

STATE OF NEW HAMPSHIRE

SUPREME COURT

Appendix to

Town of Hampton's Rule 10 Appeal

from Decisions of the Public Utilities Commission

Mark Gearreald, Esq.
NHBA # 913
Town of Hampton
100 Winnacunnet Road
Hampton, NH 03842
mgearreald@town.hampton.nh.us

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**Town of Hampton
LEGAL DEPARTMENT
100 Winnacunnet Road
Hampton, New Hampshire 03842**

DW 19-065

Mark S. Gearreald, Esq.
Town Attorney

Tel: 603-929-5816
Fax: 603-929-5817
mgearreald@town.hampton.nh.us

March 26, 2019

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



Re: Aquarion Water Company of New Hampshire, Inc., Complaint by the Town of Hampton

Dear Ms. Howland:

Enclosed please find for filing in the above matter in behalf of the Town of Hampton, an original and seven (7) copies of this letter and of The Town of Hampton's Complaint regarding Aquarion Water Company of New Hampshire, Inc.

We are going to be serving this electronically as well in accordance with PUC Rule 203.02 and 203.03.

Thank you for your cooperation with regard to the above.

Very truly yours,

Mark S. Gearreald
Hampton Town Attorney

cc: Board of Selectmen
Frederick W. Welch, Hampton Town Manager
Executive Director (electronically)
Office of Consumer Advocate (electronically)
Marcia Brown, Esq. (counsel for Aquarion)(electronically)

STATE OF NEW HAMPSHIRE
BEFORE THE PUBLIC UTILITIES COMMISSION
PETITIONER: TOWN OF HAMPTON
RE: AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

COMPLAINT BY TOWN OF HAMPTON

NOW COMES the Town of Hampton and complains against Aquarion Water Company of New Hampshire, Inc. (hereinafter "Aquarion") as follows:

Count I: Overearning by Aquarion as to allowed Return on Equity and allowed rate of return, pursuant to N.H. RSA 365:1 and 29.

1. In Order No. 25, 539 in DW 12-085, the Commission, after a contested hearing where competing experts testified (including one hired by the Towns of Hampton and North Hampton) set a rate of return on equity (ROE) of 9.6% [Aquarion had requested an increase in ROE from 9.75% to 10.25%], which set a corresponding overall rate of return of 7.49%.
2. Each percentage point of ROE in DW 12-085 was worth about \$154,000 in earnings.
3. Aquarion files annual reports in late March of each year reporting on earnings in the prior calendar year.
4. Aquarion's annual report for the year 2016, filed with the Commission in 2017, provided for the first time a figure for return on equity achieved, which was reported to be 13.11%, or 3.51% above the allowed 9.6% return on equity.
5. The Town of Hampton complained about these excessive earnings in DW 16-828, but the Commission denied any hearing thereon in Order No. 25, 982, dated January 27,

2017, stating that it does not review and approve the Company's earnings in WICA proceedings. In its earlier Order No. 25, 977 dated January 13, 2017, the Commission stated that it retains the right to review the earnings of utilities for reasonableness, referencing RSA 365:5 and 6, and directed Aquarion to file a calculation of its achieved rate of return and its achieved return on equity at the same time that it files its Annual Report.

6. Aquarion's Annual Report for the year 2017, filed with the Commission on April 2, 2018, reported that Aquarion had achieved a return on equity of 10.29%, or .68% above the allowed return on equity.
7. The Town again complained about these excessive earnings in DW 17-154, but the Commission ordered on p. 6 of its Order No. 26, 094 dated December 29, 2017 that "matters related to Aquarion's earnings position would be addressed as part of Aquarion's next rate proceeding." The Commission continued the reporting requirement from Order Nos. 25, 977, which it noted was "designed to give the Commission and Staff the ability to monitor Aquarion's achieved rate of return and its achieved return on equity."
8. In the context of dealing with this year's WICA surcharge Petition by Aquarion (DW 18-161), the PUC Staff performed an audit dated November 16, 2018 in which Staff for the first time analyzed the rate of return, cost of capital, and return on equity achieved by Aquarion since the most recently approved rate case DW 12-085, in Order 25, 539 issued June 28, 2013.
9. This Staff Audit concluded that "The Company appears to have been overearning, based on the Rate of Return calculations below, since 2013." Attached are the

calculations referred to, which demonstrate returns on equity Achieved by Aquarion that exceed by at least 1.5% higher each year, the 9.6% return on equity allowed by the Commission, and by as much as 7.75% higher in 2013.

10. These Staff Audit figures support the Town of Hampton's earlier complaints that redress of this situation by the Commission is necessary as Aquarion has thus received and retained hundreds of thousands of dollars in excessive earnings from its customers spanning at least 5 years (2018 having yet to be reported on). These excessive earnings ought to be returned and rebated to Aquarion customers in order for this Commission's rulings in DW 12-085 is to have any real meaning.
11. The terms of the settlement achieved in DW 18-161 has preserved the overearnings issue until "later proceedings," and the Town of Hampton is raising the overearnings issue at this time, as it already has in the 2016 and 2017 WICA cases, in order to avoid any claim that the Commission's ability to provide redress is somehow time barred.

WHEREFORE, the Town of Hampton requests that this Commission:

- A. Order Aquarion to rebate to its customers the earnings, with interest thereon, that Aquarion has received and retained from and including 2013, that exceed the rates of return on equity and allowed rate of return ordered by the Commission after the contested hearing in DW 12-085; and
- B. Award the Town of Hampton its attorney's fees and costs incurred in this matter; and
- C. Grant such other and further relief as may be just.

Count II: Clearing Snow from Fire Hydrants, pursuant to N.H. RSA 365:1.

1. In DW 18-161, the Town of Hampton complained to the Commission about the fact that Aquarion Water Company of New Hampshire relies upon the fire departments of the towns where its private fire hydrants are located to clear snow from those hydrants.
2. The private fire hydrants in question serve a critical public safety function in that, when properly maintained, they ensure that water is available to fight fires in the proximity necessary to reach a fire.
3. The Town of Hampton contains approximately 268 Aquarion owned fire hydrants and pays Aquarion over half a million dollars per year for the availability of the water these hydrants are to provide in the event of a fire. (See attached, the latest semi-annual bill dated January 3, 2019 from Aquarion to Hampton).
4. Aquarion neglects and refuses to shovel snow from its private hydrants to keep them clear, despite the Town of Hampton's having complained to Aquarion about its reliance upon highly trained and compensated Hampton firefighters to do this hard labor function, for which Aquarion pays nothing to the Town.
5. As confirmed as long ago as 1952, our Supreme Court in Clapp v. Jaffrey, 97 N.H. 456, 459 (1952) has upheld the ancient rule that tax monies cannot be used for the advantage of private individuals, especially where such individuals do not pay a fee for such service that no tax monies are being expended. Thus, Hampton taxpayers are illegally being forced to pay their firefighters to maintain private property of

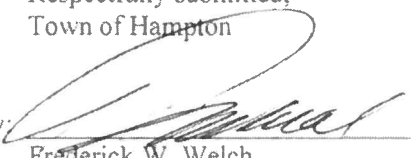
Aquarion, exposing the firefighters to injury and hazardous conditions to which they should not have to be exposed.

6. As part of the settlement in DW 18-161, Aquarion is to file a full rate case in 2020, and as part of that case is to prepare a cost of service study, which has not been updated since 2005.
7. The Town of Hampton has requested that Aquarion include the cost of clearing snow from the private hydrants that Aquarion owns in its update of the cost of service study, but Aquarion has refused to do so, leaving that issue to the next rate case, which will certainly not be heard until after the next winter snow season has passed and another year of firefighters shoveling has occurred, paid for by all the taxpayers of Hampton, even those who are not served by Aquarion water.

WHEREFORE, the Town of Hampton requests that the Commission:

- A. Order Aquarion to perform clearing of snow from the fire hydrants that it owns in the Town of Hampton using Aquarion's own employees or Aquarion paid contractors;
- B. Order Aquarion to include the cost of such snow clearing in the cost of service study for the next rate case; and
- C. Grant such other and further relief as may be just.

Dated: March 22, 2019

Respectfully submitted,
Town of Hampton
By: 
Frederick W. Welch
Hampton Town Manager, duly
authorized

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: November 16, 2018

AT (OFFICE): NHPUC

FROM: Karen Moran, Chief Auditor

SUBJECT: Aquarion Water Company of New Hampshire, Inc.
DW 17-154 and DW 18-161 Water Infrastructure and Conservation
Adjustment Mechanism
FINAL Audit Report

TO: Steve Frink, Director Gas-Water Division, NHPUC
Jayson Laflamme, Assistant Director Gas-Water Division, NHPUC
Anthony Leone, Utility Analyst

Introduction

Aquarion Water Company of New Hampshire, Inc. (Aquarion) has been participating in the annual Water Infrastructure and Conservation Adjustment (WICA) since the Commission approved it as a pilot program by Order 25,019 issued on September 25, 2009 in docket DW 08-098. The WICA program was extended and modified by Order 25,539 issued June 28, 2013 in docket DW 12-085.

On October 15, 2018, Aquarion filed the October 1, 2017 – September 30, 2018 costs to be considered for recovery through the WICA surcharge, which is petitioned for implementation January 1, 2019.

Projects Approved for 10/1/2017 through 9/30/2018

In Docket DW 17-154, Aquarion petitioned for approval of its proposed 2018 projects to be eligible for recovery through the WICA surcharge mechanism. Order 26,094, issued December 29, 2017, approved a WICA surcharge of 7.08 percent, approved the planned 2018 WICA projects, and preliminarily approved the 2019 projects.

By letters to the Commission, the Company adjusted the proposed 2018 projects as follows:

Aquarion provided several schedules within the filing which fulfill the requirements for continuing property records. Within DS-1, Audit was able to verify the reported Mill Road-Atlantic Ave to Pine Road, North Hampton main replacement value of \$1,045,877, the associated retirements of \$91,840, with the asset set to depreciate at a rate of 1.20%, with ½ year convention applied to both the addition and the retirement.

Retirements

Filing schedule Attachment DS-1, page 3 of 3, notes the Mill Road project had \$91,839.77 of eligible asset retirements.

Aquarion provided a spreadsheet showing the asset number of 32 specific assets that were retired, the amount retired and if it was a full or partial retirement. A request for more detailed information was made, and the Company provided the details of the SAP general ledger retirement entries which took place in August, September, and revised in October 2018. The detail identified the location, account number, number of feet, type of pipe, and original year of capitalization. Retirements were properly credited to account 101000 and debited to Accumulated Depreciation-Retirements, account 111010.

Calculated Rate of Return, Cost of Capital and Return on Equity

For comparison and informational purposes, Audit has compiled the calculated rate of return, cost of capital, and return on equity percentages, as determined within the context of each year's annual report desk audit. The most recently approved rate case DW 12-085, by Order 25,539 issued 6/28/2013 authorized an overall Rate of Return of 7.49% based on a cost of equity 9.6% and cost of debt 6.05%. The Company appears to have been overearning based on the Rate of Return calculations below, since 2013.

<u>Year</u>	<u>Rate of Return</u>	<u>Cost of Capital</u>	<u>Return on Equity</u>
2012	05.67%	05.69%	05.21%
2013	10.83%	05.81%	17.35%
2014	10.43%	07.55%	12.58%
2015	09.60%	07.54%	11.13%
2016	11.70%	07.57%	14.76%
2017	09.22%	07.63%	11.16%



Account Number: 200164669
 Total Charges: \$254385.64
 Statement Date: 01/03/19
 Service for: Public Fire Charge
 HAMPTON NH 03842



Contact Us: 1-800-732-9678
 Website: www.aquarionwater.com

Meter #	Billing Period	Days	Meter Reading	Reading Type	Usage	Next Reading
Unmetered Account	01/03/19 - 07/01/19	180				Approximately 07/02/19

Account Detail

Outstanding Balance 254385.64
 Payment Received (07/24/2018), Thank You -254385.64
Outstanding Balance 0.00

2019

Current Charges
 Public Hydrant Charge 237565.97
 ** WICA ** 16819.67
Total Current Charges Due By 02/04/2019 254385.64

Total Balance \$254385.64

Amount due 30 days after bill date: \$267104.92



SPECIAL NOTES

CONTACT INFORMATION: Please call our offices for questions about your account, payment locations or to obtain a copy of our rate schedules at (603) 926-3319 or toll-free (800) 403-4333. For after-hour emergencies, call (603) 926-3319 ext. 9.

IMPORTANT NOTICE: This is a bill for fire protection provided by Aquarion through its water system. It reflects the cost allocated to increase the size of the water supply, treatment facilities, pumps, storage tanks and pipes to provide adequate water to fight a fire 24 hours/day, 365 days per year and still meet the peak water demands of customers. There is no charge for the water used to fight a fire, which can be 100,000 gallons or more.

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STATE OF NEW HAMPSHIRE

CONSUMER ADVOCATE
D. Maurice Kreis

ASSISTANT CONSUMER ADVOCATE
Pradip K. Chattopadhyay



TDD Access: Relay NH
1-800-735-2964

Tel (603) 271-1172

Website:
www.oca.nh.gov

OFFICE OF CONSUMER ADVOCATE

21 S. Fruit St., Suite 18
Concord, NH 03301-2441

NHPUC 8APR'19 12:26

April 8, 2019

Ms. Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301-7319

RE: DW 19-065 Complaint of the Town of Hampton against Aquarion Water Company of New Hampshire, Inc.

Dear Ms. Howland:

Pursuant to the Inter-agency Memorandum of Understanding dated April 28, 2000 between the Office of Consumer Advocate (OCA) and the Commission, the OCA hereby notifies the Commission that it will be participating in the above-referenced matter on behalf of residential ratepayers consistent with RSA 363:28.

Please add D. Maurice Kreis and ocalitigation@oca.nh.gov to your service list. Please also include the OCA on the distribution list for any Memoranda or Staff Recommendations filed in this docket. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to be "D. Maurice Kreis", written over a large, stylized, cursive flourish.

D. Maurice Kreis
Consumer Advocate

cc: Service List via electronic mail



780 N. Commercial Street
P.O. Box 330
Manchester, NH 03105-0330

Robert A. Bersak
Chief Regulatory Counsel

603-634-3355
robert.bersak@eversource.com

April 16, 2019

VERJ016APR19PM3151

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

Re: Docket No. DW 19-065
Complaint of the Town of Hampton against Aquarion Water Co. of New Hampshire

Dear Director Howland:

On March 27, 2019, the Commission received a Complaint from the Town of Hampton (the "Town") against Aquarion Water Company of New Hampshire, Inc. ("Aquarion") concerning Aquarion's return on equity and snow removal from fire hydrants. That Complaint was docketed as Docket No. DW 19-065.

By Secretarial letter dated April 2, 2019, the Commission notified Aquarion that it was treating this matter as a formal complaint pursuant to RSA 365:1 and 365:2 and N.H. Code Admin Rules Puc 204. The Commission required that Aquarion respond to the Complaint on or before April 16, 2019. Pursuant to Puc 204.03(b), Aquarion hereby provides its response and advises the Commission and the Town that it disputes the Complaint.

RSA 365:1, "Complaint Against Public Utilities" reads:

Any person may make complaint to the commission by petition setting forth in writing any thing or act claimed to have been done or to have been omitted by any public utility in violation of any provision of law, or of the terms and conditions of its franchises or charter, or of any order of the commission.

RSA 365:1 forms the statutory basis for the Commission's complaint rules at Puc 204. Under RSA 365:1, a complaint must set forth "any thing or act claimed to have been done or to have been omitted by any public utility in violation of any provision of law, or of the terms and conditions of its franchises or charter, or of any order of the commission." Nothing in the Town's Complaint sets forth any "thing" or "act" of Aquarion that violates "any provision of law," "its franchise," "or any order of the commission."

On that basis alone, the Complaint must be rejected. *See Public Service Co. of New Hampshire*, 86 N.H.P.U.C. 407, 414 (June 28, 2001). Nevertheless, Aquarion will respond and present other independent reasons why the Complaint must be rejected.

There are two unrelated issues set forth in the Complaint. The first issue is that Aquarion's recent returns exceed the allowed ROE of 9.6% that was established in its last rate case (Docket No. DW 12-085). The second issue is that Aquarion does not shovel the snow around fire hydrants in its service territory.

ISSUE NUMBER 1

As noted, this issue in the Complaint states that Aquarion's recent returns exceed the allowed ROE of 9.6% that was established in its last rate case. The Town asks that the Commission order Aquarion to: A. "rebate to its customers the earnings, with interest thereon, that Aquarion has received and retained from and including 2013, that exceed the rates of return on equity and allowed rate of return ordered by the Commission after the contested hearing in DW 12-085"; B. to award the Town attorney's fees and costs; and, C. for other just relief. The Town's requests are inconsistent with the law and this Commission's regulatory precedents.

First, it is important to note the Town does not allege Aquarion has violated the rates set forth in its approved Tariff. The rates being charged by Aquarion are indeed those reviewed and approved by the Commission as set forth in its Tariff.¹ In New Hampshire, the Supreme Court has ruled that a utility's Tariff has the force and effect of law:

The vehicles by which utility rates are set, the tariffs or rate schedules required to be filed with the PUC, do not simply define the terms of the contractual relationship between a utility and its customers. They have the force and effect of law and bind both the utility and its customers.

In re Verizon New England, 163 N.H. 693, 695 (2010) (brackets, quotations and citations omitted). Therefore, the Town's request that the Commission ignore the Tariff and arbitrarily order changes in rates without notice or hearing cannot be granted.

The Town's Complaint and requested relief would require this Commission to engage in single-issue ratemaking as well as the establishment of retroactive rates - - both practices that this Commission has routinely rejected.

The Town, by addressing just one single part of Aquarion's overall rates (i.e., ROE) to the exclusion of other components of the ratemaking process (e.g., increases in rate base, increases in the cost of service, etc.) has asked the Commission to adjust Aquarion's rates

¹ Further, the underlying base rates contained in Aquarion's Tariff are ones the Commission has found to be just and reasonable pursuant to RSA 378:7. *See* Order No. 25,539 (June 28, 2013) at 15. Likewise, the surcharge rates that Aquarion has implemented through its tariff have been found to be just and reasonable pursuant to RSA 378:7. *See* Order Nos. 25,751 (January 12, 2015) at 6; 25,857 (January 7, 2016) at 5; 25,977 (January 13, 2017) at 5; and 26,094 (December 29, 2017) at 5.

downwards by ordering rebates to customers. Such a request for single-issue ratemaking must be rejected.

The Commission has a longstanding policy against single-issue ratemaking. *See, e.g., PNE Energy Supply*, Order No. 25,603 in Docket No. DE 12-295 (2013) at 14 (“the Commission does not favor single issue ratemaking”); *Energy Efficiency Rate Mechanisms*, Order No. 24,934 in Docket No. DE 07-064 (2009) at 22 (“it would be appropriate to propose revenue decoupling in the context of a rate case in order to avoid single-issue ratemaking”); *Statewide Low-Income Electric Assistance Program*, Order No. 23,980 in Docket No. DE 02-034 (2002) (“single-issue ratemaking” is “a practice we have traditionally eschewed”). As the Commission stated in 2001, “[s]ingle-issue rate cases are frowned upon in utility ratemaking because the objective of ratemaking is not to ensure recovery dollar for dollar of every expenditure made by a utility, but rather to ensure that the company has a reasonable opportunity to earn a reasonable overall return on investments dedicated to public utility functions. . . . Single-issue rate cases . . . focus on the change in a single expense (or revenue) item since the last rate case, ignoring completely what changes may have taken place in the other factors of net income.” *Connecticut Valley Electric Co.*, Order No. 23,887 in Docket No. 01-224, 86 NH PUC 947, 950-51 (2001).

Based upon the Commission’s extensive precedent, the Town’s request for single-issue ratemaking should be rejected.

Moreover, not only does the Town seek to adjust only a single portion of Aquarion’s rates, but it also asks that the requested adjustment be made retroactively to 2013. This request flies in the face of this Commission’s precedent and the state’s Constitutional prohibition on retrospective laws.

Essentially all of the law on the subject of retroactive making in New Hampshire comes from a 1980 decision of the New Hampshire Supreme Court in *Appeal of Pennichuck Water Works*, 120 N.H. 562, 419 A.2d 1080 (1980).

In *Pennichuck*, the utility, a water company, billed its customers quarterly. On December 29, 1978, Pennichuck filed new permanent rate schedules and asked that they become effective on all bills rendered on or after January 31, 1979. The Commission rejected Pennichuck’s request and set an effective date for temporary rates of April 30, 1979. Pennichuck appealed the Commission’s decision that temporary rates were to be effective only on bills rendered on or after April 30, 1979, rather than January 31, 1979. The Supreme Court concluded that the Commission could not lawfully have established temporary rates to be effective on all bills rendered on or after January 31, 1979, as requested by Pennichuck, as the earlier date would run afoul of the State Constitution’s prohibition on retrospective laws.

The Court began by noting that establishing utility rates by the Commission is a legislative function. Moreover, the vehicles by which utility rates are set, the tariffs or rate schedules required to be filed with the Commission, do not simply define the terms of the contractual

relationship between a utility and its customers, they have the force and effect of law and bind both the utility and its customers.

The Court noted:

As such, the customers of a utility have a right to rely on the rates which are in effect at the time that they consume the services provided by the utility, at least until such time as the utility applies for a change. Once customers consume a unit of those services, they are legally obligated to pay for it and in that sense the transaction has been completed and the charges are set in accordance with the rates then in effect and on file with the PUC or with rates later approved by the PUC based on a pending request for change. ***If the PUC were to allow a rate increase to take effect applicable to services rendered at any time prior to the date the petition for the rate increase was filed, it would be retroactively altering the law and the established contractual agreement between the parties. In essence, such action would be creating a new obligation in respect to a past transaction, in violation of part 1, article 23 of our State Constitution*** and, due to the retroactive application, would also raise serious questions under the Contract Clause of the Federal Constitution, U.S. CONST. art. I, 10, cl. 1; *see Geldhof v. Penwood Associates*, 119 N.H. 754, 755, 407 A.2d 822, 823 (1979). Moreover, "it is a basic legal principle that a rate is made to operate in the future and cannot be made to apply retroactively . . ." *Southwest Gas Corp. v. Pub. Serv. Comm'n.*, 86 Nev. 662, 669, 474 P.2d 379, 383 (1970).

Pennichuck, 120 N.H. at 565-66 (emphasis added).

Instead of filing a complaint against Aquarion pursuant to RSA 365:1, if the Town feels that Aquarion's rates are unjust or unreasonable, the proper course of action would have been to file a petition for a rate case pursuant to RSA 378:7. The Town was informed of that by the Commission prior to the filing of its Complaint during the December 3, 2018 Prehearing Conference in Docket No. DW 18-161 where the Chair noted: "He wants us to order you to come in for a rate case, if you don't do it voluntarily." Transcript at p. 30. The Chair continued, "I think it's perfectly appropriate for you to make your case to Staff and the Company that it's time now, that it's worth the expense of the rate case to do a lot of good things, to get all the work that they have done over the last five or six years into rate base..." *Id.* at 32.

However, as noted in the Complaint itself, the Town has already agreed to an "Aquarion Rate Case Filing in 2020." In the Complaint, the Town refers to a Settlement wherein the parties have agreed to the timing of Aquarion's next rate case. *See* Count II, paragraph 6 of the Complaint, where the Town states, "As part of the settlement in DW 18-161, Aquarion is to file a full rate case in 2020" The referenced Settlement was filed with the Commission in Docket Nos. DW 18-054 and DW 18-161 on April 15, 2019.

Thus, consistent with the Chair's advice during the Prehearing Conference of December 3rd, the Town, Aquarion, the Office of Consumer Advocate, and Commission Staff, as settling

parties, have consensually agreed upon the timing of Aquarion's next rate case, and the filing of a rate case petition by the Town now would be contrary to the referenced Settlement.

For these reasons, the first issue of the Complaint does not set forth a matter within the scope of RSA 365:1; it does not allege any violation by Aquarion of its franchise, its Tariff, or any Commission Order; it seeks a remedy that would require the institution of single-issue ratemaking; and seeks a retroactive payment going back six years in violation of the New Hampshire Constitution's prohibition on retrospective laws. Therefore, this first issue of the Complaint must be rejected.

ISSUE NUMBER 2

The second issue is that Aquarion does not shovel the snow around fire hydrants in its service territory. The Town requests that the Commission: A. "Order Aquarion to perform clearing of snow from the fire hydrants that it owns in the Town of Hampton using Aquarion's own employees or Aquarion paid contractors"; B. "Order Aquarion to include the cost of such snow clearing in the cost of service study for the next rate case"; and, C. for other just relief. The Town's request is internally inconsistent, is not required by law or Commission decision, and is untimely – therefore it also must be rejected.

By its own request, the Town admits that the costs of clearing snow from fire hydrants located within the Town are not currently included in Aquarion's rates. Thus, the Town is asking the Commission to order Aquarion to perform an uncompensated service. Such an order requiring Aquarion to perform services without just compensation would lead to an unconstitutional taking of property. Hence, the Commission should reject the Town's request.

Aquarion's Tariff does not require it to perform the snow shoveling services demanded by the Town, nor is there any settlement or Commission order requiring such services. The Tariff at paragraph 35 requires this: "Public fire hydrants will be installed and maintained by the Company upon receipt by the Company of a written order from the properly authorized officers of the Town or Fire Precinct." The Tariff does not require Aquarion to shovel snow away from fire hydrants and such snow shoveling is not included in "maintenance."

The American Water Works Association's Manual of Water Supply Practices M 17, "Fire Hydrants: Installation, Field Testing, and Maintenance" does not include snow removal as a maintenance practice. Similarly, the Commission's Rules do not include snow removal as a fire hydrant maintenance responsibility - - Puc 606.03, "Fire Protection and Hydrants," at subparagraph (c) states: "Hydrants maintained by the utility shall be inspected and flushed at least once each year, and shall be checked for freezing as often as necessary to insure that they are functioning properly." There is no mention of shoveling snow.

Aquarion and the Town previously reached a detailed understanding concerning the tasks included in "maintenance" of fire hydrants. On March 23, 2007, this understanding was filed on behalf of Aquarion in Docket No. DW 05-119; a copy of that understanding was

attached to the Town's Petition to Intervene in Docket No. DW 17-114 as Exhibit C and is available from the Commission's Virtual File Room at http://www.puc.state.nh.us/Regulatory/Docketbk/2017/17-114/MOTIONS-OBJECTIONS/17-114_2017-08-14_HAMPTON_ATT_PETITION_INTERVENE.PDF. A detailed engineering assessment from consultant Tata & Howard reviewing Aquarion's hydrant maintenance plan was included in that filing. Nowhere in that seven-page review of hydrant maintenance activities is snow removal included as a maintenance activity.

Finally, as part of its Complaint regarding snow removal from hydrants, the Town refers again to the Settlement filed in Docket Nos. DW 18-054 and DW 18-161. *See* Paragraph 6 of Count II of the Complaint. In the referenced Settlement, the Town and other parties have agreed to the following regarding hydrant snow removal:

The Settling Parties also recognize that Hampton requested that Aquarion include the estimated cost of snow removal from Aquarion-owned fire hydrants at Aquarion's expense in the cost of service study. Aquarion disagrees that snow removal costs are appropriate costs to include in a cost of service study. The Settling Parties agree that nothing in this Agreement prohibits Hampton from raising the issue in later proceedings, including but not limited to the Complaint already filed in DW 19-065.

Under this Settlement provision, the agreed-upon course of action is to deal with the snow removal issue as part of cost of service in the company's next rate case.

Thus, Issue #2 of the Complaint has not alleged any "violation of any provision of law, or of the terms and conditions of [Aquarion's] franchises or charter, or of any order of the commission," and therefore fails to allege any cognizable complaint under the statute or the Commission's rules. The Complaint must be rejected.


Per Puc 204.02(c), a copy of this response is being furnished to the complainant as well as the Commission and parties on the service list for this proceeding.

Please let me know if you have any questions.

Sincerely,

**AQURION WATER COMPANY OF
NEW HAMPSHIRE, INC.**

By its attorney:



Robert A. Bersak
Chief Regulatory Counsel
Eversource Energy Service Company

cc: Town of Hampton – Frederick W. Welch, Town Manager (via U.S. Mail)
Town of Hampton -- Mark S. Gearreald, Esq., Town Attorney (via email)
Service List (via email)



**Town of Hampton
LEGAL DEPARTMENT
100 Winnacunnet Road
Hampton, New Hampshire 03842**

Mark S. Gearreald, Esq.
Town Attorney
Tel: 603-929-5816
Fax: 603-929-5817
mgearreald@town.hampton.nh.us

May 16, 2019

Ms. Debra A. Howland, Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301

Re: Docket No. DW19-065, Complaint of the Town of Hampton against Aquarion Water Company of New Hampshire

Dear Director Howland:

On April 16, 2019, the owner (Eversource Energy Service Company) of Aquarion Water Company of New Hampshire, Inc. filed a response to the Town of Hampton's Complaint that was filed on March 27, 2019. Because the Town of Hampton is dissatisfied with the response of the utility, this letter is sent to the Commission under Rule PUC 204.04(a).

Attorney Bersak's representation of Aquarion

Attorney Bersak is the "Chief Regulatory Counsel" for Eversource but claims in his letter on page 6 to represent Aquarion.

Eversource Energy did not become the owner of Aquarion Water Company of New Hampshire until 2017. See Commission's Secretarial Letter dated October 13, 2017 in Docket No. DW 17-114. The Complaint of the Town of Hampton, especially in Count I complains of overearnings by Aquarion, in violation of Order No. 25, 539 in DW 12-085 going back to the year 2013. The problem of Aquarion's negligent maintenance of its fire hydrants by not clearing snow therefrom as addressed in Count II also predates Eversource's acquisition of Aquarion.

Attorney Bersak's preliminary objections

On the first page of Attorney Bersak's letter, he claims that the Town's Complaint does not set forth any act claimed to be done in violation of any order of the Commission. This claim by Attorney Bersak is patently inaccurate. In Count I of the Town's Complaint it is cited in paragraph 1 that the Commission, after a contested hearing where competing experts testified, set a rate of return on equity in Order No. 25, 539 in DW 12-085. Count I goes on to complain that the rate of return on equity set in that Order has been violated by earnings that exceed the rates of return on equity and allowed rate of return ordered by the Commission in DW 12-085. See prayer A under Count I on page 3 of 8. In addition, in paragraphs 9 and 10, the Town complains that the return on equity achieved by Aquarion exceeds the 9.6% return on equity allowed by the

Commission and in paragraph 10 that the excessive earnings ought to be returned and rebated to Aquarion customers in order for the Commission's rulings in DW 12-085 to have any real meaning. If these allegations are deemed insufficient to claim that there has been a violation of Order No. 25, 539 in DW 12-085 as cited in paragraph 1, the Town of Hampton asks that the Commission allow it to amend its Complaint to so claim.

As for its Count II, the Town does allege that a "provision of law" is being violated in paragraph 5 on page 4, where this ancient rule is cited, as confirmed in Clapp v. Jaffrey, 97 N.H. 456, 459 (1952), that tax monies cannot be used for the advantage of private individuals, in this case the clearing of snow from Aquarion owned fire hydrants using Town personnel.

Count I

Beginning on page 2 of Aquarion's Response per Attorney Bersak, the Utility complains that the Town does not allege that Aquarion has violated the rates set forth in the approved tariff. RSA 365:1 "Complaint Against Public Utilities" speaks in terms of violations of "any order of the commission," not mentioning the word "tariff". Likewise, the word "tariff" does not appear in N.H. RSA 365:29 Orders for Reparation, under which statutory remedy the Town of Hampton is seeking a rebate for earnings exceeding the rates of return on equity and allowed rate of return ordered by the Commission in Order No. 25, 539 after the contested hearing in DW 12-085.

Attorney Bersak goes on in page 3 to claim that the Town of Hampton in this Complaint is seeking to have the Commission adjust Aquarion's rates, which would violate a "longstanding policy against single-issue rate making."

The Town of Hampton is not seeking to have the Commission adjust Aquarion's rates. Indeed, the Town of Hampton is instead seeking to have Aquarion abide by and adhere to the rate of return on equity and allowed rate of return ordered by the Commission in Order No. 25, 539 after the contested hearing in DW 12-085. The Town of Hampton is thus not seeking an amendment of that Order but rather, compliance with it. The Town of Hampton is also not seeking a rate adjustment retroactive to 2013, but rather a rebate for the company's having exceeded the allowed return on equity and rate of return since 2013. This is not "retroactive rate making", as claimed by Attorney Bersak. Rather, it is a remedy consistent with the statutory provision for reparations under RSA 365:29. The Town certainly could not complain that there had been excessive earnings before those excessive earnings were achieved.

Nothing in the comments of the Commission Chairman at the December 3, 2018 pre-hearing conference necessitates that a new rate case be the only remedy for this excessive earnings. Indeed, it is not clear that a rate case in 2020 would afford a remedy for the past overearnings but rather that it would set a new rate of return on equity going forward based on the 2019 test year. These remarks do not constitute a ruling by the Commission that the sole remedy for Hampton would be another rate case. Instead, these comments addressed the Town's request of the Commission that it issue an order in Aquarion's 2019 WICA surcharge case (DW 18-161) to

compel Aquarion to respond to certain of the Town's data requests that Aquarion refused to respond to. See Transcript at pages 21-22.

Attorney Bersak's letter suggests that the recent settlement of the 2019 WICA surcharge is violated by the Town's pursuit of its Complaint now, rather than in the course of the rate case. However, Attorney Bersak ignores the fact that in the last substantive paragraph of the Settlement Agreement, the Town of Hampton reserved the right to pursue any complaint made at the December 3, 2018 pre-hearing conference in cases DW 18-054 and DW 18-161 not only in the 2020 rate case to be filed, but also in this current Complaint, citing its docket number.

Attorney Bersak's position that Part I, Article 23 of our State Constitution would be violated by the relief sought by the Town under RSA 365:29 is essentially a claim that this statute itself is unconstitutional. That is hardly the case as this is remedial legislation and is in place to provide a remedy for past collection of charges that result in violations of orders of the Commission. See Granite State Gas Transmission, Inc. v. State, 105 N.H. 454 (1964)(upholding the Commission's authority to order refunds).

At the prehearing conference on December 3, 2018 in DW 18-161, Attorney Marcia Brown for the Company began to explain (transcript at pages 29-30) why the Company's earnings were higher than what was allowed. If Attorney Bersak's position were upheld, the merits of the Company explanations would not be explored or investigated, which would be an unjust result.

Count II

With regard to issue number 2, the fire hydrants, it should be noted that the Town of Hampton's complaint is grounded in the "ancient rule that tax monies cannot be used for the advantage of private individuals, especially where such individuals do not pay a fee for such service." [Paragraph 5 of Count II]. Clapp vs. Jaffrey, 97 N.H. 456 (1952). This claim is grounded in the New Hampshire Constitution, Pt. II, Article 5, as discussed in the cases of Opinion of the Justices, 103 N.H. 281, 283 (1961) and Opinion of the Justices, 102 N.H. 189, 190 (1959). N.H. Const., Pt. II, Art. 5th is a constitutional provision against taxation for the aid of private parties. The use of public funds –paying public employees, to clear snow from the private property of Aquarion, violates this Constitutional maxim.

The New Hampshire Constitution certainly trumps any "tariff provision or lack thereof." The claim under Count II is thus a claim of violation of a "provision of law" under RSA 365:1 – namely, the New Hampshire Constitution and the ancient rule cited in Clapp v. Jaffrey, supra.

On page 6 of Aquarion's submission, Attorney Bersak claims that the Town of Hampton entered into a settlement with Aquarion referencing Exhibit C in the Town's Petition to Intervene in Docket No. DW 17-114. The record of the Commission in DW 05-119, from which that Exhibit comes, will reveal that the particular issue addressed in Exhibit C was an issue settled

with the North Hampton Water Commissioners and not with the Town of Hampton. Again, however, the fact that this particular settlement did not address the issue of removal of snow from hydrants does not preclude that aspect of Aquarion's operation from being addressed via this Complaint for violation of the New Hampshire Constitution.

Respectfully submitted,
Town of Hampton
By: its Town Attorney

A handwritten signature in dark ink, appearing to read "Mark S. Gearreald", written over a horizontal line.

Mark S. Gearreald, Esq.

cc. Service List (via e-mail)
Town Manager
Board of Selectmen

CONSUMER ADVOCATE
D. Maurice Kreis

ASSISTANT CONSUMER ADVOCATE
Pradip K. Chattopadhyay

STATE OF NEW HAMPSHIRE



OFFICE OF THE CONSUMER ADVOCATE
21 S. Fruit St., Suite 18
Concord, N.H. 03301-2429

TDD Access: Relay NH
1-800-735-2964

Tel. (603) 271-1172

Website:
www.oqa.nh.gov

NHPUC 17MAY19-2:15

May 16, 2019

Ms. Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301

Re: Docket No. DW 19-065
Town of Hampton
RSA 365 Complaint re Aquarion Water Company of New Hampshire

Dear Ms. Howland:

The purpose of this letter is to communicate, on behalf of the residential customers of the above-referenced utility, the position of the Office of the Consumer Advocate (OCA) on the matters raised in the RSA 365 complaint filed on March 27, 2019 by the Town of Hampton (Hampton). The OCA has reviewed the complaint, the response filed by Aquarion Water Company of New Hampshire (Aquarion) on April 16, 2019 as directed by the Commission, and a rebuttal pleading dated May 16, 2019 from Hampton.

In the opinion of the OCA, Hampton's complaint is devoid of merit and should be dismissed rather than committed to further proceedings pursuant to RSA 365:4.

Hampton requests that the Commission order the utility to make refunds to customers because it is earning a return on equity (ROE) in excess of the one allowed in the utility's most recent rate case. It is the OCA's understanding that when the Commission decides a rate case, it is *not* determining that any subsequent deviation from the allowed ROE by the utility is a sanctionable violation of the Commission's ruling. If it were otherwise, then any time a utility failed to earn its allowed ROE – a very common condition, if only because of inflationary pressure – the Commission would be obliged to order an immediate rate *increase*. Instead, as we understand the applicable principles of cost-of-service ratemaking, the allowed ROE is simply an input in the Commission's determination of just and reasonable rates – and it is the *rates* (as reflected in the resulting tariff revisions) that the utility is obliged to treat as having the force and effect of law.

Hampton argues in the second count of its complaint that Aquarion is illegally refusing to clear snow, at the utility's expense, from the Company's fire hydrants in the municipality. In support of this proposition, Hampton relies on a 1952 decision of the New Hampshire Supreme Court to the effect that tax money cannot be expended for the advantage of private individuals, including a corporation such as Aquarion, without violating Part 2 Article 5 of the New Hampshire Constitution. The OCA is unable to understand how that unassailable principle applies to this situation, inasmuch as it is not Aquarion but, rather, the property owners of the municipality who benefit from fire protection (and thus hydrants that can be operated quickly without emergency snow shoveling). To the best of the OCA's knowledge, the utility's fire protection tariff does not oblige Aquarion to provide routine clearance of snow from its fire hydrants; the tariff has the force and effect of law but there does not appear to be a credible claim that Aquarion is violating any tariff provisions.

As you know, legal costs incurred by utilities are generally recoverable from utility customers, including the residential ratepayers whose interests are represented by the OCA. With that in mind, the OCA urges the Commission to dismiss Hampton's complaint at the earliest possible juncture.

However, the OCA also requests that the Commission exercise its authority under RSA 378:7 to commence a general rate proceeding immediately to address the over-earning situation described in the memorandum from Chief Auditor Moran appended to the Hampton complaint. The statute requires the Commission to take such action "[w]henver" rates are unjust and unreasonable, and over-earning is the quintessence of rates that are unjust and unreasonable because they are excessive. The settlement agreement recently approved on a *nisi* basis via Order No. 26,245 (May 2, 2019) in Docket No. DW 18-161 (the Aquarion WICA proceeding) requires Aquarion to file a full rate case "no later than 2020." Nothing in the settlement agreement precludes the Commission from ordering Aquarion to file a full rate case *sooner* than 2020 – and that is exactly what the Commission should do, particularly if the over-earning has continued beyond the period covered in Chief Auditor Moran's memorandum.

Thank you for considering our views as the Commission considers how to act on the Town of Hampton's complaint.

Sincerely,



D. Maurice Kreis
Consumer Advocate

cc: Service List (via e-mail)



780 N. Commercial Street
P.O. Box 330
Manchester, NH 03105-0330

Robert A. Bersak
Chief Regulatory Counsel

603-634-3355
robert.bersak@eversource.com

May 21, 2019

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

NHPUC 21MAY19PM1:23

Re: Docket No. DW 19-065
Complaint of the Town of Hampton against Aquarion Water Co. of New Hampshire

Dear Director Howland:

On March 27, 2019, the Commission received a Complaint from the Town of Hampton (the "Town") against Aquarion Water Company of New Hampshire, Inc. ("Aquarion") concerning Aquarion's return on equity and snow removal from fire hydrants. That Complaint was docketed as Docket No. DW 19-065. Aquarion responded to that Complaint on April 16, 2019. On May 16, 2019, the Town of Hampton made a filing noting that it was dissatisfied with Aquarion's response. Also on May 16, the Office of Consumer Advocate ("OCA") made a filing expressing its opinion regarding the Complaint, Aquarion's response thereto, and the Town's dissatisfaction with Aquarion's response.

Aquarion agrees with OCA's letter regarding the substantive legal issues set forth in the Town's Complaint. That is, "Hampton's complaint is devoid of merit and should be dismissed rather than committed to further proceedings pursuant to RSA 365:4."

However, Aquarion disagrees with the OCA's recommendation that the Commission "commence a general rate proceeding immediately..." As the OCA correctly notes, "The settlement agreement recently approved on a *nisi* basis via Order No. 26,245 (May 2, 2019) in Docket No. DW 18-161 (the Aquarion WICA proceeding) requires Aquarion to file a full rate case 'no later than 2020.'" Where OCA errs is in its next sentence, "Nothing in the settlement agreement precludes the Commission from ordering Aquarion to file a full rate case sooner than 2020 – and that is exactly what the Commission should do..."

The settlement agreement referenced by OCA was entered into voluntarily by the Town, OCA, Commission Staff, and Aquarion. As OCA indicated, the Commission approved that settlement agreement by an Order *Nisi*. OCA's recommendation that the Commission order Aquarion to file a general rate proceeding immediately is inconsistent with the settlement and the Commission's approval thereof.

In the approved settlement, the Parties agreed, and the Commission approved, a provision that reads, "The Settling Parties agree that, as part of Aquarion's next rate proceeding, the Company shall provide a reconciliation between the WICA revenues it actually billed during 2019 and the WICA surcharges that would have been billed during 2019 by applying the 6.86% 12-month percentage to its full year base revenues ." Clearly, it would be impossible for Aquarion to provide such a reconciliation of "WICA revenues *it actually billed during 2019*" until all 2019 bills have actually been rendered. Initiation of a general rate proceeding prior to 2020 would be inconsistent with this express term of the settlement and of Order No. 26,245 which orders:

FURTHER ORDERED, that, as part of its next full rate proceeding, Aquarion shall provide a reconciliation between *the 2019 Water Infrastructure and Conservation Adjustment revenues it actually bills* and the WICA revenues that it would have billed using the 6.86 percent WICA surcharge for the full 12-month period of 2019, *with the difference in revenues revealed by that reconciliation to be an adjusting item considered in determination of Aquarion's next authorized revenue requirement in the Company's next full rate proceeding*;

(Emphases added.)

This settlement provision is consistent with the expectations set forth in both the settlement and the Order *Nisi* regarding the timing of Aquarion's next general rate proceeding. With regard to the timing of Aquarion's next general rate case, both the settlement and the Order have captions stating, "Aquarion Rate Case Filing in 2020." (settlement at page 7, paragraph K and Order at page 8, paragraph G.) OCA is correct that the text regarding the rate case timing requires a rate proceeding filing "no later than 2020." That rate case schedule giving Aquarion the flexibility to file a rate proceeding "no later than 2020" was part of the *quid pro quo* that enticed Aquarion to enter into the settlement.

OCA's suggestion that Aquarion's agreement to file a general rate proceeding "no later than 2020" should be interpreted as "immediately" is not consistent with the settlement or with Commission Order No. 26,245. The settlement and approving Order clearly contemplated an Aquarion general rate proceeding in 2020 using a 2019 test year based upon the precise words of the captions in each document quoted above, as well as the requirement to include as part of such a filing a reconciliation of "actually billed" 2019 WICA revenues as part of the "determination of Aquarion's next authorized revenue requirement in the Company's next full rate proceeding."

Moreover, there is no change in circumstances that would warrant upending the recent settlement and the approving Order. The Complaint was filed by the Town on March 27; OCA entered into the settlement on April 15. (See OCA Letter of Concurrence with Settlement.) Knowing the issues contained in the Complaint, had OCA deemed an "immediate" Aquarion general rate case filing to be necessary, it should have so stated as part of the settlement - - it did not.

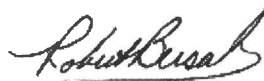
Thank you for consideration of this response. As OCA and Aquarion agree, "Hampton's complaint is devoid of merit and should be dismissed rather than committed to further proceedings pursuant to RSA 365:4." However, per the terms of the settlement and the approving Order, the Commission should not order Aquarion to file a general rate proceeding on a schedule inconsistent with the terms of that settlement and the approving Order.

Please let me know if you have any questions.

Sincerely,

**AQAURION WATER COMPANY OF
NEW HAMPSHIRE, INC.**

By its attorney:

A handwritten signature in black ink, appearing to read "Robert A. Bersak".

Robert A. Bersak
Chief Regulatory Counsel
Eversource Energy Service Company

cc: Town of Hampton – Frederick W. Welch, Town Manager (via U.S. Mail)
Service List (via email)

BEFORE THE STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

PETITIONER: NORTH HAMPTON WATER COMMISSION

**RE: COMPLAINT OF THE TOWN OF HAMPTON AGAINST AQUARION WATER
COMPANY OF NEW HAMPSHIRE, INC.**

PETITION TO INTERVENE IN DOCKET DW 19-065

NOW COMES the North Hampton Water Commission in the above entitled matter and petitions the Commission to allow it to intervene in these proceedings against Aquarion Water Company Inc. (hereafter “Aquarion”) as a party, as a result of the Town of North Hampton’s expenditures for FY 2020 of \$277,681 for 150 fire hydrants (\$1,851.21 per hydrant), its government buildings usage, and its residential customers, and in support of said Petition says as follows:

Count 1: Overearning by Aquarion as to allowed Return on Equity and allowed rate of return, pursuant to N.H. RSA 365:1 and 29.

1. In DW 12-085, the last general rate case involving this utility, the Towns of North Hampton and Hampton had to hire a ratings expert to argue against Aquarion’s expert who had requested an increase in the rate of return on equity (ROE) to 10.25% from 9.75%, when the economy was in the midst of the “Great Recession “; the Commission in Order No. 25,539. adopted the testimony of the Towns’ expert and set a reduced ROE of 9.6%.

2. Because the ROE set by the Commission was arrived at using the expert testimony of the rate expert (David Parcell) hired jointly by Hampton and North Hampton and therefore North Hampton has a vested interest in having the Commission’s Order adhered to.

3. Each percentage point of the ROE in DW 12-085 was worth about \$154,000 in earnings.

4. Aquarion files annual reports in late March of each year reporting on earnings in the prior calendar year. Aquarion's annual report for the year 2016, filed with the Commission in 2017, provided for the first time a figure on ROE achieved, which was reported to be 13.11%, or 3.51% above the allowed 9.6% ROE.

5. The Town of Hampton complained in DW 16-828 about excessive earnings but the Commission denied any hearing and in Order No. 25,982 on January 27, 2017 stated that it does not review and approve Aquarion's earnings in WICA proceedings.

6. Our two towns have been very concerned as Aquarion has shown no interest in another rate case; rather, they prefer to continue with the WICA process, which the Commission will recall was a pilot study. We look at the excess earnings and wonder if the "pilot" WICA will allow Aquarion to continue overearning without redress for years to come?

7. In its earlier Order No. 25,977 dated January 13, 2017, the Commission stated that it retains the right to review the earnings of utilities for reasonableness, referencing RSA 365:5 and 6, and directed Aquarion to file a calculation of its achieved ROE at the same time it files its Annual Reports.

8. Aquarion's Annual Report for the year 2017, filed with the Commission on April 2, 2018, reported that Aquarion had achieved a return on equity of 10.29%, or .68% above the allowed return on equity.

9. The Town of Hampton again complained about these excessive earnings in

DW 17-154, but the Commission ordered on p. 6 of its Order No. 26, 094 dated December 29, 2017 that "matters related to Aquarion's earnings position would be addressed as part of Aquarion's next rate proceeding." The Commission continued the reporting requirement from Order Nos. 25, 977, which it noted was "designed to give the Commission and Staff the ability to monitor Aquarion's achieved rate of return and its achieved return on equity."

10. Regarding this year's WICA surcharge Petition by Aquarion (DW 18-161), the Commission Staff performed an audit dated November 16, 2018 in which Staff for the first time analyzed the rate of return, cost of capital, and return on equity achieved by Aquarion since the most recently approved rate case DW 12-085, 6 years ago, in Order 25,539 issued June 28, 2013.

11. This Staff Audit concluded that "The Company appears to have overearnings, based on the Rate of Return calculations below, since 2013" and the achieved return on equity exceeds by at least 1.5% higher each year, and by as much as 7.75% higher, the 9.6% return on equity allowed by the Commission in Order No. 25,539 in DW 12-085.

12. The audit is ample proof that Aquarion's excessive ROE has resulted in the Company's retaining hundreds of thousands of dollars in excessive earnings from its customers spanning at least 5 years. The 2018 annual report filed by the Company on March 29, 2019 reports that again, the allowed rate of return on equity has been exceeded, this time by 1.4%.

13. The Company's excessive earnings ought to be returned and rebated to Aquarion customers in order for this Commission's rulings in DW 12-085 to have any real meaning.

14. Intervention by the North Hampton Water Commission on behalf of the Town of North Hampton is needed now in order for the Town to be kept fully informed of the Company's and the Commission's intentions and to be in a position to voice the Town's concerns in a timely and meaningful way.

15. NHWC has participated in all the general rate cases before this Commission that have been filed by Aquarion and its predecessor.

14. The NHWC is petitioning to intervene in this case at this time in order to avoid any claim that the Commission's ability to provide redress is somehow time barred.

WHEREFORE, the North Hampton Water Commission on behalf of the Town of North Hampton and its residents requests that this Commission:

A. Order Aquarion rebate to its customers the earnings, with interest thereon, that Aquarion has received and retained from and including 2013, that exceed the rates of return on equity and allowed rate of return ordered by the Commission after the contested hearing in DW 12-085 and

B. Grant such other and further relief as may be just.

Count 2: Clearing Snow From Fire Hydrants, pursuant to NH RSA 365.1

1. In DW 18-161, the Town of Hampton complained to the Commission that Aquarion Water Company of New Hampshire relies upon the fire departments of the towns where its 268 private fire hydrants costing annually approximately \$500,000, are located to clear snow from those hydrants.

2. Aquarion's private fire hydrants serve a critical public safety function in that, when properly maintained and cleared of snow, ensure that water is available to fight fires within their vicinity. Having to search for and clear a fire hydrant covered with snow can slow down response time greatly.

3. In the Town of North Hampton are 150 of Aquarion's private fire hydrants that

they insist must be cleared by the Town's fire department, for which expenditures for FY 2020 will be \$277,681 (\$1,851.21 per hydrant).

4. The NHWC has found the following typical example for private fire hydrants:

In Seabrook, NH in Section 7.1-a (9) "Private fire hydrants shall be kept free of snow, ice or other materials and protected against mechanical damage so that free access is ensured."

5. Aquarion neglects and refuses to clear snow from around its private fire hydrants.

6. As has happened in the Town of Hampton., the Town of North Hampton's taxpayers are being forced to pay their firefighters to maintain private property of Aquarion.

WHEREFORE, the North Hampton Water Commission on behalf of the Town of North Hampton and it's residents requests that this Commission:

A. Order Aquarion to perform clearing of snow from the fire hydrants that it owns in the Town of North Hampton using Aquarion's own employees or Aquarion paid contractors;

B. Order Aquarion to include the cost of such snow clearing in the cost of service study for the next rate case; and

C. Grant such other and further relief as may be just.

Respectfully submitted,

By: Bob Landman Dated: MAY 23, 2019

Bob Landman
Co-Chair
North Hampton Water Commission
(603) 502-0587

CC: North Hampton Select Board
Town Administrator
Service List (electronically)

CERTIFICATE OF SERVICE



780 N. Commercial Street
P.O. Box 330
Manchester, NH 03105-0330

Robert A. Bersak
Chief Regulatory Counsel

603-634-3355
robert.bersak@eversource.com

June 7, 2019

44-PUC 7 JUN 19 PM 6:55

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

**Re: Docket No. DW 19-065, Complaint of the Town of Hampton
Response of Aquarion Water to Town of North Hampton Water Commission's
Petition to Intervene docketed on May 28**

Dear Director Howland:

On May 28, 2019, the Commission docketed a "Petition to Intervene" from the Town of North Hampton Water Commission ("NHWC") in Docket No. DW 19-065. This docket involves a Complaint received on March 27, 2019 from the Town of Hampton ("Hampton") against Aquarion Water Company of New Hampshire, Inc. ("Aquarion") concerning Aquarion's return on equity and snow removal from fire hydrants.

Aquarion responded to that initial Complaint on April 16, 2019. A month later, on May 16, 2019, the Town of Hampton made a filing noting that it was dissatisfied with Aquarion's response. Also on May 16, the Office of the Consumer Advocate ("OCA") made a filing expressing its opinion regarding the Complaint, Aquarion's response thereto, and the Town's dissatisfaction with Aquarion's response. Aquarion filed an additional response to Hampton and OCA's filings on May 21. NHWC's filing followed.

NHWC's Petition merely repeats the same issues contained in Hampton's original Complaint. NHWC (per its cover letter) seeks intervenor status in this docket under Puc 203.17.

Hampton's Complaint was docketed as a formal complaint pursuant to RSA 365:1 and 365:2 and N.H. Code Admin Rules Puc 204. See Secretarial Letter of April 2, 2019. Per Puc 204.01(b), "The provisions of Puc 203 shall not apply to complaints filed pursuant to this rule unless the commission institutes adjudicative proceedings pursuant to Puc 204.05." As no such adjudicative proceedings have been commenced, a petition for intervention under Puc 203.17 is not applicable and the Commission should not rule on NHWC's Petition.

In addition, the remedies sought in NHWC's Petition effectively seek to undo the Settlement Agreement approved by Order *Nisi* No. 26,245 in Docket Nos. DW 18-054 and DW 18-161. As that Order *Nisi* set a deadline of May 17, 2019 for comments or to file a written request for a hearing, NHWC's May 28 filing is untimely. Order No. 26,245 became effective on June 1 and the rates established by that Order have taken effect.

Since the substantive matters set forth by both Hampton and NHWC are identical, Aquarion's prior responses address the substance of NHWC's filing.

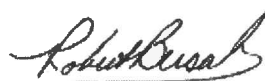
Thank you for consideration of this response. Again, as noted in Aquarion's filing of May 21, the Office of the Consumer Advocate and Aquarion agree, "Hampton's complaint is devoid of merit and should be dismissed rather than committed to further proceedings pursuant to RSA 365:4." As NHWC addresses the same issues in its filing, the same result should ensue.

Please let me know if you have any questions.

Sincerely,

**AQUARION WATER COMPANY OF
NEW HAMPSHIRE, INC.**

By its attorney:

A handwritten signature in black ink, appearing to read "Robert A. Bersak".

Robert A. Bersak
Chief Regulatory Counsel
Eversource Energy Service Company

cc: Service List (via email)

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 19-065

TOWN OF HAMPTON

Complaint by Town of Hampton Against Aquarion Water Company

Order Dismissing Complaint

ORDER NO. 26,263

June 24, 2019

This order dismisses the Town of Hampton's complaint against Aquarion Water Company as there is no basis for the complainant's dispute and no need for an independent investigation.

I. PROCEDURAL HISTORY

The Town of Hampton (Hampton or the Town) filed a complaint against Aquarion Water Company of New Hampshire, Inc. (Aquarion or the Company), on March 27, 2019. The Commission forwarded the complaint to Aquarion on April 2, and the Company filed a response on April 16. The Office of the Consumer Advocate (OCA) filed a letter of participation on April 8. Both Hampton and the OCA responded to Aquarion's April 16 filing, and Aquarion, in turn, filed its own response to those submissions on May 21. The Town of North Hampton (North Hampton) petitioned to intervene and joined with Hampton in its complaint on May 28. The Company answered on June 7.

The complaint and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2019/19-065.html>.

II. POSITIONS

A. Hampton

Hampton's initial filing lodged two complaints: (1) that Aquarion was overearning; and (2) that the Company failed to clear snow from the Town's fire hydrants. Hampton argued that Aquarion had been earning a greater return on equity (ROE) than the Commission approved in the Company's most recent rate case, costing Aquarion customers a significant amount of money. Hampton contended that Aquarion should return excess earnings from the past five years to Aquarion's customers, with interest, attorney's fees, and costs.

The Town further argued that responsibility for clearing snow from fire hydrants rests with Aquarion, not with the Town's firefighters who have been doing that work. The Town, citing *Clapp v. Jaffrey*, 97 N.H. 456 (1952), contended that use of town funds to clear the hydrants is illegal, as tax monies cannot be used for the advantage of private individuals. Hampton requested that the Commission order Aquarion to clear the hydrants and include the cost of snow removal in the cost of service study for the Company's next rate case.

After Aquarion answered the complaint, Hampton notified the Commission it was dissatisfied with Aquarion's response and repeated its arguments. In its May 17 filing, the Town also argued that the Company could be violating a Commission order even if it was complying with its tariff. According to the Town, Aquarion violated the Commission's order when its earnings exceeded the rate of return authorized by the Order and customers should be entitled to reparation under RSA 365:29. Hampton added that it was not seeking an adjustment in rates for the overearning, merely a rebate and compliance with Order No. 25,539, which set the allowable ROE.

B. OCA

The OCA argued that Hampton's complaint was devoid of merit and should be dismissed. Earning an ROE in excess of the one allowed in a utility's most recent rate case is not an actionable event. The OCA contended that approved rates have the force and effect of law, and that the ROE is only an input in the Commission's determination of those rates. The OCA also argued that because Aquarion's tariff does not provide for the clearing of fire hydrants, Hampton's complaint should be dismissed as the Company is not violating any law. The OCA, however, argued that the Commission should exercise its authority under RSA 378:7 and commence a rate proceeding immediately. The OCA contended that immediate commencement would not violate Order No. 26,245, which required Aquarion to file a rate case "no later than 2020." *See Aquarion Water Company of New Hampshire, Inc.*, Order No. 26,245 at 15 (May 2, 2019).

C. North Hampton

North Hampton joined with Hampton, mirroring the Town's complaint concerning its own residents, and requested the same relief. North Hampton also petitioned to intervene.

D. Aquarion

Aquarion argued that the complaint must be rejected because the Company has not acted illegally and the complaint does not meet the standard of RSA 365:1. The Company further argued that Aquarion's overearning did not violate, nor was the Company alleged to have violated, the rates set forth in its tariff established by the Commission. Aquarion contended that the relief sought by Hampton for overearning would require the Commission to engage in single-issue ratemaking and the establishment of retroactive rates, both of which are rejected

routinely by the Commission. Instead, the proper course to address unjust or unreasonable rates is through a rate case, which Aquarion committed to file.

Aquarion argued that the complaint regarding snow removal from fire hydrants must also be rejected. The Company contended that the cost of snow shoveling is not included in its rates and that it is not required by law to provide the service of cleaning the fire hydrants. Aquarion agreed with the OCA's position that the complaint should be dismissed, but argued against the OCA's request to have the Commission commence a general rate proceeding immediately. The Company contended that an immediate rate case is inconsistent with the settlement agreement approved in Order No. 26,245, which anticipated a full rate proceeding in 2020.

Concerning North Hampton's filing, Aquarion argued that a petition to intervene is inappropriate as an adjudicative proceeding had not been commenced, and thus should not be ruled upon. The Company also contended that North Hampton's petition seeks to undo the settlement agreement approved by Order No. 26,245, which set the deadline for comments or request for hearing on May 17, 2019, making North Hampton's request untimely. Aquarion further argued that North Hampton's complaint mirrors the Town's filing, and should be dispensed with in a similar manner.

III. COMMISSION ANALYSIS

Pursuant to RSA 365:1, "[a]ny person may make complaint to the commission by petition setting forth in writing any thing or act claimed to have been done or to have been omitted by any public utility in violation of any provision of law, or of the terms and conditions of its franchises or charter, or of an order of the commission." If the utility, after the complaint is forwarded and given time to respond pursuant to RSA 365:2, makes reparation for any injury alleged and ceases to commit or permit the violation of the law, franchise, or order charged in the

complaint, and timely notifies the Commission, no further action is required by the Commission. RSA 365:3. If the charges are not satisfied, the Commission shall investigate the matter, after notice and hearing, if reasonable grounds exist. RSA 365:4.

We find that there is no basis for Hampton's complaint. Even when the complaint is viewed in the light most favorable to Hampton, the Town has not demonstrated a violation of law, the terms and conditions of Aquarion's franchise or charter, or a Commission order. *See* RSA 365:1. Although the Commission approved an ROE in Aquarion's last rate case, that ROE was only an input into the Commission's calculation of the rates the Commission set for the Company. Examining the individual issue of ROE outside the context of setting appropriate rates leads to single-issue ratemaking, which the Commission "does not favor." *PNE Energy Supply, LLC D/B/A Power New England*, Order No. 25,603 at 14 (December 13, 2013). The record is devoid of evidence, furthermore, that Aquarion violated its tariff or charged illegal rates.

The Commission has stated that in the context of underearning, "an authorized rate of return ... is not a guarantee of those earnings," and has prohibited utilities from setting higher temporary rates on that basis. *Hampstead Area Water Company, Inc.*, Order No. 20,311 at 3 (November 22, 1991). The preferred mechanism to address the issue of overearning or underearning by a utility is a full rate proceeding, which we note is set for 2020, pursuant to Order No. 26,245. With regard to the fire hydrants, the Company has not violated any provision of its tariff nor committed any wrongdoing by failing to clear them of snow.

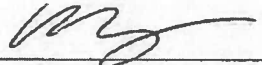
Accordingly, we find that reasonable grounds do not exist to warrant a further investigation pursuant to RSA 365:4 and dismiss the complaint. As an investigation is not warranted at this time, neither the OCA's request for a full rate case nor North Hampton's

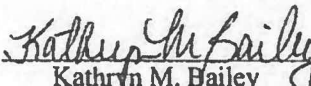
joinder in Hampton's complaint and motion for intervention need to be addressed as they are moot.

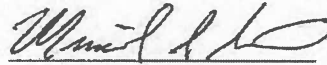
Based upon the foregoing, it is hereby

ORDERED, that the complaint filed by Hampton is DISMISSED.

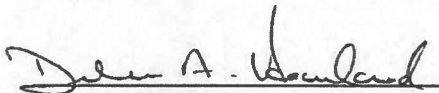
By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of June, 2019.


Martin P. Honigberg
Chairman


Kathryn M. Bailey
Commissioner


Michael S. Giaimo
Commissioner

Attested by:


Debra A. Howland
Executive Director

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DW 19-065

TOWN OF HAMPTON

Complaint by Town of Hampton Against Aquarion Water Company

HAMPTON'S MOTION FOR REHEARING PURSUANT TO N.H. RSA 541:3

NOW COMES the Town of Hampton in the above-entitled matter and moves for rehearing pursuant to N.H. RSA 541:3 of the Commission's Order No. 26,263 dated June 24, 2019 on the basis that the Commission's Order was erroneous in fact and/or in law, and in support of said Motion says as follows:

A. Based on the undisputed facts and upon the law, the Commission should not have dismissed Count I in Hampton's Complaint Pursuant to N.H. RSA 365:1 and RSA 365:29 as to Aquarion's Overearnings

1. There is no dispute that in DW 12-085, the last general rate case involving Aquarion Water Company of New Hampshire, Inc., cited in Paragraph 1 of the Hampton Complaint herein, the Commission after two days of contested hearing, issued Order No. 25,539, in which the Commission analyzed the opposing expert opinions as to the major contested issue—cost of equity, and then adopted Hampton's expert's (David Parcell) opinion of the DCF high-point of a 9.6% cost of equity for Aquarion. Order No. 25,539 at page 19. Aquarion had sought a 10.25% return on equity. Order No. 25,539 at page 3.
2. The Commission clearly stated in said Order No. 25,539 at page 16 that it was "bound to set a rate of return that falls within a zone of reasonableness, neither so low as to result in confiscation of company property, nor so high as to result in extortionate charges to customers," citing Appeal of Conservation Law Foundation, 127 N.H. 606, 635 (1986). Thus, the Commission was implicitly indicating that had it ruled in favor of allowing a higher rate of return on equity that this would have been extortionate to customers.
3. The Commission's Order No. 25,539 at page 21 and its revenue requirement calculations on pages 22 and 23 of said Order clearly indicate that the determined cost of equity was the driver in determining the Company's revenue requirement which represented a 15.20% increase over Aquarion's pro forma test year water revenues and upon which it issued its revised tariff on July 12, 2013.

4. Count I of Hampton's Complaint clearly states that the Commission's ordered rate of return of 9.6% in Order No. 25,539, and its overall rate of return of 7.49% as derived therefrom have been violated by Aquarion achieved return on equity and cited as evidence in support:
 - a) the return on equity figures reported in the Company's own annual reports for the years 2016 [13.11%] and 2017 [10.29%] Complaint herein, paragraphs 4 and 6; and
 - b) the PUC Staff audit dated November 16, 2018 performed in the context of Aquarion's 2019 WICA surcharge petition in DW 18-161, in which Staff for the first time analyzed the rate of return, cost of capital, and return on equity achieved by Aquarion in the years since Commission Order 25,539 was issued and concluded that "The Company appears to have been overearning based on the Rate of Return calculations below, since 2013." The audit figures show that in no year since 2013 had the achieved return on equity been less than 11.13% [in 2015] and had been as high as 17.35% [in 2013]. See Complaint herein paragraphs 8 and 9.
5. Not until Aquarion's filing of its Annual Report for the year ending December 31, 2016 dated March 29, 2017 did Aquarion even begin to calculate and report on its rate of return on equity actually achieved, and it was not until its Annual Report for the year ending December 31, 2018 that was filed on March 29, 2019 and again reported an exceedance of the allowed rate of return on equity, did the Company offer any explanation for this exceedance.
6. Based upon the Company's own figures presented in DW12-085 that each percentage point of return on equity was worth \$154,000. It is the case that the overearnings found by the PUC Staff audit compute to close to \$3 million since 2013 and over \$1 million since 2016 alone. See attached computation sheet.
7. RSA 365:1 clearly afford a person a cause of action via a complaint such as Hampton's here to complain to the Commission in writing of "any thing or act claimed to have been done...in violation of any order of the commission."
8. Furthermore, RSA 365:29 authorizes the Commission, in response to a complaint covering any charge demanded and collected by a public utility that is found to be illegal or unjustly discriminatory, to order due reparation of same to the persons who have paid it.
9. The rates of return achieved by Aquarion would most likely have been deemed to be "extortionate charges to customers" in the words of the Commission's Order No. 25,539 at page 19.
10. In light of the above, the Commission's finding on page 5 of its June 24, 2019 Order No. 26,263 that the Town has not demonstrated a violation of...a Commission order" is blatantly erroneous.

11. In light of the fact that the percentage rate of return of 9.6% found by the Commission in its June 28, 2013 Order No. 25,539 was the critical driver in determining the revenue requirement and the resulting percentage rate increase to customers of 15.20%, as demonstrated on pages 22 and 23 of that order, it is unreasonable and unlawful for the Commission now to dismiss Hampton's Complaint, as it does on page 5 of the June 24, 2019 Order, on the basis of characterizing that critical component as being "only an input into the Commission's calculation of the rates the Commission set for the Company." The rates driven by that critical component is what determine the charges included in the tariff. The achievement of extortionate rates of return through those tariff charges does not excuse the violation of the Commission's Order in 25,539.
12. Based upon the millions of dollars in excessive earning that Aquarion has achieved in violation of the Commission's clearly determined rate of return on equity in Order No. 25,539 at pages 19-23, the Commission's reliance upon its holding in PNE Energy Supply, LLC D/B/A Power New England, Order No. 25,603 at 14 (December 13, 2013) to avoid this issue at this time is unreasonable and unconscionable. The Commission claims based on that case that "examining the individual issue of ROE outside the context of setting appropriate rates leads to single-issue ratemaking, which the Commission 'does not favor.'" This is an unreasonable assertion, where the Town of Hampton's complaint is seeking enforcement of a critical rate determined by the Commission itself after a contested hearing, not the setting of a new rate.
13. The Commission's citation of its December 13, 2013 Order No. 25,603 in PNE Energy Supply, LLC D/B/A Power New England is inapposite for the following reasons: First, that case dealt with a "Selection Charge" that PSNH was allegedly charging to competitive electricity power suppliers, not with the exceedance of a rate of return on equity set by the Commission following a contested hearing. Second, on the very page of this Order No. 25,603 cited by the Commission to as supporting the dismissal of Count I of Hampton's Complaint, the Commission state as follows: "although the Commission does not favor single issue ratemaking, we asserted in this proceeding that the single issue ratemaking prohibition does not serve to cut off Commission inquiry into the reasonableness of any rate at any time' and that the Commission has the authority to examine a rate without requiring an adjustment." Third, the Commission itself in this Order on page 16 cited the availability of the reparations remedy afforded by RSA 365:29, the very provision cited by Hampton in Count I in this case, if the Commission were to find after hearing and investigation that an illegal rate had been collected. The dismissal of Hampton's Complaint illegally and unreasonably cuts off access to such a hearing and investigation, with no explanation for the overearning being required of Aquarion.
14. What the Town of Hampton is seeking through Count I of its Complaint is not ratemaking, but rather enforcement of the rate of return on equity ordered by the Commission in the Commission's Order No. 25,539.

15. The Commission's reliance on its "preferred mechanism to address the issue of overearning...by a utility" in "a full rate proceeding" affords no remedy at all for the fact of the Company's having collected millions of dollars of "overearning...since 2013" in the words of the PUC Staff Audit issued on November 16, 2018: the next rate case slated to be filed in 2020 will be based upon 2019 as a test year and will set rates going forward, without redressing past violations of the Company's overearnings through rebates or reparations.
16. The logical consequence of the Commission's approach embodied in its dismissal is that there is no remedy for past violations of its Order No. 25,539 at page 19, only adjustment of rates going forward in a subsequent general rate. This approach thus unreasonably and unlawfully cuts off the remedies available under RSA 365:1 and RSA 365:29 as sought to be invoked here by the Town of Hampton. See, Granite State Gas Transmission, Inc. v. State, 105 N.H. 454, 456 (1964) (noting that "The Commission has authority to act upon its own motion or upon complaint in behalf of the public in any situation where service or rates may be directly affected by its order," and citing RSA 365:29 as giving "the Commission authority to prevent unreasonable prejudice or disadvantage to customers").
17. The well-established, applicable standard of review for dismissal of a complaint was thus not followed by the Commission in its dismissal of Count I here: namely, that (as with a Court, the Commission must determine "whether the plaintiff's allegations are reasonably susceptible of a construction that would permit recovery." Harrington v. Brooks Drugs, Inc., 148 N.H. 101, 104 (2002)(quoting Hobin v. Coldwell Banker Residential Affiliates, 144 N.H. 626, 628 (2000)). In making this determination, the Commission, like a Court, must "assume the truth of all facts alleged by the plaintiff and construe all reasonable inferences in the light most favorable to [the plaintiff]." Graves v. Estabrook, 149 N.H. 202, 203 (2003).
18. The Town's Complaint has clearly set forth a claim upon which relief may be granted.

B. Based on the undisputed facts and upon the law, the Commission should not have dismissed Count II in Hampton's Complaint Pursuant to N.H. RSA 365:1 as to Aquarion's not clearing snow from its hydrants

19. With regard to Count II, the Commission in its June 24, 2019 Order in dismissing this Count merely states, "With regard to the fire hydrants, the Company has not violated any provision of its tariff nor committed any wrongdoing by failing to clear them of snow." This is a ruling on the merits rather than a ruling made in accordance with the well-established standard of review set forth above for ruling on a Motion to Dismiss.
20. In so ruling, the Commission apparently believes that RSA 365:1 that is cited in the Town's Complaint as the basis for Count II only applies where the Company is alleged to have violated its tariff or "committed any wrongdoing." The Commission's interpretation of RSA 365:1 is unreasonable and unlawful, because RSA 365:1

explicitly allows for complaints to be made to the Commission concerning “any thing or act claimed to have been done or to have been omitted by any public utility in violation of any provision of law...”, not just for violations of its tariff.

21. Hampton’s Complaint in Count II alleges, and Aquarion does not dispute, that it neglects and refuses to shovel snow from its private fire hydrants to keep them clear, and relies instead upon Hampton’s highly trained and compensated firefighters to do this hard labor function, for which Aquarion pays nothing to the Town. Complaint Paragraph 4.
22. Hampton’s Complaint in Paragraph 3 notes that it pays Aquarion over half a million dollars a year for the availability of the water these Aquarion owned fire hydrants provide in the event of a fire. Complaint, Paragraph 3.
23. Hampton’s Complaint in paragraph 5 goes on to cite the longstanding principle of law discussed by our Supreme Court in Clapp v. Jaffrey, 97 N.H. 456, 459 (1952) to the effect that tax monies cannot be used for the advantage of private individuals, especially where such individuals do not pay a fee for such service. Thus, the Complaint goes on to state, “Hampton taxpayers are illegally being forced to pay their firefighters to maintain private property of Aquarion.”
24. Hampton’s Complaint in Paragraph 7 goes on to state that Aquarion has even refused to update the cost of service study that it is to prepare for its 2020 rate case, which will not be heard until after another winter snow season has passed and another year of firefighter shoveling has occurred, paid for by Town of Hampton taxpayers, even those taxpayers who are not served by Aquarion water, which is the case for most of Hampton taxpayers whose properties are located to the west of Interstate 95.
25. As with Count I, Count II of Hampton’s Complaint clearly sets forth a claim upon which relief may be granted.
26. As with Count I, the Commission’s dismissal of Count II of Hampton’s Complaint violates the applicable standard of review and is unlawful and unreasonable.
27. In light of all the above, the Town of North Hampton Water Commissioners’ efforts to join in Hampton’s Complaint and intervene in these proceedings should not be deemed moot, especially where the Town of North Hampton, as one of the three Towns served by Aquarion suffers similar injuries to Hampton’s from the matters complained about in Counts I and II of Hampton’s Complaint.

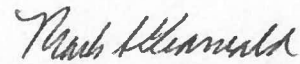
WHEREFORE, the Town of Hampton requests that the Commission:

- A. Rehear and reconsider its decision pursuant to N.H. RSA 365:21 and RSA 541;

- B. After such rehearing, vacate its dismissal as to both Counts I and II of Hampton's Complaint and schedule this Complaint for full hearing; and
- C. Grant such other and further relief as may be just.

Respectfully submitted,

THE TOWN OF HAMPTON
By its Town Attorney

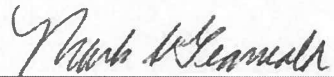


Mark S. Gearreald, Esq.
N.H. Bar 913
100 Winnacunnet Road
Hampton, NH 03842
(603) 929-5816

Dated: July 22, 2019

Certificate of Service

I hereby certify that I have this date served a copy of the above Motion electronically to the service list.



Mark S. Gearreald, Esq.

Aquarion provided several schedules within the filing which fulfill the requirements for continuing property records. Within DS-1, Audit was able to verify the reported Mill Road-Atlantic Ave to Pine Road, North Hampton main replacement value of \$1,045,877, the associated retirements of \$91,840, with the asset set to depreciate at a rate of 1.20%, with 1/2 year convention applied to both the addition and the retirement.

Retirements

Filing schedule Attachment DS-1, page 3 of 3, notes the Mill Road project had \$91,839.77 of eligible asset retirements.

Aquarion provided a spreadsheet showing the asset number of 32 specific assets that were retired, the amount retired and if it was a full or partial retirement. A request for more detailed information was made, and the Company provided the details of the SAP general ledger retirement entries which took place in August, September, and revised in October 2018. The detail identified the location, account number, number of feet, type of pipe, and original year of capitalization. Retirements were properly credited to account 101000 and debited to Accumulated Depreciation-Retirements, account 111010.

Calculated Rate of Return, Cost of Capital and Return on Equity

For comparison and informational purposes, Audit has compiled the calculated rate of return, cost of capital, and return on equity percentages, as determined within the context of each year's annual report desk audit. The most recently approved rate case DW 12-085, by Order 25,539 issued 6/28/2013 authorized an overall Rate of Return of 7.49% based on a cost of equity 9.6% and cost of debt 6.05%. The Company appears to have been overearning based on the Rate of Return calculations below, since 2013.

<u>Year</u>	<u>Rate of Return</u>	<u>Cost of Capital</u>	<u>Return on Equity</u>	
2012	05.67%	05.69%	05.21%	
2013	10.83%	05.81%	17.35%	- 9.60 = 7.75%
2014	10.43%	07.55%	12.58%	- 9.60 = 2.98%
2015	09.60%	07.54%	11.13%	- 9.60 = 1.53%
2016	11.70%	07.57%	14.76%	- 9.60 = 5.16%
2017	09.22%	07.63%	11.16%	- 9.60 = 1.56%
				} 6.72%
				11.98%
				X 154,000
				\$ 2,922,920
				\$ 1,034,990

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 19-065

TOWN OF HAMPTON

Complaint by Town of Hampton Against Aquarion Water Company

Objection to the Town of Hampton's Motion for Rehearing

Pursuant to Rule Puc §203.07(f), Aquarion Water Company of New Hampshire ("Aquarion" or "the Company") hereby objects to the Motion for Reconsideration ("Rehearing Motion") dated July 22, 2019 (and docketed by the Commission on July 23) filed by the Town of Hampton ("Hampton"). By that Rehearing Motion, Hampton repeats the allegations set forth in its original complaint and seeks rehearing of Order No. 26,263 dated June 24, 2019 alleging that the Commission's Order was erroneous in fact and/or in law. The Rehearing Motion does not allege sufficient good reason for rehearing or reconsideration; therefore it should be denied. RSA 541:3.

In support of this Objection, Aquarion says the following:

I. Introduction

This docket involves a complaint filed by Hampton against Aquarion on March 27, 2019. In the Rehearing Motion, Hampton merely restates the same arguments it made in its initial complaint; arguments that were previously carefully reviewed and considered by the Commission in Order No. 26,263, and which the Commission rejected.

II. Discussion

Pursuant to RSA 541:3, the Commission may grant rehearing or reconsideration when the motion states good reason for such relief. Good reason may be shown by identifying specific matters that were either "overlooked or mistakenly conceived" by the deciding tribunal. *Dumais v. State*, 118 N.H. 309, 311 (1978). A successful motion does

not merely reassert prior arguments and request a different outcome. *See Campaign for Ratepayers Rights*, 145 N.H. 671, 674 (2001); *Connecticut Valley Electric Co.*, 88 NH PUC 355, 356 (2003); *Public Service Company of New Hampshire*, Docket No. DE 07-108, Order No. 24,966, *slip op.* at 5 (May 1, 2009); *Aquarion Water Co. of N.H.*, Docket No. DW 17-154, Order No. 26,102, *slip op.* at 3 (February 9, 2018).

Hampton has failed to meet the requirement for rehearing set forth in RSA 541:3 that “good reason for the rehearing be stated in the motion.” Even a cursory review of the Rehearing Motion reveals that the grounds set forth for reconsideration have been previously raised and addressed in the Order. Hampton’s Rehearing Motion is the classic reassertion of prior arguments with a request for a different outcome.

In Order No. 26,102 issued on February 2, 2018 in Docket No. DW 17-154, the Commission has ruled on a similar Motion for Rehearing filed by Hampton concerning Aquarion. In that Order rejecting Hampton’s motion, the Commission said that “Hampton did not offer any new evidence that was not available at the time of the initial decision, nor did Hampton cite any misunderstanding or error in the Commission’s decision; the Commission found “that Hampton’s Motion for Rehearing does not meet the requisite standard;” and the Commission noted, “We understand that Hampton disagrees with our conclusions regarding those issues, but that alone is not grounds to support a Motion for Rehearing.” The Commission is faced with the exact same situation in the instant case and should similarly reject Hampton’s Rehearing Motion.

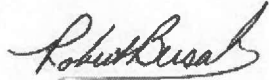
III. Conclusion

For the reasons set forth in its original decision in Order No. 26.263, the Commission should deny Hampton’s Motion for Reconsideration.

Respectfully submitted this 29th day of July, 2019.

**AQAURION WATER COMPANY OF NEW
HAMPSHIRE, INC.**

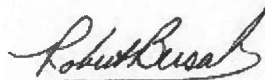
By its attorney:



Robert A. Bersak
Chief Regulatory Counsel
Eversource Energy Service Company

CERTIFICATE OF SERVICE

I certify that on this 29th day of July, 2019,
I caused Aquarion's Objection to Hampton's 's Motion for Reconsideration
to be served pursuant to N.H. Code Admin. Rule Puc 203.11
on the parties listed on the service list for this proceeding.



Robert A. Bersak

STATE OF NEW HAMPSHIRE

CONSUMER ADVOCATE
D. Maurice Kreis

ASSISTANT CONSUMER ADVOCATE
Pradip K. Chattopadhyay



TDD Access: Relay NH
1-800-735-2964

Tel. (603) 271-1172

Website:
www.oca.nh.gov

OFFICE OF CONSUMER ADVOCATE

21 S. Fruit St., Suite 18
Concord, NH 03301-2441

NHPJC 29JUL'19AM11:17

July 29, 2019

Ms. Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301

Re: Docket No. DW 19-065
Aquarion Water Company
Complaint of Town of Hampton

Dear Ms. Howland:

In connection with the above-referenced proceeding, please be advised that the Office of the Consumer Advocate (OCA) joins the objection being filed today by Aquarion Water Company (Aquarion) to the July 22, 2019 motion of the Town of Hampton for rehearing of Order No. 26,263 (June 24, 2019).

The OCA shares the concern of the Town of Hampton that Aquarion is earning an unreasonably high return on equity. But the remedy for such over-earning is the commencement of a rate case; the law does not allow the Commission to adjust rates retroactively as claimed by the Town of Hampton. The Town's arguments about fire hydrant snow clearance are likewise devoid of merit. We are concerned about a scenario in which Aquarion ultimately recovers from ratepayers the cost of defending against frivolous legal arguments.

Therefore, we urge the Commission to deny the pending rehearing motion.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Maurice Kreis", written over a horizontal line.

D. Maurice Kreis
Consumer Advocate

cc: Service list, via e-mail

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 19-065

TOWN OF HAMPTON

Complaint by Town of Hampton Against Aquarion Water Company

Order Denying Motion for Rehearing

ORDER NO. 26,287

August 14, 2019

This order denies the Motion for Rehearing of Order No. 26,263 filed by the Town of Hampton. The Commission finds that Hampton did not offer any new evidence or identify any error of law or matter overlooked by the Commission in its initial decision.

I. PROCEDURAL HISTORY

In Order No. 26,263 (June 24, 2019), the Commission dismissed the Town of Hampton's complaint against Aquarion Water Company of New Hampshire, Inc. (Aquarion or the Company). Hampton had lodged two complaints: (1) Aquarion was overearning; and (2) the Company failed to clear snow from the Town's fire hydrants. The Commission found there was no basis for the complainant's dispute and no need for an independent investigation.

The Town filed a timely Motion for Rehearing, to which Aquarion and the Office of the Consumer Advocate (OCA) objected. Additional procedural history is described in Order No. 26,263. The complaint and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2019/19-065.html>.

II. POSITIONS OF THE PARTIES

A. Hampton

Hampton made three arguments in its Motion for Rehearing. First, the Town argued that dismissal of the complaint regarding Aquarion's overearning was "unreasonable and unlawful" and "unconscionable," because the Commission's reliance on *PNE Energy Supply, LLC d/b/a Power New England*, Order No. 25,603 (December 13, 2013), was misplaced. The Town stated that dismissal "illegally and unreasonably cuts off access" to a hearing and investigation. Hampton ultimately argued that overearning by the Company should be investigated.

Second, Hampton contended that the Commission's interpretation of RSA 365:1 was "unreasonable and unconscionable." Hampton contended that the Commission's ruling to dismiss its complaint relating to snow removal from fire hydrants was "on the merits" rather than on the "well-established standard of review set forth ... for ruling on a Motion to Dismiss." The Town argued that the Commission should not have dismissed its complaint as Hampton's clearing of snow from fire hydrants requires the use of public funds for private purposes, violating the holding in *Clapp v. Jaffrey*, 97 N.H. 456 (1952).

Finally, the Town argued that the Town of North Hampton's motion for intervention should not have been deemed moot as North Hampton is similarly served by Aquarion and "suffers similar injuries."

B. Aquarion

Aquarion claimed that the Town merely repeated the allegations set forth in its original complaint and did not allege sufficient good reason for rehearing or reconsideration. The Company argued that Hampton's motion reasserted its prior arguments with a "request for a different outcome." The Company cited *Aquarion Water Company of New Hampshire, Inc.*,

Order No. 26,102 (February 2, 2018) (denying a previous motion for rehearing by Hampton in Docket No. DW 17-154), as an example of the “exact” situation faced by the Commission in the instant proceeding.

C. OCA

The OCA joined in the objection made by Aquarion. The OCA shares Hampton’s concern that Aquarion may be overearning, but noted that the lawful remedy would be the commencement of a full rate case, not the retroactive adjustment of rates. The OCA argued that Hampton’s complaint regarding the removal of snow from fire hydrants was also devoid of merit. Finally, the OCA voiced its concern about a scenario in which the Company would recover the cost of defending against “frivolous legal arguments” from ratepayers.

III. COMMISSION ANALYSIS

Pursuant to RSA 541:3, the Commission may grant rehearing or reconsideration when a party states good reason for such relief. Good reason may be shown by identifying new evidence that could not have been presented in the underlying proceeding, *O’Loughlin v. N.H. Personnel Comm’n* 117 N.H. 999, 1004 (1977), or by identifying specific matters that were “overlooked or mistakenly conceived” by the Commission, *Dumais v. State*, 118 N.H. 309, 311 (1978). A successful Motion for Rehearing does not merely reassert prior arguments and request a different outcome. *Aquarion Water Company of New Hampshire, Inc.*, Order No. 26,102 at 3 (February 9, 2018).

We find that Hampton’s Motion for Rehearing does not meet the standard for rehearing. We agree with Aquarion that Hampton is doing little more than repeating the same arguments it made prior to the issuance of Order No. 26,263. Hampton has not offered any new evidence that was not available at the time of the initial decision.

The Town's argument that the Commission is misinterpreting its prior orders is incorrect. We understand that Hampton disagrees with our conclusions, but that alone is not sufficient to grant rehearing. We note that in Order No. 26,245 (May 2, 2019) we approved a settlement agreement to which Hampton was a signatory, requiring that Aquarion file a rate case in 2020.

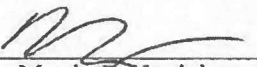
We find further that Hampton lacks standing to challenge our decision that North Hampton's petition to intervene is moot.

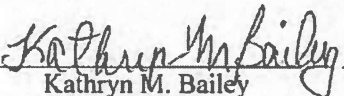
For the foregoing reasons, we deny Hampton's Motion for Rehearing.


Based upon the foregoing, it is hereby

ORDERED, that the Motion for Rehearing by the Town of Hampton is hereby **DENIED**.

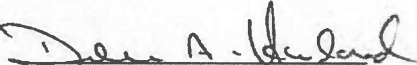
By order of the Public Utilities Commission of New Hampshire this fourteenth day of August, 2019.


Martin F. Honigberg
Chairman


Kathryn M. Bailey
Commissioner


Michael S. Giaimo
Commissioner

Attested by:


Debra A. Howland
Executive Director

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

1. Name of utility Aquarion Water Company of New Hampshire

2. Officer or Individual to whom the ANNUAL REPORT should be mailed:

Name Beth Elmore

Title Accountant

Street 600 Lindley Street

City/State Bridgeport, CT

ANNUAL REPORT	SIGNED
ENTERED	<u>KLH</u>
CHECKED	
AUDITED	
SUMMARIZED	
CLOSED	



Zip Code 06606

3. Telephone: Area Code 203 Number 362-3015

4. Officers or individual to whom the N. H. UTILITY ASSESSMENT and ASSESSMENT BILLING ADDRESS should be mailed:

ASSESSMENT BOOK

Name Mike Appicelli

Title Director of Taxes

Street 600 Lindley Street

City/State Bridgeport, CT

Zip Code 06606

ASSESSMENT BILLING ADDRESS

Name Mike Appicelli

Title Director of Taxes

Street 600 Lindley Street

City/State Bridgeport, CT

Zip Code 06606

5. Telephone: Area Code 203 Number 362-3011

Telephone: Area Code 203 Number 362-3011

6. The names and titles of principal officers that changed are:

Name

Title

REMARKS: _____

above information is requested for our office directory.

N.H. PUBLIC UTILITIES COMMISSION
21 South Fruit Street Suite 10
Concord, New Hampshire 03301 - 2429
(603) 271 - 2431

ANY SUBS

A-2 IDENTITY OF RESPONDENT

1. Give the exact name under which the utility does business:

Aquarion Water Company of New Hampshire

2. Full name of any other utility acquired during the year and date of acquisition:

N/A

3. Location of principal office:

7 Scott Road, Hampton, NH 03842

4. State whether utility is a corporation, joint stock association, a firm or partnership or an individual:

Corporation

5. If a corporation or association, give date of incorporation, State under whose laws incorporated, and whether incorporated under special act or general law:

Incorporated August 14, 1889 under NH special law

6. If incorporated under special act, given charter and session date:

Chapter 24, Law 1889, amended charter laws of 1909

7. Give date when company was originally organized and date of any reorganization:

August 14, 1889

8. Name and address of principal offices of any corporations, trusts or associations owning, controlling or operated by the respondent:

Aquarion Water Company, 835 Main Street, Bridgeport, CT 06604

9. Names and addresses of principal offices of any corporations, trusts or associations owned, controlled or operated by the respondent:

None

10. Date when respondent first began to operate as a utility*:

1907-WATER

11. If the respondent is engaged in any business not related to utility operations, give particulars:

None

12. If the status of the respondent has changed during the year in respect to any of the statements made above, give particulars, including dates:

None

13. If the utility is a foreign corporation which operated in New Hampshire prior to June 1, 1911, give dates on which permission was granted to operate under N.H. Rev. Stat. Ann. 374:25, Exceptions and N.H. Rev. Stat. Ann. 374:26 Permission.

N/A

*If engaged in operation of utilities of more than one type, give dates for each.

A - 3 OATH

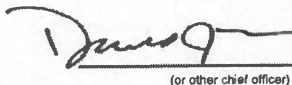
AQUARION WATER COMPANY OF NEW HAMPSHIRE

TO THE
STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDED DECEMBER 31, 2018

State of Connecticut

County of Fairfield ss.

We, the undersigned, Donald J. Morrissey and _____
of the Aquarion Water Company of New Hampshire utility, on our oath do severally say that the foregoing report has been prepared, under our direction, from the original books, papers and records of said utility, that we have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said utility, in respect to each and every matter and thing therein set forth to the best of our knowledge, information and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial operations of said utility during the period for which report is made.

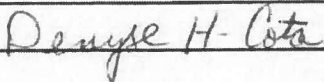

(or other chief officer)

Executive Vice President, Treasurer and Secretary

(or other officer in charge of accounts)

Subscribed and sworn to before me this

26th day of March 2019



Denyse H. Cota
A Notary Public of Connecticut
My Commission Expires March 31, 2021

THE UNIVERSITY OF CHICAGO
LIBRARY
540 EAST 57TH STREET
CHICAGO, ILL. 60637

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

A-4 LIST OF OFFICERS

Line No.	Title of Officer	Name	Residence	Compensation
1	President and Chief Executive Officer	Charles V. Firlotte	1182 Prospect Dr. Stratford, CT 06615	-
2	Executive VP, Treasurer and Secretary	Donald J. Morrissey	16 Merlins Ln. Newtown, CT 06470	-
3	Vice President, Corporate Communications	Bruce T. Silverstone	121 Whitney Ave. Trumbull, CT 06611	-
4	Vice President, Operations	John P. Walsh	16 Crown Avenue Falmouth MA 02540	-
6				
7				
8				
9				
10				
11				
12				

LIST OF DIRECTORS

Line No.	Name	Residence	Length of Term	Term Expires	No. of Meetings Attended	Annual Fees
14	Charles V. Firlotte	1182 Prospect Dr. Stratford, CT 06615	1 yr	06/19	4	
15	Donald J. Morrissey	16 Merlins Ln. Newtown, CT 06470	1 yr	06/19	4	
16	John P. Walsh	16 Crown Avenue Falmouth MA 02540	1 yr	06/19	4	
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

A-5 SHAREHOLDERS AND VOTING POWER

Line No.					
1	Indicate total of voting power of security holders at close of year: 2015 Votes: N/A				
2	Indicate total number of shareholders of record at close of year according to classes of stock:				
3	Common 1				
4	Preferred				
5	Indicate the total number of votes cast at the latest general meeting: N/A				
6	Give date and place of such meeting: N/A				
7	Give the following information concerning the ten security holders having the highest voting powers in the corporation, the officers, directors and each holder of one percent or more of the voting stock:				
	(Section 7, Chapter 182, laws of 1933)				
	Name	Address	No of Votes	Number of Shares Owned	
				Common	Preferred
8	Aquarion Water Company	835 Main Street, Bridgeport, CT 06604	N/A	87,483	-
9					
10					
11					
12					
13					
14					
15					
16					
17					
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19					
20					

LIST OF DIRECTORS

Line No.	Name	Residence	Length of Term	Term Expires
11	Charles V. Firlotte	1182 Prospect Dr. Stratford, CT 06615	1 yr	06/19
12	Donald J. Morrissey	16 Merlins Ln. Newtown, CT 06470	1 yr	06/19
13	John P. Walsh	16 Crown Avenue Falmouth MA 02540	1 yr	06/19
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

A-6 LIST OF TOWNS SERVED

List by operating divisions the towns served directly, indicating those in which franchise is for listed area by an asterisk(*) after name. Give population of the area served and the number of customers.

Line No.	Town	Population of Area	Number of Customers	Line No.	Town	Number of Customers
1	Hampton*	15,134	7,153	16	Sub Totals Forward	8,494
2	North Hampton*	4,540	1,575	17		
3	Rye*	5,454	785	18		
4	Stratham*	7,405	1	19		
5				20		
6				21		
7				22		
8				23		
9				24		
10				25		
11				26		
12				27		
13				28		
14				29		
15	Sub Totals Forward	32,533	9,494	30	Totals:	9,494

<https://www.nh.gov/osl/data-center/population-estimates.htm>

A-7 PAYMENTS TO INDIVIDUALS

List names of all individuals, partnerships, or corporations to whom payments totalling \$10,000 or more for services rendered were made or accrued during the year, and the amount paid or accrued to each. Where payments or accruals to the individual members of a partnership or firm together total \$10,000 or more, list each individual and the amount paid or due each.

Line No.	Name	Address	Amount
1	AON RISK SERVICES NORTHEAST, INC	1800 SUMMER ST STAMFORD	08607 12,378.00
2	BICK EXCAVATION, LLC	13 RICHARD ST HAMPTON	03842 41,455.00
3	CARUS CORPORATION	15111 COLLECTIONS CENTER DR CHICAGO	60693 15,875.00
4	CASEMO REALTY, LLC.	5 MERRILL INDUSTRIAL DRIVE HAMPTON	03842 103,103.31
5	CORE & MAIN LP	295 HANCOCK ST BRIDGEPORT	06608 350,552.72
6	DENIS L. MAHER CO., LLC.	7 SCULLY ROAD AYER	01432 12,338.50
7	EASTERN ANALYTICAL, INC.	25 CHENELL DRIVE CONCORD	03301 86,560.85
8	EVERSOURCE	P.O. BOX 650047 DALLAS	650047 85,873.07
9	GALLAGHER, CALLAHAN & GARTRELL	214 NORTH MAIN ST CONCORD	03301 20,880.28
10	GEOSPHERE ENVIRONMENTAL	51 PORTSMOUTH AVE EXETER	03833 421,843.01
11	JAMCO EXCAVATORS LLC	84 EXETER RD B. HAMPTON	03827 1,007,278.62
12	MAHER SERVICES, INC.	71 CONCORD ST N. REDDING	01884 73,008.50
13	MONSON COMPANIES	154 PIONEER DR LEOMINSTER	01453 18,048.03
14	MPX	2301 CONGRESS ST PORTLAND	04102 46,827.08
15	NEPTUNE TECHNOLOGY GROUP INC	1600 ALABAMA HWY 328 TALLASSEE	38078 183,820.00
16	NEW HAMPSHIRE DEPT OF REVENUE ADMIN	PO Box 837 CONCORD	03303-0837 200,000.00
17	NEW HAMPSHIRE PUBLIC UTILITIES COMM	21 S. FRUIT ST. SUITE 10 CONCORD	03301 28,765.00
18	NEXT GENERATION STRATEGIES, LLC.	60 STATION ST HINGHAM	02043 138,793.21
19	NH BROWN LAW, PLLC	PO BOX 1623 CONCORD	03302-1623 16,282.57
20	PAPE ENGINEERING	8 BLACKSTONE VALLEY PLACE LINCOLN	02865 10,280.00
21	PORTSMOUTH CHEVROLET INC	348 US HIGHWAY 1 BYPASS PORTSMOUTH	03801 28,819.00
22	RESULTS ENGINEERING	PO Box 357 GACO	04072 33,578.00
23	RICHARDSON ELECTRICAL CO INC	17 BATCHELDER ROAD SEABROOK	03874 33,578.00
24	ROBERT PIKE CONSTRUCTION INC	PO Box 5507 SALISBURY	01852 184,947.09
25	RONALD MULCAHY	3 EXETER RD N. HAMPTON	03862 10,534.57
26	SHELL OIL PRODUCTS	P.O. BOX 823928 NORCROSS	30010 17,887.34
27	THE TRAVELERS INDEMNITY COMPANY	1 TOWER SQUARE HARTFORD	06183-8047 78,062.00
28	TI SALES INC.	38 HUDSON ROAD GLOBURRY	01776 11,127.37
29	TIGHE & BOND	53 SOUTHAMPTON RD WESTFIELD	01085 891,088.12
30	TOWN OF HAMPTON	100 WINNACUNNET RD HAMPTON	03842-2119 393,828.51
31	TOWN OF NORTH HAMPTON	237 ATLANTIC AVENUE NORTH HAMPTON	03852 148,925.00
32	TOWN OF RYE	10 CENTRAL ROAD RYE	03870 15,059.01
33	TOWN OF STRATHAM	10 BUNKER HILL AVENUE STRATHAM	06885 18,841.00
34	TUFTS ASSOCIATED HEALTH MAINTENANCE	705 MOUNT AUBURN STREET WATERTOWN	02472 271,081.94
35	UNIFIRST CORPORATION	430 RIVERSIDE IND PKWY PORTLAND	04103 20,089.29
36	UNITEDHEALTHCARE INSURANCE CO.	P.O. BOX 5840 CAROL STREAMS	60197 26,798.25
37	UNTIL	P.O. BOX 981077 BOSTON	02298 23,875.15
38	UNTIL EXETER & HAMPTON ELECTRIC CO	PO Box 981010 BOSTON	02298-1010 179,056.81
39	WATERLINE INDUSTRIES	7 LONDON LANE SEABROOK	03874 885,429.58
40	VITAL LEAK DETECTION	385 BOSTON POST RD #145 SUDBURY	01778 20,000.00
41	WHITEWATER INC	41 CENTRAL STREET AUBURN	01501 15,930.00
			\$ 5,989,427.18

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2017

A-8 MANAGEMENT FEES AND EXPENSES

List all individuals associations, corporations or concerns with whom the company has any contract or agreements covering management or supervision of its affairs such as accounting, financing, engineering, construction, purchasing operations, etc. and show the total amount paid for the year. Designate by asterisk (*) those organizations which are "Affiliates" as defined in Chapter 182, section 1, Laws of 1933

Line No. (a)	Name (b)	Date of Contract (c)	Date of Expiration (d)	Character of Services (e)	Amount Paid or Accrued for Each Class (f)	Distribution of Accruals or Payments		
						To Fixed Capital (g)	To Operating Expenses (h)	To Other Accounts (i)
1	Aquarion Water Company of CT	4/25/2002	Indefinite	Accounting/information technology/customer service/regulatory/taxes/water quality	\$ 606,028		\$ 606,028	\$ -
2	Aquarion Company	4/25/2002	Indefinite	management/finance/ corporate	\$ 30,517		\$ 30,517	
3								
4								
5								
6								
7								
8								
9								
10								
11								
				Totals	\$ 636,545	\$ -	\$ 636,545	\$ -

Have copies of all contracts or agreements been filed with the Commission? Yes

Detail of Distributed Charges to Operating Expenses (Column h)				
Line No	Contract/Agreement Name	Account No.	Account Title	Amount
12	Aquarion Water Company of CT	2310000	408011, 905011, 906011, 907011, 908011, 909011, 910011, 911011, 912011, 913011, 914011, 915011, 916011, 917011, 918011, 919011, 920011, 921011, 922011, 923011, 924011, 925011, 926011, 927011, 928011, 929011, 930011, 931011, 932011, 933011, 934011, 935011, 936011, 937011, 938011, 939011, 940011, 941011, 942011, 943011, 944011, 945011, 946011, 947011, 948011, 949011, 950011, 951011, 952011, 953011, 954011, 955011, 956011, 957011, 958011, 959011, 960011, 961011, 962011, 963011, 964011, 965011, 966011, 967011, 968011, 969011, 970011, 971011, 972011, 973011, 974011, 975011, 976011, 977011, 978011, 979011, 980011, 981011, 982011, 983011, 984011, 985011, 986011, 987011, 988011, 989011, 990011, 991011, 992011, 993011, 994011, 995011, 996011, 997011, 998011, 999011	\$ 606,028
13	Aquarion Company	2310000	923100 Outside Services Employed	\$ 30,517
14				
15				
16				
17				
18				
19				
20				
21				
22			Total	\$ 636,545

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

A-9 AFFILIATION OF OFFICERS AND DIRECTORS

the officials listed on Schedule A-3 Oath, list the principle occupation or business affiliation if other than listed on Schedule A-3 oath, and all affiliations or with any other business or financial organizations, firm, or partnerships. For purpose of financial organizations, firms or partnerships in which he/she is an officer, director, trustee, partner exercising similar functions.

Line No.	Name	Principal occupation of Business Affiliation	Affiliation or Connection	Name and Address of Affiliation or Connection
1	NONE			
2				
3				
4				
5				
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Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

**A-10 BUSINESS WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT AS
A RESULT OF PROVIDING WATER SERVICE**

Complete the following for any business which is conducted as a byproduct, coproduct or joint product as a result of providing water SERVICE. This would include any business which requires the use of utility land and facilities. This would not include any business for which the assets are properly included in Account 121- Nonutility Property along with the associated revenues and expenses segregated out as nonutility also.

Line No.	Business or Service Conducted	Assets		Revenues		Expenses	
		Book Cost of Asset	Account Number	Revenues Generated	Account Number	Expenses Incurred	Account Number
1	NONE						
2							
3							
4							
5							
6							
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Class A or B Utility

SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

A-11 BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on Schedule A3, Oath, identifying the parties, amounts, dates and product, asset or service involved.

PART I - SERVICES AND PRODUCTS RECEIVED OR PROVIDED

List all transactions involving services and products received or provided. This would include management, legal, and accounting services; computer services; engineering & construction services; repairing and servicing of equipment; material and supplies furnished; leasing of structures, land and equipment; all rental transactions; sale, purchase or transfer of various products.

Line No.	Name of Company or Related Party	Description of Service and/ or Name of Product	Contract or Agreement Effective Dates	Annual Charges	
				(P)urchased or (S)old	Amount
1	Aquarion Water Company of CT	accounting/information	4/25/2002	P	\$ 606,028
2		technology/customer			
3		service/regulatory			
4					
5	Aquarion Company	management/finance	4/25/2002	P	\$ 30,517
6		corporate communications			
7					
8					
9					
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16					
17					
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19					
20					

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

TABLE F-1 BALANCE SHEET**Assets and Other Debits**

Line No.	Account Title(Number) (a)	Ref. Sch. (b)	Current Year End Balance (c)	Previous Year End Balance (d)	Increase or Decrease (e)
UTILITY PLANT					
1	Utility Plant(101-106)	F-6	\$ 48,719,942	\$ 43,704,871	\$ 5,015,071
2	Less: Accumulated Depr. and Amort.(108-110)	F-6	\$ 13,113,737	\$ 12,186,029	\$ 927,708
3	Net Plant		\$ 35,606,205	\$ 31,518,842	\$ 4,087,363
4	Utility Plant Acquisition Adj.(Net)(114-115)	F-7	\$ -	\$ -	\$ -
5	Total Net Utility Plant		\$ 35,606,205	\$ 31,518,842	\$ 4,087,363
OTHER PROPERTY AND INVESTMENTS					
6	Nonutility Property(121)	F-14	\$ -	\$ -	\$ -
7	Less: Accumulated Depr. and Amort.(122)	F-15	\$ -	\$ -	\$ -
8	Net Nonutility Property		\$ -	\$ -	\$ -
9	Investment in Associated Companies(123)	F-16	\$ -	\$ -	\$ -
11	Utility Investments(124)	F-16	\$ -	\$ -	\$ -
12	Other Investments(125)	F-16	\$ 34,549	\$ 19,107	\$ 15,442
13	Special Funds(126-128)	F-17	\$ -	\$ -	\$ -
14	Total Other Property and Investments		\$ 34,549	\$ 19,107	\$ 15,442
CURRENT AND ACCRUED ASSETS					
16	Cash(131)	-	\$ 8,771	\$ 10,058	\$ (1,287)
17	Special Deposits(132)	F-18	\$ -	\$ -	\$ -
18	Other Special Deposits(133)	F-18	\$ -	\$ -	\$ -
19	Working Funds(134)	-	\$ -	\$ -	\$ -
20	Temporary Cash Investments(135)	F-16	\$ -	\$ -	\$ -
21	Accounts and Notes Receivable - Net(141-144)	F-19	\$ 232,987	\$ 249,930	\$ (16,943)
22	Account Receivable from Assoc. Co.(145)	F-21	\$ 4,497	\$ 37,927	\$ (33,430)
23	Notes Receivable from Assoc. Co.(146)	F-21	\$ -	\$ 1,900,000	\$ (1,900,000)
24	Materials and Supplies(151-153)	F-22	\$ 155,838	\$ 116,919	\$ 38,919
25	Stores Expense(161)	-	\$ -	\$ -	\$ -
26	Prepayments - Other(162)	F-23	\$ 71,514	\$ 45,275	\$ 26,239
27	Prepaid Taxes(163) *	F-38	\$ 127,377	\$ 123,525	\$ 3,852
28	Interest and Dividends Receivable(171)	F-24	\$ -	\$ -	\$ -
29	Rents Receivable(172)	F-24	\$ -	\$ -	\$ -
30	Accrued Utility Revenue(173)	F-24	\$ 284,248	\$ 265,451	\$ 18,797
31	Misc. Current and Accrued Assets(174)	F-24	\$ 10,571	\$ 75,096	\$ (64,525)
32	Total Current and Accrued Assets		\$ 895,803	\$ 2,824,181	\$ (1,928,378)
DEFERRED DEBITS					
32	Unamortized Debt Discount & Expense(181)	F-25	\$ 104,528	\$ 167,206	\$ (62,678)
33	Extraordinary Property Losses(182)	F-26	\$ -	\$ -	\$ -
34	Prelim. Survey & Investigation Charges(183)	F-27	\$ (0)	\$ 0	\$ (0)
35	Pension Cost(165)	-	\$ -	\$ -	\$ -
36	Temporary Facilities(185)	-	\$ -	\$ -	\$ -
37	Miscellaneous Deferred Debits(186)	F-28	\$ 3,208,937	\$ 4,513,239	\$ (1,304,302)
38	Research & Development Expenditures(187)	F-29	\$ -	\$ -	\$ -
39	Accumulated Deferred Income Taxes(190)	F-30	\$ -	\$ -	\$ -
40	Total Deferred Debits		\$ 3,313,464	\$ 4,680,445	\$ (1,366,981)
TOTAL ASSETS AND OTHER DEBITS			\$ 39,850,021	\$ 39,042,575	\$ 807,447

Equity Capital and Liabilities

Line No.	Account Title(Number) (a)	Ref. Sch. (b)	Current Year End Balance (c)	Previous Year End Balance (d)	Increase or Decrease (e)
EQUITY CAPITAL					
1	Common Stock Issued(201)	F-31	\$ 2,187,075	\$ 2,187,075	\$ -
2	Preferred Stock Issued(204)	F-31	\$ 2,300	\$ 2,300	\$ -
3	Capital Stock Subscribed(202,205)	F-32	\$ -	\$ -	\$ -
4	Stock Liability for Conversion(203,206)	F-32	\$ -	\$ -	\$ -
5	Premium on Capital Stock(207)	F-31	\$ 3,557,940	\$ 3,557,940	\$ -
6	Installments Received on Capital Stock(208)	F-32	\$ -	\$ -	\$ -
7	Other Paid-in Capital(209-211)	F-33	\$ 480,250	\$ 480,250	\$ -
8	Discount on Capital Stock(212)	F-34	\$ -	\$ -	\$ -
9	Capital Stock Expense(213)	F-34	\$ -	\$ -	\$ -
10	Retained Earnings(214-215)	F-3	\$ 7,279,584	\$ 5,799,767	\$ 1,479,817
11	Reacquired Capital Stock(216)	F-31	\$ -	\$ -	\$ -
12	Total Equity Capital		\$ 13,507,149	\$ 12,027,332	\$ 1,479,817
LONG TERM DEBT					
13	Bonds(221)	F-35	\$ 13,900,000	\$ 13,900,000	\$ -
14	Reacquired Bonds(222)	F-35	\$ -	\$ -	\$ -
15	Advances from Associated Companies(223)	F-35	\$ -	\$ -	\$ -
16	Other Long-Term Debt(224)	F-35	\$ -	\$ -	\$ -
17	Total Long-Term Debt		\$ 13,900,000	\$ 13,900,000	\$ -
CURRENT AND ACCRUED LIABILITIES					
18	Accounts Payable(231)	-	\$ 1,342,237	\$ 2,249,217	\$ (906,980)
19	Notes Payable(232)	F-36	\$ 300,000	\$ -	\$ 300,000
20	Accounts Payable to Associated Companies(233)	F-37	\$ -	\$ -	\$ -
21	Notes Payable to Associated Companies(234)	F-37	\$ -	\$ -	\$ -
22	Customer Deposits(235)	-	\$ -	\$ -	\$ -
23	Accrued Taxes(236)	F-38	\$ -	\$ -	\$ -
24	Accrued Interest(237)	-	\$ 228,799	\$ 228,799	\$ -
25	Accrued Dividends(238)	-	\$ 1,180	\$ 1,180	\$ -
26	Matured Long-Term Debt(239)	F-39	\$ -	\$ -	\$ -
27	Matured Interest(240)	F-39	\$ -	\$ -	\$ -
28	Misc. Current and Accrued Liabilities(241)	F-39	\$ 1,181,583	\$ 1,818,497	\$ (636,914)
29	Total Current and Accrued Liabilities		\$ 3,053,799	\$ 4,297,693	\$ (1,243,894)
DEFERRED CREDITS					
30	Unamortized Premium on Debt(251)	F-25	\$ -	\$ -	\$ -
31	Advances For Construction(252)	F-40	\$ 579,120	\$ 290,717	\$ 288,403
32	Other Deferred Credits(253)	F-41	\$ 1,958,351	\$ 1,763,039	\$ 195,312
33	Accumulated Deferred Investment Tax Credits(255)	F-42	\$ 163,686	\$ 169,758	\$ (6,072)
34	Accumulated Deferred Income Taxes:				
35	Accelerated Amortization(281)	F-45	\$ -	\$ -	\$ -
36	Liberalized Depreciation(282)	F-45	\$ 2,078,928	\$ 2,115,229	\$ (36,301)
37	Other(283)	F-45	\$ 2,158,657	\$ 2,038,121	\$ 120,536
38	Total Deferred Credits		\$ 6,938,742	\$ 6,376,864	\$ 561,878
OPERATING RESERVES					
39	Property Insurance Reserve(261)	F-44	\$ -	\$ -	\$ -
40	Injuries and Damages Reserve(262)	F-44	\$ -	\$ -	\$ -
41	Pensions and Benefits Reserves(263)	F-44	\$ -	\$ -	\$ -
42	Miscellaneous Operating Reserves	F-44	\$ -	\$ -	\$ -
43	Total Operating Reserves		\$ -	\$ -	\$ -
CONTRIBUTIONS IN AID OF CONSTRUCTION					
44	Contributions in Aid of Construction(271)	F-46	\$ 3,119,748	\$ 3,073,179	\$ 46,569
45	Accumulated Amortization of C.I.A.C.	F-46	\$ 669,417	\$ 632,492	\$ 36,925
46	Total Net C.I.A.C.		\$ 2,450,331	\$ 2,440,687	\$ 9,644
	TOTAL EQUITY CAPITAL AND LIABILITIES		\$ 39,850,021	\$ 39,042,575	\$ 807,445

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

NOTES TO BALANCE SHEET (F-1)

1. The space below is provided for important notes regarding the balance sheet or any account thereof.
2. Furnish particulars as to any significant contingent assets or liabilities existing at end of year, including brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. Give a concise explanation of any retained earnings restriction and state the amount of retained earnings affected by such restriction.
4. If the notes to balance sheet relating to the respondent company appearing in the annual report to the stockholders are applicable in every respect and furnish the data required by Instructions 2 and 3 above, such notes may be attached hereto.

NONE

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

TABLE F-2 STATEMENT OF INCOME

Line No.	Account Title(Number) (a)	Ref. Sch. (b)	Current Year End Balance (c)	Previous Year End Balance (d)	Increase or Decrease (e)
UTILITY OPERATING INCOME					
1	Operating Revenues(400)	F-47	\$ 7,497,755	\$ 7,544,652	\$ (46,897)
2	Operating Expenses:				
3	Operation and Maintenance Expense(401)	F-48	\$ 3,032,264	\$ 3,034,963	\$ (2,699)
4	Depreciation Expense(403)	F-12	\$ 968,602	\$ 983,736	\$ (15,134)
5	Amortization of Contribution in Aid of Construction(405)	F-46.4	\$ (36,925)	\$ (36,878)	\$ (46)
6	Amortization of Utility Plant Acquisition Adjustment(406)	F-49	\$ -	\$ -	\$ -
7	Amortization Expense - Other(407)	F-49	\$ -	\$ -	\$ -
8	Taxes Other Than Income(408.1-408.13)	F-50	\$ 765,273	\$ 763,133	\$ 2,140
9	Income Taxes(409.1,410.1,411.1,412.1)	-	\$ 536,471	\$ 727,729	\$ (191,258)
10	Total Operating Expenses		\$ 5,265,685	\$ 5,472,683	\$ (206,997)
11	Net Operating Income(Loss)		\$ 2,232,070	\$ 2,071,969	\$ 160,100
12	Income from Utility Plant Leased to Others(413)	F-51	\$ -	\$ -	\$ -
13	Gains(Losses) from Disposition of Utility Property(414)	F-52	\$ -	\$ -	\$ -
14	Net Water Utility Operating Income		\$ 2,232,070	\$ 2,071,969	\$ 160,100
OTHER INCOME AND DEDUCTIONS					
15	Revenues from Merchandising, Jobbing, and Contract Work(415)	F-53	\$ 51,836	\$ 39,619	\$ 12,217
16	Costs and Expenses of Merchandising, Jobbing, and Contract Work(416)	F-53	\$ (24,577)	\$ (19,276)	\$ (5,301)
17	Equity in Earning of Subsidiary Companies(418)		\$ -	\$ -	\$ -
18	Interest and Dividend Income(419)	F-54	\$ 19,922	\$ 55,709	\$ (35,787)
19	Allow. for Funds Used During Construction(420)	F-54	\$ -	\$ -	\$ -
20	Nonutility Income(421)	F-54	\$ 46,942	\$ 40,929	\$ 6,013
21	Gains(Losses) From Disposition Nonutility Property(422)		\$ -	\$ -	\$ -
22	Miscellaneous Nonutility Expenses(426)	F-54	\$ (\$4,952)	\$ (5,744)	\$ 792
23	Total Other Income and Deductions		\$ 89,171	\$ 111,237	\$ (22,066)
TAXES APPLICABLE TO OTHER INCOME					
24	Taxes Other Than Income(408.2)	F-50	\$ -	\$ -	\$ -
25	Income Taxes(409.2,410.2,411.2,412.2,412.3)	-	\$ -	\$ -	\$ -
26	Total Taxes Applicable to Other Income		\$ -	\$ -	\$ -
INTEREST EXPENSE					
27	Interest Expense(427)	F-35/36	\$ 823,280	\$ 823,280	\$ -
28	Amortization of Debt Discount & Expense(428)	F-25	\$ 18,006	\$ 18,006	\$ (0)
29	Amortization of Premium on Debt(429)	F-25	\$ -	\$ -	\$ -
30	Total Interest Expense		\$ 841,286	\$ 841,286	\$ (0)
31	Income Before Extraordinary Income		\$ 1,479,955	\$ 1,341,920	\$ 138,035
EXTRAORDINARY ITEMS					
32	Extraordinary Income(433)	F-55	\$ -	\$ -	\$ -
33	Extraordinary Deductions(434)	F-55	\$ -	\$ -	\$ -
34	Income Taxes, Extraordinary Items(409.3)	F-50	\$ -	\$ -	\$ -
35	Net Extraordinary Items		\$ -	\$ -	\$ -
	NET INCOME(LOSS)		\$ 1,479,955	\$ 1,341,920	\$ 138,035

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-3 STATEMENT OF RETAINED EARNINGS

Line No.	Account Title (Number) (a)	Current Year End Balance (b)	Previous Year End Balance (c)	Increase or (Decrease) (d)
1	Unappropriated Retained Earnings (Beg of Period) (215)	\$ 5,799,767	\$ 5,068,911	\$ 730,856
2	Balance Transferred from Income (435)	\$ 1,479,955	\$ 1,341,920	\$ 138,035
3	Appropriations of Retained Earnings (436)	\$ -	\$ -	\$ -
4	Dividends Declared - Preferred Stock (437)	\$ (138)	\$ (1,065)	\$ 927
5	Dividends Declared - Common Stock (438)	\$ -	\$ (610,000)	\$ 610,000
6	Adjustments to Retained Earnings (439)	\$ -	\$ -	\$ -
7	Net Change to Unappropriated Retained Earnings	\$ 1,479,817	\$ 730,856	\$ 748,962
8	Unappropriated Retained Earnings (end of period) (215)	\$ 7,279,584	\$ 5,799,767	\$ 1,479,817
9	Appropriated Retained Earnings (214)	\$ -	\$ -	\$ -
10	Total Retained Earnings (214; 215)	\$ 7,279,584	\$ 5,799,767	\$ 1,479,817

F-4 ANALYSIS OF RETAINED EARNINGS (ACCOUNT 214, 215)

Line No.	Item (a)	Amount (e)
1	UNAPPROPRIATED RETAINED EARNINGS (ACCOUNT 215)	
2	1. Report in detail the items included in the following accounts during the year: 436	
3	Appropriations of Retained Earnings: 436, Adjustments to Retained Earnings	
4	2. Show separately the income tax effect of items shown in account 439, Adjustments to	
5	Retained Earnings	
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	NONE	
16	APPROPRIATED RETAINED EARNINGS (Account 214)	
17	State Balance and purpose of each appropriated Retained Earnings amount at end of year	
18	and give accounting entries for any applications of Appropriated Retained Earnings during	
19	the year.	
20	NONE	
20	Balance - end of year	

LE F-5 STATEMENT OF CHANGES IN FINANCIAL POSITION

Line No.	Sources of Funds (a)	2018 (b)	2017 (b)
1	Internal Sources:		
2	Income Before Extraordinary Items	\$ 1,479,955	\$ 1,341,920
3	Charges (Credits) To Income not Requiring Funds:		
4	Depreciation	\$ 968,602	\$ 983,736
5	Amortization of CIAC	\$ (36,925)	\$ (36,878)
6	Deferred Income Taxes and Investment Tax Credit (Net)	\$ 140,665	\$ (1,475,668)
7	Capitalized Allowance For Funds Used During Construction	\$ -	\$ -
8	Other (Net)	\$ 2,168,832	\$ 1,920,898
9	Total From Internal Sources Exclusive of Extraordinary Items	\$ 4,721,129	\$ 2,734,108
10	Extraordinary Items - Net of Income Taxes (A)	0	0
11	Total From Internal Sources	\$ 4,721,129	\$ 2,734,108
12	Less dividends - preferred	\$ (138)	\$ (1,065)
13	- common	\$ -	\$ (610,000)
14	Net From Internal Sources	\$ 4,720,991	\$ 2,123,043
15	External Sources:		
16	Long-term debt (B) (C)	\$ -	\$ -
17	Preferred Stock (C)	\$ -	\$ -
18	Common Stock (includes paid in capital) (C)	\$ -	\$ -
19	Net Increase in Short Term Debt (D)	\$ -	\$ -
20	Other (Net) Contributions and Advances	\$ 334,972	\$ 5,500
	Total From External Sources	\$ 334,972	\$ 5,500
23	Other Source (E)		
24	Net Decrease in Working Capital Excluding Short-term Debt	0	0
25	Other		
26	Total Financial Resources Provided	\$ 5,055,963	\$ 2,128,543

INSTRUCTIONS TO SCHEDULE F-5

- This statement is not restricted to those items which are noncurrent in nature. It is intended that this statement be flexible enough in nature so that latitude can be given, under the classification of "Other", to allow for disclosure of all significant changes and transactions, whether they are within or without the current asset and liability group.
- If the notes to the funds statement in the respondent's annual report to stockholders are applicable in every respect to this statement, such notes should be attached hereto.
- Under "Other" specify significant amounts and group others.
- Enter the current year covered by this annual report in column (b), and the year prior to this report in column (c).
- Codes:
 - Any difference between the amount shown for net extraordinary items for current year in this statement and that shown on schedule F-2, line 35 of this report should be explained.
 - Bonds, debentures and other long-term debt.
 - Net proceeds and payments.
 - Include commercial paper.
 - Such as net increases or decreases in working capital excluding short-term debt, purchases or sale of other noncurrent assets, investments in and advances to and from associated companies and subsidiaries, and all other items not provided for elsewhere.
 - Gross additions to common utility plant should be allocated to the applicable utility departments.
- Clarifications and explanations should be listed on the following page.

SEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORM

Class A or B Utility

TABLE F-5 STATEMENT OF CHANGES IN FINANCIAL POSITION (Continued)

Line No.	Application of Funds (a)	Current Year 2018 (b)	Current Year 2017 (b)
27	Construction and Plant Expenditures (Inc. Inad):		
28	Gross Additions		
29	Water Plant	\$ 3,459,235	\$ 1,242,818
30	Nonutility Plant	\$ -	\$ -
31	Other	\$ 1,596,728	\$ 885,725
32	Total Gross Additions	\$ 5,055,963	\$ 2,128,543
33	Less : Capitalized Allowance for Funds Used during Construction	\$ -	\$ -
34	Total Construction and Plant Expenditures	\$ 5,055,963	\$ 2,128,543
35	Retirement of Debt and Securities:		
36	Long-Term Debt (B) (C)		
37	Preferred Stock (C)	\$ -	\$ -
38	Redemption of Short Term Debt (D)	\$ -	\$ -
39	Net (increase/decrease) in Short Term Debt (D) **	\$ -	\$ -
40	Other (Net)	\$ -	\$ -
41	<u>Dividends</u>	\$ -	\$ -
42			
43	Total Retirement of Debt and Securities	\$ -	\$ -
44	Other Resources were used (E)		
45	Net Increase in Working Capital Excluding Short Term Debt	\$ -	\$ -
46	Other	\$ -	\$ -
47	Total Financial Resources Used	\$ 5,055,963	\$ 2,128,543

NOTES TO SCHEDULE F-5

NONE **

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-6 UTILITY PLANT(ACCOUNTS 101-106)
AND ACCUMULATED DEPRECIATION AND AMORTIZATION
(ACCOUNTS 108-110)

Line No.	Account (a)	Ref. Sch. (b)	Current Year End Balance (c)	Previous Year End Balance (d)	Increase or (Decrease) (e)
1	Plant Accounts:				
2	Utility Plant in Service-Accts 301-348(101)	F-8	\$46,103,737	\$42,663,229	3,440,508
3	Utility Plant Leased to Others(102)	F-9	0	0	0
4	Property Held for Future Use(103)	F-9	4,779	4,779	0
5	Utility Plant Purchased or Sold(104)	F-8	0	0	0
6	Construction Work in Progress(105)	F-10	2,611,426	1,036,864	1,574,562
7	Completed Construction Not Classified(106)	F-10	0	0	0
8	Total Utility Plant		\$48,719,942	\$43,704,871	5,015,071
9	Accumulated Depreciation & Amortization:				
10	Accum. Depr.-Utility Plant in Service(108.1)	F-11	\$13,113,737	\$12,186,029	927,708
11	Accum. Depr.-Utility Plant Leased to Others(108.2)	F-9	0	0	0
12	Accum. Depr.-Property Held for Future Use(108.3)	F-9	0	0	0
13	Accum. Amort.-Utility Plant in Service(110.1)	F-13	0	0	0
14	Accum. Amort.-Utility Plant Leased to Others(110.2)	F-9	0	0	0
15	Total Accumulated Depreciation & Amortization		\$13,113,737	\$12,186,029	927,708
16	Net Plant		\$35,606,205	\$31,518,842	\$4,087,363

F-7 UTILITY PLANT ACQUISITION ADJUSTMENTS(ACCOUNTS 114-115)

Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.

Line No.	Account (a)	Current Year End Balance (c)	Previous Year End Balance (d)	Increase or (Decrease) (e)
1	Acquisition Adjustment(114)			
2	NONE			
3				
4				
5				
6	Total Plant Acquisition Adjustments			
7	Accumulated Amortization(115)			
8	NONE			
9				
10				
11				
12	Total Accumulated Amortization			
13	Net Acquisition Adjustments			

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

TABLE F-8 UTILITY PLANT IN SERVICE

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1	INTANGIBLE PLANT 1.						
2	301 Organization	17,700	-	-	-	-	17,700
3	302 Franchises	-	-	-	-	-	-
4	339 Other Plant and Misc. Equip.	-	-	-	-	-	-
5	Total Intangible Plant	17,700	-	-	-	-	17,700
6	SOURCE OF SUPPLY AND PUMPING PLANT 2.						
7	303 Land and Land Rights	619,219	16,425	-	-	-	635,643
8	304 Structures and Improvements	2,052,583	-	(4,099)	-	-	2,048,484
9	305 Collecting and Impounding Reservoirs	-	-	-	-	-	-
10	306 Lake, River and Other Intakes	-	-	-	-	-	-
11	307 Wells & Springs	2,479,957	185,674	(10,304)	-	-	2,655,327
12	308 Infiltration Galleries & Tunnels	-	-	-	-	-	-
13	309 Supply Mains	137,490	-	-	-	-	137,490
14	310 Power Generation Equipment	-	-	-	-	-	-
15	311 Pumping Equipment	894,524	55,136	(36,988)	-	-	912,672
16	339 Miscellaneous Intangible Plant	-	-	-	-	-	-
17	339 Other Plant and Miscellaneous (317 03/31/08)	1,434,736	-	-	-	-	1,434,736
18	339 Other Plant and Miscellaneous	288,525	-	-	-	-	288,525
19	Total Supply and Pumping Plant	7,907,034	257,235	(51,391)	-	-	8,112,877
20	WATER TREATMENT PLANT 3.						
21	303 Land and Land Rights	-	-	-	-	-	-
22	304 Structures and Improvements	58,588	-	-	-	-	58,588
23	320 Water Treatment Equipment	214,601	4,870	(2,061)	-	-	217,410
24	339 Other Plant and Misc. Equip.	-	-	-	-	-	-
25	Total Water Treatment Plant	273,189	4,870	(2,061)	-	-	275,998

Class A or B Utility

TABLE F-8 UTILITY PLANT IN SERVICE(Continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
26	TRANSMISSION & DISTRIBUTION PLANT 4.						
27	303 Land and Land Rights	314,551	-	-	-	-	314,551
28	304 Structure and Improvements	32,894	-	-	-	-	32,894
29	330 Distribution Reservoirs and Standpipes	2,708,344	-	-	-	-	2,708,344
30	331 Transmission and Distribution Mains	21,116,498	3,001,776	(92,627)	-	-	24,025,648
31	333 Services	5,532,276	120,752	-	-	-	5,653,028
32	334 Meters and Meter Installations	1,773,485	163,631	-	-	-	1,937,116
33	335 Hydrants	673,072	3,115	-	-	-	676,187
34	339 Other Plant and Misc. Equip.	178,436	-	-	-	-	178,436
35	Total Transmission and Distribution	32,329,556	3,289,275	(92,627)	-	-	35,526,204
36	GENERAL PLANT 5.						
37	303 Land and Land Rights	-	-	-	-	-	-
38	304 Structure and Improvements	532,863	21,699	-	-	-	554,562
39	340 Office Furniture and Equipment	615,109	-	(1,637)	-	-	613,472
40	341 Transportation Equipment	542,022	32,988	(24,762)	-	-	550,248
41	342 Stores Equipment	331	-	-	-	-	331
42	343 Tools, Shop and Garage Equipment	87,849	-	-	-	-	87,849
43	344 Laboratory Equipment	-	-	-	-	-	-
44	345 Power Operated Equipment	109,715	-	-	-	-	109,715
45	346 Communication Equipment	51,553	-	-	-	-	51,553
46	347 Miscellaneous Equipment	196,307	6,920	-	-	-	203,228
47	348 Other Tangible Plant	-	-	-	-	-	-
48	Total General Plant	2,135,750	61,607	(26,399)	-	-	2,170,958
49	Total(Accounts 101 and 106)	42,663,229	3,612,987	(172,478)	-	-	46,103,737
50	104 Utility Plant Purchased or Sold	-	-	-	-	-	-
51	Total Utility Plant in Service	42,663,229	3,612,987	(172,478)	-	-	46,103,737

Class A or B Utility

Y SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

TABLE F-9 MISCELLANEOUS PLANT DATA

For each of the accounts listed hereunder, provide a summary statement if balance was carried therein at any time during the year. Information required consists of a brief description and amount of transactions carried through each such account and except to the extent that the data is shown elsewhere in this report, the opening and closing balances. If any of the property involved had an income producing status during the year, the gross income and applicable expenses (suitably subdivided) should be reported.

Utility Plant Leased to Others(102)
Property Held for Future Use(103)

Accumulated Depreciation of Utility Plant Leased to Others(108.2)
Accumulated Depreciation of Property Held for Future Use(108.3)
Accumulated Amortization of Utility Plant Leased to Others(110.2)

Property Held for Future Use(103)

Detail of Account Balance:

1. The Data resulting from 1997 transactions will be considered useful for the future development of a well and storage tank.	\$ 4,778.50
Balance	<u>\$ 4,778.50</u>

ANY

Class A or B Utility
F-10 CONSTRUCTION WORK IN PROGRESS AND COMPLETES CONSTRUCTION
NOT CLASSIFIED (Accounts 105 and 106)

1. For each department report below descriptions and balances at end of year of projects in process of construction and completes construction not classified for projects actually in service. For any substantial amounts of completed construction not prescribed primary accounts for plant in service.
2. The information specified by this schedule for Account 106, Completed Construction Not Classified, shall be furnished even though this account is included in Schedule F-8, Utility Plant in Service according to a tentative classification by primary accounts
3. Minor projects may be grouped

Line No.	Description of project (a)	Construction Work in Progress (Acct 105) (b)	Completed Construction Not Classified (Acct 106) (c)	Estimated Additional Cost of Project (d)
1	Mill Road WTP Centralized Treatment	943,451		2,024,695
2	Exeter Rd Tank Improvements	78,533		1,421,467
3	Well 7/ Well 22 Improvements	1,154,070		1,875,860
4	Lamie Property Purchase	7,121		-
5	PFC Treatment for Mill Rd Wells	226,780		2,773,220
6	Route 101, Hampton	85,604		1,130,000
7	Install Monitoring Wells - Mill Rd.	41,442		37,744
8	Other	74,425		
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
		2,611,426	-	9,262,986

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

**F-11 ACCUMULATED DEPRECIATION OF
UTILITY PLANT IN SERVICE (Account 108.1)**

1. Report below the information called for concerning accumulated provision for depreciation of utility plant in service at end of year and changes during year.
2. Explain any important adjustments during the year.
3. Explain any difference between the amount for book cost of plant retired, line 4, column (b) and that reported in the schedule F-8 Utility Plant in Service, column (d) exclusive of retirements of nondepreciable property.
4. The provision of account 108.1 of the Uniform System of Accounts intent is that retirements of depreciable plant be recorded when such plant is removed from service. There also shall be included in this schedule the amounts of plant retired, removal expenses, and salvage on an estimated basis if necessary with respect to any significant amount of plant actually retired from service but for which appropriate entries have not been made to the accumulated provisions for depreciation account. The inclusion of these amounts in this schedule shall be made even though it involves a journal entry in the books of account as of the end of the year recorded subsequent to closing of respondent's books. See also note B to schedule F- 8 Utility Plant in Service
5. In section B show the amounts applicable to prescribed functional classifications.

A. Balances and Changes During Year

Line No.	Item (a)	Utility Plant In service (Account 108.1) (b)
1	Balance beginning of year	12,186,029
2	Depreciation provisions for year, charged to Account 403, Depreciation Expense	968,602
3	Net charges for plant retired:	13,154,631
4	Book cost of plant retired	(172,478)
5	Cost of removal	(22,168)
6	Proceeds from sales(salvage value)	-
7	Net charges for plant retired	(194,646)
8	Other (debit) or credit items	
9	Accum Depr for equipment transfer	153,751
10		
11		
12	Balance end of year	13,113,737

B. Balance at End of Year According to Functional Classifications

13	Intangible Plant	8,200
14	Source of Supply and Pumping Plant	2,918,619
15	Water Treatment Plant	18,881
16	Transmission and Distribution Plant	8,584,802
17	General Plant	1,583,235
18	Other	
19	Total	13,113,737

Class A or B Utility
F-12 ANNUAL DEPRECIATION CHARGE

- ANY 1. Indicate cost basis upon which depreciation charges calculation were derived.
 2. Show separately the rates used and the total depreciation for each class of property.
 3. Depreciation charges are to be computed using the straight line method. Composite rates may be used with Commission approval.
 4. Total annual depreciation charge should agree with schedule F-11, line 2 "Depreciation provision for year," charged to Account 403, Depreciation Expense

Line No.	Class of Property	Cost Basis 12/31/2012	Adjustments	Rate	Net Additions	Rate	Annual Depreciation
1	<u>Source of Supply and Pumping Plant</u>						
2	<u>Organization Costs</u> Source of Supply	17,700	0 00	0.05		0.025	885
3	Cost Basis @ 12/31/17	17,700					
4	Cost Basis @ 12/31/18	17,700					
5							
6	<u>Structures and Improvements</u> Source of Supply	649,297	-	0.0275	(4,099)	0.01375	17,799
7	Cost Basis @ 12/31/17	649,297					
8	Cost Basis @ 12/31/18	645,199					
9							
10	Structures and Improvements Pumping	1,403,286	-	0.0275	-	0.01375	38,590
11	Cost Basis @ 12/31/17	1,403,286					
12	Cost Basis @ 12/31/18	1,403,286					
13							
14							
15							
16							
17							
18	Wells & Springs	2,479,957	-	0.035	175,370	0.0175	89,867
19	Cost Basis @ 12/31/17	2,479,957					
20	Cost Basis @ 12/31/18	2,655,327					
21							
22	Supply Mains	137,490	-	0.012	-	0.006	1,650
23	Cost Basis @ 12/31/17	137,490					
24	Cost Basis @ 12/31/18	137,490					
25							
26	Pumping Equipment Electric	862,447	-	3.43%	18,148	1.72%	29,893
27	Pumping Equipment Diesel	-	-	3.50%	-	1.75%	-
28	Pumping Equipment Other	32,076	-	4.40%	-	2.20%	1,411
29	Cost Basis @ 12/31/17	894,524					
30	Cost Basis @ 12/31/18	912,671					
31							
32	Other Plant and Miscellaneous (03/31/08)	1,434,736	-	<u>5.00%</u>	-	0.025	71,737
33	Cost Basis @ 12/31/17	1,434,736					
34	Cost Basis @ 12/31/18	1,434,736					
35							
36	Other Plant & Miscellaneous	288,525	-	<u>5.00%</u>	-	0.025	14,426
37	Cost Basis @ 12/31/17	288,525					
38	Cost Basis @ 12/31/18	288,525					
39							
40	Water Treatment Plant						
41	<u>Structures and Improvement</u>	58,588	-	2.75%	-	1.38%	1,611
42	Cost Basis @ 12/31/17	58,588					
43	Cost Basis @ 12/31/18	58,588					
44							
45	Equipment	214,801	-	3.50%	2,809	1.75%	7,580
46	Cost Basis @ 12/31/17	214,801					
47	Cost Basis @ 12/31/18	217,410					
48							
49	Transmission and Distribution Plant						
50	<u>Distribution Reservoirs and Standpipes</u>	2,708,344	-	2.00%	-	1.00%	54,167
51	Cost Basis @ 12/31/17	2,708,344					
52	Cost Basis @ 12/31/18	2,708,344					
53							
54							
55	Transmission and Distribution Mains	21,116,498	-	0.012	2,909,149	0.006	270,853
56	Cost Basis @ 12/31/17	21,116,498					
57	Cost Basis @ 12/31/18	24,025,647					
58							
59	Services	5,532,276	-	1.85%	120,752	0.93%	103,484
60	Cost Basis @ 12/31/17	5,532,276					
61	Cost Basis @ 12/31/18	5,653,028					
62							
63	Meters	1,574,766	-	3.80%	163,631	1.90%	62,950
64	Meter Installations	188,719	-	3.80%	-	1.90%	7,551
65	Cost Basis @ 12/31/17	1,773,485					
66	Cost Basis @ 12/31/18	1,937,116					

(Continued)

Class A or B Utility
F-12 ANNUAL DEPRECIATION CHARGE

- A. . . 1. Indicate cost basis upon which depreciation charges calculation were derived.
 2. Show separately the rates used and the total depreciation for each class of property.
 3. Depreciation charges are to be computed using the straight line method. Composite rates may be used with Commission approval.
 4. Total annual depreciation charge should agree with schedule F-11, line 2 "Depreciation provision for year," charged to Account 403, Depreciation Expense.

Line No.	Class of Property	Cost Basis 12/31/2017	Adjustments	Rate	Net Additions	Rate	Annual Depreciation
1	Transmission and Distribution Plant (Continued)						
2							
3	Hydrants	673,072	-	2.40%	3,115	1.20%	16,191
4	Cost Basis @ 12/31/17	673,072					
5	Cost Basis @ 12/31/18	676,187					
6							
7	Other T & D Plant	178,436	-	5.00%	-	2.50%	8,922
8	Cost Basis @ 12/31/17	178,436					
9	Cost Basis @ 12/31/18	178,436					
10							
11	Structures and Improvements	32,894	-	2.75%	-	1.38%	905
12	Cost Basis @ 12/31/17	32,894					
13	Cost Basis @ 12/31/18	32,894					
14							
15	General Plant						
16	Structures and Improvements	532,863	-	2.75%	21,699	1.38%	14,952
17	Cost Basis @ 12/31/17	532,863					
18	Cost Basis @ 12/31/18	554,562					
19							
20	Computer Equipment	605,345	-	20.00%	(1,637)	10.00%	120,906
21	Other Office Equipment	9,764	-	7.46%	-	3.73%	728
22	Cost Basis @ 12/31/17	615,109					
23	Cost Basis @ 12/31/18	613,472					
24							
25	Transportation Equipment	542,022	-	11.25%	8,226	5.63%	61,441
26	Cost Basis @ 12/31/17	542,022					
27	Cost Basis @ 12/31/18	550,249					
28							
29	Stores Equipment	331	-	5.00%	-	2.50%	17
30	Cost Basis @ 12/31/17	331					
31	Cost Basis @ 12/31/18	331					
32							
33	Tools, Shop and Garage Equipment	87,849	-	5.00%	-	2.50%	4,392
34	Cost Basis @ 12/31/17	87,849					
35	Cost Basis @ 12/31/18	87,849					
36							
37	Laboratory Equipment	-	-	6.67%	-	3.34%	-
38	Cost Basis @ 12/31/17	-					
39	Cost Basis @ 12/31/18	-					
40							
41	Power Operated Equipment	109,715	-	6.67%	-	3.34%	7,319
42	Cost Basis @ 12/31/17	109,715					
43	Cost Basis @ 12/31/18	109,715					
44							
45	Communication Equipment	51,553	-	10.00%	-	5.00%	5,155
46	Cost Basis @ 12/31/17	51,553					
47	Cost Basis @ 12/31/18	51,553					
48							
49	Miscellaneous Equipment	196,307	-	6.67%	6,920	3.34%	13,324
50	Cost Basis @ 12/31/17	196,307					
51	Cost Basis @ 12/31/18	203,228					
52							
53	Structures and Improvements, Computer Hardware and Software, Communications, Office Furniture and Stores Equipment depreciation adjustment						(127,710)
54							
55	Reserve Deficiency (Docket DW 08-098)	541,173					67,646
56							
57							
58							
59							
60	Totals	42,270,631.16	0.00		3,424,083.41		968,602

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
UTILITY PLANT IN SERVICE (Account 110.1)

1. Report below particulars concerning accumulated provisions for amortization of utility plant in service.
2. Explain and give particulars of important adjustments during the year.
3. Under "gain or (loss) on disposition of Property", line 17, report the excess of book cost of plant retired, less any proceeds realized at retirement, over the accumulated provisions for such plant.

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	\$
2	Amortization Accruals for year:	\$
3	(specify accounts debited)	
4		
5		
6		
7	NONE	
8		
9		
10		
11		
12	Total accruals	\$
13	Total (line 1 plus line 12)	\$
14	Net charges for retirements during year:	\$
15	Book cost of plant retired	
16	Proceeds realized (credit)	
17	Gain or (Loss) on Disposition of Property	
18		
19		
20		
21		
22		
23	Net charges for retirements	\$
24	Other (debits) and credits (describe separately):	\$
25		
26		
27		
28		
29		
30		
31		
32	Balance end of year	\$

Class A or B Utility

SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-14 NONUTILITY PROPERTY (Account 121)

1. Give a brief description and state the location of non-utility property included in account 121
2. Designate any property which is leased to another company. State name of lessee and whether lessee is an associated company.
3. Furnish particulars concerning sales, purchases, or transfers of nonutility property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property
These items are separate and distinct from those allowed to be grouped under instruction No. 5
5. Minor items may be grouped.

Line No.	Description and Location (a)	Balance Beginning of Year (b)	Purchases, Sales, Transfers etc. (c)	Balance End of Year (d)
1				
2		\$ -	\$ -	\$ -
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19	TOTAL	\$ -	\$ -	\$ -

**F-15 ACCUMULATED DEPRECIATION AND AMORTIZATION OF
NONUTILITY PROPERTY (Account 122)**

Report below the information called for concerning depreciation and amortization of nonutility property.

Line No.	Account (a)	Increase or (Decrease) (e)
1	Balance beginning of year	\$ -
2	Accrual for year, charged to account 426, Miscellaneous nonutility Expenses	
3	Net charges for plant retired:	
4	Book cost of plant retired	\$ -
5	Cost of removal	
6	Salvage (credit)	
7	Total Net Charges	\$ -
8	Other (debit) or credit items (describe)	
9	Adjustments	\$ -
10	Balance, end of year	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-16 INVESTMENTS (Accounts 123, 124, 125, 135)

1. Report below investments in Account 123, Investments in Associated Companies; 124, Utility Investments; 125, Other Investments; Temporary Cash Investments.
2. Provide a subheading for each account and list there under the information called for, observing the instructions below.
3. Investment in Securities-List and describe each security owned, giving name of issuer. For bonds give also principal amount, date of issue, maturity and interest rate. For capital stock state number of shares, class and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, Also may be grouped by classes.
4. Investment Advances-Report separately for each person or company the amounts of loans or investment advances which are subject to repayment but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. Each note should be listed giving date of issuance, maturity date, and specifying whether note is renewal. Designate due from officers, directors, stockholders or employees.
5. For any securities, notes or accounts that were pledged designate such securities, notes and in a footnote state the name of pledge and purpose of the pledge.
6. If Commission approval was required for any advance made or security acquired, designated such fact and in a footnote give date of authorization and case number.
7. Interest and dividend revenues and investments should be reported in column (g), including such revenues from securities disposed of during the year.
8. In column (h) report for each investment disposed of during the year the gain or loss represented by the difference between cost of investment (or the other amount at which carried in the books of account if different from cost) and the selling price therefor, not including any dividend or interest adjustment in column (g).

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Book Cost* Beginning of Year (d)	Principal Amount or No. of Shares End of Year (e)	Book Cost* End of Year (f)	Revenues for Year (g)	Gain or Loss From Invest. Disposed of (h)
1	Investment in Associated Companies (Account 123)			\$		\$	\$	\$
2								
3								
4	NONE							
5								
6								
7								
8								
9								
10								
11	TOTALS			\$		\$0	\$	\$

Class A or B Utility

F-16 INVESTMENTS (Accounts 123, 124, 125, 135) - Continued

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Book Cost* Beginning of Year (d)	Principal Amount or No. of Shares End of Year (e)	Book Cost* End of Year (f)	Revenues for Year (g)	Gain or Loss From Invest. Disposed of (h)
11	Investment in Associated Utility Investment - Account 124			\$		\$	\$	\$
12								
13								
14	NONE							
15								
16								
17								
18	TOTALS			\$		0	\$	\$
19								
20	Other Investments - Account 125	7/5/2012	7/5/2022	\$ 19,107		34,549	\$	\$
21								
22								
23	NONE							
24								
25								
26	TOTALS			\$ 19,107		\$ 34,549	\$	\$
27								
28	Temporary Cash Investments - Account 135			\$		\$	\$	\$
29								
30								
31	NONE							
32								
33								
34								
35	TOTALS			\$ -		\$ -	\$	\$

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-17 Special Funds (Accounts 126, 127, 128)

(Sinking Funds, Depreciation Fund, Other Special Funds)

1. Report below the balance at end of year of each special fund maintained during the year. Identify each fund and to account in which included. Indicate nature of any fund included in Account 128, Other Special Funds.
2. Explain for each fund any deductions other than withdrawals for the purpose for which the fund was created.
3. If the trustee of any fund is an associated company, give name of such associated company.
4. If assets other than cash comprise any fund, furnish a list of the securities or other assets, giving interest or dividend rate of each, cost of respondent, number of shares or principal amount, and book cost at end of year.

Line No.	Name of Fund and Trustee if any (a)	Year end Balance (b)
1	Sinking Fund (Account 126)	
2		
3		
4	NONE	
5		
6	TOTAL	\$ -
7	Depreciation Funds (Account 127)	
8		
9		
10	NONE	
11		
12	TOTAL	\$ -
13	Other Special Funds (account 128)	
14		
15		
16	NONE	
17		
18	TOTAL	\$ -

F-18 Special Deposits (Accounts 132, 133)
 (Special Deposits, Other Special Deposits)

1. Report below the amount of special deposits by classes at end of year.
2. If any deposit consists of assets other than cash, give a brief description of such asset.
3. If any deposit is held by an associated company, give name of company.
4. Specify purpose of each other special deposit.

Line No.	Description and Purpose of Deposit (a)	Year End Balance (b)
1	Special Deposits (Account 132)	\$ -
2		
3	NONE	
4		
5	TOTAL	\$ -
6	Other Special Deposits (Account 133)	\$ -
7		
8	NONE	
9		
10	TOTAL	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
(Accounts 141, 142, 143, 144)

Show separately by footnotes the total amount of notes and accounts receivable from directors, officers, and employees included in Notes Receivable(Account 141) and Other Accounts Receivable(Account 143)

Line No.	Accounts (a)	Current Year End Balance (b)	Previous Year End Balance (c)	Increase or Decrease (d)
1	Notes Receivable(Account 144)	\$ -	\$ -	\$ -
2	Customer Accounts Receivable(Account 142)	\$ 250,057	\$ 274,004	\$ (23,947)
3	General Customers			\$ -
4	Other Water Companies			\$ -
5	Public Authorities			\$ -
6	Merchandising, Jobbing and Contract Work	\$ -	\$ -	\$ -
7	Other			\$ -
8	Total	\$ 250,057	\$ 274,004	\$ (23,947)
9	Other Accounts Receivable(Account 142)	\$ -	\$ -	\$ -
10	Total Notes and Accounts Receivable	\$ 250,057	\$ 274,004	\$ (23,947)
11	Less: Accumulated Provisions for Uncollectible Accounts(Account 144)	\$ 17,070	\$ 24,074	\$ (7,004)
12	Notes and Accounts Receivable - Net	\$ 232,987	\$ 249,930	\$ (16,943)

F-20 ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR.(Account 143)

Line No.	Item (a)	Amount (b)	Balance (c)
1	Balance first of year		\$ (24,074)
2	Provision for uncollectible for current year(Account 403)		
3	Accounts written off	\$ 14,996	
4	Collections of accounts written off		
5	Adjustments(explain)		
6	Deterioration in account aging	\$ (7,992)	
7			
8	Net total		\$ 7,004
9	Balance end of year		\$ (17,070)

Summarize the collection and write-off practices applied to overdue customer accounts.

Collections - Bills are issued and due upon receipt. Penalties are applied to unpaid accounts 30 days from bill date. Notice includes a date for termination(45 days from bill date). Properties are tagged after the 45th day, notifying the occupant of the pending disconnection of service for non-payment. The company allows the customer 48 hours to respond to the tag left at the property. If the company does not receive customer contact and/or pending payment, service will be terminated. Water service will not be turned on without a payment or scheduled payment agreed upon by the company.

Write-offs - Accounts are sent a final bill: 20 days a reminder final bill is sent. 45 days a letter from the office is issued indicating the unpaid balance. 75 days a final letter is issued. The letter informs the customer that the account will be turned over to our collection agency if payment is not received in our office. If payment is not made by the customer, the company will write-off the unpaid balance and submit the information to an outside collection agency.

Class A or B Utility

ANY

F-21 RECEIVABLES FROM ASSOCIATED COMPANIES (ACCOUNT 145, 146)

1. Report particular notes and accounts receivable from associated companies at end of year.
2. Provide separate headings and totals for Accounts 145, Notes Received from Associated Companies, and 146 Accounts Receivable from Associated Companies, in addition to a total for the combined accounts.
3. For notes receivable list each note separately and state purpose for which received. Show also in column (a) date of note, date maturity and interest rate.
4. If any note was received in satisfaction of an open account, state period covered by such open account.
5. Include in column (f) interest recorded as income during the year, including interest on accounts and notes held any time during the year.
6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.

Line No.	Particulars (a)	Balance Beginning of Year (b)	Debits During the Year (c)	Credits During the Year (d)	Balance End of Year (e)	Interest for Year (f)
1	Accounts Receivable from Associated Companies (Account 145)	\$ 37,927	\$ -	\$ 33,430	\$ 4,497	\$ -
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12	TOTALS	\$ 37,927	\$ -	\$ 33,430	\$ 4,497	\$ -
14	Notes Receivable from Associated Companies (Account 146)	\$ 1,900,000	\$ 200,000	\$ 2,100,000	\$ -	\$ 19,922
15						
16						
17						
18						
19						
20						
21						
22						
23						
24	TOTALS	\$ 1,900,000	\$ 200,000	\$ 2,100,000	\$ -	\$ 19,922

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET

Line No.	Accounts (a)	Current Year End Balance (b)	Previous Year End Balance (c)	Increase or Decrease (d)
1	Plant Material and Supplies (Account 151)	\$ -	\$ -	\$ -
2	Fuel Oil			\$ -
3				\$ -
4	General Supplies - Utility Operations	\$ 146,848	\$ 111,806	\$ 35,042
5	Totals (Account 151)	\$ 146,848	\$ 111,806	\$ 35,042
6	Merchandise (Account 152)			\$ -
7	Merchandise for Resale			\$ -
8	General Supplies - Merchandise Operations			\$ -
9	Totals (Account 152)	\$ -	\$ -	\$ -
10	Other Materials and Supplies (Account 153)	\$ 8,990	\$ 5,113	\$ 3,877
11	Total Materials and Supplies	\$ 155,838	\$ 116,919	\$ 38,919

F-23 PREPAYMENTS - OTHER (Account 162)

Line No.	Type of Prepayment (a)	Current Year End Balance (b)	Previous Year End Balance (c)	Increase or Decrease (d)
1	Prepaid Insurance	\$ 2,774	\$ 3,189	\$ (415)
2	Prepaid Bond Trustee Fee	\$ 1,724	\$ 2,025	\$ (301)
3	Prepaid Dues and Subscriptions	\$ 3,263	\$ 3,214	\$ 49
4	Miscellaneous Prepayments	\$ 50,371	\$ 22,709	\$ 27,662
5	Prepaid DPUC Assessment	\$ 13,382	\$ 14,138	\$ (756)
6		.	.	
7	Total prepayments	\$ 71,514	\$ 45,275	\$ 26,239

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 20

LINE No.	Description (a)	Current Year End Balance (b)	Previous Year End Balance (c)	Increase or (Decrease) (d)
1	Accr, Interstet and Dividends Receivable (Account 171)			
2				
3	NONE			
4				
5				
6				
7				
8	TOTALS	\$ -	\$ -	\$ -
9	Rents Receivable (Account 172)			
10				
11	NONE			
12				
13				
14				
15				
16	TOTALS	\$ -	\$ -	\$ -
17	Accrued Utility Revenues (Account 173)	\$ 284,248	\$ 265,451	\$ 18,797
18				
19				
20				
21				
22				
23				
24	TOTALS	\$ 284,248	\$ 265,451	\$ 18,797
25	Misc. Current and Accrued Assets (Account 174)			
26				
27	Misc. Accounts Receivable	\$ 25,689	\$ 39,060	\$ (13,371)
28	Amounts due From VEBA	\$ (15,118)	\$ 36,036	\$ (51,154)
29				
30				
31				
32				
33	TOTALS	\$ 10,571	\$ 75,096	\$ (64,525)

F-25 UNAMORTIZED DEBT DISCOUNT, PREMIUM AND EXPENSE(Account 181, 251)

1. Report under applicable subheading the particulars of Unamortized Debt Discount and Expense and Unamortized Premium on Debt.
2. Show premium amounts by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long term debt original issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long term debt originally issued.
5. Furnish particulars regarding the treatment of Unamortized debt expense, premium or discount associated with issues redeemed during the year, also date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify indisposed amount applicable to issues which were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense. or credited to Account 429, Amortization of Premium on Debt.

Line No.	Designation of Long Term Debt (a)	Principal Amount of Securities (b)	Total expense Premium or Discount (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Credits During Year (i)	Balance end of Year (j)
				From (d)	To (e)					
1	Unamortized Debt Discount and Expense(Account 181)									
2	GM Bond 7.71% Series	\$ 3,000,000	\$ 55,296	11/93	5/2023	\$ 9,987		\$ 1,843		\$ 8,143
3	GM Bond 6.21% Series	\$ 5,900,000	\$ 200,891	8/26/05	8/2035	\$ 113,277	\$ 36,179	\$ 2,137	\$ 85,126	\$ 62,192
4	GM Bond 4.45% Series	\$ 5,000,000	\$ 97,507	7/5/12	7/5/22	\$ 43,943		\$ 9,751		\$ 34,192
5										
6										
7										
8										
9	TOTALS	\$ 13,900,000	\$ 353,694			\$ 167,206	\$ 36,179	\$13,731	\$85,126	\$ 104,528
10	Unamortized Premium on Debt (Account 251)	\$ -	\$ -	\$0	\$0	\$ -	\$ -	\$ -		\$ -
11										
12										
13										
14										
15										
16										
17										
18	TOTALS	\$ -	\$ -	\$0	\$0	\$ -	\$ -	\$ -		\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-26 EXTRAORDINARY PROPERTY LOSSES (Account 182)

1. Report below particulars concerning the accounting for extraordinary property losses.
2. In column (a) describe the property abandoned or extraordinary loss suffered, date of abandonment or loss, date of Commission authority of use of Account 182, and period over which amortization is being made.

Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written Off (c)	WRITTEN OFF DURING YEAR		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21		TOTALS				
		\$ -	\$ -		\$ -	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-27 PRELIMINARY SURVEY AND INVESTIGATION CHARGES (Account 183)

1. Report below particulars concerning the cost of plans, surveys, and investigations made for the purpose of determining the feasibility of projects under contemplation.
2. Minor items may be grouped by classes. Show the number of items in each group.

Line No.	Description and Purpose of Project (a)	Balance Beginning of Year (b)	Debits (c)	CREDITS		Balance End of Year (d)
				Account Charged (d)	Amount (d)	
1		\$ (0)	\$ -	183000	\$ -	\$ (0)
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	TOTAL	\$ 0	\$ -		\$ -	\$ (0)

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-28 MISCELLANEOUS DEFERRED DEBITS(ACCOUNT 186)

1. Report below the particulars called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized show period of amortization and date of Commission authorization.
3. Minor items may be grouped by classes, showing number of such items.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
1	Def Program Maint	\$ 3,475	\$ -	672201	\$ 3,209	\$ 266
2	Reg Asset - plant flow thru	\$ 2,489,147	\$ 396,001	86904,01,05,09	\$ 458,503	\$ 2,426,645
3	Fas158 Net(gain)/loss	\$ 2,077,172		232004	\$ 1,171,764	\$ 905,408
4	Fas158 Prior service cost	\$ (74,255)	\$ 79,440	232004	\$ 190,940	\$ (185,755)
5	Exeter Rd Tank Rehab	\$ 17,699	\$ -		\$ -	\$ 17,699
6	Def Issue Cost		\$ 48,947	428000	\$ 4,275	\$ 44,673
7						\$ -
8						\$ -
	TOTALS	\$ 4,513,239	\$ 524,388	\$ -	\$ 1,828,690	\$ 3,208,937

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-29 RESEARCH AND DEVELOPMENT ACTIVITIES (Account 187;

1. Describe and show below costs incurred and accounts charged during the year for technological research and development projects initiated, continued or concluded during the year. Report also support to others during the year for jointly-sponsored projects. (Recipient must be identified regardless of affiliation.) For any research and development work carried on by the respondent in which there is a sharing of costs with others, show separately the respondent's cost for the year and cost chargeable to others.
2. In column (a) indicate the class of plant or operating function for which the project was undertaken, if payment were made in support of research by other performed outside the company, state name of person or organization to whom such payments were made.
3. Show in column (c) all costs incurred for R & D performed internally and in column (d) all costs incurred for R & D performed externally during the current year. In Column (e) show the capital or expense account number charged during the year. In column (f) show the amounts related to the accounts charged in column (e). In column (g) show the undistributed costs carried in Account 187, Research and Development Expenditures.
4. If costs have not been segregated for research and development activities or projects, estimates may be submitted for columns (c), (d) and (f) with amounts identified by "Est".
5. Report separately research and related testing facilities operated by the respondent.

Line No.	Classification (a)	Description (b)	Cost Incurred Internally Current Year (c)	Cost Incurred Externally Current Year (d)	CURRENT YEAR CHARGES		Undistributed Costs (g)
					Account (e)	Amount (f)	
1	NONE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17		TOTALS	\$ -	\$ -		\$ -	\$ -

Class A or B Utility

IF SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-30 ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's account for deferred income taxes.
2. In the space provided furnish significant explanations including the following:
 - (a) Describe the amounts for which deferred tax accounting in the classification is being followed by the respondent and the basis therefor.
 - (b) Itemized and identify each debit and credit underlying the entries in columns (c),(d),(e),(f),(h), and (j).

Line No.	Account Subdivisions (a)	Balance Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	NONE			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

CHANGES DURING YEAR		ADJUSTMENTS				Balance End of Year (k)	Line No.
Debited Account Account 410.2 (e)	Account 411.2 (f)	Debits to Account 190		Credits to Account 190			
		Contra Acct No. (g)	Amount (h)	Contra Acct No. (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
							15
\$	\$		\$		\$	\$0	

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
 F-31 CAPITAL STOCK AND PREMIUM ON CAPITAL STOCK (Accounts 201, 204, and 207)

1. Report below the particulars called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show totals separately for common and preferred stock.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.
3. Give particulars concerning shares of any class and series of stock authorized to be issued by the commission which have not yet been issued.
4. The designation of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
5. State if any capital stock which has been nominally outstanding at end of year.
6. Give particulars of any nominally issued capital stock, reacquired stock, or stock in sinking and other fund which is pledged, stating name of pledge and purpose of pledge.
7. For columns (g) and (h) indicate by footnote if stock held by respondent is Reacquired Stock (Account 216) or is in sinking and other funds.

Line No.	Class and Series of Stock (a)	Number of Shares Authorized by Articles of Incorporation (b)	OUTSTANDING PER BALANCE SHEET				HELD BY PRESIDENT		DIVIDEND DURING YEAR	
			Number of Shares (c)	Par or stated Value per Share (d)	Amount (e)	Account 207 Premium (f)	Shares (g)	Cost (h)	Declared (i)	Paid (j)
1	Common Stock	100,000	87,483	\$ 25	\$ 2,187,075	\$ 3,557,940	N/A	N/A	\$ -	\$ -
2	(Account 201)									
3										
4										
5										
6										
7										
8										
9										
10	TOTALS	100,000	87,483		\$ 2,187,075	\$ 3,557,940	0	\$ -	\$ -	\$ -
11	Preferred Stock								\$ 138	
12	(Account 204)									
13	Cumulative Preferred Stock									
14	6% Series (1)		23		\$ 2,300	\$ -	N/A	N/A	\$ -	\$ -
15										
16										
17										
18										
19										
20	TOTALS	0	23		\$ 2,300	\$ -	0	\$ -	\$ 138	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
**F-32 CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR
 CONVERSION AND INSTALLMENTS RECEIVED ON CAPITAL STOCK**
(Accounts 202 and 205, 203 and 206, 208)

1. Show for each of the above accounts the amounts applying to each class and series of capital stock.
2. For Common Stock Subscribed Account 202, and Preferred Stock Subscribed, Account 205, show the subscribed the balance due on each class at end of year.
3. Describe the agreement and transactions under a conversion liability existed under Account 203, common stock li for Conversion, or Account 206, Preferred Stock Liability for Conversion, at end of year.

Line No.	Name of account and description of Item (a)	Number of Shares	Amount (b)
1	Capital Stock Subscribed (Accounts 202 and 205)		
2			
3			
4	NONE		
5			
6			
7			
8			
9			
10			
11	TOTAL		\$0
12	Capital Stock Liability for Conversion (Accounts 203 and 206)		
13			
14			
15	NONE		
16			
17			
18			
19			
20			
21			
22	TOTAL		\$0
23	Installments Received on Capital Stock (Account 208)		
24			
25			
26	NONE		
27			
28			
29			
30			
31			
32			
33			
34	TOTAL		\$0

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-33 OTHER PAID-IN CAPITAL (Account 209-211)

1. Report below balance at end of year and the information specified in the instructions below for the respective other paid-in capital accounts. Provide a total for the account for reconciliation with the balance sheet. Explain the change in any account during the year and give the accounting entries effecting such change.
2. Reduction in Par or Stated Value of Capital Stock (Account 209) -state amount and give brief explanation of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
3. Gain or Resale or Cancellation of Required Capital Stock (account 210) -Report balance at beginning of year, credits, debits, and balance at end of year with a succinct designation of the nature of each credit and debit identified as to class and series of stock to which related
4. Other Paid-In Capital (Account 211) - Classify amounts in this account at end of year according to captions which together with brief explanations, disclose the general nature of transaction which give rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Reduction in Par or Stated Value of Capital Stock (Account 209)	
2		
3		
4	NONE	
5		
6		
7		
8		
9	TOTAL	\$ -
10	Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210)	
11		
12		
13	NONE	
14		
15		
16		
17		
18		
19	TOTAL	\$ -
20	Other Paid-In Capital (Account 211)	\$ 480,250
21		
22		
23		
24		
25		
26		
27		
28		
29	TOTAL	\$ 480,250

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-34 DISCOUNT ON CAPITAL STOCK and CAPITAL STOCK EXPENSES
 (Accounts 212 and 213)

1. Report under applicable subheading the balance at end of year of discount on capital stock and capital stock expenses for each class and series of capital stock.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off of discount on capital stock or capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Year End Balance (b)
1	Discount on Capital Stock (Account 212)	
2		
3		
4	NONE	
5		
6		
7		
8		
13		
14	TOTAL	\$ -
15	Capital Stock Expense (Account 213)	
16		
17		
18	NONE	
19		
20		
21		
22		
23		
24		
25		
26		
27		
28	TOTAL	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-35 LONG TERM DEBT (Accounts 221, 222, 223, 224)

- Report by balance sheet accounts particulars concerning long-term debt included in Accounts 221, Bonds; 222 Reacquired Bonds; 223, Advances from Associated Companies; and 224, Other Long-term Debt.
- For bonds assumed by the respondent, Column (a) should include name of the issuing company as well as the description of the bonds.
- Advances from Associated Companies should be reported separately for advances on notes and advances on open accounts. Demand notes shall be designed as such. Names of associated companies from which advances were received shall be shown in col. (a).
- In an insert schedule give explanatory particulars for accounts 223 and 224 of net changes during the year. With respect to long-term advances show for each company (a) principal advances during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorized case numbers and dates.
- If the respondent has pledged any of its long-term debt securities, give particulars in a footnote, including name of pledge and purpose of pledge.
- If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
- If interest expense was incurred during the year on any obligation retired or reacquired before end of year, include such interest expense in column (f). Explain any difference between the total of column (f) and the total of Account 427, Interest on Long-term Debt, and Account 430, Interest on Debt to Associated Companies.
- Give particulars concerning any long-term debt authorized by the commission but yet issued.

Line No.	Class and Series of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Outstanding (d)	INTEREST FOR YEAR		HELD BY RESPONDENT		
					Rate (e)	Amount (f)	Reacquired Bonds (Acct 222) (g)	Sinking and Other Funds (h)	Redemption Price per \$100 End of Year (i)
1	Bonds (Account 221)								
2	GM								
3	7.71% Series	11/1993	06/2023	\$ 3,000,000	7.71%	\$ 231,300	\$ -	\$ -	\$ -
5	6.21% Series	8/26/2005	8/01/2035	\$ 5,900,000	6.21%	\$ 366,390			
6	4.45% Series	7/5/2012	7/5/2022	\$ 5,000,000	4.45%	\$ 225,590			
7									
8	TOTALS			\$ 13,900,000	18.37%	\$823,280	\$ -	\$ -	\$ -
9	Advances from Associated Companies (Account 223)								
10									
11	NONE								
12	TOTALS			\$ -		\$ -	\$ -	\$ -	\$ -
13	Other Long Term Debt (Account 224)								
14									
15	NONE								
16	TOTALS			\$ -	0.00%	\$ -	\$ -	\$ -	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-36 NOTES PAYABLE (Account 233)

1. Report the particulars indicated concerning notes payable at end year.
2. Give particulars of collateral pledged, if any.
3. Furnish particulars for any formal or informal compensating balance agreements covering open lines of credit.
4. Any demand notes should be designated as such in (c).
5. Minor amounts may be grouped by classes, showing the number of such amounts.
6. Report in total, all other interest accrued and paid on notes discharged during the year.

Line No.	Payee and Interest Rate (a)	Date of Note (b)	Date of Maturity (c)	Outstanding at End of Year (d) *	INTEREST FOR YEAR	
					Accrued (e)	Paid (f)
1	Aquarion		N/A	\$ 300,000		\$ -
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20			TOTALS	\$ 300,000	\$0	\$ -

Class A or B Utility
done

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-37 PAYABLES TO ASSOCIATED COMPANIES (Accounts 223, 234)

1. Report particulars of notes and accounts payable to associated companies at end of year.
2. Provide separate totals for Accounts 223, Notes Payable to Associated Companies and 234, Accounts Payable to Associated Companies.
3. List each note separately and state the purpose for which issued. Show also in Column (a) date of note, maturity and interest rate.
4. Include in Column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year.
5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	Accounts Payable to Associated Companies (Account 233)	\$ -	\$ -	\$ -	\$ -	
2						
3						
4						
5						
6						
7						
8						
9						
10						
11	TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -
12	Notes Payable to Associated Companies (Account 234)				\$ -	
13						
14	NONE					
15						
16						
17						
18						
19						
20						
21						
22	TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-38 ACCRUED AND PREPAID TAXES(ACCOUNTS 236,163)

1. This schedule is intended to give particulars of the combined prepaid and accrued tax accounts and to show the total taxes charged to operations and other accounts during the year.
2. Taxes paid during the year and charged direct to final accounts, that is, not charged to prepaid or accrued taxes, should be included in column (c) and (d). The balancing of the schedule is not affected by the inclusion of these taxes.
3. Taxes charged during the year, column (d), include taxes charged to operations and other accounts through (i) accruals credited to taxes accrued, (ii) amounts credited to prepaid taxes for proportions of prepaid taxes chargeable to current year, and (iii) taxes paid and charged direct to operations of accounts other than accrued and prepaid tax accounts.
4. The aggregate of each kind of tax should be listed under the appropriate heading of "Federal," "State," and "Local" in such manner that the total tax for each can readily be ascertained.
5. If any tax covers more than one year, the required information of all columns should be shown separately for each year.
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.
7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Type of Tax (a)	Balance Beginning of Year		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance End of Year	
		Tax Accrued (Account 236) (b)	Prepaid Taxes (Account 163) (c)				Taxes Accrued (Account 236) (g)	Prepaid Taxes (Account 163) (h)
1	FEDERAL-							
2	FEDERAL INCOME TAX	\$ -					\$ -	
3	PAYROLL TAXES (FICA/FUTA)	\$ -		\$ 75,668	\$ 75,668	\$ -	\$ -	
4	CAPITALIZE PAYROLL TAXES			\$ (6,878)	\$ -			
5		\$ -	\$ -	\$ 68,790	\$ 75,668	\$ -	\$ -	\$ -
6								
7								
8	STATE-							
9	STATE INCOME TAX	\$ -		\$ -	\$ -	\$ -	\$ -	
10	STATE UNEMPLOYMENT TAX	\$ -		\$ -	\$ -	\$ -	\$ -	
11		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12								
13	LOCAL-							
14	PROPERTY	\$ -	\$ 123,525	\$ 696,483	\$ 700,335	\$ -	\$ -	\$ 127,377
15		\$ -	\$ 123,525	\$ 696,483	\$ 700,335	\$ -	\$ -	\$ 127,377
16								
17								
18								
19								
20								
21	TOTALS	\$ -	\$ 123,525	\$ 765,273	\$ 776,003	\$ -	\$ -	\$ 127,377

Class A or B Utility

PORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-39 OTHER CURRENT AND ACCRUED LIABILITIES (Accounts 239-241)

1. Give a description and the amount of the principal items carried at the end of the year in each of the accounts listed below.
2. Minor items may be grouped by classes, showing the number of items in each group.

Line No.	Item (a)	Amount (b)
1	Matured Long-Term Debt (Account 239)	
2		
3		
4	NONE	
5		
6		
7		
8		
9		
10		
11	TOTAL	\$ -
12	Matured Interest (Account 240)	
13		
14		
15	NONE	
16		
17		
18		
19		
20		
21		
22	TOTAL	\$ -
23	Misc. Current and Accrued Liabilities (Account 241)	
24	Accrued Pension	\$ 1,105,274
25	Accrued Payroll	\$ 17,887
26	Accrued legal fee	\$ 3,000
27	Accrued Bonus	\$ 11,877
28	Accrued Trustee Fees	\$ 314
29	Accrued Audit fee	\$ 22,925
30	Accrued Bill postage	\$ 3,420
31	Accrue rent expense	\$ 1,618
32	Accrued purchase power	\$ 13,237
33	Accrued payroll taxes	\$ 932
34	Accrued union dues	\$ 1,073
35	Other misc liabilities	\$ 26
36	TOTAL	\$ 1,181,583

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-40 CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)

1. Report below balances at end of year and the particulars for customer advances for construction.
2. Minor items may be grouped

Line No.	Description (a)	Balance end of Year (b)
1		
2	Balance at beginning of Year	\$ 290,717
3	Deposits	\$ 334,972
4	Refunds	
5	Expired balances transferred to contributions	\$ (46,569)
6		
7		
8		
9		
10	TOTAL	\$579,120

F-41 MISCELLANEOUS DEFERRED CREDITS (Account 253)

1. Report below the particulars called for concerning other deferred credits.
2. For any deferred credit being amortized show the period of amortization.
3. Minor items may be grouped by classes showing the number of items in each class.

Line No.	Description of Other Deferred Credits (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Contra Account (d)	Amount (e)	
1		0	0			\$ -
2	Tax Benefit Due RP	\$ 8,221	\$ 11,175	461001-464001	\$ 2,954	\$ 0
3	Fed Tax adj due RP			416001-464001	\$ 203,000	\$ 203,000
4	Excess deferred income taxes	\$ 1,754,818		282003/283020	\$ -	\$ 1,754,818
5	CIAC Tax Gross-UP	\$ -		252000	\$ 533	\$ 533
6						
7						
8						
9						
10	TOTALS	\$ 1,763,039	\$ 11,175	0	\$ 206,487	\$ 1,958,351

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

1. Report as specified below information applicable to the balance in Account 255, and the transactions therein. Where appropriate, segregate the balances and transactions by utility and non utility operations. Explain by footnote any correcting adjustments to the account balance, shown in column (g). Include in column (i) the weighted-average.
2. State below the option selected for the Investment tax credit, (1) reduction of rate base, or (2) reduction of cost of service for rate purposes in accordance with section 46(f) of the Internal Revenue Code.

Line No.	Account Subdivisions (a)	Balance Beginning Of Year (b)	Deferred for Year		Allocations to Current Years Income		Adjustments (g)	Balance End of Year (h)	Average Period of Allocation to Income (i)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)			
1	Water Utility								
2									
3	Unamortized ITC	169,758			283019		(6,072)	163,686	
4									
5									
6									
7									
8									
9									
10									
11	Total Water Utility	169,758		\$0		\$0	(6,072)	\$163,686	
12	Other (list separately.)								
13									
14									
15									
16	NONE								
17									
18									
19									
20									
21									
22	Total Other	0		\$0		\$0	\$0	\$0	
23	Total	169,758		\$0		\$0	(6,072)	\$163,686	

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

1. Report below an analysis of the changes during the year for each of the reserves listed below.
2. Show title of reserve, account number, description of the general nature of the entry and the contra account debited or credited. Combine the amounts of monthly accounting entries of the same general nature. If respondent has more than one utility department, contra accounts debited or credited should indicate the utility department affected
3. For Accounts 261, Property Insurance Reserve and 262, Injury and Damages Reserve, explain the nature of the risks covered by the reserve.
4. For Account 265, Miscellaneous Operating Reserves report separately each reserve comprising the account and explain briefly its purpose.

Line No.	Item (a)	Balance Beginning of Year (b)	DEBITS		CREDITS		Balance at End of Year (g)
			Contra Account (c)	Amount (d)	Contra Account (e)	Amount (f)	
1	Property Insurance Reserve (Account 261)						
2							
3							
4	NONE						
5							
	TOTALS						
8	Injuries and Damages Reserve (Account 262)						
9							
10							
11	NONE						
12							
13							
14	TOTALS						
15	Pensions and Benefits Reserve (Account 263)						
16							
17							
18							
19							
20							
21	TOTALS						
22	Miscellaneous Operating Reserves (Account 265)						
23							
24							
25	NONE						
26							
27							
28	TOTALS						\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. In the space provided furnish significant explanations, including the following:
 - (a) Accelerated Amortization- State for each certification number a brief description of property, total and amortizable cost of such property, date amortization for tax purposes commenced, "normal" depreciation rate used in computing deferred tax deferrals.
 - (b) Liberalized Depreciation- State the general method or methods of liberalized depreciation being used (sum-of-years digits, declining balance, etc.), estimated lives i.e. useful life, guideline life, guideline class life, etc., and classes of plant to which each method is being applied and date method was adopted. Furnish a table showing for each year, 1954 to date of this report the annual amount of tax deferrals, and with respect to each year's tax deferral, the total debits thereto which have

Line No.	Account Subdivision (a)	Balance Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Water:			
3	Pollution Control			
4	Defense Facilities	\$ -		\$ -
5	Total Water		\$ -	
6	Other (Specify)		\$ -	
7	TOTALS	\$ -	\$ -	\$ -
8	Liberalized Depreciation (Account 282)			
9	Water	\$ 2,115,229		\$ -
10	Other (Specify)	\$ -		
11	TOTALS	\$ 2,115,229	\$ -	\$ -
12	Other (Account 283)	\$ -		
13	Water	\$ 2,038,121	\$ -	
14	Other	\$ -		
15	TOTALS	\$ 2,038,121	\$ -	\$ -
16	Total (Accounts 281, 282, 283)			
17	Water	\$ 4,153,350	\$ -	\$ -
18	Other (Specify)	\$ -	\$ -	\$ -
19	TOTALS	\$ 4,153,350	\$ -	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
(Accounts 281, 282, 283) - Continued.

been accounted for as credits to Accounts 411.1. Provisions for Deferred Income Taxes-Cr. Utility Operations Income and 411.2 Provisions for Deferred Income Taxes-Cr., Other Income and Deductions, or comparable account of previous system of accounts. Also explain the basis used to defer amounts for the latest year (straight-line tax rate to liberalized tax rate, etc.) Give references to the order action of the Commission authorizing or directing such accounting.

- (c) Other - Describe the amounts for which deferred tax accounting in the classification in being followed by the respondent and the basis therefor, and give reference to the order action of the Commission authorizing or directing such accounting.

- (d) Other (Specify) - Include deferred taxes relating to Other Income and Deductions at lines 6,10, 14 and 18 as appropriate.

CHANGES DURING YEAR		Adjustments				Balance End of Year	Line No.	
Amounts Debited to Account 410.2 (c)	Amounts Credited to Account 411.2 (d)	Debits		Credits				
		Credit Account No. (c)	Amount	Debit Account No.	Amount			
						\$0	1	
							\$0	2
							\$0	3
0	0				0	0	\$0	4
		282		186		\$0	5	
							\$0	6
0	0				0	0	\$0	7
							\$0	8
-75,966	39,665	253	0			\$ 2,078,928	9	
							\$0	10
-75,966	39,665				0	0	2,078,928	11
							\$0	12
-29,999	150,535		0			\$2,158,657	13	
							\$0	14
-29,999	150,535				0	0	2,158,657	15
								16
-105,965	190,200				0	4,237,585	17	
0	0		0		0	0	0	18
-105,965	190,200		0		0	0	4,237,585	19

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-46 CONTRIBUTIONS IN AID OF CONSTRUCTION (Account 271)

1. Report below an analysis of changes during the year for the respondent's contribution in aid of construction.
2. Detail contributions received during year from main extension charges and customer connection charges; developers or contractors agreement in supplementary schedules F-46.2 and F46.3
3. Detail Charges in a footnote.

Line No.	Item (a)	Amount (b)
1	Balance beginning of year (Account 271)	\$ 3,073,179
2	Credits during year:	
3	Contributions received from Main Extension and Customer Charges (Sch. F-46.2)	\$ -
4	Contributions received from Developer or Contractor Agreements (Sch. F-46.3)	\$ 46,569
5	Total Credits	\$ 46,569
6	Changes during year:	
7	Balance end of year (Account 271)	\$ 3,119,748

F-46.1 ACCUMULATED AMORTIZATION OF C.I.A.C. (Account 272)

1. Report below the information called for concerning accumulated provision for amortization of contribution in aid of construction at end of year and changes during the year.)
2. Explain any important adjustment during the year.

Line No.	Item (a)	American Amount (e)
1	Balance beginning of year	\$ 632,492
2	Amortization provision for year, credit to:	
3	(405) Amortization of Contribution in Aid of Construction	\$36,925
4	Credit for plant retirement	\$ 669,417
5	Other (debit) or credit items	
6		
7		
8	Balance end of year	\$ 669,417

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-46.2 ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION

**FROM MAIN EXTENSION CHARGES AND CUSTOMER CONNECTIONS
 CHARGES RECEIVED DURING THE YEAR**

Report as specified below information applicable to credits added to Contributions in Aid of Construction received from main extension charges and customer connection charges.

2. Total Credits amount reported on line 14 should agree with Schedule F-46, line3.

Line No.	Item (a)	Number of Connections (b)	Charges per Connection (c)	Amount (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35	Total credits from main extension charges and customer connection charges			\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-46.3 ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED

**FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS FROM WHICH
 CASH OR PROPERTY WAS RECEIVED DURING THE YEAR**

1. Report as specified below information applicable to credits added to Contributions in Aid of Construction received from developer or contractor agreements.
2. Indicate in column (B) form of contribution received.
2. Total Credits amount reported on line 14 should agree with Schedule F-46, line 4.

Line No.	Description (a)	Cash or Property (b)	Amount (c)
1	Juniper Lane Hampton NH		\$ 26,653
2	20 Keefe Ave Hampton NH		\$ 12,788
3	Huckleberry Lane Hampton NH		\$ 7,128
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35	Total credits from main extension charges and customer connection charges		\$46,569

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

**F-46.4 AMORTIZATION OF CONTRIBUTION IN AID OF
CONSTRUCTION (Account 405)**

1. Report below the particulars concerning the amortization of contribution in aid of construction received from developer or contractor agreements and from main extension and customer charges.
2. Indicate basis upon which the total credit for the year was derived, straight line rate and the computed amount for each class of property.
3. Total annual amortization credit for contribution in aid of construction should agree with schedule F-46.1 line 3 Amortization provision for year, charged to Account 405, Amortization of Contribution in Aid of Construction>

Line No.	Class of Property (a)	Cost Basis (b)	Rate (c)	Amount (d)
1				
2	Expired main extension agreements, unrefunded	3,119,749	1.20%	\$3,120
3	developer deposits ** December			
4				
5	January - November	3,073,179	1.20%	\$33,805
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35	TOTALS			\$36,925

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.
2. If increases or decreases are not derived from previously reported figures explain any inconsistencies.
3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts, except that where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added. The average number of customers means the average of the 12 figures at the close of each month.
4. Total Water Operating Revenue, line 14 should agree with schedule F-2, Income Statement, line 1.

Line No.	Account (a)	OPERATING REVENUES		NUMBER OF THOUSAND GALLONS SOLD		AVERAGE NO. OF CUSTOMERS PER MONTH	
		Amount for Year (b)	Increase or Decrease from Preceding Year (c)	Amount for Year (d)	Increase or Decrease from Preceding Year (e)	Amount for Year (f)	Increase or Decrease from Preceding Year (g)
	SALES OF WATER						
1 460	Unmetered Sales to General Customers	\$ 1,893	901	0	0	0	
2 461	Metered Sales to General Customers	5,983,971	(16,183)	600,553	1,715	9,124	
3 462	Fire Protection Revenue	1,313,859	(15,692)	0	0	370	9
4 466	Sales for Resale	-	-	0	0	0	0
5 467	Interdepartmental Sales	-	-	0	0	0	0
6	Total Sales of Water	\$ 7,299,723	\$ (30,954)	600,553	1,715	9,494	43
7	OTHER OPERATING REVENUES						
8 470	Forfeited Discounts	-	-				
9 471	Miscellaneous Service Revenues	56,609	(16,808)				
10 472	Rents from Water Property	141,423	865				
11 473	Interdepartmental Rents	-	-				
12 474	Other Water Revenues	-	-				
13	Total Other Operating Revenues	\$ 198,032	\$ (15,943)				
14 400	Total Water Operating Revenues	\$ 7,497,755	\$ (46,897)				

BILLING ROUTINE

Report the following information in days for Accounts 460 and 461:

1. The period for which bills are rendered. monthly and semi annual
2. The period between the date meters are read and the date customers are billed. not more than 6 days
3. The period between the billing date and the date on which discounts are forfeited. the penalties are applied 30 days from billing date

(See schedule A-13 Important Changes During the Year, for important new territory added and important rate increases or decreases)

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-48 OPERATION AND MAINTENANCE EXPENSE (Accounts 401)

1. Enter in the space provided the operation and maintenance expenses for the year.
2. If two or more water systems are operated, the statement of operation and maintenance accounts should be subdivided to show separately the expense of each such system in cols. (d) (e) (f)
3. If the increases are not derived previously reported figures please explain in footnotes.

Line No.	Account (a)	Total Amount for Year (b)	Increase or Decrease from Preceding Year (c)	(d)	(e)	(f)
1	1. SOURCE OF SUPPLY					
2	Operations					
3	601 Operation Labor and Expenses	\$ -	\$ (133)			
4	603 Miscellaneous Expense	\$ 59,852	\$ (48,550)			
5	604 Rents	\$ 21,241	\$ 250			
6	Total Operation	\$ 81,093	\$ (48,433)	\$ -	\$ -	\$ -
7	Maintenance					
9	611 Maintenance of Structures and Improvement	\$ 1,125	\$ 541			
10	612 Maintenance of Collecting and Impounding Reservoirs	\$ 31,503	\$ 8,579			
10	614 Maintenance of Wells and Springs	\$ 29,573	\$ 22,857			
11	Total Maintenance	\$ 62,201	\$ 31,977	\$ -	\$ -	\$ -
12	Total Source of Supply	\$ 143,294	\$ (14,456)	\$ -	\$ -	\$ -
13	2. PUMPING EXPENSES					
14	Operations					
15	620 Operation Supervision and Engineering	\$ 633	\$ 633			
16	623 Fuel or Power Purchased for Pumping	\$ 242,313	\$ 35,603			
17	624 Pumping Labor and Expenses	\$ 113,191	\$ 22,178			
18	626 Miscellaneous Expenses	\$ 9,327	\$ 4,587			
19	Total Operations	\$ 365,464	\$ 63,001	\$ -	\$ -	\$ -

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Class A or B Utility

F-48 OPERATION AND MAINTENANCE EXPENSE (Accounts 401) - Continued

Line No.	Account (a)	Total Amount for Year (b)	Increase or Decrease from Preceding Year (c)	(d)	(e)	(f)
20	2. PUMPING EXPENSES (Cont'd)					
21	Maintenance					
22	631 Maintenance of Structures and Improvement	\$ 12,926	\$ (4,085)			
23	632 Maintenance of Power Production Equipment	\$ 11,945	\$ 7,948			
24	633 Maintenance of Pumping Equipment	\$ 18,253	\$ (3,120)			
25	Total Maintenance	\$ 43,124	\$ 733	\$ -	\$ -	\$ -
26	Total Pumping Expenses	\$ 408,588	\$ 63,734	\$ -	\$ -	\$ -
27	3. WATER TREATMENT EXPENSES					
28	Operations					
29	640 Operation Supervision and Engineering	\$ 2,794	\$ (1,846)			
30	641 Chemicals	\$ 43,186	\$ 8,665			
31	642 Operation Labor and Expenses	\$ 98,121	\$ 16,717			
32	643 Miscellaneous Expenses	\$ 5,134	\$ 2,329			
34	Total Operation	\$ 147,245	\$ 25,865	\$ -	\$ -	\$ -
35	Maintenance					
36	651 Maintenance of Structures and Improvements	\$ 4,626	\$ 1,936			
37	652 Maintenance of Water Treatment Equipment	\$ 34,957	\$ 8,941			
38	Total Maintenance	\$ 39,583	\$ 10,877	\$ -	\$ -	\$ -
39	Total Water Treatment Expenses	\$ 186,828	\$ 36,742	\$ -	\$ -	\$ -
40	4. TRANSMISSION AND DISTRIBUTION EXPENSES					
41	Operation					
43	662 Transmission & Distribution Lines Expense	\$ 65,045	\$ 42,462			
44	663 Meter Expenses	\$ 33,634	\$ 20,912			
45	664 Customer Installations Expenses	\$ 28,545	\$ 4,774			
46	665 Miscellaneous Expenses	\$ 23,880	\$ 2,139			

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1. Enter in the space provided the operation and maintenance expenses for the year.
 2. If two or more water systems are operated, the statement of operation and maintenance accounts should be subdivided to show separately the expense of each such system in cols. (d) (e) (f)
 3. If the increases are not derived previously reported figures please explain in footnotes.
- Class A or B Utility

F-48 OPERATION AND MAINTENANCE EXPENSE(Accounts 401) - Continued

Line No	Account (a)	Total Amount for Year (b)	Increase or Decrease from Preceding Year (c)	(d)	(e)	(f)
47	TRANSMISSION & DISTRIBUTION EXPENSES(Cont'd)					
48	Operations					
49	666 Rents	\$ 600	\$ -			
50	Total Operation	\$ 151,704	\$ 70,287	\$ -	\$ -	\$ -
51	Maintenance					
52	671 Maintenance of Structures and Improvements	\$ 55,758	\$ 15,782			
53	672 Maintenance of Distribution Reservoirs and Standpipes	\$ 3,793	\$ (2,641)			
54	673 Maintenance of Transmission and Distribution Mains	\$ 70,129	\$ (20,945)			
55	675 Maintenance of Services	\$ 132,278	\$ 41,143			
56	676 Maintenance of Meters	\$ 20,361	\$ 8,590			
57	677 Maintenance of Hydrants	\$ 40,275	\$ -			
58	678 Maintenance of Miscellaneous Equipment	\$ 5,498	\$ (3,974)			
59	Total Maintenance	\$ 328,092	\$ 37,955	\$ -	\$ -	\$ -
60	Total Transmission and Distribution Expense	\$ 479,796	\$ 108,242	\$ -	\$ -	\$ -
61	5. Customer Accounts Expenses					
62	Operation					
63	902 Meter Reading Expenses	\$ 12,275	\$ (1,295)			
64	903 Customer Records and Collections Expenses	\$ 75,081	\$ (4,276)			
65	904 Uncollectible Accounts	\$ 6,996	\$ -			
66	905 Miscellaneous Customer Accounts Expenses	\$ 50,405	\$ 96			
67	Total Customer Accounts Expenses	\$ 144,757	\$ (5,475)	\$ -	\$ -	\$ -
68	6. Information Technology					
69	Operations					
70	906 Information Technology Expense	\$ 253,929	\$ 10,151	\$ -	\$ -	\$ -

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Class A or B Utility

F-48 OPERATION AND MAINTENANCE EXPENSE(Accounts 401) - Continued

Line No	Account (a)	Total Amount for Year (b)	Increase or Decrease from Preceding Year (c)	(d)	(e)	(f)
71	7. ADMINISTRATIVE AND GENERAL EXPENSES					
72	Operations					
73	920 Administrative and General Salaries	\$ 400,646	\$ (93,132)			
74	921 Office Supplies and Other Expenses	\$ 75,274	\$ 14,403			
75	923 Outside Services Employed	\$ 228,709	\$ (42,653)			
76	924 Property Insurance	\$ 1,320	\$ (732)			
77	925 Injuries and Damages	\$ 104,548	\$ (3,748)			
78	926 Employee Pension and Benefits	\$ 397,128	\$ (78,320)			
79	928 Regulatory Commission Expenses	\$ 27,520	\$ 2,173			
80	930 Miscellaneous General Expenses	\$ 28,354	\$ (22,197)			
81	931 General Rents	\$ 104,238	\$ 1,383			
82	932 Main of office equipment	\$ 47,335	\$ 21,187			
83	Total Operation	\$ 1,415,072	\$ (201,636)	\$ -	\$ -	\$ -
86	Total Administrative and General Expenses	\$ 1,415,072	\$ (201,636)	\$ -	\$ -	\$ -
87	Total Operation and Maintenance Expenses	\$ 3,032,264	\$ (2,696)	\$ -	\$ -	\$ -
SUMMARY OF OPERATION AND MAINTENANCE						
	Functional Classification (a)	Operation (b)	Maintenance (b)	Total		
88	Source of Supply Expenses	\$ 81,093	\$ 62,201	\$ 143,294		
89	Pumping Expenses	\$ 365,464	\$ 43,124	\$ 408,588		
90	Water Treatment Expenses	\$ 147,245	\$ 39,583	\$ 186,828		
91	Transmission and Distribution Expenses	\$ 151,704	\$ 328,092	\$ 479,796		
92	Customer Accounts Expenses	\$ 144,757	\$ -	\$ 144,757		
93	Information Technology Expenses	\$ 253,929	\$ -	\$ 253,929		
94	Administrative and General Expenses	\$ 1,415,072	\$ -	\$ 1,415,072		
95		\$ -	\$ -	\$ -		
96	Total	\$ 2,559,284	\$ 473,000	\$ 3,032,284		

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Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-49 AMORTIZATION OF UTILITY PLANT ACQUISITION ADJUSTMENT

(Account 406)

AMORTIZATION EXPENSE - OTHER (Account 407)

1. Report below the particulars concerning the amortization of utility plant acquisition adjustment and other amortization debits or credits which relate to utility operations and are not provided for elsewhere.
2. Indicate cost basis upon which debit/credit amortization amount was derived.
3. Total amortization amount for accounts 406 and 407 should agree with schedule F-2, line 6 and line 7 respectively and applicable balance sheet account schedules.

Line No.	Item	Basis	Rate	Amount
1	Amortization of Utility Plant Acquisition Adjustment			
2	Account 406			
3				
4				
5	NONE			
6				
7				
8				
9	TOTAL			\$ -
	AMORTIZATION EXPENSE - OTHER			
10				
11				
12	NONE			
13				
14				
15				
16				
17				
18	TOTAL			\$ -
19	Amortization of Property Losses -Account 407.2			
20				
21				
22	NONE			
23				
24				
25				
26				
27	TOTAL			\$ -
28	Amortization of Other Utility Charges - Account 407.3			
29				
30				
31				
32	NONE			
33				
34				
	TOTAL			\$ -
37	TOTAL - Account 407			\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-50 TAXES CHARGED DURING YEAR (ACCOUNT 408,409)

1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.
2. The aggregate of each kind of tax should be listed under the appropriate heading of "Federal," "State," and "Local".
3. The accounts to which taxes charged were distributed should be shown in columns (c) to (g).
4. For any tax which it was necessary to apportion more than one account, state in a footnote the basis of apportioning such tax.
5. The total taxes charges as shown in column (b) should agree with amounts shown by column (d) of schedule F-38 entitled "Accrued and Prepaid Taxes".
6. Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Class of Tax (a)	Total Taxes Charged During Year (b)	DISTRIBUTION OF TAXES CHARGED				Extraordinary Items Income Taxes (Account 409.3) (g)
			Operating Income Taxes Other Than Income (Account 408.1) (c)	Operating Income Income Taxes (Account 409.1) (d)	Other Income Taxes Other Than Income (Account 408.2) (e)	Other Income Income Taxes (Account 409.2) (f)	
1	FEDERAL						
2	FEDERAL INCOME TAX	\$ -			\$ -		
3	PAYROLL TAXES	\$ 75,668	\$ 75,668				
4	TAXES CAPITALIZE TO UTILITY PLAN	\$ (6,878)	\$ (6,878)				
5							
6	STATE						
7	STATE INCOME TAX	\$ -		\$ -			
8							
9							
10	LOCAL						
11	PROPERTY	\$ 696,483	\$ 696,483				
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24	TOTALS	\$ 765,273	\$ 765,273	\$ -	\$ -	\$ -	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-51 INCOME FROM UTILITY PLANT LEASED TO OTHERS (ACCOUNT 413)

1. Report below the revenues, expenses and income for year from lease to others of utility property constituting a distinct operating unit or systems.
2. For each lease show: (1) name of lessee and description and location of the leased property; (2) revenues; (3) operating expenses classified as to operation, depreciation and amortization, and (4) income from lease for year.
3. If the property is leased on a basis other than that of a fixed annual rental, give particulars of the method of determining the annual rental.
4. Designate associated companies.

Line No.	Name of Lessee Description and Location (a)	Revenues (b)	Operation Expenses (c)	Depreciation Expenses (d)	Amortization Expenses (e)	Total Operating Expenses (f)	Income from Lease Account 413 (g)
1	NONE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22	TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-52 GAINS OR LOSSES ON DISPOSITION OF UTILITY PROPERTY (ACCOUNT 414)

1. Give a brief description of property creating the gain or loss. Include name of party acquiring the property (when acquired by another utility or associated company) and the date transaction was completed. Identify property by type; Leased or Held for Future Use.
2. Give the date of Commission approval of journal entries in column (b), when approval is required. Where approval is required but has not been received, give explanation following the item in column (a). (See Account 104, Utility Plant Purchased or Sold).

Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Amount Charged to Account 414 (d)
1	<u>Gain on disposition of property:</u>	\$ -		\$ -
2				
3				
4				
5	NONE			
6				
7				
8				
9				
10				
11	Total Gain			\$ -
12				
13	<u>Loss on disposition of property:</u>			
14				
15	NONE			
16				
17				
18				
19				
20				
21	Total Loss			\$ -
22	NET GAIN OR LOSS			\$ -

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

**F-53 INCOME FROM MERCHANDISING, JOBBING, AND
CONTRACT WORK (Accounts 415 and 416)**

Report by utility departments the revenues, costs, expenses, and net income from merchandising, jobbing and contract work during year. Report also applicable taxes included in Accounts 408 and 409 and income after such taxes. Give the basis of any allocation of expenses between utility and merchandising, jobbing and contract work activities.

Line No.	Item (a)	Water Department (b)	(c)	(d)	Total (e)
1	Revenues:				
2	Merchandise sales, less discount				
3	allowance and returns.....				
4	Contract work.....	51,836			51,836
5	Commissions.....				
6	Other (list major classes).....				
7					
8					
9					
10	Total Revenues (account 415).....	51,836			51,836
11	Costs and Expenses:				
12	Cost of sales (list major classes of cost)				
13)				
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26	Sales expenses.....				
27	Customer account expenses.....	24,577			24,577
28	Administrative and general expenses....				
29	Depreciation.....				
30	Total Costs and Expenses (Account 416)	24,577			24,577
31					
32	Net Income (before taxes).....	27,259			27,259
33	Taxes (Account 408,409)				
34	Federal.....				
35	State.....				
36	Total Taxes.....				
37	Net Income(after taxes).....				

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-54 OTHER INCOME AND DEDUCTION ACCOUNTS ANALYSIS**(Account 419, 421 AND 426)**

1. Report in this schedule the information specified in the instructions below for the respective other income and deductions accounts.
2. Interest and Dividend Income (Account 419). Report Interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived. Income derived from investments, Accounts 123, 124, 125 and 135 may be shown in total. Income from sinking and other funds should be identified with related special funds.
3. Non utility Income (account 421). Describe each non utility operation and indicate the gross income earned from each. Indicate the net gain on any sale received of non utility property.
4. Miscellaneous Non utility Expense (426). Report the nature, payee, and amount of miscellaneous non utility expenses.

Line No.	Item	Amount
1	Interest and Dividend Income (Account 419)	19,922
2		
3	AFUDC Interest (Account 420)	-
4	Other Interest Income	-
5		
6		
7		
8		
9		
10		
11		
12	TOTAL	19,922
13	Non-Utility Income (Account 421)	
14		
15	Miscellaneous Non-Utility Income	-
16	Non - Operating Rental Income	-
17	Qual Patr Dst	46,942
18		
19		
20		
21		
22		
23		
24	TOTAL	46,942
25	Miscellaneous Non-Utility Expense (account 426)	2,827
26		
28	Charitable Donations	1,000
33	Interest Expense- Customer Deposit (Water)	0
34	Interest on Tax Assessments	1,125
35		
36	TOTAL	4,952

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

F-56 RECONCILIATION OF REPORTED NET INCOME WITH
TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computations of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.
2. If the utility is a member of group which files a consolidated Federal tax return, reconciling reported net income with taxable net income as if a separate return were to be filed, indicating however, intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax amount group members

Line No.	Particulars	Amount
1		
2	Net Income per Books	\$ 1,479,955
3	Federal Income Tax Accrual	418,251
4	State Income Tax Accrual	118,220
5		
6	Pretax Book Income	2,016,426
	Surcredits due to ratepayer	(8,221)
7	Patronage distributions	3,058
8	Charitable Donations-Tickets	10
9	Business Meals	1,488
10	Excess flowthrough depreciation	82,383
11	Capitalized repairs-current deduction	(86,910)
12	Capitalized repairs-481(a) catch-up	-
13	FAS 106	(241,747)
14	Pension	(205,009)
15	Deferred Debits	3,208
16	Depreciation	(131,611)
16	Loss on disposals of fixed assets	(18,281)
17	Proceeds from sale of equipment	-
18	Cost of Removal	(22,168)
20	Other Expenses	(6,938)
21	VEBA receivable	51,154
19	Taxable contributed property	3,552
20	CIAC tax gross-up	533
21	State Taxes	(118,462)
22	Federal Taxable Income	\$ 1,322,465
23		
24	Tax @ 21%	\$ 277,718
25	Federal effect of State PTR	201
26	Provision to Return Adjustments	-
27	FIT Due to Rate Payer (R&M)	-
28	Federal taxes payable	277,919
29		
30	Deferred Federal tax expense	110,909
31	Deferred tax adjustment	7,854
32	American Flowthrough depreciation	21,569
33	Total deferred Federal taxes	140,332
34		
35	Total Federal book tax expense	418,251
36		
37		
38		
39		

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-57 DONATIONS AND GIFTS

Report for each donation and gift given, the name of recipient, purpose of transaction, account number charged and amount.

Line No.	Name of Recipient (a)	Purpose (b)	Account No. Charged (c)	Amount of Payment (d)
1	Blue Ocean Society for Marine Conservation	Donation	426.1	\$ 1,000.00
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34		Total		\$ 1,000.00

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
F-58 DISTRIBUTION OF SALARIES AND WAGES

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

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged to Clearing Accounts (c)	Total (d)
1	Operation			
2	Source of Supply	\$ -		\$ -
3	Pumping Operations	113,825		113,825
4	Water Treatment	15,052		15,052
5	Transmission and Distribution	96,234		96,234
6	Customer Accounts	15,716		15,716
8	Administration and General	382,009		382,009
9	Total Operation	\$ 622,836		\$ 622,836
10	Maintenance			
11	Source of Supply	\$ 9,831		\$ 9,831
12	Pumping	16,577		16,577
13	Water Treatment	15,552		15,552
14	Transmission and Distribution	128,136		128,136
15	Administration and General	-		-
16	Total Maintenance	\$ 170,096		\$ 170,096
17	Total Operation and Maintenance			
18	Source of Supply(Lines 2 and 11)	\$ 9,831		\$ 9,831
19	Pumping(Lines 3 and 12)	130,402		130,402
20	Water Treatment(Lines 4 and 13)	30,604		30,604
21	Transmission and Distribution(Lines 5 & 14)	224,370		224,370
22	Customer Accounts(Line 6)	15,716		15,716
23	Sales(Line 7)	-		-
24	Administration and General(Lines 8 and 15)	382,009		382,009
25	Total Operation and Maintenance(Lines 18-24)	\$ 792,932	\$ -	\$ 792,932
26	Utility Plant			
27	Construction(by utility departments)	\$ 84,392	\$ -	\$ 84,392
28	Plant Removal(by utility departments)	\$ -	\$ -	\$ -
29	Other Accounts(Cross company charge)	\$ -	\$ -	\$ -
30	Jobbing	\$ 1,249	\$ -	\$ 1,249
31		\$ -		\$ -
32				
33				
34				
35				
36				
37	Total Other Accounts			
38	Total Salaries and Wages	\$ 878,573	\$ -	\$ 878,573

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
S-1 REVENUE BY RATES

1. Report below, for each rate schedule in effect during the year, the thousand gallons sold, revenue, average number of customers, average thousand gallons of sales per customer, and average revenue per thousand gallons sold.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in schedule F-47 "Water Operating Revenues". If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification, the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. Number of customers should be reported on the basis of number of meters, plus number of flat rate amounts, except that where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters added. The average number of customers means the average of the twelve figures at the close of each month.

Line No.	Number and Title of Rate Schedule (a)	Thousand Gallons Sold (b)	Revenue (c)	Average Number of Customers (d)	Thousand Gals. Sales per Customer (e)	Revenue per Thousand Gals. Sold (f)
1						
2						
3	Unmetered Sales- General		-412			
4	Unmetered Sales - Hydrant Use		2,305			
5						
6	Totals, Account 460 Unmetered Sales to General Customers	-	1,893	0	0	0
7	Residential	425,335	\$4,467,195	8,376	51	10.50
8	Commercial	156,699	\$1,349,187	683	229	8.61
9	Industrial	5,572	\$39,154	3	1,857	7.03
10	Public Authority	12,947	\$128,435	62	209	9.92
11						
12	Totals, Account 461 Metered Sales to General Customers	600,553	\$5,983,971	9,124	66	9.96
13	Totals, Account 462 Fire Protection Revenue	0	\$1,313,859	370	0	
14	Totals, Account 466 Sales for Resale					
15	Totals, Account 467 Interdepartmental Sales					
16	TOTALS(Account 460-467)	600,553	\$7,299,723	9,494	63	12.16

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
S-2 WATER PRODUCED AND PURCHASED

	Total Water Produced (in 1000 gals)	WATER PURCHASED (in 1000 gals)				Total Produced and Purchases (in 1000 gals)
		Name of Seller:	Name of Seller:	Name of Seller:	Name of Seller:	
Jan	58,078					58,078
Feb	49,983					49,983
Mar	57,116					57,116
Apr	58,315					58,315
May	72,014					72,014
Jun	86,731					86,731
Jul	105,860					105,860
Aug	90,713					90,713
Sep	78,151					78,151
Oct	62,664					62,664
	52,315					52,315
	52,776					52,776
TOTAL	824,716	-	-	-	-	824,716

Max. Day Flow (in 1000 gals): 3,864

Date: 7/4/2018

S-3 SURFACE SUPPLIES, SPRINGS, OTHER SOURCES

Name/ I.D.	Type	Elev.	Drainage Area (s.q. ml.)	Protective Land Owned (acres)	Treatment	Safe Yield (GPD)	Installed Protection Capacity (GPD)	Total Production For Year (in 1000 gals)
N/A								

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
S-4 WATER TREATMENT FACILITIES

Name/I.D.	Type	Year Constructed	Rated Capacity (MGD)	Clearwell Elevation	Total Production For Year (in 1000 gals)

S-5 WELLS

Name/I.D.	Type	Depth (ft)	Year Installed	Treatment If Separate From Pump Station	Safe Yield (GPD)	Installed (GPD)	HP of Pump	Total Production For Year (gals)
Cable Road, Well 5A	Gravel Pkd	21	1937	A	100	100	5	18,707,505
Mill Road, Well 6	Gravel Pkd	50	1937	B	300	300	40	20,627,450
Little River Rd, Well 7	Gravel Pkd	45	1950	C	350	350	60	94,584,467
Mill Road, Well 8A	Gravel Pkd	44	2002	D	125	294	15	56,503,812
Mill Road, Well 9	Gravel Pkd	50	1957	B	294	125	50	103,606,060
Winnicut Rd, Well 10	Gravel Pkd	55	1963	E	350	350	60	76,063,4
Sicard St, Well 11	Gravel Pkd	63	1966	B	500	500	75	191,962,676
Winnicut Rd, Well 12	Gravel Pkd	55	1978	E	168	168	20	62,625,566
Winnicut Rd, Well 13B	Bedrock	703	2005	E	225	225	60	32,780,808
Route 101D, Well 14	Gravel Pkd	31	1989	C	100	100	30	5,885,410
Winnicut Rd, Well 16	Gravel Pkd	57	1997	E	242	242	30	50,561,427
Woods Road, Well 17	Bedrock	456	1998	E	119	119	20	7,315,883
Woods Road, Well 18	Bedrock	565	1998	E	150	150	20	28,336,364
Woods Road, Well 19	Bedrock	435	1998	E	200	200	30	14,490,256
Mill Road, Well 20	Bedrock	600	2002	D	171	175	40	16,780,666
Mill Road, Well 21	Bedrock	647	2002	D	190	190	50	11,887,549
Little River Rd, Well 22*	Bedrock	560	2012	C	1,060	850	100	31,996,305
Total								824,715,623

Treatment	A	Chlorine & Caustic (at pump station)
	B	Chlorine & Phosphate (at pump station)
	C	Chlorine, Caustic & Phosphate (at pump station)
	D	Chlorine & Phosphate (centralized at Mill Road)
	E	Chlorine & Phosphate (centralized at Winnicut Road)

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
S-6 PUMP STATION

Name/I.D.	Area Served	Number of Pumps	HP of Largest Pump	Total Installed Capacity (GPD)	Total pumpage For Year (gals)	Total Atmospheric Storage (gals)	Total Pressure Storage (gals)	Type of Treatment
Cable Road, Well 5A	Rye, NH	1	5	100	18,707,505	0.5 MG	None	A
Mill Road, Booster 1	Hampton, NH	1	15	150	not measured	1.0 MG	None	None
Mill Road, Well 6	Hampton, NH	1	40	300	20,627,450	None	None	B
Little River Rd, Well 7	Hampton, NH	1	60	350	94,584,467	None	None	C
Mill Road, Well 8A	North Hampton, NH	1	15	294	56,503,812	None	None	D
Mill Road, Well 9	Hampton, NH	1	50	125	103,606,069	None	None	B
Winnicut Rd, Well 10	North Hampton, NH	1	60	350	76,063,411	None	None	E
Chard Rd, Well 11	Hampton, NH	1	75	500	191,962,676	None	None	B
Winnicut Rd, Well 12	North Hampton, NH	1	20	168	62,625,566	None	None	E
Winnicut Rd, Well 13B	North Hampton, NH	1	60	225	32,780,808	None	None	E
Route 101D, Well 14	North Hampton, NH	1	30	100	5,885,410	None	None	C
Winnicut Rd, Well 16	Stratham, NH	1	30	242	50,561,427	None	None	E
Woods Road, Well 17	North Hampton, NH	1	20	119	7,315,883	None	None	E
Woods Road, Well 18	North Hampton, NH	1	20	150	28,336,364	None	None	E
Woods Road, Well 19	North Hampton, NH	1	30	200	14,490,256	None	None	E
Mill Road, Well 20	North Hampton, NH	1	40	175	16,780,666	None	None	D
Mill Road, Well 21	North Hampton, NH	1	50	190	11,887,549	None	None	D
Little River Rd, Well 22	Hampton, NH	1	100	850	31,996,305	None	None	C
TOTAL					824,715,623			

Class A or B Utility

Year Ended December 31, 2018

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018

S-7 TANKS, STANDPIPES, RESERVOIRS
(Exclude tanks inside pump stations)

Name/I.D.	Type	Material	Size (gals)	Yr. Installed	Open/Covered	Overflow Elev	Area Served
Exeter Road Tank	Elevated Tank	Steel	750,000	1982	Covered	249	Hampton, N. Hampton, Rye, NH
Glade Path Beach Tank	Elevated Tank	Steel	500,000	1953	Covered	171	Hampton Beach, NH
Jenness Beach, Rye	Standpipe	Steel	500,000	1966	Covered	70	Rye, NH
Mill Road Tank	Standpipe	Steel	1,000,000	2008	Covered	172	Hampton, NH

S-8 ACTIVE SERVICE, METERS AND HYDRANTS
(Include Only Property Owned by the Utility)

	5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"	12"	Total
Non-Fire Service												0
Fire Service						105	103	141	18		3	370
Meters ¹	8,592	0	309	65	158							9,124
Hydrants	Public:	494		Private:								494

¹ meters in service as of year end

S-9 NUMBER AND TYPE OF CUSTOMER (active and inactive accounts)

Residential	Commercial	Industrial	Municipal	Total	Year-Round	Seasonal
8,376	683	3	62	9,124	8,308	816

Class A or B Utility

ANY SUBSEQUENT CHANGES SHOULD BE REPORTED TO THIS COMMISSION INFORMATION SHEET 2018
S-10 TRANSMISSION AND DISTRIBUTION MAINS

(Length of Mains in Feet)

	Ductile Iron	Cast Iron	PVC	Non-PVC Plastic	Transite	Cement	Galv Steel	Copper	HDPE	Other	Total
3/4"											
1"			702	178				1,806		360	3,046
2"		7,339	545				2,886	221	2,916	609	14,516
3"			455								455
4"	4,720	2,454			680				3,372	1,549	12,775
6"	20,340	73,556			40,971				80	82	135,029
8"	180,751	166,730	2,310	972	30,510				2,012	2,270	385,555
10"		2,527			3,461						5,988
12"	105,421	36,025	1,987		14,501				13,784		171,718
16"	6,119	181	2,936						603	97	9,936
0"											-
24"									127		127
30"											
36"	363										363
42"											
48"											
Total	317,714	288,812	8,935	1,150	90,123	-	2,886	2,027	22,894	4,967	739,508

INFORMATION SHEET

1. Name of the Utility: Aquarion Water Company of New Hampshire
2. Officer or individual to whom the **ANNUAL REPORT** request should be mailed:

Name: Beth Elmore
 Title: Accountant
 Street: 600 Lindley Street
 City/State/Zip Code: Bridgeport CT 06606
 E-Mail address: belmore@aquarionwater.com

3. Telephone including Area Code: 203-362-3015
4. Officer or individual to whom the **N.H. UTILITY ASSESSMENT TAX** should be mailed:

Name: Mike Appicelli
 Title: Director of Taxes
 Street: 600 Lindley Street
 City/State/Zip Code: Bridgeport CT 06606
 E-mail address: mappicelli@aquarionwater.com

5. Telephone including Area Code: 203-362-3011
6. The names and titles of principal general officers are: **(Effective: 01-20-16)**

<u>Name</u>	<u>Title</u>	<u>E-Mail Address</u>
Charles Firlotte	President & Chief Executive Officer	cfirlotte@aquarionwater.com
Donald Morrissey	Executive VP, Treasurer & Secretary	dmorrissey@aquarionwater.com
Bruce Silverstone	VP Corporate Communications	bsilverstone@aquarionwater.com
John Walsh	VP Operations	jwalsh@aquarionwater.com

The above information is requested for our office directory.

N.H. PUBLIC UTILITIES COMMISSION
 21 South Fruit Street, Suite 10
 Concord, New Hampshire 03301
 (603) 271-2431

AWC of NH
Lost Water Report

2018

		Month	Lost Water (Million Gallons)	Lost Water Explanation
		JAN	19.22	Leak: flushing, fire flow tests, public works & fire dept use.
		FEB	15.00	Leak: flushing, fire flow tests, public works & fire dept use.
		MAR	22.67	Leak: flushing, fire flow tests, public works & fire dept use.
		Q/1 total	56.89	
2017 - Water Consumption vs. Water Production				
Qtr	Consumption	Production	Difference	
1st	107	164	57	
2nd	159	217	58	
3rd	216	275	59	
4th	119	168	49	
Total	601	824	223	
		APRIL	18.82	Leak: flushing, fire flow tests, public works & fire dept use.
		MAY	22.85	Leak: flushing, fire flow tests, public works & fire dept use.
		JUNE	15.63	Leak: flushing, fire flow tests, public works & fire dept use.
		Q/2 total	57.31	
		JULY	21.06	Leak: flushing, fire flow tests, public works & fire dept use.
		AUG	17.84	Leak: flushing, fire flow tests, public works & fire dept use.
		SEPT	12.24	Leak: flushing, fire flow tests, public works & fire dept use.
		Q/3 total	51.15	
		OCT	14.70	Leak: flushing, fire flow tests, public works & fire dept use.
		NOV	16.40	Leak: flushing, fire flow tests, public works & fire dept use.
		DEC	12.72	Leak: flushing, fire flow tests, public works & fire dept use.
		Q/4 total	43.81	
		TOTAL	209.16	
			615	Billable consumption + Non Billable known water

% of unaccounted water^A 27.0%

2017 PRODUCTION (million gallons)											
JAN	58	APR	58	JULY	106	OCT	63				
FEB	49	MAY	72	AUGUST	91	NOV	52				
MARCH	57	JUN	87	SEPT	78	DEC	53				
	164		217		275		168				

Aquarion Water Company of New Hampshire
Return on Equity for the Twelve Months Ended December 31, 2018

	<u>December 31, 2018</u>
UTILITY PLANT	
Gross Utility Plant	46,103,737
Accumulated Depreciation	(13,113,737)
Net Utility Plant in Service	<u>32,990,000</u>
 ADDITIONS	
Working Capital Allowance	242,581
Average Materials & Supplies	136,379
Deferred Tank Painting	17,966
Prepayments	198,893
 DEDUCTIONS	
Contribution in Aid of Construction	(2,450,331)
Customer Advances	(579,120)
Deferred Taxes	(3,729,444)
 TOTAL RATE BASE	 <u><u>26,826,924</u></u>
	Twelve Months
	Ending
	December 31, 2018
NET INCOME	<u>1,479,955</u>
ADD: Interest Expense	822,489
LESS: Non-regulated Other Income	(43,114)
ADD: Income Taxes on Non-regulated Other Income	11,745
 UTILITY OPERATING INCOME	 <u><u>2,271,075</u></u>
 RETURN ON RATE BASE	 <u><u>8.47%</u></u>

Aquarion Water Company of New Hampshire
Return on Equity for the Twelve Months Ended December 31, 2018

	<u>December 31, 2018</u>
<u>CAPITAL STRUCTURE</u>	Actual Structure
Equity	13,507,149
Long Term Debt	13,900,000
Short Term Debt	295,505
Total	<u>27,702,654</u>
Equity %	48.76%
Long Term Debt %	50.18%
Short Term Debt %	1.07%
Total	<u>100.0%</u>
Cost of Long Term Debt	6.14%
Weighted Cost of Long Term Debt	3.08%
Cost of Short Term Debt	2.21%
Weighted Cost of Short Term Debt	0.02%
Return on Rate Base ("RORB")	8.47%
LESS: WACD - Long Term Debt	-3.08%
LESS: WACD - Short Term Debt	-0.02%
Weighted Cost of Equity	<u>5.36%</u>
RETURN ON EQUITY ("ROE")	<u>11.00%</u> ⁽¹⁾

⁽¹⁾ As of the end of 2018, three projects that commenced in 2016 and 2017 with a total cost of \$2,324,000 remained under construction due to various external factors and as such were excluded from rate base. Had these projects been included in Rate Base, RORB would have been 7.79%, resulting an ROE of 9.62%.