

the Report of Proposed Rate Changes, which is Schedule 9 located at Bates page 59 of PEU's rate filing (Hearing Exhibit 1).¹² The Settling Parties have considered the recommendations of the COSS and agree that it is important to strike a balance between providing a reasonable level of customer rate gradualism and full immediate implementation of the COSS's recommended rates. Therefore, the Settling Parties agree to recommend that the Commission approve the allocation of PEU's revenue requirement among its customer classes as follows:

Rate or Class of Service	Effect of Proposed Change	Average Number of Customers	Five Year Ave 2019 TY Proforma Rates ¹	Proposed Perm Rates ⁶	Amount	% Increase
G-M ^{4,5}	Increase	7,927	7,395,303	8,931,198	1,535,894	20.77%
Private FP ²	None	320	358,892	358,892	-	0.00%
FP - Hydrants ⁸	Decrease	4	852,013	769,098	(82,915)	-9.73%
Windham Public Hydrant ³	Increase	357	38,577	39,640	1,063	2.76%
Raymond Public Hydrant ³	Increase	248	6,139	7,638	1,499	24.42%
Lee Public Hydrant ³	Increase	34	4,312	4,519	207	4.81%
Exeter Public Hydrant ³	Decrease	52	5,604	5,355	(249)	-4.44%
Birch Hill Public Hydrant ³	Decrease	216	11,103	10,799	(304)	-2.74%
Bow Public Hydrant ³	Increase	26	2,240	2,552	312	13.94%
NC Capital Recovery ⁷	Decrease	1,199	181,603	178,915	(2,688)	-1.48%
TOTALS		8,251	8,855,787	10,308,607	\$1,452,820	

Source: Puc 1604.08 schedules, Schedule 9, Report of Proposed Rate Changes.

7. Rate Impact on Average Residential Customers

For illustration purposes, prior to the implementation of temporary rates in this proceeding, an average non-North Country single-family residential 5/8-inch metered customer using 6.50 hundred cubic feet (ccf) of water per month was charged \$71.59 per month, including the 2.98% QCPAC granted in DW 19-035. Under the Settling Parties proposal, this customer would be initially charged \$84.31 per month (not including a subsequent QCPAC). This represents an initial increase of \$12.72 per month, or \$152.64 on an annual basis.

¹² The COSS recommended the following changes in customer rates in order to recover PEU's revenue requirement: G-M (+23.37%); Private Fire (-4.11%); Public FP Hydrants (+16.04%); Windham Hydrants (+11.33%); Raymond Hydrants (+47.34%); Lee Hydrants (+38.27%); Exeter Hydrants (+26.69%); Birch Hill (+14.10%); and Bow Hydrants (+10.85%).