33	8.00	4,560.50	2.94	13,396.55

Composite Average Remaining Life ... 2.94 Years

Pennichuck East Utility

Total Company

348.00 MISCELLANEOUS GENERAL EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 11

Survivor Curve: L5

<i>Year</i>	<i>Original Cost</i>	<i>Avg. Service Life</i>	<i>Avg. Annual Accrual</i>	<i>Avg. Remaining Life</i>	<i>Future Annual Accruals</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2001	8,999.46	11.00	818.21	7.50	6,135.71
<i>Total</i>	8,999.46	11.00	818.21	7.50	6,135.71

Composite Average Remaining Life ... 7.50 Years

Pennichuck East Utility

Total Company

304.10 SOURCE OF SUPPLY STRUCTURES

Original Cost Of Utility Plant In Service

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Bow_White Rock

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2049

2004	162,000.00	35.34	35.80	0.01370	2,220
<i>Total</i>	162,000.00				2,220

Derry_East DerryFarmstead

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2045

2000	1,990.00	31.86	35.80	0.11558	230
<i>Total</i>	1,990.00				230

Derry_Maple Hills

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2031

1986	12,977.77	21.19	35.80	0.42863	5,563
<i>Total</i>	12,977.77				5,563

Londonderry_Avery

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2043

1993	1,225.13	28.91	38.22	0.25581	314
1994	2,364.80	29.16	37.76	0.23916	566

Pennichuck East Utility

Total Company

304.10 SOURCE OF SUPPLY STRUCTURES

Original Cost Of Utility Plant In Service

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
Londonderry_Pine Haven					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2042					
1994	10,000.00	28.66	37.29	0.24297	2,430
Total	10,000.00				2,430
Pelham_Gage Hill					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2031					
1986	644.74	21.19	35.80	0.42863	277
Total	644.74				277
Pelham_Meadowview					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2047					
2002	152,834.86	33.56	35.80	0.06585	10,065
Total	152,834.86				10,065
Pelham_Williamsburg					
Interim Survivor Curve: Iowa 50 L0.5					
Probable Retirement Year: 2033					
2002	37,748.39	25.00	27.31	0.08875	3,351
Total	37,748.39				3,351

Pennichuck East Utility

Total Company

304.10 SOURCE OF SUPPLY STRUCTURES

Original Cost Of Utility Plant In Service

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Raymond_Liberty Tree

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2033

1988	5,880.52	22.63	35.80	0.38640	2,273
1993	972.89	23.40	33.07	0.30707	299
<i>Total</i>	6,853.41				2,572

Sandown_Beaver Hollow

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2034

1986	3,759.22	22.91	37.29	0.40493	1,523
1993	1,026.30	24.01	33.64	0.30059	309
1999	12,323.35	25.11	30.00	0.17137	2,112
2000	1,590.00	25.30	29.35	0.14487	231
<i>Total</i>	18,698.87				4,175

Windham_Goldenbrook

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2034

1989	3,553.72	23.35	35.80	0.36509	1,298
2000	6,209.99	25.30	29.35	0.14487	900
<i>Total</i>	9,763.71				2,198

Pennichuck East Utility

Total Company

304.10 SOURCE OF SUPPLY STRUCTURES

Original Cost Of Utility Plant In Service

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Windham_Hardwood

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2036

1991	2,725.59	24.83	35.80	0.32196	878
1993	902.19	25.20	34.75	0.28868	261
Total	3,627.78				1,139

Windham_W&B

Interim Survivor Curve: Iowa 50 L0.5

Probable Retirement Year: 2046

1989	7,520.00	29.26	41.10	0.30250	2,275
2001	255,537.34	32.70	35.80	0.09095	23,243
2002	17,220.45	33.03	35.28	0.06694	1,153
Total	280,277.79				26,671

Account

Total	726,265.89				70,817.40
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Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)

Atkinson_Atkinson

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2038

1990	1,194.63	25.26	37.74	0.34710	415
1993	24,671.00	26.09	36.31	0.29554	7,292
Total	25,865.63				7,707

Derry_East DerryFarmstead

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2045

1991	843.83	28.67	40.24	0.30179	255
1994	479.03	29.74	39.05	0.25018	120
1995	866.00	30.12	38.63	0.23120	201
2001	4,443.50	32.51	35.80	0.09666	430
Total	6,632.36				1,006

Derry_Maple Hills

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2031

1986	6,325.98	20.76	36.31	0.44973	2,845
1987	4,764.16	20.92	35.80	0.43633	2,079
1988	13,063.99	21.10	35.28	0.42210	5,515
1989	9,165.00	21.28	34.75	0.40696	3,730
1990	9,219.06	21.47	34.20	0.39086	3,604
1995	2,396.41	22.49	31.22	0.29360	704

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<hr/>					
<i>Total</i>	44,934.60				18,478

Hooksett_Wesco

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2045

2000	9,403.00	32.10	36.31	0.12167	1,145
<i>Total</i>	9,403.00				1,145

Litchfield_Litchfield

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2039

1974	1,445.37	22.49	43.64	0.50902	736
1975	7,740.88	22.65	43.39	0.50180	3,885
1977	11,886.08	22.99	42.85	0.48671	5,786
1994	146,433.08	26.90	36.31	0.27198	39,828
1995	1,358.80	27.21	35.80	0.25195	343
<i>Total</i>	168,864.21				50,577

Londonderry_Avery

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1988	66,192.44	26.93	40.61	0.35372	23,414
1989	561.48	27.22	40.24	0.33961	191
1990	1,063.79	27.53	39.85	0.32472	346
1994	439.56	28.85	38.19	0.25667	113

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<hr/>					
Total	68,257.27				24,064

Londonderry_Londonderry

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2046

1984	71,796.32	26.89	42.85	0.39123	28,089
1985	4,146.19	27.16	42.57	0.38002	1,576
1986	28,520.41	27.45	42.27	0.36819	10,502
1990	1,212.46	28.72	40.96	0.31389	381
2001	546,530.20	33.01	36.31	0.09522	52,041
2002	63,353.88	33.43	35.80	0.06943	4,399
Total	715,559.46				96,988

Londonderry_Nesenekeag

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2031

1986	5,073.42	20.76	36.31	0.44973	2,282
1988	10,251.99	21.10	35.28	0.42210	4,328
1989	530.79	21.28	34.75	0.40696	217
1993	613.80	22.07	32.46	0.33611	207
Total	16,470.00				7,033

Londonderry_Pine Haven

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2042

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1997	21,311.24	29.44	36.31	0.19874	4,236
<i>Total</i>	21,311.24				4,236

Londonderry_R&B

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1988	1,356.53	26.93	40.61	0.35372	480
<i>Total</i>	1,356.53				480

Londonderry_Springwood Hills

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2042

1997	74,448.89	29.44	36.31	0.19874	14,797
<i>Total</i>	74,448.89				14,797

Pelham_Gage Hill

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2031

1986	4,693.46	20.76	36.31	0.44973	2,111
1990	2,886.36	21.47	34.20	0.39086	1,129
1993	1,672.00	22.07	32.46	0.33611	562
<i>Total</i>	9,251.82				3,802

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Pelham_Pelham

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2043

1987	3,000.28	26.64	40.96	0.36707	1,102
1989	14,599.74	27.22	40.24	0.33961	4,959
1990	7,493.00	27.53	39.85	0.32472	2,434
Total	25,093.02				8,494

Pelham_Stonegate

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2047

1990	1,261.09	29.09	41.31	0.31065	392
1991	2,441.58	29.44	40.96	0.29529	721
1992	2,613.00	29.81	40.61	0.27914	730
1993	2,211.00	30.19	40.24	0.26216	580
1995	879.49	30.98	39.46	0.22565	199
2002	25,393.44	33.94	36.31	0.06841	1,738
Total	34,799.60				4,360

Pelham_Williamsburg

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2033

1988	152,590.29	22.22	36.31	0.40736	62,159
1993	900.00	23.29	33.63	0.32275	291
1994	900.00	23.53	33.05	0.30260	273

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<i>Total</i>	154,390.29				62,723

Plaistow_Rolling Hills

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2031

1986	7,126.10	20.76	36.31	0.44973	3,205
1992	1,041.37	21.86	33.05	0.35549	371
1998	550.00	23.15	29.25	0.21923	121
<i>Total</i>	8,717.47				3,697

Raymond_Liberty Tree

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2033

1988	43,727.18	22.22	36.31	0.40736	17,813
1989	1,128.30	22.42	35.80	0.39241	443
<i>Total</i>	44,855.48				18,256

Sandown_Beaver Hollow

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2034

1986	3,034.99	22.36	37.74	0.42778	1,299
1988	1,299.50	22.76	36.80	0.40058	521
1989	6,060.24	22.97	36.31	0.38573	2,338
1990	1,918.62	23.19	35.80	0.36996	710

Pennichuck East Utility
Total Company
304.20 POWER AND PUMPING STRUCTURES
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
Total	12,313.35				4,868

Windham_Goldenbrook

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2034

1989	17,460.57	22.97	36.31	0.38573	6,736
1993	641.12	23.88	34.20	0.31666	204
Total	18,101.69				6,939

Windham_Hardwood

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2036

1989	1,133.21	24.02	37.28	0.37345	424
1990	1,087.85	24.26	36.80	0.35789	390
1991	12,001.94	24.50	36.31	0.34141	4,098
1992	811.89	24.76	35.80	0.32396	264
1994	474.37	25.28	34.75	0.28595	136
1995	2,900.60	25.56	34.20	0.26529	770
1996	405.11	25.83	33.63	0.24345	99
1998	39,207.97	26.40	32.46	0.19599	7,685
Total	58,022.94				13,865

Windham_Shadybrook

Interim Survivor Curve: Iowa 48 L1
Probable Retirement Year: 2034

Pennichuck East Utility

Total Company

304.20 POWER AND PUMPING STRUCTURES

Original Cost Of Utility Plant In Service

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1989	2,149.83	22.97	36.31	0.38573	830
<i>Total</i>	2,149.83				830

Windham_W&E

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2046

1989	13,672.53	28.38	41.31	0.32855	4,493
1995	27,122.36	30.56	39.05	0.22835	6,194
<i>Total</i>	40,794.89				10,687

WindhamDerry_Oakwood

Interim Survivor Curve: Iowa 48 L1

Probable Retirement Year: 2046

2001	38,214.79	33.01	36.31	0.09522	3,639
2002	1,570.63	33.43	35.80	0.06943	110
<i>Total</i>	39,785.42				3,749

Account

<i>Total</i>	1,601,378.99				368,782.82
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Pennichuck East Utility

Total Company

304.50 DISTRIBUTION RESERVOIR & STANDPIPE BLDGS

Original Cost Of Utility Plant In Service

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
Hooksett_Wesco					
<i>Interim Survivor Curve: Iowa 60 L1</i>					
<i>Probable Retirement Year: 2045</i>					
2000	7,360.00	34.76	39.03	0.11490	846
<i>Total</i>	7,360.00				846
<i>Account</i>					
<i>Total</i>	7,360.00				846.17

Pennichuck East Utility

Total Company

304.55 BOOSTER STATION STRUCTURES

Original Cost Of Utility Plant In Service

***And Development Of Calculated Depr Reserve as of December 31, 2004
Based Upon Broad Group/Remaining Life Procedure and Technique***

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Litchfield_Litchfield

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2048

2003	118,529.98	37.59	39.03	0.03876	4,595
2004	26,088.60	37.91	38.39	0.01318	344
<i>Total</i>	144,618.58				4,939

Londonderry_South Road

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2043

1998	36,623.62	32.91	39.03	0.16464	6,030
<i>Total</i>	36,623.62				6,030

Londonderry_Springwood Hills

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2048

2003	14,852.66	37.59	39.03	0.03876	576
2004	2,346.08	37.91	38.39	0.01318	31
<i>Total</i>	17,198.74				608

Windham_Castle Reach

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2049

2004	112,500.00	38.55	39.03	0.01296	1,458
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Pennichuck East Utility

Total Company

304.55 BOOSTER STATION STRUCTURES

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
<hr/>					
<i>Total</i>	112,500.00				1,458

Windham_W&E

Interim Survivor Curve: Iowa 60 L1

Probable Retirement Year: 2049

2004	27,521.48	38.55	39.03	0.01296	357
<i>Total</i>	27,521.48				357

Account

<i>Total</i>	338,462.42				13,392.84
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Pennichuck East Utility

Total Company

307.10 WELLS & SPRINGS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -10 % Average Service Life: 29 Survivor Curve: L3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1984	5,630.07	11.19	29.00	0.67551	3,803
1985	6,432.76	11.73	29.00	0.65515	4,214
1986	10,773.00	12.32	29.00	0.63253	6,814
1988	172,106.31	13.69	29.00	0.58053	99,913
1989	65,848.87	14.46	29.00	0.55162	36,324
1990	3,200.00	15.26	29.00	0.52121	1,668
1991	5,832.02	16.09	29.00	0.48954	2,855
1993	11,163.00	17.84	29.00	0.42320	4,724
1994	1,777.34	18.75	29.00	0.38885	691
1998	10,437.50	22.53	29.00	0.24527	2,560
1999	595.20	23.51	29.00	0.20808	124
2001	51,788.70	25.50	29.00	0.13274	6,874
2002	69,332.64	26.50	29.00	0.09483	6,575
2003	3,872.00	27.50	29.00	0.05690	220
2004	232,840.66	28.50	29.00	0.01897	4,416
<i>Total</i>	<i>651,630.07</i>				<i>181,775.47</i>

Pennichuck East Utility

Total Company

311.20 ELECTRIC PUMPING EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 % Average Service Life: 20 Survivor Curve: L0.5

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	66,891.37	10.88	20.00	0.52442	35,079
1987	13,082.78	11.20	20.00	0.50626	6,623
1988	52,631.70	11.52	20.00	0.48755	25,661
1989	214,502.00	11.86	20.00	0.46835	100,462
1990	4,197.35	12.20	20.00	0.44858	1,883
1991	6,418.62	12.55	20.00	0.42826	2,749
1992	10,476.91	12.92	20.00	0.40736	4,268
1993	16,211.98	13.29	20.00	0.38585	6,255
1994	20,979.42	13.68	20.00	0.36350	7,626
1995	11,291.06	14.09	20.00	0.33987	3,837
1996	14,681.95	14.53	20.00	0.31465	4,620
1997	89,668.74	15.00	20.00	0.28738	25,769
1998	26,124.74	15.51	20.00	0.25797	6,740
1999	76,447.21	16.07	20.00	0.22611	17,285
2000	44,603.72	16.67	20.00	0.19169	8,550
2001	115,389.08	17.31	20.00	0.15458	17,836
2002	81,821.15	18.00	20.00	0.11482	9,394
2003	17,568.33	18.75	20.00	0.07191	1,263
2004	49,654.50	19.56	20.00	0.02550	1,266
<i>Total</i>	932,642.61				287,168.17

Pennichuck East Utility

Total Company

311.60 OTHER POWER PUMPING EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 30 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	3,888.00	24.66	30.00	0.17797	692
2002	287.71	27.55	30.00	0.08164	23
<i>Total</i>	<i>4,175.71</i>				<i>715.45</i>

Pennichuck East Utility

Total Company

320.00 PURIFICATION SYSTEM EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 % Average Service Life: 12 Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1990	19,526.04	1.97	12.00	0.96158	18,776
1991	11,552.81	2.28	12.00	0.93119	10,758
1992	28,364.47	2.66	12.00	0.89462	25,375
1993	4,297.93	3.12	12.00	0.85109	3,658
1994	8,392.09	3.65	12.00	0.80058	6,719
1996	52,792.03	4.89	12.00	0.68127	35,966
1998	29,276.81	6.34	12.00	0.54239	15,879
1999	36,005.90	7.13	12.00	0.46700	16,815
2000	17,476.41	7.95	12.00	0.38809	6,782
2001	56,783.90	8.81	12.00	0.30608	17,380
2002	1,534.46	9.69	12.00	0.22132	340
2003	23,814.48	10.60	12.00	0.13421	3,196
2004	15,900.00	11.53	12.00	0.04514	718
<i>Total</i>	305,717.33				162,361.38

Pennichuck East Utility

Total Company

320.10 OTHER PRODUCTION EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 20 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	19,382.52	14.72	20.00	0.26405	5,118
<i>Total</i>	19,382.52				5,117.98

Pennichuck East Utility

Total Company

320.20 WATER TREATMENT EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -15 % Average Service Life: 12 Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	1,014.32	6.34	12.00	0.54239	550
<i>Total</i>	1,014.32				550.16

Pennichuck East Utility

Total Company

330.00 DISTRIBUTION RESERVOIRS & STANDPIPES

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -10 %

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>

Litchfield_Litchfield

Interim Survivor Curve: Iowa 85 R2.5

Probable Retirement Year: 2063

2003	798,727.00	55.10	56.55	0.02811	22,452
<i>Total</i>	798,727.00				22,452

Windham_W&E

Interim Survivor Curve: Iowa 85 R2.5

Probable Retirement Year: 2061

2001	13,072.97	53.18	56.55	0.06550	857
<i>Total</i>	13,072.97				857

Account

<i>Total</i>	811,799.97				23,308.76
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Pennichuck East Utility

Total Company

331.01 PAVEMENTS-TRANSMISSION MAINS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 15 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	877.10	9.79	15.00	0.34724	305
<i>Total</i>	877.10				304.57

Pennichuck East Utility

Total Company

331.02 PAVEMENTS-DISTRIBUTION MAINS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 15 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2002	2,763.72	12.57	15.00	0.16207	448
<i>Total</i>	2,763.72				447.92

Pennichuck East Utility

Total Company

331.04 PAVEMENTS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 15 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2004	2,808.61	14.51	15.00	0.03277	92
<i>Total</i>	2,808.61				92.04

Pennichuck East Utility

Total Company

331.10 TRANSMISSION MAINS-NEW

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 100 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2000	1,161,240.27	95.58	100.00	0.05306	61,613
2001	76,802.97	96.56	100.00	0.04129	3,171
2002	61,901.59	97.54	100.00	0.02952	1,827
<i>Total</i>	<i>1,299,944.83</i>				<i>66,611.51</i>

Pennichuck East Utility

Total Company

331.15 TRANSMISSION MAINS-DEVELOPER INSTALLED

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 100 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2001	215,050.15	96.56	100.00	0.04129	8,879
<i>Total</i>	215,050.15				8,878.72

Pennichuck East Utility

Total Company

331.20 DISTRIBUTION MAINS-NEW

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 65 Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1974	2,638.79	38.02	65.00	0.49800	1,314
1975	23,355.87	38.83	65.00	0.48313	11,284
1976	47,142.85	39.64	65.00	0.46817	22,071
1977	200,477.10	40.46	65.00	0.45305	90,826
1978	2,228.93	41.28	65.00	0.43785	976
1982	22,452.13	44.64	65.00	0.37583	8,438
1983	56,532.14	45.50	65.00	0.36003	20,354
1984	102,910.64	46.36	65.00	0.34418	35,419
1985	593,048.20	47.22	65.00	0.32817	194,622
1986	664,790.74	48.10	65.00	0.31208	207,470
1987	458,722.69	48.97	65.00	0.29592	135,743
1988	3,235,587.87	49.85	65.00	0.27964	904,785
1989	4,066,489.06	50.74	65.00	0.26328	1,070,641
1990	730,758.80	51.63	65.00	0.24682	180,369
1991	106,217.76	52.53	65.00	0.23030	24,462
1992	89,964.62	53.43	65.00	0.21367	19,223
1993	105,264.14	54.33	65.00	0.19698	20,735
1994	65,448.74	55.24	65.00	0.18019	11,794
1995	422,941.14	56.15	65.00	0.16336	69,090
1996	31,724.34	57.07	65.00	0.14642	4,645
1997	172,695.83	57.99	65.00	0.12944	22,354
1998	861,710.28	58.91	65.00	0.11237	96,827
2000	102,778.97	60.77	65.00	0.07805	8,022
2001	52,773.06	61.71	65.00	0.06080	3,209
2002	212,500.28	62.64	65.00	0.04350	9,244
2003	797,574.20	63.58	65.00	0.02614	20,845
2004	350,452.06	64.53	65.00	0.00873	3,059
<i>Total</i>	13,579,181.23				3,197,819.58

Pennichuck East Utility

Total Company

331.25 DISTR MAINS-GATE VALVES

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 65 Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	1,450.00	58.91	65.00	0.11237	163
2000	1,944.07	60.77	65.00	0.07805	152
2004	11,126.49	64.53	65.00	0.00873	97
<i>Total</i>	<i>14,520.56</i>				<i>411.80</i>

Pennichuck East Utility

Total Company

331.30 DISTR MAINS-DEVELOPER INSTALLED

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 65 Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	112,379.24	59.84	65.00	0.09524	10,703
2000	1,024,930.34	60.77	65.00	0.07805	80,000
2001	462,096.20	61.71	65.00	0.06080	28,096
2002	625,412.35	62.64	65.00	0.04350	27,207
2003	540,210.37	63.58	65.00	0.02614	14,119
2004	721,271.52	64.53	65.00	0.00873	6,296
<i>Total</i>	3,486,300.02				166,419.86

Pennichuck East Utility

Total Company

333.04 PAVEMENTS-NEW SERVICES

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 15 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	357.39	8.92	15.00	0.40561	145
1999	3,163.87	9.79	15.00	0.34724	1,099
2000	1,137.60	10.69	15.00	0.28702	327
2001	3,225.42	11.62	15.00	0.22521	726
2002	668.65	12.57	15.00	0.16207	108
2003	14,611.80	13.53	15.00	0.09783	1,430
2004	4,856.66	14.51	15.00	0.03277	159
<i>Total</i>	28,021.39				3,993.56

Pennichuck East Utility

Total Company

333.10 SERVICES-NEW

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1974	383.40	29.96	55.00	0.61451	236
1975	4,085.00	30.68	55.00	0.59686	2,438
1976	7,669.16	31.41	55.00	0.57897	4,440
1977	20,882.61	32.15	55.00	0.56089	11,713
1978	1,673.83	32.89	55.00	0.54262	908
1979	192.19	33.64	55.00	0.52417	101
1981	660.87	35.17	55.00	0.48675	322
1982	8,419.44	35.94	55.00	0.46775	3,938
1983	1,997.31	36.72	55.00	0.44858	896
1984	25,003.68	37.51	55.00	0.42925	10,733
1985	29,914.76	38.31	55.00	0.40974	12,257
1986	97,421.41	39.11	55.00	0.39010	38,004
1987	53,383.21	39.92	55.00	0.37026	19,766
1988	98,075.71	40.73	55.00	0.35027	34,353
1989	228,314.87	41.55	55.00	0.33012	75,370
1990	64,574.48	42.38	55.00	0.30981	20,006
1991	106,007.24	43.21	55.00	0.28939	30,678
1992	110,108.45	44.05	55.00	0.26879	29,596
1993	101,915.17	44.90	55.00	0.24804	25,279
1994	118,832.19	45.75	55.00	0.22714	26,992
1995	131,439.60	46.60	55.00	0.20612	27,092
1996	120,240.49	47.46	55.00	0.18496	22,239
1997	121,392.26	48.33	55.00	0.16368	19,870
1998	57,031.12	49.20	55.00	0.14225	8,113
1999	14,355.42	50.08	55.00	0.12069	1,733
2000	22,659.52	50.97	55.00	0.09901	2,244
2001	13,242.93	51.85	55.00	0.07721	1,022
2002	52,231.26	52.75	55.00	0.05531	2,889

Pennichuck East Utility

Total Company

333.10 SERVICES-NEW

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2003	8,254.27	53.64	55.00	0.03327	275
2004	22,587.25	54.55	55.00	0.01112	251
<i>Total</i>	1,642,949.10				433,752.12

Pennichuck East Utility

Total Company

333.20 SERVICES-RENEWED

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	3,172.94	50.08	55.00	0.12069	383
2000	306.45	50.97	55.00	0.09901	30
2002	1,590.51	52.75	55.00	0.05531	88
2003	2,759.37	53.64	55.00	0.03327	92
2004	125,950.00	54.55	55.00	0.01112	1,400
<i>Total</i>	133,779.27				1,993.25

Pennichuck East Utility

Total Company

333.23 SERVICES-DEVELOPER INSTALLED (CIAC)

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	48,424.00	49.20	55.00	0.14225	6,888
1999	55,841.00	50.08	55.00	0.12069	6,740
2000	38,284.00	50.97	55.00	0.09901	3,790
2002	83,418.63	52.75	55.00	0.05531	4,614
2003	65,399.18	53.64	55.00	0.03327	2,176
2004	67,873.03	54.55	55.00	0.01112	755
<i>Total</i>	359,239.84				24,962.66

Pennichuck East Utility

Total Company

333.25 SERVICES-DEVELOPER INSTALLED (PAID)

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -35 % Average Service Life: 55 Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	47,649.95	49.20	55.00	0.14225	6,778
1999	55,495.87	50.08	55.00	0.12069	6,698
2000	84,428.90	50.97	55.00	0.09901	8,359
2001	92,827.63	51.85	55.00	0.07721	7,167
2002	55,233.56	52.75	55.00	0.05531	3,055
2003	44,308.51	53.64	55.00	0.03327	1,474
2004	95,955.66	54.55	55.00	0.01112	1,067
<i>Total</i>	475,900.08				34,598.36

Pennichuck East Utility

Total Company

334.10 METERING EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % Average Service Life: 25 Survivor Curve: R2.5

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1978	17,043.90	5.33	25.00	0.82600	14,078
1979	2,825.13	5.76	25.00	0.80824	2,283
1980	8.99	6.21	25.00	0.78900	7
1981	29.19	6.71	25.00	0.76830	22
1982	46.28	7.23	25.00	0.74617	35
1983	95.29	7.79	25.00	0.72266	69
1984	94.94	8.38	25.00	0.69785	66
1985	774.89	9.00	25.00	0.67181	521
1986	3,307.63	9.65	25.00	0.64464	2,132
1987	16,189.01	10.32	25.00	0.61640	9,979
1988	61,340.53	11.02	25.00	0.58717	36,018
1989	17,250.72	11.74	25.00	0.55701	9,609
1990	34,902.10	12.48	25.00	0.52596	18,357
1991	64,667.71	13.24	25.00	0.49407	31,951
1992	28,116.51	14.01	25.00	0.46138	12,972
1993	170,028.50	14.81	25.00	0.42793	72,760
1994	98,372.47	15.63	25.00	0.39374	38,733
1995	74,794.75	16.46	25.00	0.35885	26,840
1996	27,891.88	17.30	25.00	0.32330	9,018
1997	32,808.60	18.16	25.00	0.28713	9,420
1998	33,438.02	19.04	25.00	0.25038	8,372
1999	40,774.14	19.93	25.00	0.21308	8,688
2000	40,024.25	20.83	25.00	0.17527	7,015
2001	40,804.15	21.74	25.00	0.13701	5,590
2002	35,328.10	22.66	25.00	0.09832	3,473
2003	41,363.73	23.59	25.00	0.05924	2,451
2004	61,027.13	24.53	25.00	0.01983	1,210
<i>Total</i>	<i>943,348.54</i>				<i>331,669.78</i>

Pennichuck East Utility

Total Company

334.11 METERS-DIGAMATIC READERS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 10 Survivor Curve: R2

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2003	602,589.16	8.67	10.00	0.13302	80,159
<i>Total</i>	602,589.16				80,159.16

Pennichuck East Utility

Total Company

335.00 HYDRANTS

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -10 % Average Service Life: 75 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1975	1,677.09	47.18	75.00	0.40796	684
1976	3,346.06	48.07	75.00	0.39503	1,322
1977	18,518.42	48.95	75.00	0.38203	7,075
1978	828.77	49.85	75.00	0.36891	306
1979	8,480.80	50.74	75.00	0.35574	3,017
1984	21,266.87	55.31	75.00	0.28875	6,141
1985	20,679.92	56.24	75.00	0.27516	5,690
1986	23,299.25	57.17	75.00	0.26150	6,093
1987	19,873.40	58.11	75.00	0.24776	4,924
1988	28,190.88	59.05	75.00	0.23398	6,596
1989	67,060.64	59.99	75.00	0.22014	14,763
1990	6,968.37	60.94	75.00	0.20623	1,437
1993	3,932.50	63.80	75.00	0.16424	646
1994	16,345.44	64.76	75.00	0.15015	2,454
1995	33,027.29	65.73	75.00	0.13602	4,492
1996	22,946.37	66.69	75.00	0.12183	2,796
1997	24,849.60	67.66	75.00	0.10762	2,674
1998	1,816.02	68.63	75.00	0.09338	170
2000	3,051.23	70.58	75.00	0.06477	198
2002	1,454.61	72.54	75.00	0.03605	52
<i>Total</i>	327,613.53				71,528.93

Pennichuck East Utility

Total Company

335.10 HYDRANTS-DEVELOPER INSTALLED

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -10 % Average Service Life: 75 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	10,453.68	69.61	75.00	0.07909	827
2000	60,372.49	70.58	75.00	0.06477	3,910
2001	34,756.44	71.56	75.00	0.05043	1,753
2002	32,110.21	72.54	75.00	0.03605	1,158
2003	62,659.00	73.52	75.00	0.02165	1,356
2004	113,183.80	74.51	75.00	0.00723	818
<i>Total</i>	313,535.62				9,821.62

Pennichuck East Utility

Total Company

339.00 OTHER TRANS/DISTR EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 50 Survivor Curve: R3

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1999	14,442.26	44.62	50.00	0.10753	1,553
2000	30,373.80	45.59	50.00	0.08813	2,677
2001	7,557.57	46.57	50.00	0.06865	519
2002	19,167.71	47.54	50.00	0.04910	941
<i>Total</i>	<i>71,541.34</i>				<i>5,689.76</i>

Pennichuck East Utility

Total Company

343.00 SHOP EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 12 Survivor Curve: L4

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1989	8,370.00	1.78	12.00	0.85161	7,128
1990	5,979.88	2.00	12.00	0.83366	4,985
1991	1,825.00	2.18	12.00	0.81830	1,493
1992	17,005.04	2.32	12.00	0.80684	13,720
1993	14,365.87	2.48	12.00	0.79293	11,391
1994	6,690.85	2.79	12.00	0.76785	5,138
1996	17,084.14	3.98	12.00	0.66812	11,414
1997	12,052.30	4.77	12.00	0.60251	7,262
<i>Total</i>	83,373.08				62,531.50

Pennichuck East Utility

Total Company

346.00 COMMUNICATION EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 9 Survivor Curve: L2

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1986	583.04	1.35	9.00	0.85034	496
1989	5,043.21	1.96	9.00	0.78269	3,947
1992	19,276.78	2.66	9.00	0.70412	13,573
1995	575.00	3.40	9.00	0.62206	358
1997	2,731.17	3.90	9.00	0.56710	1,549
1999	4,544.81	4.60	9.00	0.48923	2,223
2000	1,689.83	5.13	9.00	0.42997	727
2001	22,976.59	5.82	9.00	0.35279	8,106
2002	82,876.75	6.64	9.00	0.26185	21,701
2003	25,047.00	7.54	9.00	0.16244	4,069
2004	19,920.45	8.50	9.00	0.05538	1,103
<i>Total</i>	185,264.63				57,851.50

Pennichuck East Utility

Total Company

347.11 COMPUTER EQUIPMENT-HARDWARE/SOFTWARE

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 8 Survivor Curve: R4

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
1998	2,470.42	2.08	8.00	0.73946	1,827
1999	26,695.90	2.82	8.00	0.64742	17,283
2000	7,318.01	3.65	8.00	0.54353	3,978
<i>Total</i>	36,484.33				23,087.78

Pennichuck East Utility

Total Company

348.00 MISCELLANEOUS GENERAL EQUIPMENT

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2004

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 11 Survivor Curve: L5

<i>Year</i>	<i>Original Cost</i>	<i>Expectancy</i>	<i>Avg. Service Life</i>	<i>Reserve Ratio</i>	<i>Calculated Reserve</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
2001	8,999.46	7.50	11.00	0.31821	2,864
<i>Total</i>	8,999.46				2,863.75

TAB 29

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

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

Pennichuck Water Works, Inc.

Management and Financial Audits

Provided pursuant to NHPUC Rule 1604.01(13)

Pennichuck Corporation and Subsidiaries

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

For the Year Ended December 31, 2017

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Additional Offices:

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

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

Independent Auditors' Report

Board of Directors and Stockholder
Pennichuck Corporation and Subsidiaries

Report on Schedule of Expenditures of Federal Awards

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

Management's Responsibility

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

Auditors' Responsibility

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

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

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

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

Opinion

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

Melanson Heath

September 27, 2018

Additional Offices:

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

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

Independent Auditors' Report

Board of Directors and Stockholder
Pennichuck Corporation and Subsidiaries

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

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

Management's Responsibility

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

Auditors' Responsibility

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

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

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

Opinion

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

Report on Internal Control over Compliance

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

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

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

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

Melanson Heath

September 27, 2018

PENNICHUCK CORPORATION AND SUBSIDIARIES

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2017

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

* Pennichuck East Utility, Inc.

** Pennichuck Water Works, Inc.

*** Pittsfield Aqueduct Company, Inc.

The accompanying notes are an integral part of this schedule.

PENNICHUCK CORPORATION AND SUBSIDIARIES

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2017

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

Note 3. Subrecipients

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

Note 4. Loans

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

Pennichuck Corporation and Subsidiaries

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2017

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statement (Schedule of Federal Awards)

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statement noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

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

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

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

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

Identification of major programs:

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

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

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

SECTION II - FINANCIAL STATEMENT FINDINGS

None.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

SECTION IV - SCHEDULE OF PRIOR YEAR FINDINGS

There were no findings in the prior year.

TAB 30

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

This data does not exist. As noted in PEU's 2019 Annual Report, any officer/director compensation is allocated through the Management Fee Allocation agreements. See also Tab 34

TAB 31

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

This data does not exist for PEU

TAB 32

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

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

TAB 33

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

**Pennichuck East Utilities, Inc.
Contractual Services over \$10,000
For the Twelve Months Ended December 31, 2019**

Provided pursuant to NHPUC Rule 1604.01(a)(17)

Name	Address	Amount	Purpose
AMERICAN EXCAVATING CORP	5 MADDEN ROAD	DERRY, NH 03110	\$11,801.98 Construction Services - Water main installation
BLUELEAF INCORPORATED	57 DRESSER HILL ROAD	CHARLTON, MA 15250-7473	\$56,501.63
Constellation NewEnergy Inc.	PO Box 4640	Carol Stream, IL 02205-6003	\$163,823.25 Electricity Supply Provider
CSSI CORP	513 DONALD STREET	BEDFORD, NH 03087	\$136,785.38 Construction Services - Water main installation
ENERGYNORTH PROPANE	PO BOX 371473	PITTSBURGH, PA 03860	\$12,461.22 Gas Provider
Eversource	PO BOX 56003	BOSTON, MA 03038	\$100,286.98 Electrical Installations & Maintenance Services
GEORGE CAIRNS & SONS, INC.	8 LEDGE RD	WINDHAM, NH 60696	\$54,564.07 Construction Services - Water main installation
GORDON T. BURKE & SONS INC.	PO BOX 497	NORTH CONWAY, NH 03106-6383	\$12,743.81 Construction Services - Water main installation
GRANITE STATE ANALYTICAL INC	ACCOUNTS RECEIVABLE	DERRY, NH 03217	\$52,330.00 Laboratory Services - Water Analysis
HARCROS CHEMICALS, INC.	PO BOX 74583	CHICAGO, IL 03263	\$11,683.14 Chemical Supplier - Water Treatment chemicals
HOOKSETT VILLAGE WATER PRECINCT	PO BOX 16383	HOOKSETT, NH 03249	\$64,345.85 Purchased Water
HydroSource Associates, Inc.	P. O. Box 609	Ashland, NH 02176	\$17,622.13 Chemical Supplier - Water Treatment chemicals
JOE DARRAH ENTERPRISES	P.O. Box 113	Pittsfield, NH 60675-1032	\$23,950.00
John H. Lyman & Sons, Inc.	310 Hoyt Road	Gilford, NH 03108-9677	\$936,431.28 Construction Services - Water main installation
KEOHAN FUELS & TRANS., INC.	139 LINWOOD AVE	MELROSE, MA 03878	\$15,218.13
LIBERTY UTILITIES - NEW HAMPSHIRE	75 REMITTANCE DRIVE	CHICAGO, IL 03055-0118	\$40,664.80 Gas Provider
MANCHESTER WATER WORKS	PO BOX 9677	MANCHESTER, NH 03038	\$393,384.77 Purchased Water
Marcia A. Brown	20 Noble Street	Somersworth, NH 03108-9612	\$22,973.37 Legal Services
MERIDIAN LAND SERVICES, INC.	P.O. BOX 118	MILFORD, NH 03860-0630	\$26,683.33 Land surveyer
NEW ENGLAND BORING CONTRACTORS	PO BOX 165	DERRY, NH 03263	\$24,918.70 Construction Services - Water main installation
NH ELECTRIC COOPERATIVE, INC.	PO BOX 9612	MANCHESTER, NH 03110	\$21,194.08 Electricity Supply Provider
NORTH CONWAY WATER PRECINCT	104 SAWMILL LANE	NORTH CONWAY, NH 30384-9250	\$39,155.04 Purchased Water
NORTHEAST EARTH MECHANICS, INC	159 BARNSTEAD ROAD	PITTSFIELD, NH 03032	\$46,442.03 Construction Services - Water main installation
PANCIOCCO LAW, LLC	1 CLUB ACRE LANE	BEDFORD, NH 03249	\$20,196.70 Legal Services
PINNACLE TOWERS INC.	PO BOX 409250	ATLANTA, GA 03833	\$13,642.98 Tower Rental for SCADA Radio Antenna
POWER UP GENERATOR SERVICE LLC	8 PRISCILLA LANE	AUBURN, NH 01501	\$16,952.82 Maintenance services
PRB CONSTRUCTION, INC.	25 COUNTRY CLUB RD #706	GILFORD, NH 03302-1500	\$20,387.00 Construction Services - Water main installation
R.E. PRESCOTT CO., INC.	10 RAILROAD AVE	EXETER, NH 03301	\$16,147.96 Construction Services - Water main installation
R.H. WHITE CONSTRUCTION CO., INC.	41 CENTRAL STREET	AUBURN, MA 03106	\$36,295.20 Construction Services - Water main installation
Rath Young & Pignatelli PC	P O Box 1500	Concord, NH 03302-0637	\$15,411.58 Legal Services
RICHARD D. BARTLETT & ASSOC., LLC	LICENSED LAND SURVEYORS	CONCORD, NH 03301	\$21,592.75
SMITH PUMP, INC	48 LONDONDERRY TURNPIKE	HOOKSETT, NH 01085-5308	\$47,092.72 Construction Services
TIGHE & BOND INC	53 SOUTHAMPTON ROAD	WESTFIELD, MA 03813	\$33,012.71 Construction Services - Water main installation
TOWN OF DERRY	310 Hoyt Road	Gilford, NH 03249	\$109,995.63 Property Taxes
TOWN OF HUDSON	TAX COLLECTOR	LITCHFIELD, NH 03052	\$176,462.50 Property Taxes
TREASURER, STATE OF NEW HAMPSHIRE	TAX COLLECTOR	MANCHESTER, NH 03108-9673	\$11,540.00 Taxes
UNDERWOOD ENGINEERS	25 VAUGHAN MALL	PORTSMOUTH, NH 75320-7362	\$61,486.50
United Rentals (North America) Inc.	P O Box 100711	Atlanta, GA 84165-0068	\$44,446.08 Equipment Rental
UNITIL ENERGY SYSTEMS	PO BOX 981077	BOSTON, MA 10087-2074	\$12,890.44 Utility services
UTILITY SERVICE CO., INC.	P.O. BOX 207362	DALLAS, TX	\$30,000.00 Utility services
WESTECH	PO BOX 65068	SALT LAKE CITY, UT	\$76,560.00
Wind River Environmental LLC	PO Box 22074	New York, NY	\$32,045.00
		3,082,124	

TAB 34

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

		Dollars Applicable to:							C Sheing Wages & Fringes Only (budgeted specifically on PAC Pk.)
Full Year Amounts (to be allocated)	YTD EXPENSES	Tier Allocation Required	Special Allocation	Tier 1 (All) PWSC	Tier 2 (Regulated + Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only	
Wages									
Officers Salaries & Wages	499,167	1		499,167	-	-	-	-	-
Salaries - Engineering	1,207,889	4		-	-	1,207,889	-	-	-
Office Salaries and Wages - IS	487,394	1		487,394	-	-	-	-	-
Office Salaries and Wages - Acctg	724,045	1		724,045	-	-	-	-	-
Office Salaries and Wages - Admin	184,571	1		184,571	-	-	-	-	-
Office Salaries and Wages - C/S	1,094,979	2		-	1,094,979	-	-	-	-
Office Salaries and Wages - BR	145,560	6		-	-	-	145,560	-	-
Less: Capitalized Overhead - IS	(1,942)	1		(1,942)	-	-	-	-	-
Less: Capitalized Overhead Engineering	(353,484)	4		-	-	(353,484)	-	-	-
Benefits (Based on 12/31/18 Schedule)									
Officers Salaries & Wages	243,244	1		243,244	-	-	-	-	-
Salaries - Engineering	588,604	4		-	-	588,604	-	-	-
Office Salaries and Wages - IS	237,507	1		237,507	-	-	-	-	-
Office Salaries and Wages - Acctg	352,827	1		352,827	-	-	-	-	-
Office Salaries and Wages - Admin	89,941	1		89,941	-	-	-	-	-
Office Salaries and Wages - C/S	533,583	2		-	533,583	-	-	-	-
Office Salaries and Wages - BR	70,931	6	-	-	-	-	70,931	-	-
Less: Capitalized Overhead IS	(946)	1		(946)	-	-	-	-	-
Less: Capitalized Overhead Engineering	(172,253)	4		-	-	(172,253)	-	-	-
		Dollars Applicable to:							C Sheing Wages & Fringes Only (budgeted specifically on PAC Pk.)
Full Year Budgeted Amounts (to be allocated) - Tier 1		Tier Allocation Required	Special Allocation	Tier 1 (All) PWSC	Tier 2 (Regulated + Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only	
Facilities - Manchester Street									
Office Supplies & Expense	34,990	1		34,990	-	-	-	-	-
Office Equipment Rental	46,804	1		46,804	-	-	-	-	-
Rental Exp HECOP III	338,567	1		338,567	-	-	-	-	-
Manchester St Phone	29,302	1		29,302	-	-	-	-	-
Manchester St Electric	44,960	1		44,960	-	-	-	-	-
Maintenance Manchester St	33,117	1		33,117	-	-	-	-	-
Office Equipment maintenance	-	1		-	-	-	-	-	-
Miscellaneous Charges									
Senior Management Vehicles	3,822	1		3,822	-	-	-	-	-
Senior Management Fuel Purchased	4,504	1		4,504	-	-	-	-	-
Senior Management Vehicle Registrations	476	1		476	-	-	-	-	-
Courier & Express Mail Expense	253	1		253	-	-	-	-	-
Outside Svcs (Supervision/Spec Svcs)	269,938	1		269,938	-	-	-	-	-
Meetings and Conventions	46,091	1		46,091	-	-	-	-	-
License Fees	15,327	1		15,327	-	-	-	-	-
Meals	2,190	1		2,190	-	-	-	-	-
Recruiter Fees	8,851	1		8,851	-	-	-	-	-
Engineering Dept Expense	105,970	4		-	-	105,970	-	-	-
Engineering Vehicles	12,890	4		-	-	12,890	-	-	-
Engineering - Fuel Purchased	20,385	4		-	-	20,385	-	-	-
Engineering - Vehicle Registration	4,488	4		-	-	4,488	-	-	-
Maint of Communication Equip	23,570	2		-	23,570	-	-	-	-
Computer Maintenance	590,310	1		590,310	-	-	-	-	-
Depreciation - 2403 & Amort									
Comm Depreciation	53,162	2		-	53,162	-	-	-	-
Computer Depreciation	826,915	1		826,915	-	-	-	-	-
Office Furniture Depreciation	13,389	1		13,389	-	-	-	-	-
Leasehold Improvements-15 year property	6,796	1		6,796	-	-	-	-	-
Union Negotiations - 2013	-	1		-	-	-	-	-	-
Union Negotiations - 2015	-	1		-	-	-	-	-	-
Union Negotiations - 2017	1,476	1		1,476	-	-	-	-	-
Total Allocable Expenses	\$ 8,470,160			5,133,886	1,705,294	-	1,414,489	216,491	-
<p>Tier 1 - use the corporate expense allocation between IS, PWSC and regulated utilities. The allocation among utilities will be based on total assets and customers.</p> <p>Tier 2 - allocate to PWW, PEU, PAC and PWSC based on total assets and customers</p> <p>Tier 3 - allocate to PWW, PEU and PWSC based on total assets and customers</p> <p>Tier 4 - allocate to the regulated utilities (PWW, PEU and PAC) based on total assets and customers.</p> <p>(1) Retention/Bonus, Overtime, Merit increases and summer temp help are included in Officers' and Office Salaries</p> <p>(2) Outside Services include temporary help from temporary services providers</p> <p>(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</p>									

Allocation Calculation - Tier 1 (All Companies)									
	PWW	PEU	Pittsfield	Total Regulated	Con Ops (PWS)1	Real Estate (TSC)1	Total		
Revenues ¹	32,280,395	8,819,088	774,537	\$ 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)				128 99.22%	1 0.78%	0 0.00%	129 100.00%		
Square Footage - w/ add'l lease space Manchester Street Facility ²				19,421 99.00%	196 1.00%	0 0.00%	19,617 100.00%		
Total Assets ²	\$ 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 ³	29,006 76.55%	8,248 21.77%	639 1.69%	37,893 100.01%					
Average Percentage	77.79%	20.72%	1.51%	97.89%	2.08%	0.04%	100.01%		
Allocation of Allocable Expenses	3,907,979	1,041,190	75,878	5,025,047	106,785	2,054	\$ 5,133,886	Check Total	-
Effective Allocation %	76.12%	20.28%	1.48%		2.08%	0.04%		\$	
¹ - PWS - 100% of 1 employee ² - Based on December 2019 Preliminary Less Intercompany Account Balances ³ - Based on December 2019 Actuals ⁴ - 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 ²	\$ 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 ³	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	Check Total	-
Effective Allocation %	70.87%	18.88%	1.38%		8.87%	N/A		\$	
¹ - PWS customers based on municipality customers and pro rated based on services rendered									

Allocation Calculation - Tier 3 (PWW, PEU and PWSC)									
	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC)	Total			
Total Assets ²	\$ 267,705,032 80.02%	\$ 66,609,561 19.91%		\$ 249,629 0.07%		\$ 334,564,223 100.00%			
Customers ³	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	\$ -	Check Total	-	
Effective Allocation %	#DIV/0!	#DIV/0!	N/A	#DIV/0!	N/A		\$		

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

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

Summary of Allocations	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC)	Totals			
Tier 1	3,907,979	1,041,190	75,878	106,785	2,054	5,133,886			
Tier 2	1,208,572	321,996	23,466	151,260	-	1,705,294			
Tier 3	-	-	-	-	-	-			
Tier 4	1,100,048	293,082	21,359	-	-	1,414,489			
PWSC only and PAC only	-	-	-	216,491	-	216,491	unallocated		
Total Allocations	6,216,598	1,656,268	120,703	474,536	2,054	8,470,160	PAC/PEU	Total	Check Total
	73.39%	19.55%	1.43%	5.60%	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
Wailfleet	-	-	0.125	0.125	264	66
Woodstock	0.250	0.250	-	-	990	495
						8,131

Note: Customer Counts updated 11/13/2019

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

Full Year Amounts (to be allocated)	
Wages	
Superintendence - WTP	262,269
Office Salaries & Wages: WTP	330,772
Purification Labor	227,664
Superintendence - Operations	339,564
Office Salaries - Operations	115,210
Benefits	
Superintendence - WTP	127,804
Office Salaries & Wages: WTP	161,195
Purification Labor	110,941
Superintendence - Operations	165,469
Office Salaries - Operations	56,142
Facilities - Will Street	
Maint: Meter Department	233
Will Street Parking	-
Will Street Office Supplies	13,068
Will Street Gas	7,842
Will Street Electric	35,337
Will Street Phone	41,565
Miscellaneous Charges	
Misc Gen Exp Ops	69,826
Misc T&D Materials & Supplies	17,300
Stores Expense	55,730
Small Tools Expense	35,406
OPS - Non-Union Vehicles	798
WTP - Non-Union Vehicles	6,565
Misc.Transport Expense	71,406
Non-Union Vehicle Fuel Costs	32,523
Misc Gen Equipment Exp	36,224
Depreciation - 2304	
16 DW Highway	184,471
Tools, Shop & Garage	44,785
Other Tangible Equipment-Misc Equip	26,102
Non-Union Transportation Depreciation	51,629
Total Allocable Expenses	2,627,831

	2019 Workorder Costs												Total
	PWW Capital	070 WTP 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	77,816.68	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	263,175.38	1,579,846.48	10,298,861.90	
Total Costs w/o OH & CW	376,381.61	2,464,174.77	3,299,746.55	132,276.45	268,544.66	825,498.35	121,840.04	9,948.36	139,097.84	157,840.10	1,579,846.48	9,375,195.21	
% of Total	4.86%	23.93%	32.04%	2.91%	3.10%	8.02%	5.78%	0.13%	1.35%	2.56%	15.34%	100.00%	
% of Total w/o OH & 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%	
Overhead 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	2,627,829	
Totals by Company:													
PWW	127,627	628,752	841,955	76,352	81,464							1,756,150	
PEU										67,151	403,109	470,260	
PAC						210,632	152,004	3,291	35,492			38,783	
PWS												362,636	
Total Overhead	127,627	628,752	841,955	76,352	81,464	210,632	152,004	3,291	35,492	67,151	403,109	2,627,829	
% Labor	0.01	0.21	0.42	0.02	0.01	0.10	0.01	0.00	0.02	0.01	0.18	1.00	
												1.00	

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

Provided pursuant to NHPUC Rule 1604.01(a)(18)

Effective Tax Rate - current

27.08%

12

4.82%

Dollars Applicable to:

Full Year Amounts (to be allocated)	Rate of Return	Net Book Value	Tier Allocation Required	Tier 1 (All)	Tier 2 (Regulated + PWSC)	Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only	PAC Only	TSC Only (budgeted specifically on TSC PIL)
Office Furniture & Equipment	2,084	43,226	1	2,084	-	-	-	-	-	-
Transportation Equipment	98,110	2,035,475	2	-	98,110	-	-	-	-	-
Tools, Shop & Garage Equipment	18,627	386,446	3	-	-	18,627	-	-	-	-
Construction Meters	121	2,504	2	-	121	-	-	-	-	-
Power Operated Equipment	10,175	211,089	2	-	10,175	-	-	-	-	-
Communication Equipment	25,227	523,362	4	-	-	-	25,227	-	-	-
Computer Equipment	134,955	2,799,892	1	134,955	-	-	-	-	-	-
Other Plant and Misc Equipment	20,590	427,173	4	-	-	-	20,590	-	-	-
Leasehold Improvements	635	13,166	1	635	-	-	-	-	-	-
16 DW Highway	333,632	6,921,824	3	-	-	333,632	-	-	-	-
Will Street Expansion	-	-	3	-	-	-	-	-	-	-
Deferred Pension Costs	494,957	10,268,820	1	494,957	-	-	-	-	-	-
Deferred Post Retirement Health	51,943	1,077,660	1	51,943	-	-	-	-	-	-
Deferred Post Employment Health	-	-	1	-	-	-	-	-	-	-
Deferred SERP	38,030	789,010	1	38,030	-	-	-	-	-	-
VEBA Trust - Union	22,204	460,665	1	22,204	-	-	-	-	-	-
VEBA Trust - Non-union	6,911	143,375	1	6,911	-	-	-	-	-	-
Union Negotiations - 2013	-	-	1	-	-	-	-	-	-	-
Union Negotiations - 2015	-	-	1	-	-	-	-	-	-	-
Deferred Pension Costs		10,268,820								
Deferred Post Employment Health		1,077,660								
Deferred Post Retirement Health		789,010								
Deferred SERP		-								
Less: Accrued Liability Pension - ST		(12,970,815)								
Less: Accrued Liability Pension - LT		-								
Less: Post Employment Health Liability - ST		-								
Less: Post Employment Health Liability - LT		-								
Less: Accrued Liability SERP		(380,788)								
VEBA Trust - Union		460,665								
VEBA Trust - Non-union		143,375								
Less: Post Retirement Liability Health - ST		-								
Less: Post Retirement Liability Health - LT		(4,585,921)								
Subtotal		(5,197,996)								
Less: Tax Impact at current effective tax rate		1,407,617								
Net Impact Unfunded FAS 106 & FAS 158 Costs	(182,696)	(3,790,378)	1	(182,696)	-	-	-	-	-	-
Total Allocable Expenses	1,075,505	22,313,328.42		569,023	108,406	352,259	45,817	-	-	-

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

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

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

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

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

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

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

Allocation Calculation - Tier 2 (All Regulated Companies plus PWSC)							
	PWW	PEU	Pittsfield	Total Regulated	Con Ops (PWS) ¹	Real Estate (TSC)	Total
Total Assets ²	\$ 267,705,032	\$ 66,609,561	\$ 4,461,150	\$ 338,775,744	\$ 249,629	\$ -	\$ 339,025,373
	79.02%	19.66%	1.32%	99.93%	0.07%	0.00%	100.00%
Customers ³	29,006	8,248	639	-	37,893	8,131	46,024
	76.55%	21.77%	1.69%		82.33%	17.67%	
Average Percentage	77.79%	20.72%	1.51%	91.13%	8.87%		100.00%
Allocation of Allocable Expenses	76,829	20,469	1,492	98,790	9,616	0	\$ 108,406
Effective Allocation %	70.87%	18.88%	1.38%		8.67%	N/A	
							<u>Check Total</u>
							\$ -
¹ - PWS customers based on municipality customers and pro rated based on services rendered							

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

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

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

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

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

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

Provided pursuant to NHPUC Rule 1604.01(a)(18)

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

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

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

Summary of 2019 Allocated Costs

Year to Date Costs through December 31, 2019

Pennichuck Corporation and Subsidiaries

(Dollar amounts in \$ 000's)

	Penn Water	Penn East	Pittsfield	Total Regulated	Con Ops(PWSC)	Real Estate(TSC)	Total
Allocated Corporate Costs	\$ 224,060	\$ 58,359	\$ 4,518	\$ 286,938	\$ 9,698	\$ 200	\$ 296,836
%	75.5%	19.7%	1.5%	96.7%	3.3%	0.1%	100.0%
Allocated Return on Common Assets	799,215	212,374	10,533	1,022,122	53,155	229	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
%	72.1%	19.2%	1.4%	92.8%	7.2%	0.0%	100.0%

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)	(273,692)	(23,143)
PCP Mgmt Fee Expense Allocation - PWV	\$ 224,060	206,390	17,670
PCP Mgmt Fee Expense Allocation - PEU	\$ 58,359	53,235	5,124
PCP Mgmt Fee Expense Allocation - PAC	\$ 4,518	4,151	367
PCP Mgmt Fee Expense Allocation - PWS	\$ 9,698	8,898	800
PCP Mgmt Fee Expense Allocation - TSC	\$ 200	1,018	(818)
Check Totals	\$ -	\$ -	\$ -

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

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

Step Allocation of Benefits				
		Non-Union Wage		Total with
2018 Benefits	Total Dollars	Portion	Union Wage Portion	Adjustments
Officer's Life Insurance	5,979	5,979	-	5,979
Pension - DB Plan	1,325,040	766,908	558,132	1,325,040
Group Pension: 401K	273,408	158,243	115,165	273,408
Post Retirement Health Expense	-	-	-	-
Post Employment Health Expense	262,140	147,982	-	147,982
Group Health Insurance	1,848,066	1,043,263	804,803	1,848,066
Health Insurance: Opt Out	21,000	11,855	9,145	21,000
Group Dental	218,636	123,424	95,212	218,636
Group Life/Disability Insurance	39,756	22,443	17,313	39,756
Misc Employee Benefits	38,820	21,915	16,905	38,820
Tuition Reimbursements	47,778	26,971	20,807	47,778
Training Educational Seminars	152,676	74,326	78,350	152,676
Boot & Clothing Allowance-OPS	378,365	-	378,365	378,365
Boot & Clothing Allowance-CS-Union	6,744	-	6,744	6,744
Boot & Clothing Allowance-WTP	220,050	-	220,050	220,050
Vacation Earned YTD (per Acc Vac Rpt) Union Only	32,776	-	36,165	36,165
Payroll Taxes:				
Employer FICA/Medicare	682,703	395,135	287,568	682,703
FUTA	5,866	3,395	2,471	5,866
SUI	7,942	4,597	3,345	7,942
Total Benefits	5,567,745	2,806,436	2,650,540	5,456,978
Benefits % (of wages)	57.5%	48.73%	63.24%	Update in Synergen for new year
Total Wages thru 12/31/18	9,647,133	5,565,974	4,081,159	
Less: Accrued Wages 12/31/17	(181,675)	(101,267)	(80,408)	
Add: Accrued Wages thru current year-end	214,880	126,599	88,281	
Grand Total Wages	9,680,339	5,591,306	4,089,032	
Grand Total Wages + 2019 wage increases	9,950,304	5,759,045	4,191,258	Non-union 3% - Union 2.5%
%	100.0%	57.8%	42.2%	
Total Headcount	124	70	54	
(Excluding Summer Help)	100.0%	56.5%	43.5%	

Health Insurance Calculation			
2019 Budget YTD	1,848,066		
2019 - Union % (Based on Actual Participation at 01/01/2019)	43.55%	804,803	
2019- Non-Union % (Based on Actual Participation @ 01/01/2019)	56.45%	1,043,263	
	100.00%	1,848,066	

Dental Insurance Calculation			
2019 Budget YTD	218,636		
2019 - Union % (Based on Actual Participation at 01/01/2019)	43.55%	95,212	
2019- Non-Union % (Based on Actual Participation @ 01/01/2019)	56.45%	123,424	
	100.00%	218,636	

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

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

Group Pension: 401K		273,408	Budget
Union		115,165	
Non-Union		158,243	
		273,408	

Vacation Earned YTD			
Union Carryover	32,776	33,595	2.50%
		7,659	7.65%
Total including FICA & MED Tax		36,165	

TAB 35

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

Pennichuck East Utility, Inc.
Balance Sheet
For the Year Ended December 31, 2019

	Provided pursuant to NHPUC Rule 1604.01(a)(19)												
	1	2	3	4	5	6	7	8	9	10	11	12	
	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Assets													
Land													
PROPERTY HELD FUTURE USE	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76
LAND	510,566.83	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63	505,004.63
EASEMENTS	466,785.99	466,785.99	466,785.99	466,785.99	467,210.99	486,258.66	486,258.66	486,258.66	486,258.66	486,258.66	486,258.66	486,156.66	486,156.66
EASEMENT - GAGE HILL	-	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS- OAKWOOD	-	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS: GILCREAST RD	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTRIB RESER & STANDPIPE LAND	-	-	-	-	-	-	-	-	-	-	-	-	-
AVERY/HICKORY INTER WATER RIGHTS	100335	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00
LAND RIGHTS/SOURCE OF SUPPLY & PUMPING PLANT	-	-	-	-	-	-	-	-	-	-	-	-	-
DISTRIB SYS LAND & RIGHTS/WAY	25000	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
	1,107,137.58	1,101,575.38	1,101,575.38	1,101,575.38	1,102,000.38	1,223,981.44	1,225,073.40	1,229,333.55	1,229,333.55	1,229,333.55	1,229,333.55	1,229,231.55	1,229,231.55
Structures													
STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-
SOURCE OF SUPPLY STRUCTURES	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73	3,659,390.73
POWER & PUMPING STRUCTURES	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,517,946.92	2,516,380.61	2,516,380.61	2,516,380.61	2,508,137.30
STRUCTURES & IMPROVE: ROOFING	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12	14,695.12
DISTRIBUTION RESERVOIRS	-	-	-	-	-	-	-	-	-	-	-	-	-
BOOSTER STATIONS	1,078,721.90	1,078,721.90	1,078,721.90	1,258,921.90	1,258,921.90	1,258,921.90	1,258,921.90	1,265,051.46	1,265,051.46	1,265,051.46	1,265,051.46	1,265,051.46	1,265,051.46
WTP - STRUCTURES	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53
BUILDINGS/ACQUISITION ADJUSTMT	-	-	-	-	-	-	-	-	-	-	-	-	-
WELLS & SPRINGS	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,081,380.67	2,078,841.11	2,078,841.11	2,078,841.11	2,055,630.43
WELL PUMPING & PIPING	336,336.65	336,336.65	336,336.65	336,336.65	337,547.49	346,371.31	354,650.57	371,198.91	374,470.66	308,668.15	308,668.15	308,668.15	309,878.99
SUPPLY MAINS:S/S PUMPING PLANT	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	561,151.82	562,249.21
	10,275,320.64	10,275,320.64	10,275,320.64	10,456,731.48	10,456,731.48	10,465,555.30	10,473,834.56	10,496,512.46	10,499,784.21	10,429,875.83	10,429,875.83	10,455,973.53	10,426,833.77
Equipment													
POWER GENERATION EQUIPMENT	712,806.23	712,806.23	712,806.23	757,806.23	757,806.23	757,806.23	757,806.23	757,806.23	757,806.23	757,806.23	759,921.19	759,921.19	759,921.19
ELECTRIC PUMPING EQUIPMENT	1,545,976.39	1,545,976.39	1,545,976.39	1,645,976.39	1,645,976.39	1,645,976.39	1,645,976.39	1,647,516.74	1,651,198.72	1,651,198.72	1,651,198.72	1,657,226.17	1,655,519.00
PUMPING EQUIPMENT: PUMPS	297,840.83	301,416.44	308,535.53	310,162.43	311,993.33	315,451.13	315,451.13	316,772.03	320,846.93	320,846.93	324,374.25	324,374.25	319,973.11
PUMPING EQUIPMENT: METERS	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91
ELECTRIC PUMPING EQUIPMENT-CHEMICAL PUMPS	17,877.13	17,877.13	17,877.13	19,511.46	19,511.46	20,921.14	20,921.14	23,796.61	23,796.61	23,796.61	25,206.24	25,206.24	25,206.24
OTHER POWER PUMPING EQUIPMENT	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71
PURIFICATION SYSTEM EQUIPMENT	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	835,386.92	834,158.36
OTHER PRODUCTION EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-
WATER TREATMENT EQUIPMENT	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30
WTP EQUIPMENT-FILTER MEDIA	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56
	3,919,601.98	3,923,177.59	3,930,296.68	4,078,557.91	4,080,368.81	4,085,256.29	4,085,256.29	4,090,993.01	4,098,749.89	4,098,749.89	4,104,392.17	4,111,829.25	4,104,492.38
Transmission & Distribution													
DISTRIBUTION RES & STANDPIPES	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41
PAVEMENTS - TRANS MAINS	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18	91,034.18
PAVEMENTS - DIST MAINS	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,148,365.68	1,317,944.68	1,346,584.68
PAVEMENTS-GATE VALVES	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93
PAVING: CIAC - MAINS	-	-	-	-	-	-	-	-	-	-	-	-	-
MAINS: 6" & LARGER	17,024,504.54	17,024,504.54	17,024,504.54	17,045,092.27	17,045,092.27	17,074,457.47	17,074,457.47	17,075,576.47	17,075,576.47	17,075,576.47	17,075,576.47	17,567,766.62	17,698,527.56
MAINS: 4" & UNDER	2,621,856.03	2,621,856.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,637,331.03	2,664,426.09	2,670,226.65
MAINS: UNKNOWN SIZE	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54	5,161,268.54
MAINS: CIAC - 6" & LARGER	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54	10,240,438.54
MAINS: CIAC - 4" & UNDER	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69	924,639.69
MAINS: CIAC - UNKNOWN SIZE	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25
DISTRIBUTION MAINS - NEW	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79
GATES: CIAC - 4" & UNDER	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46
GATES: CIAC - 6" & LARGER	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00
GATES: 4" & UNDER	412,870.85	412,870.85	412,870.85	413,795.85	413,795.85	413,795.85	413,795.85	413,795.85	413,795.85	413,795.85	413,795.85	431,420.36	435,875.36
GATES: 6" & LARGER	128,627.39	128,627.39	128,627.39	131,625.56	131,625.56	131,625.56	131,625.56	141,384.31	141,384.31	141,384.31	141,384.31	161,707.13	169,739.63
GATES: UNKNOWN SIZE	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91
DIST MAINS: DEVELOPER INSTALL	3,712,642.88	3,712,642.88	3,712,642.88	3,732,642.88	3,732,642.88	3,732,642.88	3,732,642.88	4,574,564.78	4,574,564.78	4,574,564.78	4,574,564.78	4,574,564.78	4,849,842.58
CIAC: PRESSURE REDUCING VALVE VAULTS	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00
PAVEMENTS: SERVICES	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57	85,379.57
NEW SERVICES	2,183,897.42	2,183,897.42	2,183,897.42	2,167,926.74	2,167,926.74	2,176,802.90	2,176,802.90	2,176,802.90	2,176,802.90	2,176,802.90	2,181,163.40	2,173,534.90	2,171,135.50
RENEWED SERVICES	1,316,167.13	1,316,167.13	1,326,316.34	1,326,316.34	1,326,316.34	1,329,314.70	1,329,314.70	1,329,314.70	1,329,314.70	1,344,676.04	1,345,490.96	1,461,970.90	1,478,048.06
DEV INSTALLED SERVICES: CIAC	2,891,233.98	2,935,497.64	2,948,552.98	2,974,529.56	2,990,962.99	3,028,124.43	3,071,572.89	3,166,447.73	3,181,773.68	3,203,838.30	3,211,060.69	3,207,105.94	3,217,009.02
DEV INSTALLED SERVICES: PAID	1,392,960.99	1,396,519.74	1,408,085.51	1,409,383.67	1,411,169.30	1,415,874.47	1,419,504.42	1,425,179.25	1,425,179.25	1,427,253.19	1,428,063.88	1,428,874.57	1,431,495.50
METERING EQUIPMENT	1,239,650.19	1,244,186.34	1,249,656.79	1,254,339.38	1,257,827.82	1,263,913.43	1,266,465.60	1,273,702.65	1,273,702.65	1,267,777.14	1,266,15		

Miscellaneous Equipment

OFFICE FURNITURE/EQUIPMENT	2688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66
SHOP EQUIPMENT	90722.67	90,722.67	90,722.67	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34	72,937.34
LAB EQUIPMENT	9592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29
POWER OPERATED EQUIP -GEN PLNT	0	-	-	-	-	-	-	-	-	-	-	-	-	-
COMMUNICATION EQUIPMENT	515700.92	515,700.92	515,700.92	522,700.92	522,700.92	522,700.92	522,700.92	523,742.54	528,230.35	528,230.35	528,230.35	528,230.35	528,230.35	528,230.35
COMPUTER EQUIPMENT	92317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22	92,317.22
MISCELLANEOUS GENERAL EQUIP	10364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16
	721,385.92	721,385.92	721,385.92	710,600.59	710,600.59	710,600.59	710,600.59	711,642.21	716,130.02	716,130.02	716,130.02	716,130.02	716,130.02	716,130.02

Intangible Plant

ORGANIZATION EXPENSE	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05
ORGANIZATION EXP: THURSTON WDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: LAMPLIGHTER	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: FLETCHERS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISES & CONSENTS	21445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54
FRANCHISE FEES: CASTLE REACH	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05
FRANCHISE FEES: WHITE ROCK	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISE FEES: WESCO	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64

Total Plant in Service

	67,231,225.60	67,300,410.42	67,380,181.82	67,803,233.05	67,844,494.19	68,078,278.03	68,148,766.04	69,227,306.34	69,292,875.99	69,263,585.23	69,301,365.99	70,194,615.33	70,679,211.00
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Accumulated Depreciation

ACCUMULATED DEPRECIATION	(17,439,010.43)	(17,565,553.48)	(17,692,165.37)	(17,782,312.67)	(17,909,230.70)	(18,036,228.38)	(18,155,281.22)	(18,283,607.72)	(18,417,409.98)	(18,517,134.67)	(18,640,082.94)	(18,755,464.20)	(18,860,794.23)
ACCUM DEPREC: COST OF REMOVAL	1,337,155.60	1,338,056.90	1,339,395.13	1,340,981.77	1,341,369.37	1,343,515.76	1,345,157.89	1,349,224.57	1,351,595.20	1,352,996.40	1,354,293.72	1,441,056.95	1,464,309.69
ACCUMULATED DEPRECIATION: LOSS	1,610,536.01	1,610,536.01	1,610,536.01	1,618,371.61	1,618,371.61	1,618,371.61	1,625,211.81	1,625,211.81	1,625,211.81	1,682,442.14	1,686,468.17	1,772,151.43	1,793,536.68
ACCUM DEPREC: ACQUIS ADJUSTMNT	-14491318.82	(14,616,960.57)	(14,742,234.23)	(14,822,959.29)	(14,949,489.72)	(15,074,341.01)	(15,184,911.52)	(15,309,171.34)	(15,440,602.97)	(15,481,696.13)	(15,599,321.05)	(15,542,255.82)	(15,602,947.86)

Net Plant in Service

	52,739,906.78	52,683,449.85	52,637,947.59	52,980,273.76	52,895,004.47	53,003,937.02	52,963,854.52	53,918,135.00	53,852,273.02	53,781,889.10	53,702,044.94	54,652,359.51	55,076,263.14
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Construction Work in Progress

CWIP: CONTRACTOR CLEARING	400,406.02	409,657.08	414,546.57	452,783.14	503,686.53	390,929.90	423,344.96	461,883.71	467,429.10	491,314.26	514,379.30	657,462.97	474,816.33
CWIP: CONTRACTOR CLEARING	13,152.01	14,921.83	26,084.08	129,230.44	104,707.06	144,166.33	152,185.05	222,456.72	232,391.72	424,902.96	886,144.50	201,673.80	254,218.77
	53,153,464.81	53,108,028.76	53,078,578.24	53,562,287.34	53,503,398.06	53,539,033.25	53,539,384.53	54,602,475.43	54,552,093.84	54,698,106.32	55,102,568.74	55,511,496.28	55,805,298.24

Current Assets**Cash**

CASH: BANK OF AMERICA OPERATING	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH: PETTY CASH PAC	900	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
RESTRICTED CASH - TD BANK - RSF	28347.9	21,799.51	9,226.22	2,967.06	-	4,783.58	32,663.99	58,282.26	72,528.03	75,063.02	60,541.09	56,814.96	
DSRR 1.0 RSF	47100.04	37,470.51	18,981.26	9,777.04	1,179.28	12,448.24	53,446.88	91,119.01	112,067.66	115,795.41	94,440.64	88,961.29	
MOERR RSF	771068.94	632,468.83	509,058.61	430,312.57	111,011.53	154,824.41	121,605.00	184,811.16	270,795.12	219,860.14	123,751.03	(67,872.82)	
MOERR	240362.61	440,953.56	722,643.36	964,024.80	1,393,660.54	1,708,777.56	1,520,645.04	975,946.82	1,253,529.25	325,728.55	326,997.66	402,661.54	532,745.22
DSRR 1.0	116725.18	154,379.49	180,484.31	147,579.05	152,549.81	184,851.58	120,122.19	153,245.95	185,440.98	130,024.06	162,191.72	193,903.75	136,726.55
DSRR 0.1	11161.29	21,549.62	31,051.98	41,482.84	51,974.35	63,087.73	75,803.82	91,254.97	50,616.47	62,943.62	74,667.68	83,883.49	94,686.84
OTHER SPECIAL DEPOSITS	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00

Accounts Receivable, Net

A/R: BILLED WATER REVENUE	465,964.58	369,207.29	548,500.96	492,711.86	453,608.36	404,633.98	656,816.70	522,023.83	805,122.95	605,593.29	493,635.46	659,582.06	502,887.95
A/R: MISCELLANEOUS	19,365.88	33,642.61	56,631.85	59,756.23	50,655.70	53,477.23	60,849.97	62,647.49	62,336.23	62,543.84	62,543.84	62,941.86	169,822.86
ALLOWANCE FOR DOUBTFUL ACCTS	(1,762.44)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)	(2,000.00)
ALLOW DOUBTFUL ACCT: NON-WATER	0	-	-	-	-	-	-	-	-	-	-	-	-
	483,568.02	400,850.10	603,132.81	550,468.09	502,264.06	456,111.21	715,666.67	582,671.32	865,459.18	666,137.13	554,179.30	720,523.92	670,710.81

A/R: UNBILLED WATER REVENUE	553,616.00	582,519.00	475,958.00	527,407.00	571,851.00	641,938.00	622,313.00	784,930.00	710,875.00	717,253.00	686,422.00	524,913.00	573,647.00
A/R UNBIL REV:CAP RECOV RECOUP	-	-	-	-	-	-	-	-	-	-	-	-	-
A/R:UNBILLED WATER REV-RECOUP	-	-	-	(48,200.47)	-	-	-	-	-	-	-	-	-
A/R:UNBILLED WATER REV-RECOUP 2017	577,594.00	577,594.00	577,594.00	577,594.00	480,952.92	430,878.75	382,651.45	334,598.73	286,641.69	238,983.19	191,104.01	144,234.29	97,729.68
	1,131,210.00	1,160,113.00	1,053,552.00	1,056,800.53	1,052,803.92	1,072,816.75	1,004,964.45	1,119,528.73	997,516.69	956,236.19	877,526.01	669,147.29	671,376.68

Inventory & Supplies

INVENTORY	-	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: METERS - PEU	0	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: CHEMICALS	-	-	-	-	-	-	-	-	-	-	-	-	-

Prepaid Expenses & Other

PREPAID INSURANCE	158.39	158.39	3,950.27	18,687.40	19,963.71	21,240.02	22,516.33	23,792.64	25,068.95	26,345.26	17,591.81	8,838.36	83.46
PREPAID PROPERTY TAXES	-	-	-	-	-	-	-	-	-	-	-	-	-
PREPAID EXPENSES	7,189.98	11,730.48	7,968.98	5,467.48	9,167.97	16,946.46	13,185.00	11,908.33	10,701.66	10,719.99	15,547.99	11,428.98	7,309.98
PREPAID PROPERTY TAXES	235,524.51	157,016.33	79,508.15	-	-	306,719.80	229,657.90	152,595.80	75,533.60	-	-	355,514.51	263,891.63
CLEARING ACCOUNT	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)	(31,547.54)
	211325.34	137,357.66	58,879.86	(7,392.66)	(2,415.86)	313,358.54	233,811.39	156,749.03	79,756.67	5,517.71	1,592.26	344,234.31	239,737.53

Total Current Assets

	3,080,939.32	3,047,012.28	3,227,080.41	3,236,089.32	3,303,097.63	3,393,897.78	3,849,920.38	3,390,388.85	3,892,585.63	2,591,113.09	2,351,834.09	2,609,406.03	2,463,957.06
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Other Assets

ABANDONED 8" MAIN - RANGE RD	-	-	-	-	-	-	-	-	-	-	-	-	-
ABAND PUMP STA: SPRINGWOOD HLS	-	-	-	-	-	-	-	-	-	-	-	-	-

Other Deferred Charges

PHASE II & V WAIVER - NC	-	-	-	-	-	-	-	-	-	-	-	-	-
ACQUISITION PREMIUM - MARA	7,580,151.51	7,562,761.58	7,544,949.87	7,527,138.25	7,509,326.62	7,491,514.91	7,473,703.29	7,455,891.58	7,438,079.95	7,420,268.24	7,402,456.62	7,384,645.00	7,366,833.29
SERGEANT WOODS-NEWTON, NH	-	-	-	-	-	-	-	-	-	-	-	-	-
CROSS CONNECTION SURVEY-PEU	57.96	53.49	49.03	44.56	40.10	35.63	31.17	26.70	22.24	17.77	13.31	8.75	4.29

SPRUCE POND-WINDHAM NH-ACQUIST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CLEAN/DISPOSE OF TANK SLUDGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PELHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LAKES REGION WATER CO-ACQUISIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WINNISQUAM VILLAGE CONDO'S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DANIELS LAKE ACO - WEARE, NH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FREEDOM VILLAGE ACQUISITION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SARBANES-OXLEY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BIRCH HILL GIARDIA SUIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NORTH CONWAY LAND SALE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ABATEMENT	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	6,837.59	6,837.59	6,837.59	6,837.59	6,837.59	6,837.59	6,837.59	6,837.59	6,837.59
ABATEMENT	78,653.71	73,035.59	67,417.46	61,799.34	56,181.22	50,563.09	44,944.97	39,326.85	33,708.72	28,090.60	22,472.48	16,854.35	11,236.24	6,165.56	1,236.24	1,236.24
LITCHFIELD WHOLESALE WATER SUPPLY CONTRACT FEES	-	-	-	-	-	-	4,802.35	4,781.38	4,760.41	4,739.44	4,718.47	4,697.50	4,676.53	4,655.56	-	-
LONDONDRY VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LITCHFIELD VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GRANT AVAILABILITY STUDY - NC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WINDHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SYSTEM SUPPLY STUDY	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86
BEAVER HOLLOW TANK CLEANING	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SUPPLY STUDY	1,881.46	1,858.80	1,836.14	1,813.48	1,790.82	1,768.16	1,745.50	1,722.84	1,700.18	1,677.52	1,654.86	1,632.29	1,609.63	1,586.96	1,564.29	1,541.52
LOCKE LAKE WELL/GROUNDWATER STUDY	22,580.34	22,380.40	22,180.46	21,980.52	21,780.58	21,580.64	21,380.70	21,180.76	20,980.82	20,780.88	20,580.94	20,381.00	20,181.06	19,981.12	19,781.18	19,581.24
RATE CASE EXPENSE: 2007	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXP: NORTH COUNTRY	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)
RATE CASE EXPENSE: 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXPENSE: 2017	55,402.32	55,402.32	55,402.32	50,726.61	46,169.81	41,369.84	36,597.80	31,983.08	27,318.20	22,776.44	18,254.06	13,826.30	9,461.81	5,037.52	617.37	1,236.24
LOCKE LAKE LEAK DETECTION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MANCHESTER SRCE DEV CHARGE:LY	465,048.38	461,746.46	458,444.56	455,142.63	451,840.72	448,538.82	445,236.89	441,934.97	438,633.07	435,331.14	432,029.23	421,039.07	417,737.14	414,435.21	411,132.80	407,830.39
MSCD: MAPLE HILLS - DERRY	30,047.30	29,771.54	29,495.78	29,220.02	28,944.26	28,668.50	28,392.74	28,116.98	27,841.22	27,565.46	27,289.70	27,013.77	26,738.01	26,462.45	26,186.69	25,910.93
WEB SITE UPGRADE 2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WEB-SITE UPGRADE 2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
N CONWAY WATER INTERCONNECT	54,019.32	53,518.93	53,018.54	52,518.15	52,017.76	51,517.37	51,016.98	50,516.59	50,016.20	49,515.81	49,015.42	48,515.03	48,014.64	47,514.25	47,013.86	46,513.47
N CONWAY WATER PREC-BUY IN FEE	1,711.28	1,700.22	1,689.15	1,678.09	1,667.02	1,655.96	1,644.89	1,633.83	1,622.76	1,611.70	1,600.63	1,589.56	1,578.49	1,567.42	1,556.35	1,545.28
SKYVIEW ESTATES - PELHAM	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80
BOW HIGHLANDS, BOW NH-ACQUISIT	2,739.11	2,710.59	2,682.05	2,653.51	2,624.99	2,596.47	2,567.93	2,539.41	2,510.87	2,482.33	2,453.81	2,425.20	2,396.66	2,368.12	2,339.58	2,311.04
CO-BANK DEFERRED PATRONAGE	124,846.67	124,846.67	124,846.67	164,385.89	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15	151,206.15
CO-BANK DEFERRED PATRONAGE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	8,434,665.61	8,407,312.84	8,379,538.28	8,386,627.30	8,341,116.30	8,313,344.14	8,280,776.64	8,240,969.40	8,208,509.07	8,176,171.76	8,143,853.96	8,103,938.26	8,071,778.23	8,040,000.00	8,008,000.00	7,976,000.00
ACQUISITION PREMIUM - MARA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unamortized Debt Expense																
UNAMORTIZED DEBT EXPENSE	241,862.00	239,920.41	237,978.82	236,037.23	234,095.64	232,154.05	230,212.46	228,270.87	226,329.28	224,387.69	222,446.10	220,504.51	218,562.92	216,621.33	214,679.74	212,738.15
Total Other Assets	8,676,527.61	8,647,233.25	8,617,517.10	8,622,664.53	8,575,211.94	8,545,498.19	8,510,989.10	8,478,915.63	8,453,707.21	8,419,415.73	8,385,009.99	8,343,006.35	8,308,758.38	8,274,510.41	8,240,262.44	8,206,014.47
Total Assets	64,910,931.74	64,802,274.29	64,923,175.75	65,421,041.19	65,381,707.63	66,078,429.22	65,900,294.01	66,471,779.91	66,898,386.68	65,708,635.14	65,839,412.82	66,463,908.66	66,578,013.68	67,193,124.70	67,808,235.72	68,423,346.74
Equity and Liabilities																
Shareholder's Equity																
COMMON STOCK	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
ADDITIONAL PAID IN CAPITAL	(11,583,499.87)	(11,583,499.87)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)	(11,428,200.68)
DIVIDENDS: COMMON STOCK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME	157,657.80	163,178.40	158,282.40	181,743.00	176,263.80	215,877.60	222,271.80	219,853.80	270,811.20	245,598.00	244,473.00	235,296.00	212,035.80	188,881.60	165,728.40	142,574.20
	(11,425,942.07)	(11,420,421.47)	(11,270,018.28)	(11,246,557.68)	(11,252,036.88)	(11,212,423.08)	(11,206,028.88)	(11,208,446.88)	(11,157,489.48)	(11,182,702.68)	(11,183,827.68)	(11,193,004.68)	(11,216,264.88)	(11,249,525.08)	(11,282,785.28)	(11,316,045.48)
RETAINED EARNINGS BEG - PEU	636,301.04	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79	1,176,456.79
Net Profit or Loss	540,155.75	82,505.55	168,546.93	375,770.48	529,753.87	606,367.49	616,208.39	776,962.21	656,043.98	649,601.57	725,095.55	882,760.28	979,804.90	1,077,919.52	1,176,034.04	1,274,148.56
Total Equity	(10,249,485.28)	(10,161,459.13)	(9,925,014.56)	(9,694,330.41)	(9,545,826.22)	(9,429,598.80)	(9,413,363.70)	(9,255,027.88)	(9,324,988.71)	(9,356,644.32)	(9,282,275.34)	(9,133,787.61)	(9,060,003.19)	(8,908,218.77)	(8,756,434.35)	(8,604,649.93)
Long Term Debt: Bonds & Notes																
LTD - SRF LOAN: GREEN HILLS	(85,662.50)	(84,218.75)	(82,775.00)	(81,331.25)	(79,887.50)	(78,443.75)	(77,000.00)	(75,556.25)	(74,112.50)	(72,668.75)	(71,225.00)	(69,781.25)	(68,337.50)	(66,893.75)	(65,450.00)	(64,006.25)
LTD-SRF LOAN PELHAM TANK PROJ	(242,897.18)	(240,340.02)	(237,775.43)	(235,203.38)	(232,623.86)	(230,036.84)	(227,442.30)	(224,840.22)	(222,230.57)	(219,613.34)	(216,988.50)	(214,359.04)	(211,715.92)	(209,076.75)	(206,432.50)	(203,788.25)
LTD-SRF LOAN: MAPLE HILLS	(353,184.00)	(350,767.00)	(348,344.00)	(345,915.00)	(343,480.00)	(341,039.00)	(338,592.00)	(336,139.00)	(333,680.00)	(331,215.00)	(328,744.00)	(326,267.00)	(323,784.00)	(321,300.00)	(318,811.00)	(316,322.00)
LTD - SRF LOAN/BIRCH HILL	(1,193,378.00)	(1,186,365.53)	(1,179,336.33)	(1,172,290.35)	(1,165,227.56)	(1,158,147.91)	(1,151,051.37)	(1,143,937.89)	(1,136,807.43)	(1,129,659.95)	(1,122,495.42)	(1,115,313.79)	(1,108,115.02)	(1,100,900.00)	(1,093,675.00)	(1,086,445.00)
LTD - SRF LOAN/LOCKE LAKE	(113,108.38)	(112,078.38)	(111,047.38)	(110,016.38)	(108,985.38)	(107,953.38)	(106,921.38)	(105,889.38)	(104,856.38)	(103,823.38)	(102,790.38)	(101,757.38)	(100,724.38)	(99,691.38)	(98,658.38)	(97,625.38)
LTD - SRF LOAN/LOCKE LAKE 2011	(147,601.69)	(147,040.44)	(146,475.22)	(145,906.00)	(145,332.79)	(144,755.58)	(144,174.36)	(143,589.11)	(142,999.83)	(142,406.52)	(141,809.16)	(141,207.75)	(140,602.27)			

LTD: SRF/MERRIMACK RIVER CROSSING	(2,367,216.63)	(2,358,987.29)	(2,350,744.51)	(2,342,488.27)	(2,334,218.54)	(2,325,935.31)	(2,317,638.55)	(2,309,328.24)	(2,301,004.35)	(2,292,666.87)	(2,284,315.77)	(2,275,951.03)	(2,267,572.63)
LTD: COBANK 350K LOAN	(339,168.09)	(338,593.96)	(338,017.19)	(337,337.68)	(336,755.15)	(336,120.08)	(335,531.96)	(334,891.46)	(334,297.70)	(333,701.21)	(333,052.58)	(332,450.38)	(331,796.19)
LTD: SRF/HILLCREST ROAD	(238,741.05)	(237,911.09)	(237,079.78)	(236,247.11)	(235,413.08)	(234,577.69)	(233,740.93)	(232,902.81)	(232,063.32)	(231,222.46)	(230,380.22)	(229,536.61)	(228,691.62)
LTD: SRF/LOCKE LAKE GEORGETOWN MAIN	-	-	-	-	-	-	-	-	-	-	(216,895.10)	(648,923.18)	(958,332.63)
LTD: SRF/LOCKE LAKE AIRSTRIP WELL INTERCONN	-	-	-	-	-	-	-	-	-	-	-	-	-
LTD: SRF/LOCKE LAKE SURFACE WATER SUPPLY	-	-	-	-	-	-	-	-	-	-	-	-	-
LTD: COBANK 1.153M LOAN T9	-	-	-	-	-	-	-	(1,126,152.85)	(1,126,051.58)	(1,123,926.22)	(1,121,656.12)	(1,119,514.71)	(1,118,551.07)
FORGIVABLE DEBT: GREEN HILLS	(27,582.86)	(27,099.60)	(26,616.34)	(26,133.08)	(25,649.82)	(25,166.56)	(24,683.30)	(24,200.04)	(23,716.78)	(23,233.52)	(22,750.26)	(22,267.00)	(21,783.74)
FORGIVABLE DEBT: LOCKE LAKE	(38,851.68)	(38,536.36)	(38,225.04)	(37,911.72)	(37,598.40)	(37,285.08)	(36,971.76)	(36,658.44)	(36,345.12)	(36,031.80)	(35,718.48)	(35,405.16)	(35,091.84)
FORGIVABLE DEBT: LOCKE LAKE 2011	(80,334.89)	(79,832.80)	(79,330.71)	(78,828.62)	(78,326.53)	(77,824.44)	(77,322.35)	(76,820.26)	(76,318.17)	(75,816.08)	(75,313.99)	(74,811.90)	(74,309.81)
FORGIVABLE DEBT: LIBERTY TREE	(106,611.11)	(106,025.34)	(105,439.57)	(104,853.80)	(104,268.03)	(103,682.26)	(103,096.49)	(102,510.72)	(101,924.95)	(101,339.18)	(100,753.41)	(100,167.64)	(99,581.87)
FORGIVABLE LTD: LOCKE LAKE 2012	-	-	-	-	-	-	-	-	-	-	-	-	-
FORGIVABLE LTD: BRADY AVE	-	(61,634.37)	(61,459.77)	(61,285.17)	(61,110.57)	(60,935.97)	(60,761.37)	(60,586.77)	(60,412.17)	(60,237.57)	(60,062.97)	(59,888.37)	(59,713.77)
Long Term Debt	(17,819,753.96)	(17,786,200.62)	(17,723,118.59)	(17,607,474.84)	(17,545,688.12)	(17,481,248.54)	(17,366,426.98)	(18,429,757.95)	(18,493,434.79)	(18,375,560.70)	(18,526,912.81)	(18,892,019.52)	(19,082,940.57)
Current Liabilities													
CURRENT PORTION LONG TERM DEBT	-	-	-	-	-	-	-	-	-	-	-	-	-
FIXED ASSET LINE OF CREDIT	(691,425.14)	(791,764.12)	(1,441,548.87)	(1,441,548.87)	(1,565,089.80)	(1,662,664.02)	(1,844,163.66)	(741,282.14)	(768,379.53)	(828,681.01)	(839,691.51)	(849,573.24)	(995,880.61)
CURR PORTION LTD: GREEN HILLS	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)
CURR PORTION LTD: PELHAM TANK	(30,113.95)	(30,201.48)	(30,289.26)	(30,377.30)	(30,465.59)	(30,554.14)	(30,642.95)	(30,732.02)	(30,821.35)	(30,910.93)	(31,000.78)	(31,090.89)	(31,181.26)
CURR PORTION LTD: MAPLE HILLS	(28,543.00)	(28,613.00)	(28,684.00)	(28,755.00)	(28,826.00)	(28,897.00)	(28,968.00)	(29,040.00)	(29,112.00)	(29,184.00)	(29,256.00)	(29,328.00)	(29,400.00)
CURRENT PORTION LTD: BIRCH HILL	(82,858.54)	(83,056.30)	(83,254.52)	(83,453.23)	(83,652.41)	(83,852.06)	(84,052.18)	(84,252.78)	(84,453.86)	(84,655.43)	(84,857.47)	(85,059.98)	(85,262.98)
CURR PORT LTD: LOCKE LAKE 2007	(12,325.00)	(12,331.00)	(12,337.00)	(12,343.00)	(12,348.00)	(12,354.00)	(12,359.00)	(12,363.00)	(12,368.00)	(12,373.00)	(12,377.00)	(12,381.00)	(12,384.00)
CURR PORT LTD: LOCKE LAKE 2011	(6,427.23)	(6,474.40)	(6,521.65)	(6,569.00)	(6,616.45)	(6,663.98)	(6,711.61)	(6,759.34)	(6,807.17)	(6,855.09)	(6,903.10)	(6,951.21)	(6,999.42)
CURR PORT LTD: LIBERTY TREE	(8,013.00)	(8,075.00)	(8,137.00)	(8,199.00)	(8,261.00)	(8,323.00)	(8,386.00)	(8,449.00)	(8,512.00)	(8,575.00)	(8,638.00)	(8,701.00)	(8,765.00)
CURR PORT LTD: LOCKE LAKE 2012	(17,522.57)	(17,562.29)	(17,602.10)	(17,642.01)	(17,682.01)	(17,722.08)	(17,762.25)	(17,802.51)	(17,842.86)	(17,883.31)	(17,923.84)	(17,964.47)	(18,005.19)
CURR PORT LTD: COBANK 4.5M LOAN	(212,716.10)	(212,716.10)	(214,313.36)	(214,313.36)	(216,230.28)	(216,230.28)	(216,230.28)	(216,230.28)	(216,164.34)	(218,164.34)	(218,164.34)	(220,094.49)	(220,094.49)
CURR PORT LTD: COBANK 1.7M (T4)	(72,802.23)	(73,029.17)	(73,256.82)	(73,484.14)	(73,711.46)	(73,938.78)	(74,166.10)	(74,393.42)	(74,620.74)	(74,848.06)	(75,075.38)	(75,302.70)	(75,530.02)
CURR PORT LTD: COBANK 925K (T3)	(37,785.18)	(37,923.46)	(38,062.25)	(38,105.44)	(38,244.90)	(38,380.35)	(38,520.81)	(38,657.24)	(38,798.71)	(38,940.70)	(39,078.61)	(39,221.63)	(39,360.54)
CURR PORT LTD: SRF LOCKE LAKE-DAM SITE #2	(16,784.77)	(16,822.81)	(16,860.94)	(16,899.16)	(16,937.47)	(16,975.86)	(17,014.35)	(17,052.92)	(17,091.57)	(17,130.31)	(17,169.13)	(17,208.04)	(17,247.05)
CURR PORT LTD: LOCKE LAKE W & M	(15,794.06)	(15,829.87)	(15,865.75)	(15,901.71)	(15,937.75)	(15,973.87)	(16,010.08)	(16,046.37)	(16,082.74)	(16,119.20)	(16,155.73)	(16,192.34)	(16,229.04)
CURR PORT LTD: HICKORY & AVERY	(17,528.81)	(17,567.02)	(17,605.31)	(17,643.68)	(17,682.15)	(17,720.69)	(17,759.32)	(17,798.04)	(17,836.84)	(17,875.72)	(17,914.69)	(17,953.74)	(17,992.88)
CURR PORT LTD: W&E MAIN REPLACEMENT	(41,965.90)	(42,057.39)	(42,149.08)	(42,240.97)	(42,333.06)	(42,425.34)	(42,517.82)	(42,610.51)	(42,703.40)	(42,796.49)	(42,889.78)	(42,983.29)	(43,076.99)
CURR PORT LTD: HARDWOOD TREATMENT	(23,832.44)	(23,881.38)	(23,930.42)	(23,979.57)	(24,028.82)	(24,078.17)	(24,127.62)	(24,177.16)	(24,226.81)	(24,276.57)	(24,326.42)	(24,376.38)	(24,426.44)
CURR PORT LTD: COBANK 625K LOAN	(15,609.72)	(15,675.58)	(15,741.72)	(15,808.19)	(15,874.55)	(15,940.92)	(15,982.54)	(15,988.96)	(16,056.42)	(16,124.17)	(16,190.01)	(16,258.32)	(16,324.71)
CURR PORT LTD: LOCKE LAKE-WINWOOD & MONROE PHASE	(16,530.00)	(16,564.00)	(16,598.00)	(16,632.00)	(16,667.00)	(16,701.00)	(16,735.00)	(16,769.00)	(16,803.00)	(16,837.00)	(16,870.00)	(16,903.00)	(16,938.00)
CURRENT PORTION LTD: COBANK 1.25M PORTION OF 2.2M L	(31,223.38)	(31,336.31)	(31,449.64)	(31,563.31)	(31,676.64)	(31,790.31)	(31,904.04)	(32,017.77)	(32,131.50)	(32,245.23)	(32,358.96)	(32,472.69)	(32,586.42)
CURRENT PORTION LTD: SRF/LOCKE LAKE-VARNEY ROAD	(63,287.36)	(63,390.73)	(63,494.27)	(63,597.97)	(63,701.85)	(63,805.90)	(63,910.12)	(64,014.51)	(64,119.07)	(64,223.80)	(64,328.70)	(64,433.77)	(64,539.02)
CURRENT PORTION LTD: COBANK 950K PORTION OF 2.2M L	(21,944.94)	(22,036.21)	(22,127.87)	(22,219.45)	(22,311.34)	(22,403.64)	(22,496.34)	(22,589.44)	(22,682.94)	(22,776.84)	(22,871.14)	(22,965.84)	(23,060.94)
CURRENT PORTION LTD: SRF/BRADY AVE	-	(6,579.66)	(7,528.41)	(8,479.38)	(9,432.57)	(10,387.97)	(11,345.59)	(11,372.06)	(11,398.58)	(11,425.13)	(11,451.72)	(11,478.36)	(11,505.03)
CURRENT PORTION LTD: SRF/MERRIMACK RIVER CROSSING	(32,783.37)	(41,012.71)	(49,255.49)	(57,511.73)	(65,781.46)	(74,064.69)	(82,361.45)	(90,671.76)	(98,995.65)	(99,157.34)	(99,319.03)	(99,481.52)	(99,644.00)
CURRENT PORTION LTD: COBANK 350K LOAN	(7,034.31)	(7,066.60)	(7,099.04)	(7,078.43)	(7,110.91)	(7,142.50)	(7,175.28)	(7,207.15)	(7,240.23)	(7,273.46)	(7,306.77)	(7,339.30)	(7,371.90)
CURRENT PORTION LTD: SRF/HILLCREST ROAD	(3,306.31)	(4,136.27)	(4,967.58)	(5,800.25)	(6,634.28)	(7,469.67)	(8,306.43)	(9,144.55)	(9,984.04)	(10,000.34)	(10,016.68)	(10,033.04)	(10,049.43)
CURRENT PORTION LTD: SRF/LOCKE LAKE GEORGETOWN MAIN	-	-	-	-	-	-	-	-	-	-	-	-	-
CURRENT PORTION LTD: SRF/LOCKE LAKE AIRSTRIP WELL INTERCONN	-	-	-	-	-	-	-	-	-	-	-	-	-
CURRENT PORTION LTD: SRF/LOCKE LAKE SURFACE WATER SUPPLY	-	-	-	-	-	-	-	-	-	-	-	-	-
CURRENT PORTION LTD: COBANK 1.153M LOAN T9	-	-	-	-	-	-	-	(26,847.15)	(26,948.42)	(27,050.06)	(27,148.78)	(27,251.18)	(26,027.53)
FORGIVABLE DEBT: STD GREENHILLS	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)
FORGIVAB DEBT: STD LOCKE LAKE 2007	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)
FORGIVABLE STD: LOCKE LAKE 2011	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)
FORGIVABLE STD: LIBERTY TREE	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)
FORGIVABLE STD: BRADY AVE	(1,222.20)	(1,396.80)	(1,571.40)	(1,746.00)	(1,920.60)	(2,095.20)	(2,269.80)	(2,444.40)	(2,619.00)	(2,793.60)	(2,968.20)	(3,142.80)	(3,317.40)
Current Portion of Long Term Debt	(1,548,095.59)	(1,666,863.34)	(2,330,015.43)	(2,341,151.11)	(2,476,501.97)	(2,587,802.36)	(2,781,154.17)	(1,715,863.33)	(1,755,781.54)	(1,817,988.94)	(1,830,884.73)	(1,844,612.17)	(1,991,491.25)
Accounts Payable													
ACCOUNTS PAYABLE	-	-	-	-	-	-	-	-	-	-	-	-	-
ACCOUNTS PAYABLE A/P	(180,273.25)	(36,786.91)	(5,479.89)	(135,309.60)	(74,531.24)	(537,024.83)	(58,428.80)	(120,103.87)	(68,547.06)	(95,125.70)	(158,943.62)	(831,225.05)	(175,688.93)
ACCOUNTS PAYABLE - CWIP	(2,962.50)	-	-	(184.00)	-	-	-	-	-	(364.00)	-	-	(1,715.00)
LITCHFIELD DEPOSIT	(87,174.57)	(227.00)	(4,827.37)	(38,450.37)	(34,556.71)	(16,141.67)	(13,178.20)	(58,049.54)	(16,913.01)	-	(3,842.40)	(139,246.68)	(2,6

OTHER LIABILITY: DERIVATIVE	(262,763.00)	(271,964.00)	(263,804.00)	(302,905.00)	(293,773.00)	(359,796.00)	(370,453.00)	(366,423.00)	(451,352.00)	(409,330.00)	(407,455.00)	(392,160.00)	(353,393.00)
DEFERRED GAIN-GREEN HILLS SRF	-	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED GAIN-LOCKE LAKE SRF	-	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED INCOME TAXES	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,415,802.78)	(4,661,285.88)
DEFERRED INCOME TAX - SWAP	105,105.20	108,785.60	105,521.60	121,162.00	117,509.20	143,918.40	148,181.20	146,569.20	180,540.80	163,732.00	162,982.00	156,864.00	141,357.20
ACCUM DEF INC TAX - REG LIABILITY	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)
CONTRIBUTIONS IN AID OF CONST	(16,184,118.51)	(16,228,382.17)	(16,241,437.51)	(16,639,614.09)	(16,656,047.52)	(16,693,208.96)	(16,736,657.42)	(17,737,203.44)	(17,752,529.39)	(17,774,594.01)	(17,781,816.40)	(17,781,937.53)	(18,098,736.46)
CIAC: MAPLE HILLS GRANT	(72,530.66)	(72,530.66)	(72,530.66)	(72,530.66)	(72,530.66)	(77,459.20)	(77,459.20)	(77,459.20)	(77,459.20)	(77,459.20)	(77,459.20)	(82,387.53)	(82,387.53)
CIAC: BIRCH HILLS GRANT	(101,618.20)	(101,618.20)	(101,618.20)	(101,618.20)	(101,618.20)	(110,492.79)	(110,492.79)	(110,492.79)	(110,492.79)	(110,492.79)	(110,492.79)	(119,367.38)	(119,367.38)
CIAC: LOCKE LAKE GRANT	(13,899.24)	(13,899.24)	(13,899.24)	(13,899.24)	(13,899.24)	(14,813.07)	(14,813.07)	(14,813.07)	(14,813.07)	(14,813.07)	(14,813.07)	(15,716.31)	(15,716.31)
DRINKING WATER GRANT FUNDS	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)	(600,000.00)
CIAC: LONDONDERRY/MWW CONN	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)
CIAC: SEASON LANE, LONDONDERRY	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)
CIAC: PELHAM	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)
CIAC: LITCHFIELD	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)
CIAC: BOW	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)
CIAC: LAKEVIEW FARMS - WINDHAM	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)
CIAC: MEADOWBROOK PUMP STATION	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)
CIAC: OAKWOOD	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)
CIAC: SMYTHE WOODS-HOOKSETT	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)
CIAC: W&E	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)
CIAC: FLETCHERS CORNER:ARSENIC	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)
CONTR IN AID OF CONST-DEV INST	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)
	(22,604,105.89)	(22,648,369.55)	(22,661,424.89)	(23,059,601.47)	(23,076,034.90)	(23,127,913.30)	(23,171,361.76)	(24,171,907.78)	(24,187,233.73)	(24,209,298.35)	(24,216,520.74)	(24,231,348.03)	(24,548,146.96)
RESERVE FOR AMORT OF CIAC:PEU	2,974,588.62	3,008,886.46	3,043,196.93	3,076,823.43	3,111,620.04	3,146,483.22	3,181,410.83	3,217,373.73	3,258,792.05	3,294,727.73	3,330,684.91	3,366,693.30	3,404,849.01
Total Deferred Credits	(25,823,720.85)	(25,839,207.27)	(25,813,056.14)	(26,201,066.82)	(26,177,224.44)	(26,233,853.46)	(26,248,768.51)	(27,210,933.63)	(27,235,798.66)	(27,196,714.40)	(27,166,854.61)	(27,136,496.51)	(27,637,362.63)
Total Equity & Liabilities	(64,910,931.74)	(64,802,274.29)	(64,923,175.75)	(65,421,041.19)	(65,381,707.63)	(66,078,429.22)	(65,900,294.01)	(66,471,779.91)	(66,898,386.68)	(65,708,635.14)	(65,839,412.82)	(66,463,908.66)	(66,578,013.68)

Provided pursuant to NHPUC Rule 1604.01(a)(19)

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ACQUISITION ADJ: WHITE ROCK SR	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)
ACQUISITION ADJ: LAMPLIGHTER	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)
ACQUISITION ADJ: FLETCHERS	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)
ACCUM AMORT OF ACQ ADJUSTMENT	3,718,741.34	3,733,134.23	3,747,527.12	3,761,920.01	3,776,312.90	3,790,201.79	3,804,594.68	3,818,987.57	3,833,380.46	3,847,670.18	3,861,959.90	3,876,138.50
ACCUM AMORT OF ACQ ADJ:WESCO	2,824.71	2,834.30	2,843.89	2,853.48	2,863.07	2,872.66	2,882.25	2,891.84	2,901.43	2,911.02	2,920.61	2,930.20
ACCUM AMORT ACQ ADJ:CASTLE REA	95,147.50	95,679.19	96,210.87	96,742.55	97,274.23	97,805.95	98,337.62	98,869.34	99,401.01	99,932.73	100,464.41	100,425.79
ACCUM AMORT ACQ ADJ:WHITE ROCK	109,635.08	110,202.37	110,769.62	111,336.90	111,904.15	112,471.43	113,038.68	113,605.96	114,173.21	114,740.49	115,307.74	115,496.46
ACCUM AMORT ACQ ADJ:LAMPLIGHTR	154,368.31	155,546.41	156,488.62	157,430.83	158,373.03	159,315.25	160,257.45	161,199.66	162,141.87	163,084.09	164,026.29	164,976.16
ACCUM AMORT ACQ ADJ:FLETCHERS	185,200.88	187,557.70	188,736.16	189,914.61	191,093.06	192,271.58	193,450.03	194,628.46	195,806.92	196,985.34	198,163.80	199,325.48
	45,045,441.68	45,111,484.65	45,159,321.90	45,187,457.73	45,328,002.22	45,347,672.79	45,508,308.47	45,736,483.97	45,810,256.89	46,055,658.65	46,470,353.44	50,751,501.84
Miscellaneous Equipment												
OFFICE FURNITURE/EQUIPMENT	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66
SHOP EQUIPMENT	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67
LAB EQUIPMENT	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29
POWER OPERATED EQUIP -GEN PLNT	-	-	-	-	-	-	-	-	-	-	-	-
COMMUNICATION EQUIPMENT	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	487,317.21	487,317.21	487,317.21	515,700.92
COMPUTER EQUIPMENT	87,082.47	94,070.23	94,070.23	94,070.23	94,070.23	94,070.23	94,070.23	94,070.23	92,617.22	92,617.22	92,617.22	92,317.22
MISCELLANEOUS GENERAL EQUIP	368.00	368.00	368.00	368.00	368.00	368.00	368.00	10,364.16	10,364.16	10,364.16	10,364.16	10,364.16
	737,866.01	744,853.77	744,853.77	744,853.77	744,853.77	744,853.77	754,849.93	754,849.93	693,302.21	693,302.21	693,302.21	721,385.92
Intangible Plant												
ORGANIZATION EXPENSE	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05
ORGANIZATION EXP: THURSTON WDS	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: LAMPLIGHTER	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: FLETCHERS	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISES & CONSENTS	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54
FRANCHISE FEES: CASTLE REACH	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05
FRANCHISE FEES: WHITE ROCK	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISE FEES: WESCO	-	-	-	-	-	-	-	-	-	-	-	-
	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64
Total Plant in Service	61,316,026.15	61,406,963.61	61,454,800.86	61,500,474.22	61,641,018.71	61,630,164.96	61,807,533.74	62,053,914.53	62,074,015.10	62,350,220.66	62,768,715.28	67,231,225.60
Accumulated Depreciation												
ACCUMULATED DEPRECIATION	(16,441,849.24)	(16,559,604.08)	(16,675,662.21)	(16,793,408.78)	(16,911,321.51)	(16,931,251.34)	(17,044,255.51)	(17,159,797.95)	(17,211,952.41)	(17,322,286.49)	(17,444,420.29)	(17,439,010.43)
ACCUM DEPREC: COST OF REMOVAL	1,196,582.35	1,197,263.49	1,197,619.92	1,198,820.01	1,199,608.71	1,201,782.40	1,202,899.99	1,252,881.26	1,254,181.58	1,256,237.92	1,258,250.71	1,337,155.60
ACCUMULATED DEPRECIATION: LOSS	1,618,069.46	1,618,069.46	1,619,471.25	1,619,471.25	1,619,471.25	1,629,573.41	1,634,617.75	1,637,692.81	1,611,196.97	1,618,540.46	1,618,539.60	1,610,536.01
ACCUM DEPREC: ACQUIS ADJUSTMNT	(13,627,197.43)	(13,744,271.13)	(13,858,571.04)	(13,975,117.52)	(14,092,241.55)	(14,099,895.53)	(14,206,737.77)	(14,269,223.88)	(14,346,573.86)	(14,447,508.11)	(14,567,629.98)	(14,491,318.82)
Net Plant in Service	47,688,828.72	47,662,692.48	47,596,229.82	47,525,356.70	47,548,777.16	47,530,269.43	47,600,795.97	47,784,690.65	47,727,441.24	47,902,712.55	48,201,085.30	52,739,906.78
Construction Work in Progress												
CWIP: CONTRACTOR CLEARING	1,025,550.94	1,035,186.40	1,055,295.34	1,126,379.22	1,905,398.53	1,163,655.02	1,128,715.25	1,113,956.89	1,133,503.73	1,418,878.08	1,665,757.83	400,406.02
CWIP: CONTRACTOR CLEARING	-	-	-	-	-	692,073.23	1,774,107.78	2,182,979.35	2,647,721.20	2,607,798.75	2,805,614.27	13,152.01
	48,714,379.66	48,697,878.88	48,651,525.16	48,651,735.92	49,454,175.69	49,385,997.68	50,503,619.00	51,081,626.89	51,508,666.17	51,929,389.38	52,672,457.40	53,153,464.81
Current Assets												
Cash												
CASH: BANK OF AMERICA OPERATNG	-	-	-	-	-	-	-	-	-	-	-	-
CASH: PETTY CASH PAC	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
RESTRICTED CASH - TD BANK - RSF	-	-	-	-	-	-	-	-	-	-	-	-
DSRR 1.0 RSF	-	-	-	-	-	-	-	-	-	-	-	-
MOERR RSF	-	-	-	-	-	-	-	-	-	-	-	-
MOERR	-	-	-	-	-	-	-	-	-	-	-	-
DSRR 1.0	-	-	-	-	-	-	-	-	-	-	-	-
DSRR 0.1	-	-	-	-	-	-	-	-	-	-	-	-
OTHER SPECIAL DEPOSITS	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00
Accounts Receivable, Net												
A/R: BILLED WATER REVENUE	364,941.75	347,500.60	415,354.52	361,442.13	330,010.80	606,940.04	564,292.41	459,256.96	628,257.28	445,614.96	546,911.23	465,964.58
A/R: MISCELLANEOUS	83,319.44	83,319.44	83,319.44	47,180.44	50,388.28	147,635.77	145,937.65	40,919.16	39,239.44	16,325.44	47,056.14	19,365.88
ALLOWANCE FOR DOUBTFUL ACCTS	(2,036.41)	(2,383.11)	231.86	(825.49)	(759.17)	(2,900.41)	(2,038.74)	(811.28)	(3,698.16)	3,212.32	(2,991.41)	(1,762.44)
ALLOW DOUBTFUL ACCT: NON-WATER	-	-	-	-	-	-	-	-	-	-	-	-
	446,224.78	428,436.93	498,905.82	407,797.08	379,639.91	751,675.40	708,191.32	499,364.84	663,798.56	465,152.72	590,975.96	483,568.02
A/R: UNBILLED WATER REVENUE	511,305.00	490,830.00	421,214.00	471,614.00	542,902.00	656,060.00	801,569.00	766,767.00	633,130.00	603,883.00	490,317.00	553,616.00
AR UNBIL REV:CAP RECOV RECOUP	-	-	-	-	-	-	-	-	-	-	-	-
A/R:UNBILLED WATER REV-RECOUP	-	-	-	-	-	-	-	-	-	-	-	-
A/R:UNBILLED WATER REV-RECOUP 2017	-	-	-	-	-	-	-	-	-	577,594.00	577,594.00	577,594.00
	511,305.00	490,830.00	421,214.00	471,614.00	542,902.00	656,060.00	801,569.00	766,767.00	633,130.00	1,181,477.00	1,067,911.00	1,131,210.00
Inventory & Supplies												
INVENTORY	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: METERS - PEU	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: CHEMICALS	-	-	-	-	-	-	-	-	-	-	-	-

Prepaid Expenses & Other

PREPAID INSURANCE	16,426.14	17,592.04	18,574.58	19,739.29	20,903.99	22,068.70	23,233.41	24,398.12	25,562.83	26,727.54	18,196.67	158.39
PREPAID PROPERTY TAXES	-	-	-	-	-	-	-	-	-	-	-	-
PREPAID EXPENSES	10,706.00	7,113.00	4,780.00	3,665.00	16,608.00	12,945.00	12,650.83	14,266.66	12,002.49	9,738.32	10,951.49	7,189.98
PREPAID PROPERTY TAXES	130,189.83	65,094.91	-	-	-	198,251.62	132,167.74	66,083.86	-	-	314,032.69	235,524.51
CLEARING ACCOUNT	(28,929.34)	(28,929.34)	(28,929.34)	(28,929.34)	(28,929.34)	(31,191.48)	(31,191.48)	(31,191.48)	(31,479.27)	(31,479.27)	(31,479.27)	(31,547.54)
	128,392.63	60,870.61	(5,574.76)	(5,525.05)	8,582.65	202,073.84	136,860.50	73,557.16	6,086.05	4,986.59	311,701.58	211,325.34

Total Current Assets	1,125,992.41	1,020,207.54	954,615.06	913,956.03	971,194.56	1,649,879.24	1,686,690.82	1,379,759.00	1,343,084.61	1,691,686.31	2,011,858.54	3,080,939.32
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Other Assets**Abandoned Property**

ABANDONED 8" MAIN -RANGE RD	-	-	-	-	-	-	-	-	-	-	-	-
ABAND PUMP STA: SPRINGWOOD HLS	-	-	-	-	-	-	-	-	-	-	-	-

Other Deferred Charges

PHASE II & V WAIVER - NC	-	-	-	-	-	-	-	-	-	-	-	-
ACQUISITION PREMIUM - MARA	7,771,440.82	7,754,050.89	7,736,660.96	7,719,271.03	7,701,881.10	7,684,491.08	7,667,101.15	7,649,711.22	7,632,321.30	7,614,931.37	7,597,541.44	7,580,151.51
SERGEANT WOODS-NEWTON, NH	-	-	-	-	-	-	-	-	-	-	-	-
CROSS CONNECTION SURVEY-PEU	107.08	102.61	98.14	93.68	89.21	84.75	80.28	75.82	71.35	66.89	62.42	57.96
SPRUCE POND-WINDHAM NH-ACQUIST	-	-	-	-	-	-	-	-	-	-	-	-
CLEAN/DISPOSE OF TANK SLUDGE	-	-	-	-	-	-	-	-	-	-	-	-
PELHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
LAKES REGION WATER CO-ACQUISIT	-	-	-	-	-	-	-	-	-	-	-	-
WINNISQUAM VILLAGE CONDO'S	-	-	-	-	-	-	-	-	-	-	-	-
DANIELS LAKE ACQ - WEARE, NH	-	-	-	-	-	-	-	-	-	-	-	-
FREEDOM VILLAGE ACQUISITION	-	-	-	-	-	-	-	-	-	-	-	-
SARBANES-OXLEY	-	-	-	-	-	-	-	-	-	-	-	-
BIRCH HILL GIARDIA SUIT	-	-	-	-	-	-	-	-	-	-	-	-
NORTH CONWAY LAND SALE	-	-	-	-	-	-	-	-	-	-	-	-
ABATEMENT	82,262.93	131,813.16	132,095.16	132,215.16	132,215.16	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59	14,234.59
ABATEMENT	-	-	-	-	-	-	-	-	-	-	-	78,653.71
LONDONDERRY VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
LITCHFIELD VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
GRANT AVAILABILITY STUDY - NC	-	-	-	-	-	-	-	-	-	-	-	-
WINDHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SYSTEM SUPPLY STUDY	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86
BEAVER HOLLOW TANK CLEANING	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SUPPLY STUDY	2,130.72	2,108.06	2,085.40	2,062.74	2,040.08	2,017.42	1,994.76	1,972.10	1,949.44	1,926.78	1,904.12	1,881.46
LOCKE LAKE WELL/GROUNDWATER STUDY	-	-	-	-	-	134,576.08	128,771.29	122,966.49	117,161.70	111,356.91	105,552.11	22,580.34
RATE CASE EXPENSE: 2007	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXP: NORTH COUNTRY	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)
RATE CASE EXPENSE: 2012	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXPENSE: 2017	33,870.08	38,778.16	38,778.16	40,077.16	44,443.16	46,427.16	50,450.28	56,743.28	57,953.28	53,864.82	53,864.82	55,402.32
LOCKE LAKE LEAK DETECTION	-	-	-	-	-	-	-	-	-	-	-	-
MANCHESTER SRCE DEV CHARGE:LY	498,407.58	495,846.14	493,284.69	490,723.24	488,161.80	484,859.87	481,557.95	478,256.05	474,954.12	471,652.21	468,350.31	465,048.38
MSCD: MAPLE HILLS - DERRY	33,080.66	32,804.90	32,529.14	32,253.38	31,977.62	31,701.86	31,426.10	31,150.34	30,874.58	30,598.82	30,323.06	30,047.30
WEB SITE UPGRADE 2006	-	-	-	-	-	-	-	-	-	-	-	-
WEB-SITE UPGRADE 2011	-	-	-	-	-	-	-	-	-	-	-	-
N CONWAY WATER INTERCONNECT	59,523.61	59,023.22	58,522.83	58,022.44	57,522.05	57,021.66	56,521.27	56,020.88	55,520.49	55,020.10	54,519.71	54,019.32
N CONWAY WATER PREC-BUY IN FEE	1,833.04	1,821.97	1,810.90	1,799.83	1,788.76	1,777.69	1,766.62	1,755.55	1,744.48	1,733.41	1,722.35	1,711.28
SKYVIEW ESTATES - PELHAM	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80
BOW HIGHLANDS, BOW NH-ACQUISIT	3,052.96	3,024.42	2,995.88	2,967.35	2,938.83	2,910.29	2,881.77	2,853.23	2,824.69	2,796.17	2,767.65	2,739.11
CO-BANK DEFERRED PATRONAGE	104,140.79	104,140.79	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67	124,846.67
CO-BANK DEFERRED PATRONAGE	8,593,141.93	8,626,805.98	8,626,999.59	8,607,624.34	8,591,196.10	8,588,240.78	8,564,924.39	8,543,877.88	8,517,748.35	8,486,320.40	8,458,980.91	8,434,665.61

ACQUISITION PREMIUM - MARA	-	-	-	-	-	-	-	-	-	-	-	-
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Unamortized Debt Expense

UNAMORTIZED DEBT EXPENSE	236,066.74	234,569.43	233,072.12	237,154.81	243,873.50	242,142.98	243,491.55	241,562.21	242,524.12	245,000.56	243,393.78	241,862.00
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Total Other Assets	8,829,208.67	8,861,375.41	8,860,071.71	8,844,779.15	8,835,069.60	8,830,383.76	8,808,415.94	8,785,440.09	8,760,272.47	8,731,320.96	8,702,374.69	8,676,527.61
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Total Assets	58,669,580.74	58,579,461.83	58,466,211.93	58,410,471.10	59,260,439.85	59,866,260.68	60,998,725.76	61,246,825.98	61,612,023.25	62,352,396.65	63,386,690.63	64,910,931.74
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Equity and Liabilities**Shareholder's Equity**

COMMON STOCK	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
ADDITIONAL PAID IN CAPITAL	(12,482,362.87)	(12,482,362.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)	(11,583,499.87)
DIVIDENDS: COMMON STOCK	-	-	-	-	-	-	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME	185,592.60	170,405.40	167,942.40	147,041.40	157,302.60	143,465.40	135,130.20	146,889.00	119,278.80	112,659.00	130,643.40	157,657.80
	(12,296,870.27)	(12,312,057.47)	(11,415,657.47)	(11,436,558.47)	(11,426,297.27)	(11,440,134.47)	(11,448,469.67)	(11,436,710.87)	(11,464,321.07)	(11,470,940.87)	(11,452,956.47)	(11,425,942.07)

RETAINED EARNINGS BEG - PEU	636,301.04	636,301.04	636,301.04	636,301.04	636,301.04	636,301.04	636,301.04	636,301.04	636,301.04	636,301.04	636,301.04	636,301.04
Net Profit or Loss	78,816.85	207,873.02	310,417.31	437,059.22	518,746.24	366,948.63	161,473.90	137,122.64	122,482.40	(242,184.39)	(223,327.78)	540,155.75
Total Equity	(11,581,752.38)	(11,467,883.41)	(10,468,939.12)	(10,363,198.21)	(10,271,249.99)	(10,436,884.80)	(10,650,694.73)	(10,663,287.19)	(10,705,537.63)	(11,076,824.22)	(11,039,983.21)	(10,249,485.28)
LONG TERM DEBT: BONDS & NOTES	-	-	-	-	-	-	-	-	-	-	-	-
LTD - SRF LOAN: GREEN HILLS	(101,543.75)	(100,100.00)	(98,656.25)	(97,212.50)	(95,768.75)	(94,325.00)	(92,881.25)	(91,437.50)	(89,993.75)	(88,550.00)	(87,106.25)	(85,662.50)
LTD-SRF LOAN PELHAM TANK PROJ	(270,710.33)	(268,064.69)	(265,580.68)	(263,089.45)	(260,590.98)	(258,085.25)	(255,572.24)	(253,051.92)	(250,524.27)	(247,989.28)	(245,446.93)	(242,897.18)
LTD-SRF LOAN: MAPLE HILLS	(379,517.00)	(377,028.00)	(374,670.00)	(372,306.00)	(369,936.00)	(367,560.00)	(365,179.00)	(362,792.00)	(360,399.00)	(358,000.00)	(355,595.00)	(353,184.00)
LTD - SRF LOAN/BIRCH HILL	(1,269,805.73)	(1,262,590.85)	(1,255,743.58)	(1,248,879.97)	(1,241,999.97)	(1,235,103.55)	(1,228,190.67)	(1,221,261.29)	(1,214,315.38)	(1,207,352.89)	(1,200,373.77)	(1,193,378.00)
LTD - SRF LOAN/LOCKE LAKE	(124,426.38)	(123,384.38)	(122,359.38)	(121,333.38)	(120,307.38)	(119,280.38)	(118,252.38)	(117,224.38)	(116,196.38)	(115,167.38)	(114,138.38)	(113,108.38)
LTD - SRF LOAN/LOCKE LAKE 2011	(153,606.86)	(152,996.87)	(152,475.00)	(151,949.24)	(151,419.56)	(150,885.97)	(150,348.45)	(149,807.00)	(149,261.61)	(148,712.26)	(148,158.96)	(147,601.69)
LTD/SRF LOAN: LIBERTY TREE	(235,813.00)	(235,048.00)	(234,398.00)	(233,743.00)	(233,083.00)	(232,418.00)	(231,748.00)	(231,073.00)	(230,392.00)	(229,706.00)	(229,015.00)	(228,319.00)
LTD/SRF LOAN: LOCKE LAKE 2012	(316,564.38)	(315,041.79)	(313,593.15)	(312,141.23)	(310,686.01)	(309,227.49)	(307,765.67)	(306,300.53)	(304,832.07)	(303,360.28)	(301,885.16)	(300,406.69)
LTD: COBANK 4.5M LOAN	(2,930,061.00)	(2,928,260.31)	(2,877,227.41)	(2,875,430.76)	(2,873,578.11)	(2,822,698.07)	(2,822,698.07)	(2,820,828.85)	(2,769,493.71)	(2,769,493.71)	(2,767,628.27)	(2,715,544.21)
LTD: COBANK 1.7M LOAN	(1,367,093.58)	(1,360,760.33)	(1,354,429.61)	(1,348,488.08)	(1,337,187.90)	(1,331,208.85)	(1,325,077.30)	(1,319,060.50)	(1,313,024.94)	(1,306,838.54)	(1,300,764.88)	(1,294,541.49)
LTD: COBANK 925K LOAN	(743,886.96)	(740,579.97)	(737,260.68)	(734,190.60)	(728,389.66)	(725,296.75)	(722,106.89)	(718,990.98)	(715,863.67)	(712,640.40)	(709,489.85)	(706,244.01)
LTD: LOCKE LAKE 2012-PHASE2	(344,675.05)	(343,216.58)	(341,828.93)	(340,438.14)	(337,779.55)	(336,382.45)	(334,982.18)	(333,578.73)	(332,172.10)	(330,762.28)	(329,349.27)	(327,933.06)
LTD: LOCKE LAKE-WINWOOD & MONROE	(347,866.51)	(346,494.12)	(345,188.38)	(343,879.67)	(342,568.00)	(341,253.36)	(339,935.74)	(338,615.13)	(337,291.53)	(335,964.92)	(334,635.31)	(333,302.69)
LTD: SRF LOAN/HICKORY & AVERY	(378,378.73)	(376,857.92)	(375,408.31)	(373,955.55)	(369,810.23)	(368,351.13)	(366,888.85)	(365,423.38)	(363,954.71)	(362,482.84)	(361,007.76)	(359,529.47)
LTD: SRF LOAN/W&E MAIN REPLACEMENT	(921,206.09)	(917,565.08)	(914,094.58)	(910,616.51)	(907,130.85)	(903,637.59)	(900,136.72)	(896,628.22)	(893,112.07)	(889,588.25)	(886,056.76)	(882,517.56)
LTD: SRF LOAN-HARDWOOD TREATMENT	(513,054.96)	(510,991.79)	(509,020.01)	(507,044.19)	(505,064.30)	(503,080.35)	(501,092.32)	(499,100.22)	(497,104.02)	(495,103.72)	(493,099.31)	(491,090.79)
LTD: COBANK 625K LOAN	(571,978.14)	(570,624.03)	(569,154.81)	(567,912.40)	(566,587.45)	(565,334.20)	(563,998.72)	(562,734.55)	(561,465.05)	(560,113.77)	(558,833.21)	(557,471.18)
LTD: SRF/LOCKE LAKE-WINWOOD & MONROE PHASE II	(364,253.70)	(362,822.70)	(361,454.70)	(360,084.70)	(358,711.70)	(357,335.70)	(355,956.70)	(354,574.70)	(353,189.70)	(351,802.70)	(350,412.70)	(349,019.70)
LTD: COBANK 1.25M PORTION OF 2.2M LOAN	(1,189,139.74)	(1,186,447.91)	(1,183,544.45)	(1,181,045.75)	(1,178,400.22)	(1,175,882.91)	(1,173,219.31)	(1,170,683.26)	(1,168,138.04)	(1,165,447.33)	(1,162,883.17)	(1,160,174.07)
LTD: SRF/LOCKE LAKE-VARNEY ROAD	(1,414,791.86)	(1,409,354.02)	(1,404,110.19)	(1,398,857.80)	(1,393,596.83)	(1,388,327.27)	(1,383,049.10)	(1,377,762.31)	(1,372,466.89)	(1,367,162.82)	(1,361,850.08)	(1,356,528.67)
LTD: COBANK 950K PORTION OF 2.2M LOAN	(907,654.21)	(905,680.46)	(903,576.03)	(901,838.75)	(900,056.22)	(898,301.44)	(896,418.84)	(894,648.94)	(892,871.67)	(890,967.22)	(889,174.64)	(887,255.31)
LTD: SRF/BRADY AVE	(231,058.95)	(231,058.95)	(231,058.95)	(231,058.95)	(252,058.95)	(252,058.95)	(252,058.95)	(252,058.95)	(457,317.75)	(535,538.00)	(535,538.00)	(535,538.00)
LTD: SRF/MERRIMACK RIVER CROSSING	(350,488.08)	(350,488.08)	(350,488.08)	(350,488.08)	(350,488.08)	(350,488.08)	(1,129,499.19)	(1,743,070.94)	(1,743,070.94)	(2,314,373.76)	(2,400,000.00)	(2,367,216.63)
LTD: COBANK 350K LOAN	-	-	-	(350,078.00)	(343,262.58)	(342,707.24)	(342,098.61)	(341,537.93)	(340,974.67)	(340,358.35)	(339,789.68)	(339,168.09)
LTD: SRF/HILLCREST ROAD	-	-	-	-	-	-	-	-	-	(161,088.93)	(236,995.36)	(238,741.05)
FORGIVABLE DEBT: GREEN HILLS	(32,898.72)	(32,415.46)	(31,932.20)	(31,448.94)	(30,965.68)	(30,482.42)	(29,999.16)	(29,515.90)	(29,032.64)	(28,549.38)	(28,066.12)	(27,582.86)
FORGIVABLE DEBT: LOCKE LAKE	(42,298.20)	(41,984.88)	(41,671.56)	(41,358.24)	(40,944.92)	(40,471.60)	(40,148.28)	(40,104.96)	(39,771.64)	(39,478.32)	(39,165.00)	(38,851.68)
FORGIVABLE DEBT:LOCKE LAKE 2011	(85,857.88)	(85,355.79)	(84,853.70)	(84,351.61)	(83,849.52)	(83,347.43)	(82,845.34)	(82,343.25)	(81,841.16)	(81,339.07)	(80,836.98)	(80,334.89)
FORGIVABLE DEBT:LIBERTY TREE	(113,054.58)	(112,468.81)	(111,883.04)	(111,297.27)	(110,711.50)	(110,125.73)	(109,539.96)	(108,954.19)	(108,368.42)	(107,782.65)	(107,196.88)	(106,611.11)
FORGIVABLE LTD:LOCKE LAKE 2012	-	-	-	-	-	-	-	-	-	-	-	-
Long Term Debt	(15,701,684.37)	(15,647,681.77)	(15,545,661.66)	(15,844,518.76)	(15,795,033.90)	(16,472,928.27)	(17,035,529.64)	(16,983,163.51)	(17,657,762.60)	(17,931,341.29)	(17,954,492.68)	(17,819,753.96)
Current Liabilities												
CURRENT PORTION LONG TERM DEBT	-	-	-	-	-	-	-	-	-	-	-	-
FIXED ASSET LINE OF CREDIT	-	-	-	-	-	-	-	-	-	-	-	-
CURR PORTION LTD:GREEN HILLS	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)
CURR PORTION LTD:PELHAM TANK	(28,998.84)	(29,252.46)	(29,337.49)	(29,422.77)	(29,508.30)	(29,594.07)	(29,680.09)	(29,766.36)	(29,852.88)	(29,939.66)	(30,026.67)	(30,113.95)
CURR PORTION LTD:MAPLE HILLS	(27,646.00)	(27,851.00)	(27,919.00)	(27,988.00)	(28,057.00)	(28,126.00)	(28,195.00)	(28,264.00)	(28,333.00)	(28,403.00)	(28,473.00)	(28,543.00)
CURRENT PORTION LTD:BIRCH HILL	(80,330.15)	(80,906.70)	(81,099.79)	(81,293.34)	(81,487.36)	(81,681.84)	(81,876.79)	(82,072.21)	(82,268.08)	(82,464.42)	(82,661.25)	(82,858.54)
CURR PORT LTD:LOCKE LAKE 2007	(12,230.00)	(12,255.00)	(12,263.00)	(12,271.00)	(12,279.00)	(12,285.00)	(12,293.00)	(12,300.00)	(12,306.00)	(12,313.00)	(12,319.00)	(12,325.00)
CURR PORT LTD:LOCKE LAKE 2011	(5,822.52)	(5,960.69)	(6,006.94)	(6,053.27)	(6,099.70)	(6,146.20)	(6,192.80)	(6,239.50)	(6,286.29)	(6,333.18)	(6,380.15)	(6,427.23)
CURR PORTION LTD:LIBERTY TREE	(7,218.00)	(7,399.00)	(7,460.00)	(7,521.00)	(7,582.00)	(7,643.00)	(7,704.00)	(7,765.00)	(7,827.00)	(7,889.00)	(7,951.00)	(8,013.00)
CURR PORT LTD:LOCKE LAKE 2012	(17,014.35)	(17,130.31)	(17,169.13)	(17,208.04)	(17,247.05)	(17,286.15)	(17,325.33)	(17,364.60)	(17,403.96)	(17,443.41)	(17,482.94)	(17,522.57)
CURR PORT LTD:COBANK 4.5M LOAN	(203,531.45)	(205,332.14)	(205,332.14)	(207,128.79)	(208,981.44)	(208,981.44)	(208,981.44)	(159,515.52)	(210,850.66)	(210,850.66)	(212,716.10)	(212,716.10)
CURR PORT LTD:COBANK 1.7M (T3)	(64,766.43)	(65,415.74)	(65,614.57)	(65,835.33)	(71,254.69)	(71,476.81)	(71,692.43)	(71,915.91)	(72,140.09)	(72,357.71)	(72,583.27)	(72,802.23)
CURR PORT LTD:COBANK 925K (T4)	(33,433.38)	(33,826.53)	(33,947.05)	(34,080.92)	(36,844.20)	(36,979.04)	(37,110.01)	(37,245.83)	(37,382.14)	(37,514.54)	(37,651.83)	(37,785.18)
CURR PORT LTD:SRF LOCKE LAKE-DAM SITE #2	(15,033.30)	(15,144.37)	(15,181.57)	(15,218.85)	(16,520.85)	(16,558.29)	(16,595.81)	(16,633.43)	(16,671.14)	(16,708.94)	(16,746.81)	(16,784.77)
CURR PORT LTD:LOCKE LAKE W & M	(15,335.96)	(15,440.48)	(15,475.47)	(15,510.56)	(15,545.71)	(15,580.95)	(15,616.26)	(15,651.66)	(15,687.13)	(15,722.70)	(15,758.34)	(15,794.06)
CURR PORT LTD:HICKORY & AVERY	(14,350.15)	(14,461.82)	(14,499.22)	(14,536.69)	(17,263.64)	(17,301.27)	(17,338.98)	(17,376.78)	(17,414.66)	(17,452.63)	(17,490.68)	(17,528.81)
CURR PORT LTD:W&E MAIN REPLACEMENT	(40,794.54)	(41,061.91)	(41,151.42)	(41,241.13)	(41,331.04)	(41,421.15)	(41,511.45)	(41,601.94)	(41,692.63)	(41,783.53)	(41,874.61)	(41,965.90)
CURR PORT LTD: HARDWOOD TREATMENT	(23,205.34)	(23,348.61)	(23,396.55)	(23,442.71)	(23,540.94)	(23,589.28)	(23,637.70)	(23,686.24)	(23,734.88)	(23,783.62)	(23,832.44)	(23,881.26)
CURR PORT LTD: COBANK 625K LOAN	(14,794.29)	(14,980.32)	(15,037.41)	(15,100.86)	(15,162.52)	(15,226.50)	(15,288.67)	(15,353.18)	(15,417.96)	(15,480.92)	(15,546.24)	(15,609.72)
CURR PORT LTD: LOCKE LAKE-WINWOOD & MONROE PHAS	(16,095.00)	(16,194.00)	(16,228.00)	(16,261.00)	(16,294.00)	(16,327.00)	(16,360.00)	(16,395.00)	(16,429.00)	(16,462.00)	(16,500.00)	(16,530.00)
CURRENT PORTION LTD:COBANK 1.25M PORTION OF 2.2M L	(29,819.58)	(30,140.79)	(30,239.25)	(30,348.61)	(30,454.83)	(30,564.98)	(30,671.96)	(30,782.89)	(30,894.22)	(31,002.35)	(31,114.48)	(31,223.38)
CURRENT PORTION LTD:SRF/LOCKE LAKE-VARNEY ROAD	(61,958.80)	(62,262.90)	(62,364.60)	(62,466.46)	(62,568.49)	(62,670.68)	(62,773.04)	(62,875.57)	(62,978.26)	(63,081.12)	(63,184.16)	(63,287.36)
CURRENT PORTION LTD:COBANK 950K PORTION OF 2.2M L	(20,814.47)	(21,151.62)	(21,239.59)	(21,325.07)	(21,325.07)	(21,413.77)	(21,499.96)	(21,589.38)	(21,679.18)	(21,766.44)	(21,856.97)	(21,944.94)
CURRENT PORTION LTD: SRF/BRADY AVE	-	-	-	-	-	-	-	-	-	-	-	-
CURRENT PORTION LTD: SRF/MERRIMACK RIVER CROSSIN	-	-	-	-	-	-	-	-	-	-	-	(32,783.37)
CURRENT PORTION LTD: COBANK 350K LOAN	-	-	-	-	(6,815.42)	(6,846.70)	(6,877.11)	(6,908.67)	(6,940.38)	(6,971.20)	(7,003.20)	(7,034.31)
CURRENT PORTION LTD: SRF/HILLCREST ROAD	-	-	-	-	-	-	-	-	-	-	-	(3,306.31)
FORGIVABLE DEBT:STD GREENHILLS	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)
FORGIVAB DEBT:STD LOCKLKE 2007	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)
FORGIVABLE STD:LOCKE LAKE 2011	(6,025.08)	(6,025.08)	(6,025.08)									

ACCOUNTS PAYABLE	(322,657.57)	(152,969.57)	(114,352.10)	(77,788.41)	(141,611.94)	(62,905.44)	(218,631.91)	(93,153.35)	(144,775.89)	(250,986.79)	(117,307.20)	(180,273.25)
A/P	-	-	-	-	-	-	-	-	-	-	-	(2,962.50)
ACCOUNTS PAYABLE - CWIP	-	-	-	(19,738.08)	(7,025.49)	(51.85)	-	(5,519.18)	(26,396.51)	(150,153.65)	(33,792.26)	(87,174.57)
LITCHFIELD DEPOSIT	(46,030.70)	(46,030.70)	(46,030.70)	(46,030.70)	(46,030.70)	(75,007.97)	(75,007.97)	(75,007.97)	(37,903.59)	(37,903.59)	(37,903.59)	(24,929.22)
DEPOSITS - MERRIMACK SOURCE DEV	-	-	-	-	-	-	-	(24,763.00)	(56,663.00)	(56,663.00)	(67,589.00)	(67,589.00)
LOCAL PROPERTY TAXES PAYABLE	(12,046.33)	(24,092.66)	(36,138.99)	(113,280.22)	(192,399.39)	(36,139.00)	(12,046.33)	(24,092.66)	-	(78,130.21)	(24,092.66)	-
ACCRUED TAXES	-	-	-	-	-	-	-	-	-	-	-	(1,492.69)
PUBLIC UTILITY TAX PAYABLE	-	-	-	-	-	-	-	-	-	-	-	-
ACCRUED INTEREST LTD	(33,178.29)	(47,912.56)	(16,942.51)	(32,226.83)	(48,020.74)	(14,436.95)	(29,970.37)	(6,863.30)	(23,950.57)	(41,801.17)	(59,222.49)	(37,065.39)
MISC CURRENT ACCRUED LIABILITY	(187,769.92)	(213,526.03)	(136,634.07)	(206,060.47)	(852,176.30)	(194,558.74)	(605,327.81)	(525,746.68)	(456,041.97)	(204,654.26)	(295,224.58)	(223,800.25)
ACCRUED LIABILITY - RETAINAGE	(284,098.53)	(284,098.53)	(254,784.18)	(259,510.18)	(336,041.62)	(337,884.19)	(403,213.06)	(408,027.40)	(432,727.27)	(312,980.29)	(242,668.23)	(86,121.99)
	(885,781.34)	(768,630.05)	(604,882.55)	(754,634.89)	(1,623,306.18)	(720,984.14)	(1,344,197.45)	(1,163,173.54)	(1,178,458.80)	(1,133,272.96)	(877,800.01)	(711,408.86)
HARDSHIP CASES: CREDITS	-	-	-	-	-	-	-	-	-	-	-	-
NOTE PAYABLE: PCP-2015 3M LOAN	(1,399,256.21)	(1,374,520.76)	(1,347,744.54)	(1,321,568.30)	-	-	-	-	-	-	-	-
NOTE PAYABLE: PCP-2015 1M LOAN	(648,591.77)	(640,746.40)	(632,241.41)	(623,930.31)	-	-	-	-	-	-	-	-
CURR PORT LTD: 3M PCP NP	(299,134.65)	(299,134.65)	(301,120.80)	(302,452.25)	-	-	-	-	-	-	-	-
CURR PORT LTD: 1M PCP NP	(94,890.84)	(94,890.84)	(95,532.80)	(95,963.38)	-	-	-	-	-	-	-	-
NOTE PAYABLE- PCP 2018 1.7M LOAN	-	-	-	-	(1,667,161.68)	(1,664,248.95)	(1,661,328.46)	(1,658,400.18)	(1,655,464.09)	(1,652,520.17)	(1,649,568.40)	(1,646,608.76)
NOTE PAYABLE - PCP 2018 1.1M LOAN	-	-	-	-	(1,134,034.59)	(1,132,053.30)	(1,130,066.73)	(1,128,074.86)	(1,126,077.68)	(1,124,075.17)	(1,122,067.32)	(1,120,054.12)
ST NOTE PAYABLE - PCP 2018 1.7M LOAN	-	-	-	-	(34,354.32)	(34,445.94)	(34,537.79)	(34,629.89)	(34,722.24)	(34,814.83)	(34,907.67)	(35,000.76)
ST NOTE PAYABLE - PCP 2018 1.1M LOAN	-	-	-	-	(23,368.41)	(23,430.73)	(23,493.21)	(23,555.86)	(23,618.68)	(23,681.67)	(23,744.82)	(23,808.14)
INTERCO LOAN NC-INTEGRATED	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/TSC	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/PWS	-	-	3,493.88	3,497.16	3,500.44	3,503.72	3,507.37	3,514.68	3,522.00	3,530.07	3,538.16	-
INTERCO PAY/REC: PEU/PAC	-	-	-	-	(58.56)	(58.58)	(57.22)	(54.23)	1,140.73	1,152.64	1,170.31	-
INTERCO PAY/REC: PEU/PWW	(361,057.60)	(691,960.26)	(1,042,659.99)	(1,417,247.41)	(1,794,596.36)	(2,115,680.64)	(2,517,663.77)	(2,880,355.22)	(3,244,156.53)	(3,657,930.13)	(4,019,915.70)	-
AP INTERCO PAY/REC: PEU/PAC	-	-	-	-	100.00	1,323.83	1,657.42	4,057.42	4,057.42	4,057.42	4,057.42	-
INTERCO PAY/REC: PEU/PCP	(3,870,269.72)	(3,772,518.89)	(4,613,549.46)	(3,856,867.08)	(2,967,304.85)	(3,370,740.85)	(2,713,244.92)	(2,853,881.28)	(1,800,692.03)	(1,169,771.41)	(1,322,519.35)	(5,932,995.42)
Total Current Liabilities	(8,332,112.96)	(8,421,856.52)	(9,415,138.14)	(9,153,361.01)	(10,046,736.81)	(9,865,629.47)	(10,228,871.04)	(10,512,306.89)	(9,886,813.00)	(9,704,444.35)	(10,390,584.16)	(11,017,971.65)
OTHER LIABILITY: DERIVATIVE	(309,321.00)	(284,009.00)	(279,904.00)	(245,069.00)	(262,171.00)	(239,109.00)	(225,217.00)	(244,815.00)	(198,798.00)	(187,765.00)	(217,739.00)	(262,763.00)
DEFERRED GAIN-GREEN HILLS SRF	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED GAIN-LOCKE LAKE SRF	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED INCOME TAXES	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(3,233,004.35)	(4,415,802.78)
DEFERRED INCOME TAX - SWAP	123,728.40	113,603.60	111,961.60	98,027.60	104,868.40	95,643.60	90,086.80	97,926.00	79,519.20	75,106.00	87,095.60	105,105.20
ACCUM DEF INC TAX - REG LIABILITY	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)	(1,620,743.00)
CONTRIBUTIONS IN AID OF CONST	(14,839,396.87)	(14,873,797.30)	(14,901,919.53)	(14,967,023.82)	(15,071,505.60)	(15,060,250.89)	(15,092,967.80)	(15,117,239.73)	(15,130,132.06)	(15,329,358.46)	(15,708,115.32)	(16,184,118.51)
CIAC: MAPLE HILLS GRANT	(62,673.72)	(62,673.72)	(62,673.72)	(62,673.72)	(67,602.16)	(67,602.16)	(67,602.16)	(67,602.16)	(67,602.16)	(67,602.16)	(67,602.16)	(72,530.66)
CIAC: BIRCH HILLS GRANT	(83,869.02)	(83,869.02)	(83,869.02)	(83,869.02)	(92,743.61)	(92,743.61)	(92,743.61)	(92,743.61)	(92,743.61)	(92,743.61)	(92,743.61)	(101,618.20)
CIAC: LOCKE LAKE GRANT	(12,041.35)	(12,041.35)	(12,041.35)	(12,041.35)	(12,975.18)	(12,975.18)	(12,975.18)	(12,975.18)	(12,975.18)	(12,975.18)	(12,975.18)	(13,899.24)
DRINKING WATER GRANT FUNDS	-	-	-	-	-	-	-	-	(319,146.48)	(437,894.98)	(437,894.98)	(600,000.00)
CIAC: LONDONDERRY/MWW CONN	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)
CIAC: SEASON LANE, LONDONDERRY	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)
CIAC: PELHAM	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)
CIAC: LITCHFIELD	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)
CIAC: BOW	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)
CIAC: LAKEVIEW FARMS - WINDHAM	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)
CIAC: MEADOWBROOK PUMP STATION	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)
CIAC: OAKWOOD	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)
CIAC: SMYTHE WOODS-HOOKSETT	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)
CIAC: W&E	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)
CIAC: FLETCHERS CORNER-ARSENIC	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)
CONTR IN AID OF CONST-DEV INST	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)
	(20,629,920.24)	(20,664,320.67)	(20,692,442.90)	(20,757,547.19)	(20,876,765.83)	(20,865,511.12)	(20,898,228.03)	(20,922,499.96)	(21,254,538.77)	(21,572,513.67)	(21,951,270.53)	(22,604,105.89)
RESERVE FOR AMORT OF CIAC:PEU	2,615,229.16	2,646,433.29	2,677,659.64	2,708,942.82	2,740,396.63	2,771,905.73	2,803,475.23	2,835,067.92	2,865,654.90	2,899,133.23	2,934,030.70	2,974,588.62
Total Deferred Credits	(23,054,031.03)	(23,042,040.13)	(23,036,473.01)	(23,049,393.12)	(23,147,419.15)	(23,090,818.14)	(23,083,630.35)	(23,088,068.39)	(23,361,910.02)	(23,639,786.79)	(24,001,630.58)	(25,823,720.85)
Total Equity & Liabilities	(58,669,580.74)	(58,579,461.83)	(58,466,211.93)	(58,410,471.10)	(59,260,439.85)	(59,866,260.68)	(60,998,725.76)	(61,246,825.98)	(61,612,023.25)	(62,352,396.65)	(63,386,690.63)	(64,910,931.74)
	-	-	-	-	-	-	-	-	-	-	-	-

Provided pursuant to NHPUC Rule 1604.01(a)(19)

Provided pursuant to NH DS Rule 1004.0 (b)(1)												
	1	2	3	4	5	6	7	8	9	10	11	12
Assets	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Land												
PROPERTY HELD FUTURE USE	10,011.96	10,011.96	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76	4,449.76
LAND	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	415,776.58	511,066.83	511,066.83	511,066.83
EASEMENTS	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17	450,979.17
EASEMENT - GAGE HILL	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS: OAKWOOD	-	-	-	-	-	-	-	-	-	-	-	-
EASEMENTS: GILCREAST RD	-	-	-	-	-	-	-	-	-	-	-	-
DISTRIB RESER & STANDPIPE LAND	-	-	-	-	-	-	-	-	-	-	-	-
AVERY/HICKORY INTER WATER RIGHTS	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00	100,335.00
DISTRIB SYS LAND & RIGHTS/WAY	-	-	-	-	-	-	-	-	-	-	-	-
	977,102.71	977,102.71	971,540.51	971,540.51	971,540.51	971,540.51	971,540.51	971,540.51	971,540.51	1,066,830.76	1,066,830.76	1,066,830.76
Structures												
STRUCTURES AND IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-	-	-
SOURCE OF SUPPLY STRUCTURES	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50	3,672,368.50
POWER & PUMPING STRUCTURES	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41	2,517,132.41
STRUCTURES & IMPROVE: ROOFING	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66	5,650.66
DISTRIBUTION RESERVOIRS	-	-	-	-	-	-	-	-	-	-	-	-
BOOSTER STATIONS	820,684.38	820,684.38	820,684.38	820,684.38	829,487.05	857,908.51	857,908.51	857,908.51	857,908.51	857,908.51	857,908.51	857,930.65
WTP - STRUCTURES	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53	51,800.53
BUILDINGS/ACQUISITION ADJUSTMT	-	-	-	-	-	-	-	-	-	-	-	-
WELLS & SPRINGS	1,931,861.91	1,931,861.91	1,931,861.91	1,931,861.91	1,931,861.91	1,931,861.91	1,931,861.91	2,089,517.29	2,089,517.29	2,089,517.29	2,089,517.29	2,089,517.29
WELL PUMPING & PIPING	265,358.95	265,358.95	265,358.95	267,134.57	268,873.64	264,443.66	264,443.66	268,263.66	275,643.66	283,023.66	283,023.66	286,634.66
SUPPLY MAINS:S/S PUMPING PLANT	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12	535,048.12
	9,799,905.46	9,799,905.46	9,799,905.46	9,801,681.08	9,812,222.82	9,836,214.30	9,837,028.81	9,998,504.19	10,005,884.19	10,013,264.19	10,013,264.19	10,016,897.33
Equipment												
POWER GENERATION EQUIPMENT	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69	721,805.69
ELECTRIC PUMPING EQUIPMENT	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08	1,594,860.08
PUMPING EQUIPMENT: PUMPS	225,587.43	225,587.43	225,587.43	225,587.43	225,587.43	227,074.48	232,169.48	243,612.52	245,893.30	247,688.30	248,983.30	248,983.30
PUMPING EQUIPMENT: METERS	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91	18,636.91
ELECTRIC PUMPING EQUIPMENT-CHEMICAL PUMPS	1,796.32	1,796.32	1,796.32	1,796.32	1,796.32	4,708.44	4,708.44	5,867.04	9,429.63	9,429.63	9,429.63	9,429.63
OTHER POWER PUMPING EQUIPMENT	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71	4,175.71
PURIFICATION SYSTEM EQUIPMENT	843,733.64	843,733.64	843,733.64	843,733.64	843,733.64	872,127.27	872,127.27	884,967.92	884,967.92	884,967.92	884,967.92	884,967.92
OTHER PRODUCTION EQUIPMENT	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52	19,382.52
WATER TREATMENT EQUIPMENT	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30	469,778.30
WTP EQUIPMENT-FILTER MEDIA	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56	17,123.56
	3,916,880.16	3,916,880.16	3,916,880.16	3,919,792.28	3,919,792.28	3,949,672.96	3,954,767.96	3,980,210.25	3,983,367.11	3,985,579.04	3,987,374.04	3,988,653.86
Transmission & Distribution												
DISTRIBUTION RES & STANDPIPES	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41	1,992,420.41
PAVEMENTS - TRANS MAINS	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10	877.10
PAVEMENTS - DIST MAINS	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	966,869.43	983,340.43	983,340.43
PAVEMENTS-GATE VALVES	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93	5,826.93
PAVING: CIAC - MAINS	63,637.35	63,637.35	63,637.35	63,637.35	63,637.35	-	-	-	-	-	-	-
MAINS: 6" & LARGER	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,053,442.69	13,234,256.39	13,234,256.39
MAINS: 4" & UNDER	3,099,764.33	3,099,764.33	3,099,764.33	3,099,764.33	3,099,764.33	3,099,764.33	3,099,798.63	3,099,798.63	3,099,798.63	3,099,798.63	3,081,649.31	3,081,649.31
MAINS: UNKNOWN SIZE	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92	5,162,052.92
MAINS: CIAC - 6" & LARGER	6,586,072.96	6,586,072.96	6,586,072.96	6,586,072.96	6,586,072.96	8,895,873.10	8,895,873.10	8,895,873.10	8,895,873.10	8,895,873.10	8,895,873.10	9,900,268.67
MAINS: CIAC - 4" & UNDER	865,893.04	865,893.04	865,893.04	865,893.04	865,893.04	912,413.16	912,413.16	912,413.16	912,413.16	912,413.16	912,413.16	912,413.16
MAINS: CIAC - UNKNOWN SIZE	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25	622,095.25
DISTRIBUTION MAINS - NEW	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79	48,472.79
GATES: CIAC - 4" & UNDER	3,953.46	3,953.46	3,953.46	3,953.46	3,953.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46	35,803.46
GATES: CIAC - 6" & LARGER	58,910.00	58,910.00	58,910.00	58,910.00	58,910.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00	146,920.00
GATES: 4" & UNDER	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,396.81	383,395.23	382,844.91	382,844.91
GATES: 6" & LARGER	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15	107,809.15
GATES: UNKNOWN SIZE	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91	149,726.91
DIST MAINS: DEVELOPER INSTALL	1,293,288.26	1,293,288.26	1,293,288.26	1,635,763.01	1,635,763.01	2,183,933.08	2,183,933.08	2,183,933.08	2,183,933.08	2,239,415.32	2,412,579.47	2,830,698.49
CIAC: PRESSURE REDUCING VALVE VALUTS	-	-	-	-	-	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00	98,000.00
PAVEMENTS: SERVICES	84,495.42	84,495.42	84,495.42	84,495.42	84,495.42	84,495.42	84,495.42	84,495.42	85,379.57	85,379.57	85,379.57	85,379.57
NEW SERVICES	2,126,738.91	2,142,788.91	2,148,348.09	2,148,348.09	2,150,799.10	2,150,135.40	2,153,735.40	2,156,995.40	2,160,895.40	2,129,920.64	2,167,667.88	2,167,667.88
RENEWED SERVICES	1,246,574.67	1,246,574.67	1,246,574.67	1,250,181.82	1,250,235.82	1,255,079.95	1,255,079.95	1,257,346.78	1,257,346.78	1,257,346.78	1,274,077.71	1,274,077.71
DEV INSTALLED SERVICES: CIAC	1,627,628.40	1,635,335.51	1,661,843.29	1,672,784.94	1,700,687.72	2,102,502.14	2,131,540.53	2,149,749.44	2,210,148.87	2,210,148.87	2,298,219.85	2,547,621.68
DEV INSTALLED SERVICES: PAID	1,061,448.58	1,071,138.39	1,071,181.68	1,083,031.38	1,087,993.81	1,169,724.38	1,233,345.15	1,262,400.15	1,273,462.54	1,295,271.41	1,320,095.91	1,339,098.27
METERING EQUIPMENT	1,102,953.78	1,111,029.86	1,113,406.42	1,131,206.60	1,144,927.91	1,149,228.41	1,167,130.28	1,189,261.57	1,188,339.19	1,203,026.11	1,213,394.34	1,204,584.69
RADIOS FOR METERING	734,264.98	735,869.29	737,333.76	739,375.42	742,119.74	750,862.25	759,862.25	764,916.11	764,916.11	770,999.55	774,126.93	775,357.65
FIRE PROT EQUIP: HYDRANTS	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	552,795.99	575,511.99	575,511.99
HYDRANTS - PAVING	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74	4,605.74
HYDRANTS: CIAC	620,563.58	620,563.58	620,563.58	630,454.52	630,454.52	811,943.90	811,943.90	811,943.90	811,943.90	811,943.90	821,785.62	849,289.92
OTHER TRANS/DIST EQUIPMENT	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42	89,767.42
AQUISITION ADJ	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)	(8,787,586.37)
ACQ ADJ: WESCO	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)	(7,940.20)

ACQUISITION ADJ: CASTLE REACH	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)	(185,750.00)
ACQUISITION ADJ: WHITE ROCK SR	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)	(230,800.00)
ACQUISITION ADJ: LAMPLIGHTER	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)	(276,666.67)
ACQUISITION ADJ: FLETCHERS	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)	(331,666.66)
ACCUM AMORT OF ACQ ADJUSTMENT	3,545,522.63	3,559,915.53	3,574,308.43	3,588,700.90	3,603,093.83	3,617,486.75	3,631,879.73	3,646,272.64	3,660,665.60	3,675,058.54	3,689,451.51	3,703,844.45
ACCUM AMORT OF ACQ ADJ:WESCO	2,709.68	2,719.27	2,728.84	2,738.43	2,748.02	2,757.61	2,767.19	2,776.78	2,786.36	2,795.95	2,805.53	2,815.12
ACCUM AMORT ACQ ADJ:CASTLE REA	88,767.01	89,298.73	89,830.46	90,362.19	90,893.93	91,425.60	91,957.28	92,489.06	93,020.70	93,552.43	94,084.12	94,615.82
ACCUM AMORT ACQ ADJ:WHITE ROCK	102,838.91	103,405.17	103,971.49	104,537.75	105,103.98	105,670.26	106,236.47	106,802.80	107,369.04	107,935.30	108,501.55	109,067.83
ACCUM AMORT ACQ ADJ:LAMPLIGHTR	143,286.92	144,230.12	145,173.33	146,116.53	147,059.71	148,002.91	148,946.06	149,889.28	150,832.45	151,775.66	152,718.84	153,662.02
ACCUM AMORT ACQ ADJ:FLETCHERS	172,248.42	173,425.94	174,603.45	175,780.92	176,958.42	178,135.91	179,313.37	180,490.89	181,668.40	182,845.89	184,023.40	185,200.88
	37,951,310.93	38,012,056.43	38,065,631.95	38,418,221.35	38,487,678.37	42,309,907.66	42,450,724.36	42,548,321.29	42,642,352.78	42,726,512.33	43,308,769.70	45,037,235.02
Miscellaneous Equipment												
OFFICE FURNITURE/EQUIPMENT	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66	2,688.66
SHOP EQUIPMENT	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67	90,722.67
LAB EQUIPMENT	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29	9,592.29
POWER OPERATED EQUIP -GEN PLNT	-	-	-	-	-	-	-	-	-	-	-	-
COMMUNICATION EQUIPMENT	543,942.47	543,942.47	543,942.47	543,942.47	545,507.87	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92	547,411.92
COMPUTER EQUIPMENT	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	35,182.48	87,082.47
MISCELLANEOUS GENERAL EQUIP	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00	368.00
	682,496.57	682,496.57	682,496.57	682,496.57	684,061.97	685,966.02	685,966.02	685,966.02	685,966.02	685,966.02	685,966.02	737,866.01
Intangible Plant												
ORGANIZATION EXPENSE	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05	386,400.05
ORGANIZATION EXP: THURSTON WDS	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: LAMPLIGHTER	-	-	-	-	-	-	-	-	-	-	-	-
ORGANIZATION EXP: FLETCHERS	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISES & CONSENTS	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54	21,445.54
FRANCHISE FEES: CASTLE REACH	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05	48,432.05
FRANCHISE FEES: WHITE ROCK	-	-	-	-	-	-	-	-	-	-	-	-
FRANCHISE FEES: WESCO	-	-	-	-	-	-	-	-	-	-	-	-
	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64	456,277.64
Total Plant in Service	53,783,973.47	53,844,718.97	53,892,732.29	54,250,009.43	54,331,573.59	58,209,579.09	58,356,305.30	58,640,819.90	58,745,388.25	58,934,429.98	59,518,482.35	61,303,760.62
Accumulated Depreciation												
ACCUMULATED DEPRECIATION	(15,104,952.34)	(15,212,416.28)	(15,315,793.19)	(15,423,438.98)	(15,531,198.47)	(15,634,463.73)	(15,746,600.38)	(15,859,730.34)	(15,965,157.46)	(16,069,941.33)	(16,150,271.73)	(16,324,541.01)
ACCUM DEPREC: COST OF REMOVAL	1,146,715.81	1,147,613.17	1,148,660.11	1,150,921.21	1,153,623.10	1,161,756.66	1,162,965.60	1,165,315.84	1,167,838.45	1,170,273.94	1,195,129.24	1,195,775.24
ACCUMULATED DEPRECIATION: LOSS	1,574,840.28	1,574,840.28	1,546,791.94	1,548,000.94	1,548,000.94	1,559,413.40	1,559,413.40	1,559,413.40	1,565,387.83	1,592,294.40	1,576,113.84	1,618,069.46
ACCUM DEPREC: ACQUIS ADJUSTMNT	-	-	-	-	-	-	-	-	-	-	-	-
	(12,383,396.25)	(12,489,962.83)	(12,620,341.14)	(12,724,516.83)	(12,829,574.43)	(12,913,293.67)	(13,024,221.38)	(13,135,001.10)	(13,231,931.18)	(13,307,372.99)	(13,379,028.65)	(13,510,696.31)
Net Plant in Service	41,400,577.22	41,354,756.14	41,272,391.15	41,525,492.60	41,501,999.16	45,296,285.42	45,332,083.92	45,505,818.80	45,513,457.07	45,627,056.99	46,139,453.70	47,793,064.31
Construction Work in Progress												
CWIP: CONTRACTOR CLEARING	906,657.89	824,096.22	1,872,448.63	1,248,482.69	1,326,388.49	1,360,598.94	1,435,787.49	1,159,329.05	1,179,123.30	1,265,340.07	1,285,796.92	1,141,891.59
	42,307,235.11	42,178,852.36	43,144,839.78	42,773,975.29	42,828,387.65	46,656,884.36	46,767,871.41	46,665,147.85	46,692,580.37	46,892,397.06	47,425,250.62	48,934,955.90
Current Assets												
Cash												
CASH: BANK OF AMERICA OPERATNG	-	-	-	-	-	-	-	-	-	-	-	-
CASH: PETTY CASH PAC	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
OTHER SPECIAL DEPOSITS	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00	39,170.00
Accounts Receivable, Net												
A/R: BILLED WATER REVENUE	342,394.30	343,893.04	295,497.13	423,427.73	343,281.98	491,722.20	486,424.58	448,597.66	581,170.93	414,306.67	373,420.92	540,452.42
A/R: MISCELLANEOUS	-	-	-	-	-	729,492.31	207,547.28	114,097.30	587,109.28	29,084.59	37,839.44	389,571.69
ALLOWANCE FOR DOUBTFUL ACCTS	546.48	(2,682.50)	(12.03)	(1,860.21)	(1,282.29)	(2,340.35)	(1,217.03)	(5,722.02)	(3,253.58)	(2,828.57)	(2,798.33)	(1,248.71)
ALLOW DOUBTFUL ACCT: NON-WATER	-	-	-	-	-	-	-	-	-	-	-	-
	342,940.78	341,210.54	295,485.10	421,567.52	341,999.69	1,218,874.16	692,754.83	556,972.94	1,165,026.63	440,562.69	408,462.03	928,775.40
A/R: UNBILLED WATER REVENUE	473,781.00	429,034.00	499,560.00	433,968.00	500,582.00	492,882.00	617,992.00	665,477.00	541,682.00	592,774.00	512,122.00	458,100.00
AR UNBIL REV:CAP RECOV RECOUP	-	-	-	-	-	-	-	-	-	-	-	-
A/R:UNBILLED WATER REV-RECOUP	-	-	-	-	-	-	-	-	-	-	-	-
	473,781.00	429,034.00	499,560.00	433,968.00	500,582.00	492,882.00	617,992.00	665,477.00	541,682.00	592,774.00	512,122.00	458,100.00
Inventory & Supplies												
INVENTORY	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: METERS - PEU	-	-	-	-	-	-	-	-	-	-	-	-
INVENTORY: CHEMICALS	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses & Other												
PREPAID INSURANCE	3,311.19	-	18,680.06	9,787.12	21,204.77	22,534.96	23,865.13	25,486.97	26,908.81	18,115.24	9,313.96	441.65
PREPAID PROPERTY TAXES	-	-	-	-	-	-	-	-	-	-	-	-
PREPAID EXPENSES	10,006.00	6,728.00	3,870.00	2,790.00	4,048.00	12,085.00	11,040.00	11,695.34	8,950.00	7,905.00	9,408.00	5,815.00
PREPAID PROPERTY TAXES	137,326.24	68,663.15	-	-	-	232,098.63	154,732.42	77,366.21	-	-	255,471.52	195,284.75
CLEARING ACCOUNT	(8,874.84)	(9,548.02)	(12,006.26)	(15,202.93)	(17,875.72)	(17,875.72)	(17,875.72)	(24,790.05)	(26,334.46)	(27,634.88)	(28,334.27)	(28,647.22)

	141,768.59	65,843.13	10,543.80	(2,625.81)	7,377.05	248,842.87	171,761.83	89,758.47	9,524.35	(1,614.64)	245,859.21	172,894.18
Total Current Assets	998,560.37	876,157.67	845,658.90	892,979.71	890,028.74	2,000,669.03	1,522,578.66	1,352,278.41	1,756,302.98	1,071,792.05	1,206,513.24	1,599,839.58
Other Assets												
Abandoned Property												
ABANDONED 8" MAIN -RANGE RD	-	-	-	-	-	-	-	-	-	-	-	-
ABAND PUMP STA: SPRINGWOOD HLS	-	-	-	-	-	-	-	-	-	-	-	-
Other Deferred Charges												
PHASE II & V WAIVER - NC	-	-	-	-	-	-	-	-	-	-	-	-
ACQUISITION PREMIUM - MARA	7,975,654.71	7,958,636.90	7,941,619.09	7,924,601.19	7,907,583.38	7,890,565.57	7,873,547.76	7,856,529.95	7,839,512.14	7,822,494.24	7,805,476.44	7,788,458.63
SERGEANT WOODS-NEWTON, NH	-	-	-	-	-	-	-	-	-	-	-	-
CROSS CONNECTION SURVEY-PEU	160.71	156.25	151.78	147.31	142.84	138.37	133.90	129.43	124.96	120.49	116.02	111.55
SPRUCE POND-WINDHAM NH-ACQUIST	-	-	-	-	-	-	-	-	-	-	-	-
CLEAN/DISPOSE OF TANK SLUDGE	-	-	-	-	-	-	-	-	-	-	-	-
PELHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
LAKES REGION WATER CO-ACQUISIT	-	-	-	-	-	-	-	-	-	-	-	-
WINNISQUAM VILLAGE CONDO'S	-	-	-	-	-	-	-	-	-	-	-	-
DANIELS LAKE ACQ - WEARE, NH	-	-	-	-	-	-	-	-	-	-	-	-
FREEDOM VILLAGE ACQUISITION	-	-	-	-	-	-	-	-	-	-	-	-
SARBANES-OXLEY	-	-	-	-	-	-	-	-	-	-	-	-
BIRCH HILL GIARDIA SUIT	-	-	-	-	-	-	-	-	-	-	-	-
NORTH CONWAY LAND SALE	-	-	-	-	-	-	-	-	-	-	-	-
ABATEMENT	21,678.54	22,220.04	33,573.04	33,630.04	53,108.42	68,851.22	75,918.12	78,590.12	80,210.93	80,495.93	81,521.93	81,692.93
LONDONDRRY VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
LITCHFIELD VULNERABILITY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
GRANT AVAILABILITY STUDY - NC	-	-	-	-	-	-	-	-	-	-	-	-
WINDHAM WATER SUPPLY STUDY	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SYSTEM SUPPLY STUDY	1,199.11	1,079.20	959.50	839.79	720.09	600.38	480.68	360.97	241.27	121.56	1.86	1.86
BEAVER HOLLOW TANK CLEANING	-	-	-	-	-	-	-	-	-	-	-	-
W&E WATER SUPPLY STUDY	2,402.65	2,379.98	2,357.32	2,334.66	2,312.00	2,289.34	2,266.68	2,244.02	2,221.36	2,198.70	2,176.04	2,153.38
RATE CASE EXPENSE: 2007	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXP: NORTH COUNTRY	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)	(19.00)
RATE CASE EXPENSE: 2012	-	-	-	-	-	-	-	-	-	-	-	-
RATE CASE EXPENSE: 2017	-	-	-	-	-	-	-	-	5,150.00	18,104.00	24,441.11	32,134.08
LOCKE LAKE LEAK DETECTION	3,437.62	3,055.60	2,673.59	2,291.58	1,909.57	1,527.54	1,145.53	763.51	381.50	-	-	-
MANCHESTER SRCE DEV CHARGE:LY	540,244.23	536,152.19	532,060.15	527,968.10	523,876.08	519,784.03	516,648.22	513,512.36	510,376.52	507,240.69	504,104.84	500,969.02
MSCD: MAPLE HILLS - DERRY	36,390.56	36,114.87	35,839.11	35,563.35	35,287.59	35,011.83	34,736.07	34,460.31	34,184.55	33,908.87	33,633.18	33,357.42
WEB SITE UPGRADE 2006	-	-	-	-	-	-	-	-	-	-	-	-
WEB-SITE UPGRADE 2011	-	-	-	-	-	-	-	-	-	-	-	-
N CONWAY WATER INTERCONNECT	65,528.01	65,027.76	64,527.37	64,027.12	63,526.73	63,026.34	62,525.95	62,025.56	61,525.17	61,024.78	60,524.39	60,024.00
N CONWAY WATER PREC-BUY IN FEE	1,965.88	1,954.81	1,943.74	1,932.67	1,921.60	1,910.53	1,899.46	1,888.39	1,877.32	1,866.25	1,855.18	1,844.11
SKYVIEW ESTATES - PELHAM	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80	3,308.80
BOW HIGHLANDS, BOW NH-ACQUISIT	3,395.37	3,366.84	3,338.30	3,309.77	3,281.24	3,252.70	3,224.17	3,195.63	3,167.09	3,138.56	3,110.03	3,081.49
CO-BANK DEFERRED PATRONAGE	86,282.73	86,282.73	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79	104,140.79
CO-BANK DEFERRED PATRONAGE	-	-	-	-	-	-	-	-	-	-	-	-
	8,741,629.92	8,719,716.97	8,726,473.58	8,704,076.17	8,701,100.13	8,694,388.44	8,679,957.13	8,661,130.84	8,646,403.40	8,638,144.66	8,624,391.61	8,611,259.06
ACQUISITION PREMIUM - MARA	-	-	-	-	-	-	-	-	-	-	-	-
Unamortized Debt Expense												
UNAMORTIZED DEBT EXPENSE	232,729.07	231,118.01	229,678.31	230,118.11	230,809.37	241,124.28	244,935.38	243,495.68	242,055.98	240,558.67	239,061.36	237,564.05
Total Other Assets	8,974,358.99	8,950,834.98	8,956,151.89	8,934,194.28	8,931,909.50	8,935,512.72	8,924,892.51	8,904,626.52	8,888,459.38	8,878,703.33	8,863,452.97	8,848,823.11
Total Assets	52,280,154.47	52,005,845.01	52,946,650.57	52,601,149.28	52,650,325.89	57,593,066.11	57,215,342.58	56,922,052.78	57,337,342.73	56,842,892.44	57,495,216.83	59,383,618.59
Equity and Liabilities												
Shareholder's Equity												
COMMON STOCK	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
ADDITIONAL PAID IN CAPITAL	(13,333,906.98)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)	(12,482,362.87)
DIVIDENDS: COMMON STOCK	-	-	-	-	-	-	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME	271,605.60	271,153.20	256,801.20	275,643.60	292,657.80	262,228.80	255,939.60	292,738.20	250,425.00	243,970.20	237,065.40	224,522.40
	(13,062,401.38)	(12,211,309.67)	(12,225,661.67)	(12,206,819.27)	(12,189,805.07)	(12,220,234.07)	(12,226,523.27)	(12,189,724.67)	(12,232,037.87)	(12,238,492.67)	(12,245,397.47)	(12,257,940.47)
RETAINED EARNINGS BEG - PEU	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46	128,250.46
Net Profit or Loss	54,052.40	135,234.28	174,062.13	248,953.36	320,167.84	368,738.87	254,226.08	267,726.48	263,458.46	234,602.02	328,915.47	960,591.58
Total Equity	(12,880,098.52)	(11,947,824.93)	(11,923,349.08)	(11,829,615.45)	(11,741,386.77)	(11,723,244.74)	(11,844,046.73)	(11,793,747.73)	(11,840,328.95)	(11,875,640.19)	(11,788,231.54)	(11,169,098.43)

LONG TERM DEBT: BONDS & NOTES												
LTD - SRF LOAN: GREEN HILLS	(118,868.75)	(117,425.00)	(115,981.25)	(114,537.50)	(113,093.75)	(111,650.00)	(110,206.25)	(108,762.50)	(107,318.75)	(105,875.00)	(104,431.25)	(102,987.50)
LTD-SRF LOAN PELHAM TANK PROJ	(299,709.17)	(297,317.15)	(294,918.17)	(292,594.57)	(290,099.28)	(287,762.16)	(285,252.33)	(282,818.28)	(280,377.15)	(277,928.94)	(275,473.60)	(273,095.42)
LTD-SRF LOAN: MAPLE HILLS	(407,163.00)	(404,879.00)	(402,589.00)	(400,360.00)	(397,993.00)	(395,753.00)	(393,374.00)	(391,056.00)	(388,732.00)	(386,403.00)	(384,068.00)	(381,795.00)
LTD - SRF LOAN/BIRCH HILL	(1,350,135.88)	(1,343,497.55)	(1,337,031.02)	(1,330,549.06)	(1,323,487.33)	(1,316,974.39)	(1,310,067.46)	(1,303,333.50)	(1,296,583.46)	(1,289,817.31)	(1,283,035.02)	(1,276,428.26)
LTD - SRF LOAN/LOCKE LAKE	(136,656.38)	(135,639.38)	(134,622.38)	(133,613.38)	(132,585.38)	(131,575.38)	(130,545.38)	(129,524.38)	(128,502.38)	(127,480.38)	(126,457.38)	(125,442.38)
LTD - SRF LOAN/LOCKE LAKE 2011	(159,429.38)	(158,957.56)	(158,481.94)	(157,519.26)	(157,077.62)	(156,541.25)	(156,046.50)	(155,547.90)	(155,045.44)	(154,539.11)	(154,074.88)	(153,569.44)
LTD/SRF LOAN: LIBERTY TREE	(243,031.00)	(242,447.00)	(241,858.00)	(241,323.00)	(240,665.00)	(240,120.00)	(239,452.00)	(238,838.00)	(238,219.00)	(237,595.00)	(236,966.00)	(236,392.00)
LTD/SRF LOAN: LOCKE LAKE 2012	(333,578.73)	(332,172.10)	(330,762.28)	(329,367.14)	(327,933.06)	(326,551.68)	(325,091.00)	(323,665.13)	(322,236.03)	(320,803.69)	(319,368.10)	(317,967.83)
LTD: COBANK 4.5M LOAN	(3,133,592.45)	(3,084,293.84)	(3,084,293.84)	(3,084,293.84)	(3,082,559.55)	(3,033,467.85)	(3,033,467.85)	(3,031,679.51)	(2,980,344.37)	(2,980,344.37)	(2,980,344.37)	(2,930,061.00)
LTD: COBANK 1.7M LOAN	(1,437,065.06)	(1,431,381.12)	(1,425,249.23)	(1,419,741.28)	(1,413,647.64)	(1,408,104.83)	(1,401,974.78)	(1,396,181.46)	(1,390,370.08)	(1,384,401.30)	(1,378,553.20)	(1,372,759.85)
LTD: COBANK 925K LOAN	(779,953.59)	(777,039.75)	(773,840.98)	(771,033.01)	(767,867.11)	(765,038.20)	(761,850.15)	(758,870.06)	(755,879.06)	(752,788.19)	(749,774.93)	(746,790.18)
LTD: LOCKE LAKE 2012-PHASE2	(360,972.99)	(359,625.59)	(358,275.14)	(356,957.90)	(355,565.04)	(354,241.83)	(352,842.63)	(351,476.80)	(350,107.88)	(348,735.86)	(347,360.72)	(346,019.41)
LTD: LOCKE LAKE-WINWOOD & MONROE	(363,202.47)	(361,934.60)	(360,663.85)	(359,424.36)	(358,113.71)	(356,868.60)	(355,552.00)	(354,266.79)	(352,978.66)	(351,687.62)	(350,393.65)	(349,131.51)
LTD: SRF LOAN/HICKORY & AVERY	(395,418.27)	(394,009.13)	(392,596.92)	(391,218.13)	(389,763.26)	(388,378.45)	(386,917.22)	(385,489.55)	(384,058.76)	(382,624.86)	(381,187.83)	(379,784.81)
LTD: SRF LOAN/W&E MAIN REPLACEMENT	(962,000.63)	(958,626.99)	(955,246.00)	(951,945.03)	(948,461.89)	(945,146.52)	(941,648.17)	(938,230.16)	(934,804.71)	(931,371.78)	(927,931.37)	(924,572.39)
LTD: SRF LOAN-HARDWOOD TREATMENT	(536,260.60)	(534,340.40)	(532,416.56)	(530,535.64)	(528,557.02)	(526,668.38)	(524,681.61)	(522,737.93)	(520,790.27)	(518,838.61)	(516,882.94)	(514,970.91)
LTD: COBANK 625K LOAN	(586,772.43)	(585,604.35)	(584,192.22)	(583,073.64)	(581,749.97)	(580,621.58)	(579,287.39)	(578,087.73)	(576,883.01)	(575,594.69)	(574,379.45)	(573,141.31)
LTD: SRF/LOCKE LAKE-WINWOOD & MONROE PHASE II	(380,348.70)	(379,016.70)	(377,682.70)	(376,377.70)	(375,005.70)	(373,695.70)	(372,317.70)	(370,969.70)	(369,618.70)	(368,264.70)	(366,908.70)	(365,582.70)
LTD: COBANK 1.25M PORTION OF 2.2M LOAN	(1,218,959.32)	(1,216,588.70)	(1,213,783.70)	(1,211,499.17)	(1,208,855.05)	(1,206,553.45)	(1,203,891.27)	(1,201,466.15)	(1,199,032.26)	(1,196,448.68)	(1,193,997.65)	(1,191,501.82)
LTD: SRF/LOCKE LAKE-VARNEY ROAD	(1,497,202.05)	(1,497,202.05)	(1,497,202.05)	(1,461,324.26)	(1,456,165.32)	(1,456,165.32)	(1,445,822.14)	(1,440,637.88)	(1,435,445.15)	(1,430,243.94)	(1,425,034.24)	(1,419,917.23)
LTD: COBANK 950K PORTION OF 2.2M LOAN	(928,468.68)	(926,832.08)	(924,815.62)	(923,247.60)	(921,296.83)	(919,715.21)	(917,918.80)	(916,238.32)	(914,550.85)	(912,733.66)	(911,031.61)	(909,284.03)
LTD: SRF/BRADY AVE	-	-	-	-	-	-	-	-	-	-	-	(231,058.95)
LTD: SRF/MERRIMACK RIVER CROSSING	-	-	-	-	-	-	-	-	-	-	-	(338,936.30)
FORGIVABLE DEBT: GREEN HILLS	(38,697.84)	(38,214.58)	(37,731.32)	(37,248.06)	(36,764.80)	(36,281.54)	(35,798.28)	(35,315.02)	(34,831.76)	(34,348.50)	(33,865.24)	(33,381.98)
FORGIVABLE DEBT: LOCKE LAKE	(46,058.04)	(45,744.72)	(45,431.40)	(45,118.08)	(44,804.76)	(44,491.44)	(44,178.12)	(43,864.80)	(43,551.48)	(43,238.16)	(42,924.84)	(42,611.52)
FORGIVABLE DEBT:LOCKE LAKE 2011	(91,882.96)	(91,380.87)	(90,878.78)	(90,376.69)	(89,874.60)	(89,372.51)	(88,870.42)	(88,368.33)	(87,866.24)	(87,364.15)	(86,862.06)	(86,359.97)
FORGIVABLE DEBT:LIBERTY TREE	(120,083.82)	(119,498.05)	(118,912.28)	(118,326.51)	(117,740.74)	(117,154.97)	(116,569.20)	(115,983.43)	(115,397.66)	(114,811.89)	(114,226.12)	(113,640.35)
FORGIVABLE LTD:LOCKE LAKE 2012	-	-	-	-	-	-	-	-	-	-	-	-
Long Term Debt	(15,925,512.19)	(15,833,668.26)	(15,789,456.63)	(15,712,153.32)	(15,660,169.05)	(15,569,430.61)	(15,514,117.40)	(15,463,907.91)	(15,364,027.57)	(15,314,790.72)	(15,265,997.38)	(15,173,689.49)
Current Liabilities												
CURRENT PORTION LONG TERM DEBT												
CURR PORTION LTD:GREEN HILLS	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)	(17,325.00)
CURR PORTION LTD:PELHAM TANK	(28,169.26)	(28,251.13)	(28,333.24)	(28,333.24)	(28,498.18)	(28,498.18)	(28,664.09)	(28,747.41)	(28,830.98)	(28,914.78)	(28,998.84)	(28,998.84)
CURR PORTION LTD:MAPLE HILLS	(26,976.00)	(27,042.00)	(27,109.00)	(27,109.00)	(27,242.00)	(27,242.00)	(27,376.00)	(27,443.00)	(27,511.00)	(27,578.00)	(27,646.00)	(27,646.00)
CURRENT PORTION LTD:BIRCH HILL	(78,437.87)	(78,625.07)	(78,625.07)	(78,625.07)	(79,189.37)	(79,189.37)	(79,567.82)	(79,757.72)	(79,948.08)	(80,138.89)	(80,330.15)	(80,330.15)
CURR PORT LTD:LOCKE LAKE 2007	(12,139.00)	(12,149.00)	(12,158.00)	(12,158.00)	(12,176.00)	(12,176.00)	(12,195.00)	(12,204.00)	(12,213.00)	(12,221.00)	(12,230.00)	(12,230.00)
CURR PORT LTD:LOCKE LAKE 2011	(5,367.71)	(5,412.80)	(5,457.97)	(5,457.97)	(5,548.57)	(5,548.57)	(5,639.55)	(5,685.15)	(5,730.85)	(5,776.63)	(5,822.52)	(5,822.52)
CURR PORTION LTD:LIBERTY TREE	(6,624.00)	(6,683.00)	(6,742.00)	(6,742.00)	(6,860.00)	(6,860.00)	(6,978.00)	(7,038.00)	(7,098.00)	(7,158.00)	(7,218.00)	(7,218.00)
CURR PORT LTD:LOCKE LAKE 2012	(16,633.43)	(16,671.14)	(16,708.94)	(16,708.94)	(16,784.77)	(16,784.77)	(16,860.94)	(16,899.16)	(16,937.47)	(16,975.86)	(17,014.35)	(17,014.35)
CURR PORT LTD:COBANK 4.5M LOAN	(198,204.48)	(198,204.48)	(198,204.48)	(198,204.48)	(199,938.77)	(199,938.77)	(199,938.77)	(201,727.11)	(203,531.45)	(203,531.45)	(203,531.45)	(203,531.45)
CURR PORT LTD:COBANK 1.7M (T4)	(62,663.00)	(62,874.56)	(63,066.25)	(63,066.25)	(63,485.66)	(63,485.66)	(63,907.65)	(64,123.09)	(64,339.20)	(64,548.99)	(64,766.43)	(64,766.43)
CURR PORT LTD:COBANK 925K (T3)	(32,164.19)	(32,291.54)	(32,406.98)	(32,406.98)	(32,659.78)	(32,659.78)	(32,914.39)	(33,044.48)	(33,175.05)	(33,301.87)	(33,433.38)	(33,433.38)
CURR PORT LTD:SRF LOCKE LAKE-DAM SITE #2	(14,668.45)	(14,704.56)	(14,740.75)	(14,740.75)	(14,813.39)	(14,813.39)	(14,886.37)	(14,922.98)	(14,959.67)	(14,996.44)	(15,033.30)	(15,033.30)
CURR PORT LTD:LOCKE LAKE W & M	(14,992.62)	(15,026.61)	(15,060.68)	(15,060.68)	(15,129.03)	(15,129.03)	(15,197.70)	(15,232.15)	(15,266.68)	(15,301.28)	(15,335.96)	(15,335.96)
CURR PORT LTD:HICKORY & AVERY	(13,983.13)	(14,019.48)	(14,055.90)	(14,055.90)	(14,128.98)	(14,128.98)	(14,203.39)	(14,239.21)	(14,276.11)	(14,313.09)	(14,350.15)	(14,350.15)
CURR PORT LTD-W&E MAIN REPLACEMENT	(39,915.81)	(40,002.83)	(40,090.03)	(40,090.03)	(40,265.00)	(40,265.00)	(40,440.74)	(40,528.90)	(40,617.26)	(40,705.80)	(40,794.54)	(40,794.54)
CURR PORT LTD:HARDWOOD TREATMENT	(22,734.20)	(22,780.88)	(22,827.66)	(22,827.66)	(22,921.50)	(22,921.50)	(23,015.73)	(23,063.00)	(23,110.35)	(23,157.79)	(23,205.34)	(23,205.34)
CURR PORT LTD: COBANK 625K LOAN	(14,195.84)	(14,255.74)	(14,310.07)	(14,310.07)	(14,429.13)	(14,429.13)	(14,549.18)	(14,610.57)	(14,672.22)	(14,732.13)	(14,794.29)	(14,794.29)
CURR PORT LTD: LOCKE LAKE-WINWOOD & MONROE PHASE II	(15,769.00)	(15,802.00)	(15,834.00)	(15,834.00)	(15,898.00)	(15,898.00)	(15,963.00)	(15,996.00)	(16,029.00)	(16,062.00)	(16,095.00)	(16,095.00)
CURRENT PORTION LTD:COBANK 1.25M PORTION OF 2.2M L	(28,782.32)	(28,886.42)	(28,980.78)	(28,980.78)	(29,187.39)	(29,187.39)	(29,395.47)	(29,501.79)	(29,608.49)	(29,712.12)	(29,819.58)	(29,819.58)
CURRENT PORTION LTD:SRF/LOCKE LAKE-VARNEY ROAD	-	-	-	-	(35,877.79)	(41,036.73)	(41,036.73)	(51,379.91)	(56,564.17)	(61,857.77)	(61,958.80)	(61,958.80)
CURRENT PORTION LTD:COBANK 950K PORTION OF 2.2M L	(19,983.97)	(20,067.38)	(20,142.77)	(20,142.77)	(20,392.43)	(20,392.43)	(20,474.51)	(20,559.66)	(20,645.17)	(20,728.26)	(20,814.47)	(20,814.47)
FORGIVABLE DEBT:STD GREENHILLS	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)	(5,799.12)
FORGIVAB DEBT:STD LOCKLKE 2007	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)	(3,759.84)
FORGIVABLE STD:LOCKE LAKE 2011	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)	(6,025.08)
FORGIVABLE STD:LIBERTY TREE	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)	(7,029.24)
Current Portion of Long Term Debt	(692,342.56)	(693,688.90)	(694,792.85)	(730,670.64								

CURR PORT LTD: 3M PCP NP	(291,320.19)	(291,320.19)	(293,254.45)	(293,254.45)	(293,254.45)	(295,201.56)	(295,201.56)	(295,201.56)	(297,161.61)	(297,161.61)	(297,161.61)	(299,134.65)
CURR PORT LTD: 1M PCP NP	(92,365.89)	(92,365.89)	(92,990.90)	(92,990.90)	(92,990.90)	(93,619.85)	(93,619.85)	(93,619.85)	(94,253.20)	(94,253.20)	(94,253.20)	(94,890.84)
INTERCO LOAN NC-INTEGRATED	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/TSC	-	-	-	-	-	-	-	-	(1,601.17)	(1,603.51)	(1,605.85)	-
INTERCO PAY/REC: PEU/PWS	-	-	-	-	-	-	-	-	-	-	-	-
INTERCO PAY/REC: PEU/PAC	-	-	-	0.39	1.17	2.09	3.01	5.31	9.88	15.33	22.83	-
INTERCO PAY/REC: PEU/PWW	(313,404.12)	(572,568.00)	(960,013.40)	(1,266,774.00)	(1,661,753.08)	(2,029,252.19)	(2,328,061.54)	(2,733,683.47)	(3,083,813.87)	(3,421,625.36)	(3,828,689.20)	-
AP INTERCO PAY/REC: PEU/PAC	-	-	-	627.50	627.50	627.50	627.50	2,527.50	3,727.50	3,727.50	6,527.50	-
INTERCO PAY/REC: PEU/PCP	(965,952.60)	(1,759,026.95)	(1,440,848.75)	(1,302,867.34)	(1,237,555.41)	(1,735,153.88)	(1,685,446.24)	(1,024,654.20)	(848,864.82)	166,228.25	(750,507.62)	(5,931,347.23)
Total Current Liabilities	(6,095,618.57)	(6,861,249.49)	(7,881,690.85)	(7,409,871.20)	(7,563,046.08)	(8,951,060.92)	(8,498,198.54)	(8,272,102.49)	(8,750,384.35)	(8,240,325.09)	(8,794,500.94)	(10,029,437.50)
OTHER LIABILITY: DERIVATIVE	(452,676.00)	(451,922.00)	(428,002.00)	(459,406.00)	(487,763.00)	(437,048.00)	(426,566.00)	(487,897.00)	(417,375.00)	(406,617.00)	(395,109.00)	(374,204.00)
DEFERRED GAIN-GREEN HILLS SRF	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED GAIN-LOCKE LAKE SRF	-	-	-	-	-	-	-	-	-	-	-	-
DEFERRED INCOME TAXES	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(5,005,253.64)	(2,397,433.35)
DEFERRED INCOME TAX - SWAP	181,070.40	180,768.80	171,200.80	183,762.40	195,105.20	174,819.20	170,626.40	195,158.80	166,950.00	162,646.80	158,043.60	149,681.60
ACCUM DEF INC TAX - REG LIABILITY	-	-	-	-	-	-	-	-	-	-	-	(1,763,222.00)
CONTRIBUTIONS IN AID OF CONST	(8,625,524.69)	(8,633,231.80)	(8,659,739.58)	(8,961,663.77)	(8,989,566.55)	(12,711,173.48)	(12,754,781.41)	(12,779,028.54)	(12,839,427.97)	(12,899,938.81)	(13,155,604.66)	(14,855,963.69)
CIAC: MAPLE HILLS GRANT	(52,816.47)	(52,816.47)	(52,816.47)	(52,816.47)	(57,745.08)	(57,745.08)	(57,745.08)	(57,745.08)	(57,745.08)	(57,745.08)	(62,673.72)	(62,673.72)
CIAC: BIRCH HILLS GRANT	(66,119.84)	(66,119.84)	(66,119.84)	(66,119.84)	(74,994.43)	(74,994.43)	(74,994.43)	(74,994.43)	(74,994.43)	(74,994.43)	(83,869.02)	(83,869.02)
CIAC: LOCKE LAKE GRANT	(10,145.28)	(10,145.28)	(10,145.28)	(10,145.28)	(11,098.00)	(11,098.00)	(11,098.00)	(11,098.00)	(11,098.00)	(11,098.00)	(12,041.35)	(12,041.35)
CIAC: LONDONDERRY/MWW CONN	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)	(603,000.00)
CIAC: SEASON LANE, LONDONDERRY	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)	(15,400.00)
CIAC: PELHAM	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)	(84,300.00)
CIAC: LITCHFIELD	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)	(150,367.50)
CIAC: BOW	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)	(19,200.00)
CIAC: LAKEVIEW FARMS - WINDHAM	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)	(46,000.00)
CIAC: MEADOWBROOK PUMP STATION	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)	(18,900.00)
CIAC: OAKWOOD	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)	(36,000.00)
CIAC: SMYTHE WOODS-HOOKSETT	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)	(20,690.39)
CIAC: W&E	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)	(32,805.00)
CIAC: FLETCHERS CORNER:ARSENIC	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)	(68,650.00)
CONTR IN AID OF CONST-DEV INST	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)	(4,536,626.39)
	(14,386,545.56)	(14,394,252.67)	(14,420,760.45)	(14,722,684.64)	(14,765,343.34)	(18,486,950.27)	(18,530,558.20)	(18,554,805.33)	(18,615,204.76)	(18,675,715.60)	(18,946,128.03)	(20,646,487.06)
RESERVE FOR AMORT OF CIAC:PEU	2,284,479.61	2,307,557.18	2,330,661.28	2,354,072.57	2,377,530.79	2,405,102.87	2,432,771.53	2,460,502.52	2,488,281.54	2,512,803.00	2,541,960.10	2,584,271.64
Total Deferred Credits	(17,378,925.19)	(17,363,102.33)	(17,352,154.01)	(17,649,509.31)	(17,685,723.99)	(21,349,329.84)	(21,358,979.91)	(21,392,294.65)	(21,382,601.86)	(21,412,136.44)	(21,646,486.97)	(22,447,393.17)
Total Equity & Liabilities	(52,280,154.47)	(52,005,845.01)	(52,946,650.57)	(52,601,149.28)	(52,650,325.89)	(57,593,066.11)	(57,215,342.58)	(56,922,052.78)	(57,337,342.73)	(56,842,892.44)	(57,495,216.83)	(59,383,618.59)
	-	-	-	-	-	-	-	-	-	-	-	-

TAB 36

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

PENNICHUCK EAST UTILITIES

Profit and Loss Statement

January - December 2018

Provided pursuant to NHPUC Rule 1604.01(a)(20)

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total 2018
WATER SALES	1,378,535.67	1,874,526.96	2,261,472.54	2,275,068.06	7,789,603.23
CBFRR REVENUES	224,715.75	224,715.75	224,715.75	224,715.75	898,863.00
MISC OPERATING REVENUE	7,448.00	10,584.00	8,644.00	9,313.00	35,989.00
TOTAL REVENUES	1,610,699.42	2,109,826.71	2,494,832.29	2,509,096.81	8,724,455.23
	-	-	-	-	-
PRODUCTION EXPENSES	596,702.57	539,219.60	629,524.22	524,978.97	2,290,425.36
TRANSMISSION AND DISTRIB EXP	168,742.96	199,900.30	162,741.59	206,199.50	737,584.35
CUSTOMER ACCT & COLLECTION EXP	39,268.74	54,043.46	55,104.76	51,735.01	200,151.97
ADMINISTRATIVE & GENERAL EXP	44,012.88	55,345.58	37,569.09	47,609.34	184,536.89
INTERCO MGMT FEE: PWW	552,191.00	578,175.00	568,419.00	600,727.00	2,299,512.00
INTERCOMPANY MGMT FEE: PCP	14,935.00	13,292.00	16,048.00	13,169.00	57,444.00
TOTAL OPERATING EXPENSES	1,415,853.15	1,439,975.94	1,469,406.66	1,444,418.82	5,769,654.57
	-	-	-	-	-
DEP EXP/ACQ ADJ EXPENSE	299,422.36	301,482.55	302,011.73	351,333.69	1,254,250.33
AMORTIZATION EXPENSE: CIAC	(93,388.00)	(94,246.09)	(95,655.89)	(108,932.26)	(392,222.24)
AMORT: ACQUISITION PREMIUM	51,797.67	52,169.88	52,169.78	52,169.79	208,307.12
AMORT EXP - DEFERRED CHARGES	10,213.99	16,758.23	29,848.77	29,861.99	86,682.98
LOCAL PROPERTY TAXES	231,423.74	270,529.64	198,251.62	321,201.16	1,021,406.16
NH BET TAX	-	-	-	18,778.69	18,778.69
GAIN FROM FORGIVENESS SRF DEBT	(5,653.32)	(5,653.32)	(5,653.32)	(5,653.32)	(22,613.28)
INCOME TAXES	(96,827.30)	(1,632.93)	111,060.65	758,409.58	771,010.00
TOTAL OPERATING DEDUCTIONS	1,812,842.29	1,979,383.90	2,061,440.00	2,861,588.14	8,715,254.33
	-	-	-	-	-
NET OPERATING INCOME	(202,142.87)	130,442.81	433,392.29	(352,491.33)	9,200.90
	-	-	-	-	-
MISC NON-UTILITY INCOME	-	-	-	114,867.55	114,867.55
OTHER INCOME (EXPENSE)	-	-	-	114,867.55	114,867.55
	-	-	-	-	-
AFUDC-INTEREST(DEBT) COMPONENT	2,955.00	5,394.00	31,938.00	34,199.00	74,486.00
AFUDC - EQUITY COMPONENT	694.00	893.00	5,508.00	6,182.00	13,277.00
TOTAL AFUDC	3,649.00	6,287.00	37,446.00	40,381.00	87,763.00
	-	-	-	-	-
INTEREST EXPENSE	-	-	-	-	-
INTEREST EXP: BONDS & NOTES	(68,018.03)	(150,898.88)	(164,037.40)	(151,851.78)	(534,806.09)
LINE OF CREDIT INTEREST	-	-	-	(3,659.88)	(3,659.88)
AMORTIZATION OF DEBT EXPENSE	(4,491.93)	(5,103.23)	(5,905.61)	(5,892.58)	(21,393.35)
INTERCOMPANY INTEREST	(39,413.48)	(37,259.02)	(56,429.05)	(59,026.33)	(192,127.88)
TOTAL INTEREST EXPENSE, NET	(111,923.44)	(193,261.13)	(226,372.06)	(220,430.57)	(751,987.20)
	-	-	-	-	-
NET INCOME (OR LOSS)	(310,417.31)	(56,531.32)	244,466.23	(417,673.35)	(540,155.75)

PENNICHUCK EAST UTILITIES

Profit and Loss Statement

January - December 2019

Provided pursuant to NHPUC Rule 1604.01(a)(20)

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total 2019
WATER SALES	1,650,597.24	1,893,008.02	2,478,486.48	1,840,499.09	7,862,590.83
CBFRR REVENUES	231,577.29	231,577.29	231,577.29	231,577.29	926,309.16
MISC OPERATING REVENUE	5,429.00	6,172.00	9,643.00	8,944.00	30,188.00
TOTAL REVENUES	1,887,603.53	2,130,757.31	2,719,706.77	2,081,020.38	8,819,087.99
	-	-	-	-	-
PRODUCTION EXPENSES	569,597.67	543,895.33	600,776.91	542,928.76	2,257,198.67
TRANSMISSION AND DISTRIB EXP	205,624.42	300,458.41	253,592.45	246,555.50	1,006,230.78
CUSTOMER ACCT & COLLECTION EXP	43,199.68	50,939.15	58,543.83	52,034.91	204,717.57
ADMINISTRATIVE & GENERAL EXP	42,544.45	50,427.16	45,999.43	42,490.32	181,461.36
INTERCO MGMT FEE: PWW	596,221.00	581,048.00	559,761.00	601,872.00	2,338,902.00
INTERCOMPANY MGMT FEE: PCP	15,493.00	14,851.00	13,970.00	14,045.00	58,359.00
TOTAL OPERATING EXPENSES	1,472,680.22	1,541,619.05	1,532,643.62	1,499,926.49	6,046,869.38
	-	-	-	-	-
DEP EXP/ACQ ADJ EXPENSE	330,064.22	332,527.41	340,799.47	350,186.00	1,353,577.10
AMORTIZATION EXPENSE: CIAC	(103,209.69)	(104,587.40)	(113,316.90)	(110,121.28)	(431,235.27)
AMORT: ACQUISITION PREMIUM	53,013.26	53,434.96	53,435.05	53,434.95	213,318.22
AMORT EXP - DEFERRED CHARGES	29,888.56	29,960.41	29,951.47	37,639.69	127,440.13
LOCAL PROPERTY TAXES	284,575.26	281,512.09	278,708.35	329,248.39	1,174,044.09
NH BET TAX	-	-	-	3,775.00	3,775.00
GAIN FROM FORGIVENESS SRF DEBT	(5,653.32)	(5,653.32)	(6,177.12)	(6,177.12)	(23,660.88)
INCOME TAXES	50,062.29	(28,345.01)	383,409.05	10,233.25	415,359.58
TOTAL OPERATING DEDUCTIONS	2,111,420.80	2,100,468.19	2,499,452.99	2,168,145.37	8,879,487.35
	-	-	-	-	-
NET OPERATING INCOME	(223,817.27)	30,289.12	220,253.78	(87,124.99)	(60,399.36)
	-	-	-	-	-
MISC NON-UTILITY INCOME	17,435.86	-	-	-	17,435.86
OTHER INCOME (EXPENSE)	17,435.86	-	-	-	17,435.86
	-	-	-	-	-
AFUDC-INTEREST(DEBT) COMPONENT	906.00	2,358.00	3,722.00	(6,986.00)	-
AFUDC - EQUITY COMPONENT	122.00	271.00	381.00	(774.00)	-
TOTAL AFUDC	1,028.00	2,629.00	4,103.00	(7,760.00)	-
	-	-	-	-	-
INTEREST EXPENSE	-	-	-	-	-
INTEREST EXP: BONDS & NOTES	(91,839.51)	(171,903.07)	(171,799.68)	(167,695.15)	(603,237.41)
LINE OF CREDIT INTEREST	(6,137.92)	(25,679.44)	(12,835.33)	(8,920.69)	(53,573.38)
AMORTIZATION OF DEBT EXPENSE	(5,824.77)	(5,824.77)	(5,849.93)	(6,263.82)	(23,763.29)
INTERCOMPANY INTEREST	(66,614.87)	(69,948.75)	(67,265.02)	(52,438.68)	(256,267.32)
TOTAL INTEREST EXPENSE, NET	(170,417.07)	(273,356.03)	(257,749.96)	(235,318.34)	(936,841.40)
	-	-	-	-	-
NET INCOME (OR LOSS)	(375,770.48)	(240,437.91)	(33,393.18)	(330,203.33)	(979,804.90)

TAB 37

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

Pennichuck East Utility, Inc. Revenues
Quarterly Sales Volume Schedule for
the Five Years from 2017 through 2018

Provided pursuant to NHPUC Rule 1604.01(a)(21)

2017											
Customer Type	March \$	March Cons.	June \$	June Cons.	September \$	September Cons.	December \$	December Cons.	Total \$	Total Cons.	
Residential	\$ 1,146,908	106,810	\$ 1,337,368	136,401	\$ 1,710,981	194,947	\$ 1,357,749	137,213	\$ 5,553,005	575,371	
Commercial	\$ 176,957	14,936	\$ 203,826	19,123	\$ 244,918	25,500	\$ 218,447	21,465	\$ 844,147	81,024	
Industrial	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	
Municipal	\$ 178,488	1,185	\$ 195,046	1,614	\$ 184,737	1,058	\$ 186,679	1,427	\$ 744,951	5,284	
	\$ 1,502,353	122,931	\$ 1,736,240	157,138	\$ 2,140,635	221,505	\$ 1,762,875	160,105	\$ (18,045)	Abatements	
									\$ (794)	Other Adjustments	
									\$ 7,123,265	Total Water Billed	
									\$ 39,251	Unbilled Revenue	
									\$ -	Recoupment	
									<u>\$ 7,162,516</u>	<u>661,679</u>	

2018											
Customer Type	March \$	March Cons.	June \$	June Cons.	September \$	September Cons.	December \$	December Cons.	Total \$	Total Cons.	
Residential	\$ 1,260,165	120,923	\$ 1,440,351	142,857	\$ 1,987,248	207,971	\$ 1,505,054	128,616	\$ 6,192,819	600,367	
Commercial	\$ 193,986	17,522	\$ 208,527	19,352	\$ 304,152	29,271	\$ 261,375	21,510	\$ 968,039	87,655	
Industrial	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	
Municipal	\$ 186,445	1,437	\$ 215,666	1,590	\$ 218,558	887	\$ 235,644	1,542	\$ 856,313	5,456	
	\$ 1,640,596	139,882	\$ 1,864,544	163,799	\$ 2,509,958	238,129	\$ 2,002,073	151,668	\$ (1,815)	Abatements	
									\$ -	Other Adjustments	
									\$ 8,015,356	Total Water Billed	
									\$ 95,516	Unbilled Revenue	
									\$ 577,594	Recoupment	
									<u>\$ 8,688,466</u>	<u>693,478</u>	

TAB 38

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

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

Project Name/Description	Project Description	Projected 2020 Capex	Source of Funds
Airstrip alternative arsenic treatment	Raw Water Pipeline from Air Strip well to Peacham Road WTP	\$ 600,000	NHDES SRF
N.Barnstead Road - Eliminate deadend piping	Add 680 LF of 4 inch C-900 PVC to eliminate dead end. Replace 275 LF of 4 inch sch 40 PVC with 6 inch C900 PVC	\$ 255,000	NHDES SRF
Route 28 Replacement	Replace 720 LF of 2" PE with 720 LF of 4" C-900 PVC.	\$ 60,000	NHDES SRF
Rolling Hills Water Main Replacement - Site Restoration from 2019 Project	Replace substandard 2 inch diameter pipe with 4 inch C900 PVC	\$ 32,000	CoBank Loan
Locke Lake Surface Water Treatment ⁴	Intake & Treatment Facility Construction	\$ 1,700,000	NHDES SRF
Pelham Main Replacement/Addition	Replace 1600 LF of 3 inch PE with 12 in C-900 and add 775 LF of 12 in C-900 Monticello, Soimpson, Mount Vernon & Lane Roads	\$ 660,000	CoBank Loan
1 x revenue investments Normal Run Rate	Per Tariff	\$ 40,000	CoBank Loan
Sunrise Estates	Station Replacement (design)	\$ 30,000	0.1 DSRR
Londonderry Core Re-Chloramination	Re-chloramination Evalution and Preliminary Design	\$ 35,000	0.1 DSRR
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild	\$ 25,000	CoBank Loan
Well Pump replacements	Well Pump replacements	\$ 15,000	CoBank Loan
Chemical Feed pump replacements	Chemical Feed pump replacements	\$ 3,000	CoBank Loan
Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS	\$ 10,000	CoBank Loan
Misc. Structural Improvements	Misc. Structural Improvements	\$ 10,000	CoBank Loan
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects	\$ 10,000	CoBank Loan
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical	\$ 8,000	CoBank Loan
Well Rehabilitation	Well Rehabilitation	\$ 30,000	CoBank Loan
Install web based communication equipment, 4 locations	Install web based communication equipment, 4 locations	\$ 20,000	CoBank Loan
Install web based communication equipment, 4 locations	Fletcher's Corner, Install Cellular Based Communication	\$ 2,100	CoBank Loan
Interconnect the W&E CWS to the Town of Salem Water System	Interconnect the W&E CWS to the Town of Salem Water System	\$ 125,000	NHDES DWFGTF
New Services (5)	Single Family, Owner Built, New Homes	\$ 25,000	CoBank Loan
Renewed Services (10)	Replacement of failed services	\$ 55,000	CoBank Loan
Hydrants (5)	Replacement of non functional hydrants	\$ 30,000	CoBank Loan
Meters 5/8"-6" Lead Meter Exchange - PEU (200)	Replace High lead brass meter with new no lead brass meter	\$ 20,000	CoBank Loan
Gates (5)	Replacement of Failed Gate Valves	\$ 20,000	CoBank Loan
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading	\$ 32,000	CoBank Loan
Meters (Growth) 5/8"-2" - PEU (220)	New meters for new customers (220)	\$ 22,000	CoBank Loan

Pennichuck East Utilities Projected 2020 Total Capital Expenditure Budget - \$ 3,874,100

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

Project Name/Description	Project Description	Projected 2021 Capex	Financing Docket No.
Locke Lake Surface Water Treatment	Completion Intake & Treatment Facility Construction that started in 2020	\$ 410,000	NHDES SRF
1 x revenue investments Normal Run Rate	Per Tariff	\$ 72,000	CoBank
Londonderry Storage, Booster Station, and Transmission Main	Construct 1.25 MG Groung Level Storage Tank, 3,500 gpm Booster Station and 6300 LF 16 inch Transmission Main	\$ 1,545,000	CoBank
Atkinson Station Rebuild	Station cannot provide requirede fire flow. Hydropneumatic tank is in need of replacement. Estimated cost includes engineering design.	\$ 530,000	CoBank
Booster Pump replacement/rebuild	Booster Pump replacement/rebuild	\$ 40,000	CoBank
Well Pump replacements	Well Pump replacements	\$ 40,000	CoBank
Chemical Feed pump replacements	Chemical Feed pump replacements	\$ 10,000	CoBank
Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS	\$ 25,000	CoBank
Misc. Structural Improvements	Misc. Structural Improvements	\$ 20,000	CoBank
Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects	\$ 10,000	CoBank
Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical	\$ 30,000	CoBank
Well Rehabilitation	Well Rehabilitation	\$ 60,000	CoBank
New Services (5)	Single Family, Owner Build, New Homes	\$ 25,000	CoBank
Renewed Services (10)	Replacement of failed services	\$ 55,000	0.1 DSRR
Hydrants (5)	Replacement of non functional hydrants	\$ 30,000	CoBank
Gates (8)	Replacement of Failed Gate Valves	\$ 32,000	CoBank
Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading	\$ 32,000	CoBank
New meters for new customers (220). Replacement of failed meters (80)	New meters for new customers (220)	\$ 30,000	CoBank
Meters 5/8"-6" Lead Meter Exchange - PEU (400)	Replace High lead brass meter with new no lead brass meter	\$ 40,000	CoBank
2021 Radios (1000)	Begin 7 year replacement of all PEU radios (all initial radios installed in 2007)	\$ 130,000	CoBank
2021 Meters (Growth) 5/8"-2" (220), Replacement (80)	New meters for new customers (220). Replacement of failed meters (80)	\$ 30,000	CoBank

Pennichuck East Utilities Projected 2021 Total Capital Expenditure Budget - \$ 3,196,000

TAB 39

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

**Pennichuck East Utilities, Inc.
Capital and Construction Budget 2020**

Provided pursuant to NHPUC Rule 1604.01(a)(23)

Department	Project Description	Total Budgeted Amount (including O/H)	Funding Source
<u>2019 Carryover/Multi-year Projects</u>			
Londonderry Storage, Booster Station, and Transmission Main	Construct 1.25 MG Groung Level Storage Tank, 3,500 gpm Booster Station and 6300 LF 16 inch Transmission Main	1,545.00	CoBank
Airstrip alternative arsenic treatment	Raw Water Pipeline from Air Strip well to Peacham Road WTP	540.00	SRF
Georgetown Drive water main replacement	Replace 4600 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	10.00	SRF
Bradford Lane water main replacement	Replace 1825 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	10.00	SRF
N.Barnstead Road - Eliminate deadend piping	Add 680 LF of 4 inch C-900 PVC to eliminate dead end. Replace 275 LF of 4 inch sch 40 PVC with 6 inch C900 PVC	239.00	SRF
Belmont Drive water main replacement	Replace 500 LF of 4 inch schedule 40 PVC with 6 inch C900 PVC	5.00	SRF
Route 28 Replacement		80.00	CoBank
Rolling Hills Water Main Replacement - Site Restoration from 2019 Project	Replace substandard 2 inch diameter pipe with 4 inch C900 PVC	32.00	CoBank
		-	
	Subtotal 2019 Carryover/Multi-year Projects	2,461.00	
<u>New 2020 Projects</u>			
Locke Lake Surface Water Treatment	Intake & Treatment Facility Construction	835.00	SRF
Pelham Main Replacement/Addition	Replace 1600 LF of 3 inch PE with 12 in C-900 and add 775 LF of 12 in C-90 Monticello & Lane	285.00	CoBank
1x revenue investments Normal Run Rate with two months of PFOA in Litchfield	Per Tariff	100.00	CoBank
Sunrise Estates	Station Replacement (design)	40.00	SRF
Londonderry Core Re-Chloramination	Re-chloramination Evalution and Preliminary Design	35.00	CoBank
		-	
		-	
		-	
		-	
	Subtotal New 2020 Projects	1,295.00	
	Total 2020 Capital Projects Budget	3,756.00	

	Project Description	Total 2020 incl O/H	Funding Source
<u>2019 Carryover/Multi-year Projects</u>			
Water Supply	Atkinson Booster pump station design	30.00	CoBank
	Subtotal 2019 Carryover/Multi-year Projects	30.00	
<u>New 2020 Projects</u>			
Water Supply	Booster Pump replacement/rebuild	40.00	CoBank
Water Supply	Well Pump replacements	40.00	CoBank
Water Supply	Chemical Feed pump replacements	10.00	CoBank
Water Supply	Install/replace treatment systems in small CWS	25.00	CoBank
Water Supply	Misc. Structural Improvements	20.00	CoBank
Water Supply	Miscellaneous Fencing and Security projects	10.00	CoBank
Water Supply	Miscellaneous SCADA/Electrical	30.00	CoBank
Water Supply	Well Rehabilitation	60.00	CoBank
Water Supply	Atkinson Station Rebuild	500.00	CoBank
Water Supply	Install web based communication equipment, 4 locations	20.00	CoBank
		-	
		-	
		-	
	Subtotal New 2020 Projects	755.00	
	Total 2020 Capital Projects Budget	785.00	

	Project Description	Total 2020 incl O/H	Funding Source
<u>2019 Carryover/Multi-year Projects</u>			
T&D		-	

Department	Project Description	Total Budgeted Amount (including O/H)	Funding Source
Subtotal 2019 Carryover/Multi-year Projects		-	
<u>New 2020 Projects</u>			
T&D	New Services (5)	25.00	DSRR 0.1
T&D	Renewed Services (10)	55.00	DSRR 0.1
T&D	Hydrants (5)	30.00	DSRR 0.1
T&D	Gates (8)	32.00	DSRR 0.1
T&D	Radios (300)	31.50	DSRR 0.1
T&D	Meters (Growth) 5/8"-2" - PEU (220)	22.00	DSRR 0.1
T&D	Meters 5/8"-6" Lead Meter Exchange - PEU (0)	-	
Subtotal New 2020 Projects		195.50	
Total 2020 Capital Projects Budget		195.50	

2019 Carryover/Multi-year Projects - Total PEU 2,491.00

New 2020 Projects - Total PEU 2,245.50

Total Capital Budget - PEU 4,736.50

<u>Breakout</u>	
Land	0.00
Buildings	2,930.00
Equipment & software	1,806.50
	<u>4,736.50</u>

Pennichuck East Utilities, Inc.
Capital and Construction Budget 2021

Provided pursuant to NHPUC Rule 1604.01(a)(23)

Department	Project Description	Total Budgeted Amount (including O/H)	Funding Source
	2020 Carryover/Multi-year Projects		
	Locke Lake Surface Water Treatment	Intake & Treatment Facility Construction	1,065.00 SRF
		Subtotal 2020 Carryover/Multi-year Projects	1,065.00
	New 2021 Projects		
	1x revenue investments	Per Tariff	72.00 CoBank
			-
		Subtotal New 2021 Projects	72.00
		Total 2021 Capital Projects Budget	1,137.00
Water Supply	2020 Carryover/Multi-year Projects		
			-
		Subtotal 2020 Carryover/Multi-year Projects	-
	New 2021 Projects		
	Booster Pump replacement/rebuild	Booster Pump replacement/rebuild	40.00 CoBank
	Well Pump replacements	Well Pump replacements	40.00 CoBank
	Chemical Feed pump replacements	Chemical Feed pump replacements	10.00 CoBank
	Middleton Station Re-build	Middleton Station Re-build	300.00 CoBank
	Install/replace treatment systems in small CWS	Install/replace treatment systems in small CWS	25.00 CoBank
	Misc. Structural Improvements	Misc. Structural Improvements	20.00 CoBank
Water Supply	Miscellaneous Fencing and Security projects	Miscellaneous Fencing and Security projects	10.00 CoBank
	Miscellaneous SCADA/Electrical	Miscellaneous SCADA/Electrical	30.00 CoBank
	Well Rehabilitation	Well Rehabilitation	60.00 CoBank
			-
		Subtotal New 2021 Projects	535.00
		Total 2021 Capital Projects Budget	535.00
T&D	2020 Carryover/Multi-year Projects		
			-
		Subtotal 2020 Carryover/Multi-year Projects	-
	New 2021 Projects		
	New Services (5)	Single Family, Owner Build, New Homes	25.00 CoBank
	Renewed Services (10)	Replacement of failed services	55.00 CoBank
	Hydrants (5)	Replacement of non functional hydrants	30.00 CoBank
	Gates (8)	Replacement of Failed Gate Valves	32.00 CoBank
	Radios (300)	New Customers (220) and replaced failed radios (80) for meter reading	31.50 CoBank
	New meters for new customers (220). Replacement of failed meters (80)	New meters for new customers (220)	30.00 CoBank
T&D	Meters 5/8"-6" Lead Meter Exchange - PEU (400)	Replace High lead brass meter with new no lead brass meter	40.00 CoBank
	2021 Radios (1000)	Begin 7 year replacement of all PEU radios (all initial radios installed in 2007)	130.00 CoBank
	2021 Meters (Growth) 5/8"-2" - Core & CWS (TBD)	New meters for new customers (220). Replacement of failed meters (80)	30.00 CoBank
			-
			-
		Subtotal New 2021 Projects	403.50
		Total 2021 Capital Projects Budget	403.50
2020 Carryover/Multi-year Projects - Total PEU		1,065.00	
New 2021 Projects - Total PEU		1,010.50	
Total Capital Budget - PEU		2,075.50	
Breakout			
Land		0.00	
Buildings		1,365.00	
Equipment & software		710.50	
		2,075.50	

TAB 40

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

See prior tab (TAB 14) for schedules 1604.08 and in particular Schedule 6, Cost of Short Term Debt

TAB 41

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

See Tabs 4 and 34

TAB 42

Summary or Rate Case Expense Estimates

**DW 20-156 Pennichuck East Utility, Inc.
Rate Case Expense Report**

Puc 1905.01(a)

Pursuant to N.H. Code Admin. R. Puc 1905.01(a), Pennichuck East Utility, Inc. (PEU) hereby provides the following rate case expense information:

1. Puc 1905.01(a)(1)(a), The name of the service provider

N.H. Brown Law, PLLC
Raftelis Financial Consultants, Inc.

2. Puc 1905.01(a)(1)(b), The procurement process

PEU conducted a thorough, competitively bid selection process to secure outside consultant services for its rate case. PEU solicited proposals and interviewed multiple firms and consultants. PEU selected N.H. Brown Law, PLLC for its legal services and Raftelis Financial Consultants, Inc. for its Cost of Service study.

3. Puc 1905.01(a)(1)(c), The amount of the expense

To date, PEU has incurred approximately \$5,000 in legal fees and \$35,000 in consultant fees.

4. Puc 1905.01(a)(1)(d), A description of the charge or service rendered

NH Brown Law, PLLC provides legal services in connection to PEU's rate case. Raftelis Financial Consultants, Inc. specializes in providing water and wastewater rate and financial planning studies.

5. Puc 1905.01(a)(2) A list of all services to be rendered on behalf of the utility in the full rate case by any vendor; and

There are no additional vendors than who have been listed above.

6. Puc 1905.01(a)(3), The total estimated costs of each service.

NH Brown Law, PLLC legal fees are projected to cost \$70,000.
Raftelis Financial Consulting, Inc.'s fees are budgeted at \$48,000 to account for discovery.