

**DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
REVENUE REQUIREMENT**

Average Rate Base (Schedule 2)	\$ 186,171
Rate of Return (Schedule 1a)	x <u>5.06%</u>
Operating Income Requirement	9,420
Adjusted Net Operating Income (Schedule 3, Column 6)	<u>26,523</u>
Revenue Deficiency / (Surplus) Before Income Taxes (Schedule 3, Column 7)	(17,103)
Divided by Tax Factor (Schedule 1b)	÷ <u>78.03%</u>
Revenue Deficiency / (Surplus) after Tax Effect (Schedule 3, Column 7)	(21,918)
Add: Pro-forma Test Year Water Revenue per Company (Schedule 3, Column 6)	<u>113,500</u>
Revenue Requirement from Water Sales per Staff	91,582
Less: Adjusted Test Year Water Sales (See Note below*)	<u>(73,628)</u>
Increase / (Decrease) in Revenue Requirement from Water Sales	<u><b>\$ 17,954</b></u>
Percent Increase / (Decrease) in Revenue Requirement from Water Sales	<u><b>24.38%</b></u>

\* Adjusted Test Year Water Sales:  
Test Year Water Sales plus Staff Adjustment #7

**DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
WEIGHTED AVERAGE COST OF CAPITAL**

	Capital Structure		Cost of Debt				Cost Rate	Weighted Average Cost
	Per Test Year	Percent	Interest Rate @ 12/31/16 (a)	Annual Interest	Annual Amortization	Total Annual Cost of Debt		
<b>Long-term Debt:</b>								
Ocean Bank: 04/28/99	\$ 7,051	4.50%	4.00%	\$ 367	\$ 20	\$ 387	5.49%	0.25%
Ocean Bank: 09/23/03	92,831	59.29%	4.25%	4,826	256	5,082	5.47%	3.24%
NHDES SRF: 10/1/13	35,982	22.98%	2.72%	243	218	461	1.28%	0.29%
Total Long-term Debt	<u>135,864</u>	<u>86.77%</u>		<u>\$ 5,436</u>	<u>\$ 494</u>	<u>\$ 5,930</u>	<u>4.36%</u>	<u>3.79%</u>
<b>Common Equity:</b>								
Common Stock	30,471	19.46%						
Retained Earnings	(9,760)	-6.23%						
Total Common Equity	<u>20,711</u>	<u>13.23%</u>					<u>9.60%</u>	<u>1.27%</u>
<b>Total Capitalization</b>	<u>\$ 156,575</u>	<u>100.00%</u>						<u>5.06%</u>

(a) Per review of Loan Statements from response to Staff 1-3

Cost of Equity Rate of 9.60% as approved in Lakes Region Rate Case: DW15-209, Order #25,969, dated 11/28/16.

**DW 17-103**  
**WEST SWANZEY WATER COMPANY, INC.**  
**EFFECTIVE TAX FACTOR**

Taxable Income	100.00%
Less: NH Business Profits Tax	<u>8.20%</u>
Federal Taxable Income	91.80%
Federal Income Tax Rate	<u>15.00%</u>
Effective Federal Income Tax Rate	13.77%
Add: NH Business Profits Tax	<u>8.20%</u>
Effective Tax Rate	<u><u>21.97%</u></u>
Percent of Income Available if No Tax	100.00%
Effective Tax Rate	<u>21.97%</u>
Percent Used as a Divisor in Determining the Revenue Requirement	<u><u>78.03%</u></u>

**DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
AVERAGE RATE BASE**

	<b>5-Quarter Average Per Company</b>	<b>Company Pro-Forma Adjustments</b>	<b>Company Pro-Forma Test Year</b>	<b>Staff Adjustments (Sch 2a)</b>	<b>Adj #</b>	<b>Test Year Average Per Staff</b>
<b><u>Plant in Service</u></b>						
Plant in Service (Schedule 2b)	\$ 476,121		\$ 476,121	\$ 108	1	\$ 476,229
Less: Accumulated Depreciation (Schedule 2b)	<u>(220,097)</u>	<u>(206)</u>	<u>(220,303)</u>	<u>(108)</u>	2	<u>(220,411)</u>
Net Plant in Service	<u>256,024</u>	<u>(206)</u>	<u>255,818</u>	<u>-</u>		<u>255,818</u>
Contributions in Aid of Construction (CIAC) (Schedule 2b)	<u>(151,157)</u>	<u>-</u>	<u>(151,157)</u>	<u>-</u>		<u>(151,157)</u>
Accumulated Amortization of CIAC (Schedule 2b)	<u>60,038</u>	<u>-</u>	<u>60,038</u>	<u>-</u>		<u>60,038</u>
Net Contributions in Aid of Construction	<u>(91,119)</u>	<u>-</u>	<u>(91,119)</u>	<u>-</u>		<u>(91,119)</u>
Net Plant in Rate Base	<u>164,905</u>	<u>(206)</u>	<u>164,699</u>	<u>-</u>		<u>164,699</u>
Materials & Supplies (Schedule 2b)	696	-	696	-		696
Prepaid Expenses (Schedule 2b)	4,635	-	4,635	(1,024)	3	3,611
Cash Working Capital (Schedule 2b)	13,328	1,208	14,536	(895)	4-5	13,641
Deferred Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,524</u>	6-7	<u>3,524</u>
<b>Total Average Rate Base</b>	<u><u>\$ 183,564</u></u>	<u><u>\$ 1,002</u></u>	<u><u>\$ 184,566</u></u>	<u><u>\$ 1,605</u></u>		<u><u>\$ 186,171</u></u>

DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
STAFF PRO-FORMA ADJUSTMENTS TO RATE BASE

**Adj#**

**Plant in Service**

- |   |   |        |
|---|---|--------|
| 1 | To adjust Plant for Audit Issue #3, misposted depreciation entry. | \$ 108 |
|---|---|--------|

**Accumulated Depreciation**

- |   |  |          |
|---|--|----------|
| 2 | To adjust Accumulated Depreciation for Audit Issue #3, misposted depreciation entry. | \$ (108) |
|---|--|----------|

**Prepaid Expenses**

- |   |  |          |    |         |
|---|--|----------|----|---------|
| 3 | To adjust Prepaid expenses: include only those prepaids not included in Cash Working Capital:<br>5-Quarter Average per Staff | \$ 3,611 |    |         |
|   | Less: Year-end average per Company   | (4,635)  | \$ | (1,024) |

**Cash Working Capital**

- |   |  |                 |
|---|--|-----------------|
| 4 | To reverse Company Pro-forma for working capital.                    | \$ (1,208)      |
| 5 | To adjust cash working capital. See Schedule 2b.<br>Amount per Staff | \$ 13,641       |
|   | Less: Amount per Company   | (13,328) \$ 313 |
|   | Total Adjustments - Working Capital                                  | \$ (895)        |

**Deferred Assets**

- |   |   |                 |    |         |
|---|---|-----------------|----|---------|
| 6 | To set up Deferred Asset for costs associated with NHDES mandate to replace System Operator, improve reporting requirements, comply with Sampling Schedule and Sanitary Survey.<br>Account #626-Testing/Misc Pumping Operating Expenses | \$ 2,484        |    |         |
|   | Account #642-Treatment Labor  | 2,802           | \$ | 5,286   |
| 7 | To record first year's expense for Deferred Asset (NHDES)<br>Three year amortization:   | 5,286 / 3 years | \$ | (1,762) |
|   | Total Adjustments - Deferred Assets   |                 | \$ | 3,524   |

DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
CALCULATION OF AVERAGE RATE BASE

	12/31/15	03/31/16	06/30/16	09/30/16	12/31/16	5-Quarter Average Per Staff	5-Quarter Average Per Company	Staff Adjustments	Adjustment #
Plant in Service	\$ 473,699	\$ 473,802	\$ 477,702	\$ 477,702	\$ 477,702	\$ 476,121	476,121	\$ -	
Accumulated Depreciation	(212,504)	(216,102)	(220,031)	(223,960)	(227,887)	(220,097)	(220,097)	-	
Contributions in Aid of Construction (CIAC)	(151,157)	(151,157)	(151,157)	(151,157)	(151,157)	(151,157)	(151,157)	-	
Accumulated Amortization - CIAC	57,013	58,526	60,038	61,551	63,063	60,038	60,038	-	
Materials & Supplies	696	696	696	696	696	696	696	-	
Prepaid Expenses (a)	2,129	-	7,962	5,308	2,654	3,611	4,635	(1,024)	3
Cash Working Capital						(b) 13,641	13,328	313	5
Total Average Rate Base						\$ 182,853	\$ 183,564	\$ (711)	

(a) Staff's Calculation of Prepaid Expenses:

	2015 Local Tax	2015 State Tax	2016 Local Tax	2016 State Tax	Total Prepays
12/31/15	\$ 1,732	\$ 397	\$ -	\$ -	\$ 2,129
01/31/16	1,155	265	-	-	1,420
02/28/16	577	132	-	-	709
03/31/16	-	-	-	-	-
04/30/16	-	-	8,218	1,513	9,731
05/31/16	-	-	7,471	1,375	8,846
06/30/16	-	-	6,724	1,238	7,962
07/31/16	-	-	5,977	1,100	7,077
08/31/16	-	-	5,230	963	6,193
09/30/16	-	-	4,483	825	5,308
10/31/16	-	-	3,735	688	4,423
11/30/16	-	-	2,988	550	3,538
12/31/16	-	-	2,241	413	2,654

(b) Staff's Calculation of Cash Working Capital:

Adjusted Total O & M Expenses (Sch 3)	\$ 66,379
Cash Working Capital % (75 days / 365 days)	x 20.55%
Cash Working Capital	<u>\$ 13,641</u>

**DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
OPERATING INCOME STATEMENT**

	(1) Per Test Year	(2) Pro-forma Adjustments Per Company	(3) Adjusted Test Year Per Company	(4) Staff Adjustments (Sch 3a)	(5) Adj #	(6) Adjusted Test Year Per Staff	(7) Revenue Deficiency / (Surplus)	(8) Revenue Requirement
<b>Operating Revenues</b>								
Water Sales	\$ 69,906	\$ 39,872	\$ 109,778	\$ 3,722	8	\$ 113,500	\$ (21,918)	\$ 91,582
Other Operating Revenues	-	-	-	-		-	-	-
Total Operating Revenues	<u>69,906</u>	<u>39,872</u>	<u>109,778</u>	<u>3,722</u>		<u>113,500</u>	<u>(21,918)</u>	<u>91,582</u>
<b>Operating Expenses</b>								
Operation & Maintenance Expenses:								
Source of Supply Expenses	3,260	-	3,260	-		3,260		3,260
Pumping Expenses	17,243	-	17,243	(5,112)	9-12	12,131		12,131
Water Treatment Expenses	10,128	-	10,128	4,301	13-15	14,429		14,429
Transmission & Distribution Expenses	3,476	-	3,476	-		3,476		3,476
Customer Accounts Expenses	5,228	800	6,028	-		6,028		6,028
Administrative & General Expenses	25,523	5,877	31,400	(4,345)	16-20	27,055		27,055
Total Operation & Maintenance Expenses	<u>64,858</u>	<u>6,677</u>	<u>71,535</u>	<u>(5,156)</u>		<u>66,379</u>	<u>-</u>	<u>66,379</u>
Depreciation Expense	15,507	206	15,713	-		15,713		15,713
Amortization Expense - CIAC	(6,050)	-	(6,050)	-		(6,050)		(6,050)
Amortization Expense - Other	207	-	207	-		207		207
Taxes other than Income	9,694	-	9,694	921	21	10,615		10,615
Total Operating Expenses	<u>84,216</u>	<u>6,883</u>	<u>91,099</u>	<u>(4,235)</u>		<u>86,864</u>	<u>-</u>	<u>86,864</u>
Net Operating Income / (Loss) Before Income Taxes	(14,310)	32,989	18,679	7,957		26,636	(21,918)	4,718
Income Taxes	-	1,251	1,251	(1,138)	Sch 3b	113	(4,815)	(4,702)
<b>Net Operating Income (Loss)</b>	<u>\$ (14,310)</u>	<u>\$ 31,738</u>	<u>\$ 17,428</u>	<u>\$ 9,095</u>		<u>\$ 26,523</u>	<u>\$ (17,103)</u>	<u>\$ 9,420</u>

DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
STAFF PRO-FORMA ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES

Adj #**Pro-forma Adjustments to Operating Revenues:**

8	To increase test year water revenues due to a commercial meter that had been tampered with and as a result did not read properly for two billing periods.	\$ 3,722
	Total Adjustments - Operating Revenues	<u>\$ 3,722</u>

**Pro-forma Adjustments to Operating Expenses:**Pumping Expenses

9	To adjust test year purchased power expense to actual test year expenses (Audit Issue #4). Actual test year billings for electricity costs Less: Purchased power expense per Company filing	\$ 6,545 <u>(6,996)</u>	\$ (451)
10	To remove 2015 testing costs from Account 626-Testing/Misc Pumping Operating Expenses.		\$ (40)
11	To adjust Account 626-Testing/Misc Pumping Operating expenses to reflect first two quarters of 2017 and last two quarters of 2016 which more accurately measures expense going forward. Total expense calculation of Q1, Q2 2017 and Q3, Q4 2016 General Ledger balance at 12/31/16	\$ 5,334 <u>(7,471)</u>	\$ (2,137)
12	To set up Deferred Asset for costs associated with NHDES mandate to bring system's Lead & Copper and Alkalinity balances into compliance. (Aggressive sampling schedule) Account #626-Testing/Misc Pumping Operating Expenses		<u>\$ (2,484)</u>
	Total Adjustments - Pumping Expenses		<u>\$ (5,112)</u>

Water Treatment Expenses

13	To adjust Account 642-Treatment Labor expenses to reflect first two quarters of 2017 and last two quarters of 2016 which more accurately measures expense going forward. Total expense calculation of Q1, Q2 2017 and Q3, Q4 2016 General Ledger balance at 12/31/16	\$ 13,515 <u>(8,174)</u>	\$ 5,341
14	To set up Deferred Asset for costs associated with NHDES mandate to replace System Operator, improve reporting requirements, comply with Sampling Schedule and Sanitary Survey. Account #642-Treatment Labor		\$ (2,802)
15	To record first year's expense for Deferred Asset (NHDES) Account #626; See Adjustment above: Account #642; See Adjustment above: Three year amortization:	\$ 2,484 2,802 <u>5,286 / 3 years</u>	<u>\$ 1,762</u>
	Total Adjustments - Water Treatment Expenses		<u>\$ 4,301</u>

Administrative & General Expenses



DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
STAFF PRO-FORMA ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES

**Adi #**

16	To adjust insurance expense to 2016 premium amount. 2016 commercial package premium	\$ 1,810	
	Less: Insurance expense recorded by Co during the test year	<u>(1,784)</u>	\$ 26
17	To adjust Company pro-forma related to PUC Audit. Original Company pro-forma:	\$ 2,400 / 3 years 800	
	Adjusted Company pro-forma:	<u>(1,219) / 3 years (406)</u>	\$ (394)
18	To reverse Company pro-forma related to EE Houghton Co, Inc. Jan - March 2017 costs.		\$ (4,177)
19	To reverse Company pro-forma related to Supervision.		\$ (1,500)
20	To correct Company pro-forma related to Supervision: Total annual management / rental fees indicated per revised agreements	\$ 13,100	
	Less: Management / rental fees charged to Company during the test year	<u>(11,400)</u>	1,700
	Total Adjustments - Administrative & General Expenses		<u>\$ (4,345)</u>

**Pro-forma Adjustments to Taxes:**

**Taxes Other than Income**

21	To adjust test year property tax expense: 2016 Municipal Property Tax (See Staff DR# 1-10)	\$ 8,965	
	2016 State Utility Property Tax (See Staff DR# 1-10)	<u>1,650</u>	
	Total pro-forma property taxes per Staff	10,615	
	Less: Pro-forma property taxes per Company (Schedule 3)	<u>(9,694)</u>	\$ 921

**Income Taxes**

22	To reverse Company's Income Tax adjustment. (See Staff Schedule 3b)	\$ (1,251)	
23	To record income tax effect of pro-forma adjustments to revenue and expenses. (See Staff Schedule 3b)	<u>113</u>	
	Total Adjustments - Income Tax Expenses		<u>\$ (1,138)</u>

**DW 17-103**  
**WEST SWANZEY WATER COMPANY, INC.**  
**STAFF PRO-FORMA ADJUSTMENTS TO INCOME TAXES**

**INCOME TAXES**

To reflect the income tax effect of proforma adjustments to revenue and expenses:

**Operating Revenues:**

Total Proforma Adjustments to Water Revenues	\$ (3,722)
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**Operating Expenses:**

Total Proforma Adjustments to Source of Supply Expenses	-
Total Proforma Adjustments to Pumping Expenses	5,112
Total Proforma Adjustments to Water Treatment Expenses	(4,301)
Total Proforma Adjustments to Transmission & Distribution Expenses	-
Total Proforma Adjustments to Customer Accounts Expenses	-
Total Proforma Adjustments to Administrative & General Expenses	4,345
Total Proforma Adjustments to Depreciation Expense	-
Total Proforma Adjustments to Amortization Expense - CIAC	-
Total Proforma Adjustments to Amortization Expense - Other	-
Total Proforma Adjustments to Taxes other than Income	<u>(921)</u>

Marginal Revenue (Expense) Subject to Income Taxes	513
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Less: New Hampshire Business Profits Tax @ 8.2%	<u>(42)</u>
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Amount Subject to Federal Income Tax	471
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Less: Federal Income Tax @ 15.0%	<u>(71)</u>
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Proforma Adjustments net of Income Taxes	<u><u>\$ 400</u></u>
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DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
CALCULATION OF CUSTOMER RATES

	Present Rates	% Increase	Proposed Increase	Proposed Rates	Quantity	Total Revenue
<b>Fixed Charge:</b>						
5/8" Meter	\$ 18.87	24.38%	\$ 4.60	\$ 23.47	66 a	\$ 1,549
3/4" Meter *	\$ 20.76	24.37%	\$ 5.06	\$ 25.82	-	-
1" Meter *	\$ 26.42	24.38%	\$ 6.44	\$ 32.86	10 a	329
1 1/2" Meter *	\$ 33.97	24.37%	\$ 8.28	\$ 42.25	-	-
2" Meter *	\$ 54.72	24.38%	\$ 13.34	\$ 68.06	5 a	340
3" Meter *	\$ 207.57	24.38%	\$ 50.60	\$ 258.17	-	-
4" Meter *	\$ 264.18	24.38%	\$ 64.40	\$ 328.58	-	-
6" Meter *	\$ 396.27	24.38%	\$ 96.60	\$ 492.87	-	-
8" Meter *	\$ 547.24	24.38%	\$ 133.39	\$ 680.63	-	-
					<u>81</u> a	<u>\$ 2,218</u>
					x	4 Quarters
<b>Total Annual Fixed Charge Revenue</b>						<u><b>\$ 8,872</b></u>
<b>Consumption Charge (per 100 Gallons):</b>	\$ 0.629	36.29%	\$ 0.23	\$ 0.857	78,516 b	<u><b>\$ 67,308</b></u>
<b>Private Fire Protection:</b>						
1" Service	\$ 29.76	24.38%	\$ 7.26	\$ 37.02	-	\$ -
2" Service	\$ 59.54	24.38%	\$ 14.52	\$ 74.06	-	-
4" Service	\$ 178.60	24.38%	\$ 43.55	\$ 222.15	-	-
6" Service	\$ 357.19	24.38%	\$ 87.10	\$ 444.29	2 a	889
8" Service	\$ 595.32	24.38%	\$ 145.17	\$ 740.49	4 a	2,962
					<u>6</u> a	<u>\$ 3,851</u>
					x	4 Quarters
<b>Total Annual Private Fire Protection Revenue</b>						<u><b>\$ 15,402</b></u>
<b>Total Proposed Annual Revenues (Sch 1)</b>						<u><b>\$ 91,582</b></u>

\* Meter rate based on AWWA M1 ratio which uses 5/8" meter rate as a base.

a = Number of Customers per NHPUC Annual Report S-8

b = 100 Gallons Sold per Billing Summaries

DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
STEP INCREASE  
REVENUE REQUIREMENT

**Increase in Net Income Requirement:**

2017 Plant Additions (Att B; Sch 2)	\$ 24,500
Less: Accumulated Depreciation (Att B; Sch 2)	<u>(1,225)</u>
Net 2017 Plant in Service	<u>23,275</u>
 Net 2017 Plant in Rate Base	 \$ 23,275
 Rate of Return (Att B; Sch 1a)	 x <u>6.02%</u>
 Increase in Operating Income Requirement	 <u>\$ 1,401</u>

**Net Increase in Operating Expenses:**

Annual Depreciation Expense: 2017 Plant Additions less Retirements (Att B; Sch 2)	\$ 2,450
Property Tax Expense for 2017 Plant Additions (Att B; Sch 3)	<u>946</u>

**Step Increase in Revenue Requirement** **\$ 4,797**

**Adjusted Test Year Water Sales (Att A; Sch 1)** **\$ 91,582**

**Percent Increase / (Decrease) in Revenue Requirement from Water Sales** **5.24%**

**DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
STEP ADJUSTMENT  
WEIGHTED AVERAGE COST OF CAPITAL**

	Capital Structure			Cost of Debt				Cost Rate
	Per Filing	Staff Adjustments (a)	Adjusted Per Staff	Interest Rate (a)	Annual Interest	Annual Amortization	Total Annual Cost of Debt	
<b>Long-term Debt:</b>								
S Brown Loan: 2017	26,400	(1,900)	24,500	5.00%	1,225	250	1,475	6.02%
Total Long-term Debt	26,400	(1,900)	24,500		\$ 1,225	\$ 250	\$ 1,475	6.02%

(a) Per review of Loan Statements from response to Staff 2-1

DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
STEP INCREASE  
COST ADDITIONS AND RETIREMENTS

2017 Plant Additions:

Account	Amount *	Depreciation Rate	Annual Depreciation	Accumulated Depreciation @ 12/31/17	Net Plant in Service
311: Pumping Equipment	\$ 24,500	10.00%	\$ 2,450	\$ (1,225)	\$ 23,275
	<u>\$ 24,500</u>		<u>\$ 2,450</u>	<u>\$ (1,225)</u>	<u>\$ 23,275</u>

\* Estimate: Final invoices pending as of 11/27/17

Audited costs:

Everett E. Houghton, 8/29/17	8,858
(2) Danfoss VF Drives, Model FC102	

**DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
STEP INCREASE  
PROPERTY TAX CALCULATION**

**Municipal Taxes - Town of Swanze**

**Town of Swanze Property Taxes**

Assesed Valuation	338,800	
Net Plant in Service, 12/31/15	261,195	
Assessment Adjustment Percentage	129.71%	

2017 Net Plant Additions (Att B; Sch 2)	\$ 23,275	
Net Book Value after application of assessment adjustment percentage		30,190
2017 Municipal Tax Rate (per \$1,000 of Valuation) (Staff DR# 1-10)	x \$ 26.46	
Estimated Municipal Taxes on 2017 Net Additions to Plant		\$ 799

**State Utility Property Taxes:**

Assesed Valuation (See Staff DR#1-10)	250,000	
Net Plant in Service, 12/31/15	261,195	
Assessment Adjustment Percentage	95.71%	

2017 Net Plant Additions (Att B; Sch 2)	\$ 23,275	
Net Book Value after application of assessment adjustment percentage		22,277
2017 State Tax Rate (per \$1,000 of Valuation) (Staff DR# 1-10)	x \$ 6.60	
Estimated State Taxes on 2017 Net Additions to Plant		\$ 147

Net Increase in Property Tax Expense for 2017 changes to Plant	\$ 946
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DW 17-103  
WEST SWANZEY WATER COMPANY, INC.  
CALCULATION OF CUSTOMER RATES

	Proposed New Rates	% Increase	Proposed STEP Increase	Proposed Rates	Quantity	Total Revenue
<b>Fixed Charge:</b>						
5/8" Meter	\$ 23.47	5.24%	\$ 1.23	\$ 24.70	66 a	\$ 1,630
3/4" Meter *	\$ 25.82	5.23%	\$ 1.35	\$ 27.17	-	-
1" Meter *	\$ 32.86	5.23%	\$ 1.72	\$ 34.58	12 a	415
1 1/2" Meter *	\$ 42.25	5.23%	\$ 2.21	\$ 44.46	-	-
2" Meter *	\$ 68.06	5.25%	\$ 3.57	\$ 71.63	5 a	358
3" Meter *	\$ 258.17	5.24%	\$ 13.53	\$ 271.70	-	-
4" Meter *	\$ 328.58	5.24%	\$ 17.22	\$ 345.80	-	-
6" Meter *	\$ 492.87	5.24%	\$ 25.83	\$ 518.70	-	-
8" Meter *	\$ 680.63	5.24%	\$ 35.67	\$ 716.30	-	-
					<u>83</u> a	<u>\$ 2,403</u>
					x	4 Quarters
<b>Total Annual Fixed Charge Revenue</b>						<u>\$ 9,613</u>
 <b>Consumption Charge (per 100 Gallons):</b>						
	\$ 0.857	4.83%	\$ 0.04	\$ 0.899	78,516 b	<u>\$ 70,557</u>
 <b>Private Fire Protection:</b>						
1" Service	\$ 37.02	5.24%	\$ 1.94	\$ 38.96	-	\$ -
2" Service	\$ 74.06	5.24%	\$ 3.88	\$ 77.94	-	-
4" Service	\$ 222.15	5.24%	\$ 11.64	\$ 233.79	-	-
6" Service	\$ 444.29	5.24%	\$ 23.27	\$ 467.56	2 a	935
8" Service	\$ 740.49	5.24%	\$ 38.79	\$ 779.28	4 a	3,117
					<u>6</u> a	<u>\$ 4,052</u>
					x	4 Quarters
<b>Total Annual Private Fire Protection Revenue</b>						<u>\$ 16,209</u>
 <b>Total Proposed Annual Revenues (Attachment A; Sch 1 + Attachment B; Sch 1)</b>						<u>\$ 96,379</u>

\* Meter rate based on AWWA M1 ratio which use 5/8" meter rate as a base.

a = Number of Customers per NHPUC Annual Report S-8

b = 100 Gallons Sold per Billing Summaries