

**PENNICHUCK EAST UTILITY
MONTH BALANCE SHEET**

Exhibit 1

	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12
ASSETS											
LAND	955,260.77	955,260.77	955,260.77	955,260.77	955,260.77	955,260.77	950,961.21	950,961.21	950,961.21	950,961.21	932,311.21
PROPERTY HELD FUTURE USE	64,299.00	64,299.00	64,299.00	64,299.00	64,299.00	64,299.00	10,011.96	10,011.96	10,011.96	10,011.96	10,011.96
STRUCTURES	8,655,765.36	8,655,765.36	8,655,765.36	8,655,765.36	8,660,005.12	8,660,005.12	8,665,651.41	8,665,651.41	8,673,918.45	8,660,234.85	8,660,234.85
EQUIPMENT	3,117,775.05	3,125,708.78	3,125,708.78	3,125,708.78	3,127,464.22	3,127,464.22	3,127,678.66	3,135,602.92	3,145,895.30	3,143,775.19	3,193,399.43
TRANSMISSION & DISTRIBUTION	25,968,795.85	25,868,161.85	25,930,142.50	25,975,072.05	26,019,763.85	26,072,696.67	26,133,097.48	26,180,745.71	26,225,312.30	26,255,728.79	26,895,426.87
MISCELLANEOUS EQUIPMENT	527,330.62	527,330.62	527,330.62	527,330.62	527,330.62	527,330.62	521,116.48	521,116.48	521,116.48	521,116.48	521,116.48
INTANGIBLE PLANT	433,832.10	433,832.10	433,832.10	433,832.10	433,832.10	433,832.10	433,832.10	433,832.10	433,832.10	433,832.10	433,832.10
TOTAL PLANT IN SERVICE	39,723,054.75	39,630,358.48	39,692,339.13	39,758,268.68	39,788,955.68	39,841,888.50	39,843,349.30	39,898,921.79	39,962,047.80	39,976,660.56	40,667,332.88
ACCUMULATED DEPRECIATION	8,721,803.51	8,667,873.23	8,754,939.99	8,836,905.49	8,923,440.31	9,009,125.99	9,106,988.58	9,194,442.65	9,280,599.85	9,344,634.68	9,390,503.62
NET PLANT IN SERVICE	31,001,251.24	30,962,485.25	30,937,399.23	30,901,363.19	30,865,515.37	30,832,762.51	30,736,360.72	30,704,479.14	30,681,447.95	30,632,025.88	31,276,829.26
CWIP: CONTRACTOR CLEARING	34,877.35	45,152.04	128,739.07	154,870.64	173,403.41	164,804.51	175,447.87	190,786.51	496,024.06	1,132,389.75	830,073.57
TOTAL PLANT	31,036,128.59	31,007,638.19	31,066,138.30	31,056,233.83	31,038,920.78	30,997,566.82	30,911,808.59	30,895,265.65	31,177,472.01	31,764,415.63	32,106,902.83
CURRENT ASSETS											
CASH - BANK OF AMERICA OPERATING											
OTHER SPECIAL DEPOSITS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
ACCOUNTS RECEIVABLE - NET	350,485.55	455,002.72	313,779.66	279,348.55	360,449.74	350,631.39	462,525.75	492,189.93	431,760.65	568,452.32	378,730.23
INVENTORY	925.00	925.00	925.00	925.00	925.00	925.00	925.00	925.00	925.00	925.00	925.00
PREPAID EXPENSES AND OTHER	258,492.18	199,252.40	142,469.32	81,454.07	79,520.73	71,594.40	226,651.45	163,390.42	102,748.25	41,503.13	33,718.44
A/R-UNBILLED WATER REV-RECOUP	(2,579.05)	(322.44)	1,934.24	1,934.24	1,934.24	1,934.24					
A/R- UNBILLED WATER REVENUE	472,565.09	284,966.38	430,976.00	442,858.00	402,848.00	489,092.00	441,076.00	598,611.00	645,515.00	497,751.00	470,509.00
TOTAL CURRENT ASSETS	1,109,888.77	969,824.26	920,084.22	836,499.86	875,677.71	924,177.03	1,161,178.20	1,285,116.35	1,210,948.90	1,158,621.45	913,682.67
OTHER ASSETS											
UNAMORTIZED DEBT EXPENSE	160,275.11	160,533.19	161,777.82	160,986.85	167,195.88	168,796.41	166,745.21	165,758.45	164,922.94	164,087.43	163,251.92
ABANDONED PROPERTY	255.37	170.25	83.13								
DEFERRED CHARGES	710,664.70	702,786.32	733,775.68	681,871.59	678,829.29	666,218.17	662,103.81	658,064.49	654,025.04	649,985.65	647,602.01
ACQUISITION PREMIUM - MARA		8,964,574.00	8,964,574.00	8,944,827.64	8,934,954.51	8,925,081.38	8,915,208.15	8,905,335.02	8,895,461.89	8,885,588.66	8,875,715.53
TOTAL OTHER ASSETS	871,195.18	9,828,063.76	9,860,212.63	9,787,686.08	9,780,979.68	9,760,995.96	9,744,057.17	9,729,157.96	9,714,409.87	9,699,661.74	9,686,569.46
TOTAL ASSETS	33,017,212.54	41,805,526.21	41,846,455.15	41,680,419.77	41,695,578.17	41,681,839.81	41,817,043.96	41,909,539.96	42,102,830.78	42,602,708.82	42,707,154.96
EQUITY AND LIABILITIES											
COMMON STOCK	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
OTHER COMPREHENSIVE INCOME	(500,333.40)	(529,701.60)	(499,039.20)	(424,756.80)	(485,218.20)	(568,511.40)	(537,817.80)	(589,058.40)	(573,745.20)	(537,811.20)	(535,507.20)
ADDITIONAL PAID IN CAPITAL	6,000,000.00	15,904,328.76	15,904,328.76	15,904,328.76	15,904,328.76	15,904,328.76	15,904,328.76	15,904,328.76	15,904,328.76	15,904,328.76	15,904,328.76
DIVIDENDS - COMMON STOCK	(59,802.72)										
RETAINED EARNINGS BEG - PEU	1,205,095.78	100,541.78	100,541.78	100,541.78	100,541.78	100,541.78	100,541.78	100,541.78	100,541.78	100,541.78	100,541.78
NET PROFIT (OR LOSS)	(104,996.52)	(100,541.78)	(72,946.69)	(131,470.76)	(171,636.18)	(152,624.27)	(138,323.40)	(13,422.03)	72,269.46	93,519.48	60,523.40
TOTAL EQUITY	6,540,063.14	15,374,727.16	15,432,984.65	15,448,742.98	15,348,116.16	15,283,834.87	15,328,829.34	15,402,490.11	15,503,494.80	15,560,678.82	15,529,998.74
LONG TERM DEBT - BONDS & NOTES	5,009,307.55	4,997,854.30	4,936,769.31	4,014,908.70	4,014,908.70	3,972,368.00	3,972,368.00	3,972,368.00	3,929,446.80	3,929,446.80	4,292,404.99
LONG TERM DEBT - SRF LOANS	3,083,464.39	3,209,646.38	3,202,610.12	3,195,280.51	3,181,670.12	3,168,645.17	3,455,557.15	3,442,498.10	3,429,413.23	3,428,826.03	3,415,689.35
TOTAL LONG TERM DEBT	8,092,771.94	8,207,500.68	8,139,379.43	7,210,189.21	7,196,578.82	7,141,013.17	7,427,925.15	7,414,866.10	7,358,860.03	7,358,272.83	7,708,094.34
CURRENT LIABILITIES											
CURRENT PORTION LONG TERM DEBT	329,766.49	340,919.34	340,919.34	1,263,061.10	349,611.94	323,476.72	323,783.68	324,090.68	367,318.47	326,216.73	326,524.52
OTHER LIABILITY - DERIVATIVE	833,889.00	882,836.00	831,732.00	707,928.00	808,697.00	947,519.00	896,363.00	981,764.00	956,242.00	896,352.00	892,512.00
INTERCO ADV-PCP FROM NOTE 5/18	1,723,150.00	1,723,150.00	1,723,150.00	1,723,150.00	1,723,150.00	1,723,150.00	1,723,150.00	1,723,150.00	1,723,150.00	1,723,150.00	1,723,150.00
INTERCO LOAN NC-INTEGRATED											
INTERCO PAY/REC - PEU/PCP	(18,652,989.96)	(18,790,940.74)	(19,121,589.08)	(19,426,946.98)	(18,774,400.08)	(18,389,470.81)	(18,671,940.43)	(18,850,875.59)	(19,201,846.32)	(18,845,883.63)	(19,582,811.50)
INTERCO PAY/REC - PEU/TSC	(478.00)	(478.30)	(479.60)	(478.00)	(479.20)	(479.50)	(479.92)	(480.22)	(480.62)	(480.92)	(481.22)
INTERCO PAY/REC - PEU/PWS	154,746.86	154,843.58	154,940.36	154,987.18	154,994.77	155,091.64	155,188.57	155,285.56	155,382.61	155,453.73	155,550.89
INTERCO PAY/REC - PEU/PAC	5,217,331.95	5,223,605.80	5,232,114.67	5,240,461.21	5,246,844.92	5,254,805.48	5,262,339.64	5,270,527.04	5,279,253.32	5,286,581.81	5,294,442.06
INTERCO PAY/REC - PEU/PWW	15,737,317.36	15,966,925.83	16,285,415.08	16,557,691.07	16,840,347.24	17,074,905.72	17,295,418.55	17,558,678.28	17,786,452.74	18,012,985.04	18,200,587.73
HARDSHIP CASES - CREDITS	2,091.96	2,091.96	2,091.96	2,091.96	2,091.96	2,091.96	2,092.43	2,024.85	2,024.85	2,028.77	2,029.22
ACCOUNTS PAYABLE & ACCR EXP	619,177.44	450,618.19	546,521.20	485,835.62	559,807.57	423,181.73	326,098.77	221,247.08	450,502.35	582,634.17	640,081.07
TOTAL CURRENT LIABILITIES	5,964,003.10	5,953,571.66	5,994,816.93	6,707,780.26	6,890,666.12	7,514,271.94	7,312,014.29	7,385,411.68	7,517,999.40	7,939,037.70	7,671,584.77
OTHER DEFERRED CREDITS											
CONTRIBUTIONS IN AID OF CONST	9,628,792.41	9,630,371.19	9,634,564.97	9,634,564.97	9,636,471.69	9,633,718.37	9,633,904.93	9,661,672.62	9,682,336.75	9,695,824.60	9,697,731.32
RESERVE FOR AMORT OF CIAC PEU	(1,225,623.35)	(1,240,707.83)	(1,255,793.78)	(1,270,884.20)	(1,285,973.57)	(1,301,072.46)	(1,316,166.07)	(1,331,276.47)	(1,346,444.92)	(1,361,645.85)	(1,376,853.66)
DEFERRED GAIN ON SRF LOANS	142,906.22										
DEFERRED INCOME TAXES	3,874,299.08	3,880,063.35	3,900,504.95	3,900,026.55	3,909,718.95	3,909,073.92	3,910,536.32	3,976,375.92	3,986,584.72	3,990,540.72	3,996,599.45
TOTAL DEFERRED CREDITS	12,420,374.36	12,269,726.71	12,279,274.14	12,313,707.32	12,360,217.07	11,742,719.83	11,748,275.18	11,706,772.07	11,722,476.55	11,744,719.47	11,797,477.11
TOTAL LIABILITIES AND EQUITY	33,017,212.54	41,805,526.21	41,846,455.15	41,680,419.77	41,695,578.17	41,681,839.81	41,817,043.96	41,909,539.96	42,102,830.78	42,602,708.82	42,707,154.96

PENNICHUCK EAST UTILITIES

Profit and Loss Statement

January - December 2012

Exhibit 2

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12
WATER SALES	315,232.16	508,745.83	373,628.46	364,514.72	482,989.14	476,132.07	681,819.72	620,689.15	447,814.53	414,621.74
CBFRR REVENUES	-	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25	74,905.25
MISC OPERATING REVENUE	3,031.00	4,397.00	3,298.00	4,656.00	3,556.00	5,742.00	3,599.00	3,528.00	3,804.69	3,581.00
TOTAL REVENUES	318,263.16	588,048.08	451,831.71	444,075.97	561,450.39	556,779.32	760,323.97	699,122.40	526,524.47	493,107.99
PRODUCTION EXPENSES	123,925.59	125,915.40	132,339.64	117,466.20	142,132.60	153,510.08	155,651.22	175,839.29	132,028.61	150,979.19
TRANSMISSION AND DISTRIB EXP	31,439.76	81,084.33	72,698.68	83,671.50	57,603.24	46,722.03	60,123.07	51,705.24	41,274.64	44,498.38
CUSTOMER ACCT & COLLECTION EXP	10,897.19	12,730.55	374.43	16,602.58	14,253.49	31,818.07	439.39	13,750.72	13,866.16	13,852.05
ADMINISTRATIVE & GENERAL EXP	18,555.35	22,476.47	24,709.26	21,172.89	18,154.39	14,578.28	45,215.03	27,050.81	14,545.40	18,760.07
INTERCO MGMT FEE: PWV	125,895.00	149,628.00	97,091.00	119,188.00	105,212.00	112,012.00	109,271.00	106,960.00	105,890.00	117,191.00
INTERCO MGT:INSIDE GEN COUNSEL	563.43	2,044.81	-	-	-	-	-	-	-	-
INTERCOMPANY MGMT FEE: PCP	8,829.00	11,076.00	8,479.00	4,215.00	4,799.00	3,592.00	4,238.00	3,367.00	6,975.00	3,756.00
TOTAL OPERATING EXPENSES	320,105.32	404,955.56	335,692.01	362,316.17	342,154.72	362,232.46	374,937.71	378,673.06	314,579.81	349,036.69
DEP EXP/ACQ ADJ EXPENSE	72,580.05	69,592.35	69,671.67	69,646.08	69,698.91	69,746.67	69,401.14	69,516.53	69,313.52	73,380.39
AMORTIZATION EXPENSE: CIAC	(15,084.48)	(15,087.95)	(15,088.42)	(15,089.37)	(15,098.89)	(15,093.61)	(15,110.40)	(15,168.45)	(15,200.93)	(15,207.81)
AMORT: ACQUISITION PREMIUM	-	-	19,746.36	9,873.13	9,873.13	9,873.23	9,873.13	9,873.13	9,873.23	9,873.13
AMORT EXP - DEFERRED CHARGES	6,781.59	6,775.61	6,955.11	4,039.40	4,039.39	4,039.36	4,039.32	4,039.45	4,039.39	4,039.34
LOCAL PROPERTY TAXES	69,513.43	69,513.43	69,513.44	66,645.27	66,645.27	65,209.80	68,031.80	66,633.04	66,633.05	66,633.04
GAIN FROM FORGIVENESS SRF DEBT	(3,614.71)	(796.58)	(796.58)	(796.58)	5,233.30	(796.58)	(796.58)	(796.58)	(796.58)	(796.58)
INCOME TAXES	(75,665.14)	18,099.71	(38,386.13)	(26,344.62)	12,469.97	9,379.98	81,923.22	56,205.33	13,937.97	(4,427.57)
TOTAL OPERATING DEDUCTIONS	374,616.06	553,052.13	447,307.46	470,289.48	495,015.80	504,591.31	592,299.34	568,975.51	462,379.46	482,530.63
NET OPERATING INCOME	(56,352.90)	34,995.95	4,524.25	(26,213.51)	66,434.59	52,188.01	168,024.63	130,146.89	64,145.01	10,577.36
MISC NON-UTILITY INCOME	-	(5,671.53)	(17,088.66)	(702.90)	-	4,985.70	18,477.39	-	-	-
MISCELLANEOUS NON-UTILITY EXP	-	-	-	-	(7,911.00)	(243.00)	(18,477.39)	-	-	-
OTHER INCOME (EXPENSE)	-	(5,671.53)	(17,088.66)	(702.90)	(7,911.00)	4,742.70	-	-	-	-
AFUDC-INTEREST(DEBT) COMPONENT	-	-	-	-	-	-	-	-	-	-
AFUDC - EQUITY COMPONENT	-	-	-	-	-	-	-	-	-	-
TOTAL AFUDC	-	-	-	-	-	-	-	-	-	-
INTEREST EXPENSE										
INTEREST EXP: BONDS & NOTES	(31,810.56)	10,640.56	(33,580.96)	(587.62)	(26,517.21)	(28,912.84)	(29,617.47)	(31,099.73)	(29,377.46)	(30,019.34)
INTEREST - OTHER	-	-	-	-	-	-	-	-	-	-
AMORTIZATION OF DEBT EXPENSE	(790.52)	(789.77)	(789.77)	(789.77)	(789.77)	(1,187.40)	(986.76)	(835.51)	(835.51)	(835.51)
INTEREST INCOME	-	-	-	-	-	-	-	-	-	-
INTERCOMPANY INTEREST	(11,587.80)	(11,580.12)	(11,588.93)	(11,871.62)	(12,204.70)	(12,529.60)	(12,519.03)	(12,520.16)	(12,682.02)	(12,706.59)
TOTAL INTEREST EXPENSE, NET	(44,188.88)	(1,729.33)	(45,959.66)	(13,249.01)	(39,511.68)	(42,629.84)	(43,123.26)	(44,455.40)	(42,894.99)	(43,561.44)
NET INCOME (OR LOSS)	(100,541.78)	27,595.09	(58,524.07)	(40,165.42)	19,011.91	14,300.87	124,901.37	85,691.49	21,250.02	(32,984.08)