

DOCKHAM SHORES ESTATES WATER COMPANY

Computation of Revenue Deficiency
For Test Year Ended 12/31/11

	Pro Forma Test Period
1. Rate Base (Sch. 3)	104244
2. Rate of Return	9.75%
3. Income Required (L1 x L2)	10164
4. Adjusted Net Operating Income (Sch. 1)	(11716)
5. Deficiency	21880
6. Tax Effect (15%) ((L3 ÷ .85) - L3)	1794
7. Revenue Deficiency (L5 + L6)	23674

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
OPERATING INCOME STATEMENT

Line #	Account Title	12 Months Ending 12/31/2011	Pro Forma Adjustment	Test Year as Proformed	2010	2009
1	Operating Revenues	18479		18479	18965	18628
2	Operating Expenses:					
3	Operating and Maintenance Expense	21862	1741	23603	16900	17850
4	Depreciation Expense	4855		4855	2282	2415
5	Amortization of CIAC	(104)		(104)	(104)	(104)
6	Amortization of Plant Acquisition Adjustment	0		0	0	0
7	Amortization Expense - Other	0		0	0	0
8	Taxes Other Than Income	2012		2012	757	1432
9	Income Taxes	0		0	0	0
10	Total Operating Expenses	28624	1741	30365	19835	21592
11	Net Operating Income (Loss)	(10145)	(1741)	(11716)	(870)	(2965)
12	Other Income and Deductions	0		0	0	0

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DOCKHAM SHORES ESTATES WATER COMPANY, INC.
PRO FORMA ADJUSTMENT OF EXPENSE

Line 3 - Testing Expense - Increase testing expense by \$1412 to reflect increased testing manifest in 2012 resulting from higher level of contaminant.

Line 3 - Outside Service Personnel - Increase contract personnel by \$329 to reflect cost of new outside bookkeeper actually expended in 2012.

TOTAL \$1741

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
PROPERTY TAXES

Government Entity	Period	Actual Amount Paid	Amount Accrued	Amount Not Applied to Utility Ops.	Proforma Adjustment	Proformed Property Tax
Gilford	2011	1140	1140	0	0	1140
State of NH	2011	872	872	0	0	872
TOTAL		2012	2012			2012

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Schedule 1B - DW 12-355

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
PAYROLL

None

Schedule 2 - DW 12-355
 (Line #s from Ann. Rpt. Sch. F-1)

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
 BALANCE SHEET
 ASSETS & DEFERRED CHARGES

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Line #	Account	12 Months Ending 12/31/2111	Proforma Adjustment	Test Year As Proformed	2010	2009	Test Year Avg. *
1	Water Plant in Service	165169	7550	172719	139629	136179	169962
2	Less Accumulated Depreciation and Amortization	72501		72501	67646	65364	72096
5	Total Net Water Plant	92668	7550	100218	71983	70815	97866
6	Nonutility Property	4769		4769	4769	4769	4769
11	Total Other Property and Investments	4769		4769	4769	4769	4769
12	Cash	861		861	4325	1554	1150
14	Accounts Receivable Net - Water	5481		5481	4498	8461	5399
17	Miscellaneous Current and Accrued Assets	6799		6799	6799	6799	6799
18	Total Current and Accrued Assets	13141		13141	15622	16814	13348
21	Total Deferred Debits	0		0	0	0	0
	TOTAL ASSETS AND OTHER DEBITS	110578	7550	118128	92374	92398	115983

*Derived by multiplying 2011 year end value by 11, adding 12/31/10 value and dividing by 12

Schedule 2

(Line #s from Ann. Rpt. Sch. F-1)

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
BALANCE SHEET
STOCKHOLDERS EQUITY & LIABILITIES

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Line #	Account	12 Months Ending 12/31/2111	Proforma Adjustment	Test Year As Proformed	2010	2009	Test Year Avg.*
1	Common Stock Issued	2187		2187	2187	2187	2187
3	Other Paid-in Capital	89421	7550	96971	33518	33518	91683
4	Retained Earnings	4408		4408	14553	15423	9480
6	Total Capital	96016	7550	103566	50258	51128	99123
8	Accounts Payable	0		0	27450	26500	2288
13	Miscellaneous Current and Accrued Liabilities	11858		11858	11858	11858	11858
14	Total Current and Accrued Liabilities	11858		11858	39308	38358	14146
19	Contributions in Aid of Construction-Net	2704		2704	2808	2912	2713
21	Total Liabilities and Capital	110578	7550	118128	92374	92398	115983

*Derived by multiplying 2011 year end value by 11, adding 12/31/10 value and dividing by 12

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
PRO FORMA ADJUSTMENT OF ASSETS & DEFERRED CHARGES
(PLANT IN SERVICE)

Line 1 - Add Security Alarm System, in service 2012, cost of \$1200.

Line 1 - Add Ultraviolet Purification System, in service 2012, cost of \$6350

TOTAL - \$7550.

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
PRO FORMA ADJUSTMENT OF EQUITY & LIABILITIES
(OTHER PAID-IN CAPITAL)

Line 3 - Increase other paid-in capital to reflect the funds for the Security Alarm System and Ultraviolet Purification System listed above.

TOTAL - \$7550.

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
MATERIALS & SUPPLIES

NONE

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
CONTRIBUTIONS IN AID OF CONSTRUCTION

Name or Year Received	Actual Amount	Original Amount Booked	Annual Depreciation Taken on Contributed Capital
	5200	5200	0

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
RATE BASE

Line	Rate Base	ProFormed Test Year Average	13 Month Average*
1.	Plant in Service (Sch. 2)	169962	167629
2.	Less: Accumulated Depreciation (Sch. 2)	72096	71754
3.	Plant Held for Future Use (Sch. 2)	0	0
4.	Net Utility Plant	97866	95875
5.	Plus: Cash Working Capital (Sch. 3A)	6378	6378
6.	Materials & Supplies (Sch. 2)	0	0
7.	Prepayments (Sch. 2)	0	0
8.	Less: Deferred Taxes (Sch. 2)	0	0
9.	Investment Tax Credit (Sch. 2)	0	0
10.	Customers Deposits (Sch. 2)	0	0
11.	Customer Advances (Sch. 2)	0	0
12.	Rate Base	104244	102253
13.	Net Operating Income Applicable to Rate Base (Sch. 1)	(11716)	(10882)
14.	Rate of Return	(11.2%)	(10.69%)

*Derived by multiplying test year average by 12, adding 12/31/10 value, and dividing by 13.

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DOCKHAM SHORES ESTATES WATER COMPANY, INC.
Working Capital Computation
Test Year Ending 12/31/11

Total Operating Expenses (Sch. 1)	30365
Less Depreciation Expense	(4855)
Total Cash Flow	25510
divided by 4 bills per year	÷ 4
Working Capital Needed	6378

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
Overall Rate of Return

Item	Component Ratio	Component Cost Rate	Weighted Avg. Cost Rate
Common Stock	1.0	9.75	9.75
Preferred Stock	0	0	0
Long Term Debt	0	0	0
Short Term Debt	0	0	0
Total	1.000		9.75%

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
Capital Structure for Ratemaking Purposes

Item	Amount	Component Ratio
A. Common Equity		
Common Stock	2187	
Add'l Paid In Capital	89421	
Retained Earnings	4408	
Sub-Total	96016	1.0
B. Preferred Stock Equity		
Preferred Stock	0	0
C. Long Term Debt	0	0
D. Short Term Debt	0	0
E. Total Capital	96016	1.0

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
Historical Capital Structure

@ Dec. 31, for each year

Item	2010	2009	2008	2007	2006
Common Equity	50258	51128	54093	65073	59128
Preferred Stock Equity	0	0	0	0	0
Long Term Debt	0	0	0	0	0
Short Term Debt	0	0	0	0	0
Total Capital	50258	51128	54093	65073	59128

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DOCKHAM SHORES ESTATES WATER COMPANY, INC.
Historical Capitalization Ratios

@ Dec. 31, for each year

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Item	2010	2009	2008	2007	2006
Common Equity	1.0	1.0	1.0	1.0	1.0
Preferred Stock Equity	0	0	0	0	0
Long Term Debt	0	0	0	0	0
Short Term Debt	0	0	0	0	0
Total Capital	1.0	1.0	1.0	1.0	1.0

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
Weighted Average Cost of Long-Term Debt

NONE

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
Cost of Short-Term Debt

NONE

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
Weighted Average Cost of Preferred Stock

NONE

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
Cost of Common Equity Capital

The cost of common equity is posited to be 9.75% based upon the finding of that cost by the commission for Lakeland Management Company, Inc. in R&O No. 25357 in DW 10-306. The Company does not have any person in house who can perform the analysis often performed in the calculation of the cost of common equity. Inasmuch as the customers must pay the expense of any rate case, the Company has not incurred the expense of retaining an economic expert. If the cost of common equity is to be disputed by any party, the staff of the commission, or the commissioners, the Company will retain an expert and provide an analysis.

TESTIMONY OF COLIN F. ROBERTSON

1. What is your name, title and address?

My name is Colin F. Robertson. I am the President of Dockham Shores Estates Water Company, Inc. My business address is 361 Weirs Road, Gilford, NH 03249.

2. What is the revenue requirement of the Company?

The company needs annual revenue of \$42,323.00. The present rates of the company produce revenue of only \$18,479.00, leaving a deficiency of \$23,674.00.

3. What is shown by Schedule 1 of the schedules filed with the commission?

Schedule 1 shows the actual experience of the company during the test year, ending on December 31, 2011.

4. Are there any adjustments to the actual experience of the Company?

Yes. As a result of observed elevated contaminants, the Company is required to increase the frequency and sophistication of its water testing, resulting in an increase in annual testing costs over those reflected in the test year of \$1,412. In addition, the Company has retained an outside bookkeeper after the test year, resulting in increased annual cost over the test year of \$329. Those changes appear in Line 3 of Schedule 1 and Schedule 1 Attachment.

5. What is shown by Schedule 2 of the schedules filed with the commission?

Schedule 2 shows the balance sheet for the company for the years ending December 31, 2010, 2009, 2008, 2007, 2006, and the test year average.

6. Are there any adjustments to the plant in service of the Company?

Yes. In 2012, after the test year, the Company placed in service a new Security Alarm System, at a cost of \$1,200, and a new Ultraviolet Purification System, at a cost of \$6,350. Those changes appear in Line 1 of Schedule 2 (Assets) and Schedule 2 Attachment.

7. What is the rate of return of the Company in the test year?

Schedule 3 shows the rate base of the company during the test year. Schedule 3 is unremarkable. When the net operating loss experienced by the company in the test year is applied to the rate base of the company, the reader will discover that the company experienced a rate of return of negative 11.2%.

8. How did the Company determine its cost of common equity?

The capital schedules are unremarkable except for Schedule VIII. The company has selected 9.75% as the cost of common equity to the Company. That figure is the cost of common equity found by the commission to be appropriate for the water system of Lakeland Management Company, Inc. in 2012. The Company elected to adopt that 9.75% figure rather than incur the expense (which the rate payer must bear), of retaining an outside economic expert to do the investigation, analysis, and render the opinion that 9.75% is an appropriate figure. However, if the cost of common equity should at any time become an issue in any proceeding, the Company reserves the right to retain such an expert, and present additional evidence on the cost of common equity.

9. Please explain how the working capital requirement of the Company was determined?

The working capital requirement for the company is shown on Schedule 3A. Because the company bills quarterly, it receives revenue only four times a year, but the expenditures of the company are incurred daily. The working capital needs of the company were derived by dividing the annual expenditure of the company by four.

10. Please describe the rate structure of the Company?


The rates for the company, shown on Page 16 of the tariff, consist of a fixed customer charge, and a charge for usage of water. In this rate filing, the company has increased both the customer charge and the charge for usage by the percentage increase in the revenue requirement.

11. Please describe how the rate for consumption of water was determined?

There are 60 customers attached to the system. The increase in the charge was derived by subtracting the \$10,212 customer charge from the \$42,323 annual revenue requirement of the company, resulting in the

\$32,111 revenue to be raised from the usage charge. The company sold 2,970,000 gallons of water in the test year. The revenue to be raised from usage was divided by that volume, resulting in a charge of \$1.0811 per hundred gallons used.

Further deponent saith not.

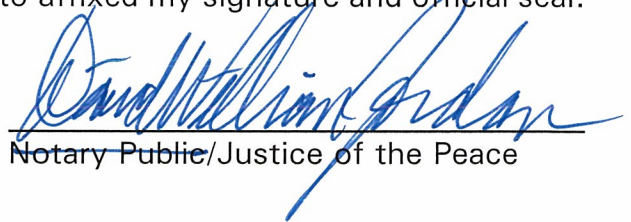


Colin F. Robertson

STATE OF NEW HAMPSHIRE
COUNTY OF BELKNAP

On February 11, 2013, Colin F. Robertson made oath that the facts contained in the forgoing statement are true to the best of his knowledge and belief.

IN WITNESS WHEREOF, I have hereunto affixed my signature and official seal.


Notary Public/Justice of the Peace

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DW 12-355

DOCKHAM SHORES ESTATES WATER COMPANY, INC.
REPORT OF PROPOSED RATE CHANGES

Rate Class	Effect of Change	No. Of Customers	Annual Revenue Present Rates	Annual Revenue New Rates	Change Amt. Base Charge/ Quarter	Change Amt. Usage/ 100 Gals.	Change Percent age
MR *	Increase	60	\$18479	\$42323	\$23.97	\$.6083	129%

* MR means metered service to residences.

d/cli/5954repratechange

NOTICE OF RATE INCREASE

Dockham Shores Estates Water Company, Inc. last filed a rate increase 24 years ago. In that time the company improved its water system. Unfortunately, the pressure of increased regulation, increased cost of doing business, and increased taxes, coupled with the cost of increased investment in plant, has resulted in the company losing money for many years. The company has filed an increase in its rates for water with the New Hampshire Public Utilities Commission on February 11, 2013, to be effective on March 13, 2013. The New Hampshire Public Utilities Commission has suspended the effective date of the increase in rates pending the completion of the Commission's investigation. The rate changes are as follows:

CUSTOMER CLASS	OLD CUSTOMER CHARGE	NEW CUSTOMER CHARGE	OLD USAGE RATE	NEW USAGE RATE
MR - Residential	\$18.58	\$42.55	\$.4728	\$1.0811

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§ 1604.01 ITEMS

**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	\$ 139,629	\$ 136,179	\$ 3,450
2	Less: Accumulated Depr. and Amort. (108-110)	F-6	67,646	65,364	2,282
3	Net Plant		\$ 71,983	\$ 70,815	\$ 1,168
4	Utility Plant Acquisition Adj. (Net) (114-115)	F-7	-	-	-
5	Total Net Utility Plant		\$ 71,983	\$ 70,815	\$ 1,168
OTHER PROPERTY AND INVESTMENTS					
6	Nonutility Property (121)		4,769	4,769	-
7	Less: Accumulated Depr. and Amort. (122)				
8	Net Nonutility Property		\$ 4,769	\$ 4,769	\$ -
9	Utility Investments (124)				
10	Depreciation Funds(127)				
11	Total Other Property & Investments		\$ 4,769	\$ 4,769	\$ -
CURRENT AND ACCRUED ASSETS					
12	Cash (131)		4,325	1,554	2,771
13	Special Deposits (132)				
14	Accounts Receivable Net (141-143)		4,498	8,461	(3,963)
15	Plant Materials and Supplies (151)				
16	Prepayments (162-163)				
17	Miscellaneous Current and Accrued Assets (174)		6,799	6,799	-
18	Total Current and Accrued Assets		\$ 15,622	\$ 16,814	\$ (1,192)
DEFERRED DEBITS					
19	Miscellaneous Deferred Debits (186)				
20	Accumulated Deferred income Taxes (190)				
21	Total Deferred Debits		\$ -	\$ -	\$ -
TOTAL ASSETS AND OTHER DEBITS					
			\$ 92,374	\$ 92,398	\$ (24)

**F-1 BALANCE SHEET
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	\$ 2,187	\$ -
2	Preferred Stock Issued (204)	F-31			
3	Other Paid-In Capital (211)		33,518	33,518	-
4	Retained Earnings (217)	F-3	14,553	15,423	(870)
5	Proprietary Capital (Proprietorships and partnerships only) (218)	F-4			
6	Total Capital		\$ 50,258	\$ 51,128	\$ (870)
LONG TERM DEBT					
7	Other Long-Term Debt (224)		\$ -	\$ -	\$ -
CURRENT AND ACCRUED LIABILITIES					
8	Accounts Payable (231)		\$ 27,450	26,500	\$ 950
9	Notes Payable (232)				
10	Customer Deposits (235)				
11	Accrued Taxes (236)				
12	Accrued Interest (237)				
13	Miscellaneous Current and Accrued Liabilities (241)		11,858	11,858	-
14	Total Current and Accrued Liabilities		\$ 39,308	\$ 38,358	\$ 950
OTHER LIABILITIES					
15	Advances for Construction (252)				
16	Other Deferred Credits (253)				
17	Accumulated Deferred Investment Tax Credits (255)				
18	Miscellaneous Operating Reserves (265)				
19	Contributions in Aid of Constriction- Net (271-272)		2,808	2,912	(104)
20	Accumulated Deferred Income Taxes (281-283)				
21	TOTAL LIABILITIES AND CAPITAL		\$ 92,374	\$ 92,398	\$ (24)

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	\$ 18,965	\$ 18,628	\$ 337
2	Operating Expenses:				
3	Operating and Maintenance Expense (401)	F-48	16,900	17,850	(950)
4	Depreciation Expense (403)	F-12	2,282	2,415	(133)
5	Amortization of Contribution in Aid of Construction (405)	F-46.4	(104)	(104)	-
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	757	1,432	(675)
9	Income Taxes (409.1, 410 1, 411.1, 412.1)				-
10	Total Operating Expenses		\$ 19,835	\$ 21,593	\$ (1,758)
11	Net Operating Income (Loss)		\$ (870)	\$ (2,965)	\$ 2,095
OTHER INCOME AND DEDUCTIONS					
12	Interest and Dividend Income (419)		-	-	-
13	Allow. for funds Used During Construction (420)		-	-	-
14	Nonutility Income (421)		-	-	-
15	Gains (Losses) From Disposition Nonutility Property (422)		-	-	-
16	Miscellaneous Nonutility Expenses (426)		-	-	-
17	Interest Expense (427)		-	-	-
18	Taxes Applicable to Other Income (409.2, 410.2, 411.2, 412.2)		-	-	-
19	Total Other Income and Deductions		\$ -	\$ -	\$ -
20	NET INCOME (LOSS)		\$ (870)	\$ (2,965)	\$ 2,095
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**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	\$ 136,179	\$ 106,179	\$ 30,000
2	Less: Accumulated Depr. and Amort. (108-110)	F-6	65,364	62,949	2,415
3	Net Plant		\$ 70,815	\$ 43,230	\$ 27,585
4	Utility Plant Acquisition Adj. (Net) (114-115)	F-7	-	-	-
5	Total Net Utility Plant		\$ 70,815	\$ 43,230	\$ 27,585
OTHER PROPERTY AND INVESTMENTS					
6	Nonutility Property (121)		4,769	4,769	-
7	Less: Accumulated Depr. and Amort. (122)				
8	Net Nonutility Property		\$ 4,769	\$ 4,769	\$ -
9	Utility Investments (124)				
10	Depreciation Funds(127)				
11	Total Other Property & Investments		\$ 4,769	\$ 4,769	\$ -
CURRENT AND ACCRUED ASSETS					
12	Cash (131)		1,554	4,778	(3,224)
13	Special Deposits (132)				
14	Accounts Receivable Net (141-143)		8,461	9,391	(930)
15	Plant Materials and Supplies (151)				
16	Prepayments (162-163)				
17	Miscellaneous Current and Accrued Assets (174)		6,799	6,799	-
18	Total Current and Accrued Assets		\$ 16,814	\$ 20,968	\$ (4,154)
DEFERRED DEBITS					
19	Miscellaneous Deferred Debits (186)				
20	Accumulated Deferred income Taxes (190)				
21	Total Deferred Debits		\$ -	\$ -	\$ -
TOTAL ASSETS AND OTHER DEBITS					
			\$ 92,398	\$ 68,967	\$ 23,431

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**F-1 BALANCE SHEET
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	\$ 2,187	\$ -
2	Preferred Stock Issued (204)	F-31			
3	Other Paid-In Capital (211)		33,518	33,518	-
4	Retained Earnings (217)	F-3	15,423	18,388	(2,965)
5	Proprietary Capital (Proprietorships and partnerships only) (218)	F-4			
6	Total Capital		\$ 51,128	\$ 54,093	\$ (2,965)
LONG TERM DEBT					
7	Other Long-Term Debt (224)		\$ -	\$ -	\$ -
CURRENT AND ACCRUED LIABILITIES					
8	Accounts Payable (231)		\$ 26,500	-	\$ 26,500
9	Notes Payable (232)				
10	Customer Deposits (235)				
11	Accrued Taxes (236)				
12	Accrued Interest (237)				
13	Miscellaneous Current and Accrued Liabilities (241)		11,858	11,858	-
14	Total Current and Accrued Liabilities		\$ 38,358	\$ 11,858	\$ 26,500
OTHER LIABILITIES					
15	Advances for Construction (252)				
16	Other Deferred Credits (253)				
17	Accumulated Deferred Investment Tax Credits (255)				
18	Miscellaneous Operating Reserves (265)				
19	Contributions in Aid of Constriction- Net (271-272)		2,912	3,016	(104)
20	Accumulated Deferred Income Taxes (281-283)				
21	TOTAL LIABILITIES AND CAPITAL		\$ 92,398	\$ 68,967	\$ 23,431

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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	\$ 18,628	\$ 19,385	\$ (757)
2	Operating Expenses:				
3	Operating and Maintenance Expense (401)	F-48	17,850	27,609	(9,759)
4	Depreciation Expense (403)	F-12	2,415	2,360	55
5	Amortization of Contribution in Aid of Construction (405)	F-46.4	(104)	(104)	-
6	Amortization of Utility Plant Acquisition Adjustment (406)	F-49	-	1	(1)
7	Amortization Expense-Other (407)	F-49	-	1	(1)
8	Taxes Other Than Income (408.1-408.13)	F-50	1,432	753	679
9	Income Taxes (409.1, 410.1, 411.1, 412.1)		-	-	-
10	Total Operating Expenses		\$ 21,592	\$ 30,619	\$ (9,027)
11	Net Operating Income (Loss)		\$ (2,965)	\$ (11,234)	\$ 8,269
OTHER INCOME AND DEDUCTIONS					
13	Interest and Dividend Income (419)		-	-	-
14	Allow. for funds Used During Construction (420)		-	-	-
15	Nonutility Income (421)		-	-	-
16	Gains (Losses) From Disposition Nonutility Property (422)		-	-	-
17	Miscellaneous Nonutility Expenses (426)		-	-	-
18	Interest Expense (427)		-	-	-
19	Taxes Applicable to Other Income (409.2, 410.2, 411.2, 412.2)		-	-	-
20	Total Other Income and Deductions		\$ -	\$ -	\$ -
21	NET INCOME (LOSS)		\$ (2,965)	\$ (11,234)	\$ 8,269

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**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	\$ 106,179	\$ 103,893	\$ 2,286
2	Less: Accumulated Depr. and Amort. (108-110)	F-6	62,949	60,588	2,361
3	Net Plant		\$ 43,230	\$ 43,305	\$ (75)
4	Utility Plant Acquisition Adj. (Net) (114-115)	F-7	-	-	-
5	Total Net Utility Plant		\$ 43,230	\$ 43,305	\$ (75)
OTHER PROPERTY AND INVESTMENTS					
6	Nonutility Property (121)		4,769	4,769	-
7	Less: Accumulated Depr. and Amort. (122)				
8	Net Nonutility Property		\$ 4,769	\$ 4,769	\$ -
9	Utility Investments (124)				
10	Depreciation Funds(127)				
11	Total Other Property & Investments		\$ 4,769	\$ 4,769	\$ -
CURRENT AND ACCRUED ASSETS					
12	Cash (131)		4,778	15,322	(10,544)
13	Special Deposits (132)				
14	Accounts Receivable Net (141-143)		9,391	10,484	(1,093)
15	Plant Materials and Supplies (151)				
16	Prepayments (162-163)				
17	Miscellaneous Current and Accrued Assets (174)		6,799	6,799	-
18	Total Current and Accrued Assets		\$ 20,968	\$ 32,605	\$ (11,637)
DEFERRED DEBITS					
19	Miscellaneous Deferred Debits (186)				
20	Accumulated Deferred income Taxes (190)				
21	Total Deferred Debits		\$ -	\$ -	\$ -
TOTAL ASSETS AND OTHER DEBITS					
			\$ 68,967	\$ 80,679	\$ (11,712)

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**F-1 BALANCE SHEET
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	\$ 2,187	\$ -
2	Preferred Stock Issued (204)	F-31			
3	Other Paid-In Capital (211)		33,518	33,518	-
4	Retained Earnings (217)	F-3	18,388	29,622	(11,234)
5	Proprietary Capital (Proprietorships and partnerships only) (218)	F-4			-
6	Total Capital		\$ 54,093	\$ 65,327	\$ (11,234)
LONG TERM DEBT					
7	Other Long-Term Debt (224)		\$ -	\$ -	\$ -
CURRENT AND ACCRUED LIABILITIES					
8	Accounts Payable (231)		\$ -	375	\$ (375)
9	Notes Payable (232)				
10	Customer Deposits (235)				
11	Accrued Taxes (236)				
12	Accrued Interest (237)				
13	Miscellaneous Current and Accrued Liabilities (241)		11,858	11,857	1
14	Total Current and Accrued Liabilities		\$ 11,858	\$ 12,232	\$ (374)
OTHER LIABILITIES					
15	Advances for Construction (252)				
16	Other Deferred Credits (253)				
17	Accumulated Deferred Investment Tax Credits (255)				
18	Miscellaneous Operating Reserves (265)				
19	Contributions in Aid of Constriction- Net (271-272)		3,016	3,120	(104)
20	Accumulated Deferred Income Taxes (281-283)				
21	TOTAL LIABILITIES AND CAPITAL		\$ 68,967	\$ 80,679	\$ (11,712)

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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	\$ 19,385	\$ 21,765	\$ (2,380)
2	Operating Expenses:				
3	Operating and Maintenance Expense (401)	F-48	27,609	11,725	15,884
4	Depreciation Expense (403)	F-12	2,360	2,712	(352)
5	Amortization of Contribution in Aid of Construction (405)	F-46.4	(104)	(104)	-
6	Amortization of Utility Plant Acquisition Adjustment (406)	F-49			
7	Amortization Expense-Other (407)	F-49	1	379	(378)
8	Taxes Other Than Income (408.1-408.13)	F-50	753	854	(101)
9	Income Taxes (409.1, 410.1, 411.1, 412.1)				-
10	Total Operating Expenses		\$ 30,619	\$ 15,566	\$ 15,053
11	Net Operating Income (Loss)		\$ (11,234)	\$ 6,199	\$ (17,433)
OTHER INCOME AND DEDUCTIONS					
12					
13	Interest and Dividend Income (419)		-	-	-
14	Allow. for funds Used During Construction (420)				
15	Nonutility Income (421)				
16	Gains (Losses) From Disposition Nonutility Property (422)				
17	Miscellaneous Nonutility Expenses (426)				
18	Interest Expense (427)		-	-	-
19	Taxes Applicable to Other Income (409.2, 410.2, 411.2, 412.2)		-	-	-
20	Total Other Income and Deductions		\$ -	\$ -	\$ -
21	NET INCOME (LOSS)		\$ (11,234)	\$ 6,199	\$ (17,433)

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