

NHPUC Docket DW 15-209

Temporary Rates

Lakes Region Water Company

Computation of Revenue Deficiency

For the Test Year Ended December 31, 2014

	<u>Actual</u>	<u>Proforma</u>
Rate Base (Schedule 3)	2,637,330	\$2,765,328
Rate of Return (Schedule 4)	<u>8.19%</u>	<u>7.97%</u>
Operating Income Required	\$215,904	\$220,442
Net Operating Income (Schedule 1)	<u>95,928</u>	<u>220,442</u>
Operating Income Deficiency	\$119,976	\$0
Tax Effect	<u>0</u>	<u>0</u>
Revenue Deficiency	<u>\$119,976</u>	<u>\$0</u>

SPSt. Cyr
8/11/2015

Statement of Income

Line No.	Account Title (Number) (a)	2014 Year End Balance (b)	Proforma Adjustments (c)	Proforma 2014 Year End Balance (d)	2013 Year End Balance (e)	2012 Year End Balance (f)
	UTILITY OPERATING INCOME					
	Water Sales	\$ 1,043,143	\$ 221,487	\$ 1,264,630	\$ 1,020,775	\$ 1,007,168
	Water Sales - Special Contract	136,526	65,754	202,280	146,679	146,672
	Forfeited Discounts	6,438		6,438	5,865	4,759
	Miscellaneous Service Revenues	52,620		52,620	22,024	44,209
	Rate Case Surcharge	77,283	(77,283)	-	75,574	-
1	Total Operating Revenues (400)	\$ 1,316,010	\$ 209,958	\$ 1,525,968	\$ 1,270,917	\$ 1,202,808
2	Operating Expenses:					
3	Operating and Maintenance Expense (401)	974,896	(30,034)	944,862	807,778	744,086
4	Depreciation Expense (403)	164,383	18,279	182,662	142,206	120,854
5	Amortization of Contribution in Aid of Construction (405)	(17,129)	(\$218)	(17,347)	(16,911)	(16,911)
6	Amortization of Utility Plant Acquisition Adjustment (406)	(5,708)		(5,708)	(5,708)	(5,708)
7	Amortization Expense-Other (407)					
8	Taxes Other Than Income (408.1-408.13)	74,833	8,796	83,629	75,811	65,630
9	Income Taxes (409.1, 410.1, 411.1, 412.1)	28,807	88,621	117,428	77,644	69,293
10	Total Operating Expenses	\$ 1,220,082	\$ 85,444	\$ 1,305,526	\$ 1,080,820	\$ 977,244
11	Net Operating Income (Loss)	95,928	124,514	220,442	190,097	225,564
12	Income From Utility Plant Leased to Others (413)					
13	Gains(Losses) From Disposition of Utility Property (414)	30,795	(30,795)	-	-	-
14	Net Water Utility Operating Income	\$ 126,723	\$ 93,719	\$ 220,442	\$ 190,097	\$ 225,564
	OTHER INCOME AND DEDUCTIONS					
15	Revenues From Merchandising, Jobbing and Contract Work (415)					
16	Costs and Expenses of Merchandising, Jobbing and Contract Work (416)					
17	Equity in Earnings of Subsidiary Companies (418)					
18	Interest and Dividend Income (419)					
19	Allow. for funds Used During Construction (420)					
20	Nonutility Income (421)					
21	Gains (Losses) From Disposition Nonutility Property (422)					
22	Miscellaneous Nonutility Expenses (426)	(2,216)		(2,216)	(2,141)	(2,341)
23	Total Other Income and Deductions	\$ (2,216)		\$ (2,216)	\$ (2,141)	\$ (2,341)
	TAXES APPLICABLE TO OTHER INCOME					
24	Taxes Other Than Income (408.2)					
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)	63,513	(24,480)	39,033	50,396	72,323
28	Amortization of Debt Discount & Expense (428)	1,837		1,837	1,788	1,788
29	Amortization of Premium on Debt (429)					
30	Total Interest Expense	\$ 65,350	\$ (24,480)	\$ 40,870	\$ 52,184	\$ 74,111
31	Income Before Extraordinary Items	59,157	118,199	177,356	135,772	149,112
	EXTRAORDINARY ITEMS					
32	Extraordinary Income (433)					
33	Extraordinary Deductions (434)					
34	Income Taxes, Extraordinary Items (409.3)					
35	Net Extraordinary Items					
	NET INCOME (LOSS)	\$ 59,157	\$ 118,199	\$ 177,356	\$ 135,772	\$ 149,112

Lakes Region Water Company
Statement of Income - Proforma Adjustments

Schedule 1A

Operating Revenues

#1	2014 Test Year Proforma Water Sales - Special Contract	\$ 202,280
	2014 Test Year Actual Water Sales - Special Contract	<u>136,526</u>
	Proforma Adjustment	<u>\$ 65,754</u>
	To adjust test year revenues for the 2014 proforma increase of \$65,754 (\$202,280 - \$136,526) In POASI Special Contract.	
#2	2014 Test Year Proforma - Rate Case Surcharge	\$ -
	2014 Test Year Actual - Rate Case Surcharge	<u>77,283</u>
	Proforma Adjustment	<u>\$ (77,283)</u>
	To remove from 2014 proforma rate case surcharge that has been completed as of 12/31/2014. A like adjustment is made to regulatory commission expense (see expense adjustment #8).	
#3	2014 Test Year Proforma	1,264,630
	2014 Test Year Actual	<u>1,043,143</u>
	Proforma Adjustment	<u>221,487</u>
	To adjust test year revenues for the additional revenue needed in order for the Company to earn its rate of return and to recover its expenses.	
Total Proforma Adjustment to Operating Revenues		<u>\$ 209,958</u>

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8/11/2015

NHPUC Docket DW 15-209**Temporary Rates****Lakes Region Water Company
Statement of Income - Proforma Adjustments**

Schedule 1B

Operating and Maintenance Expenses

#1	<u>Wages</u>	
	2014 Test Year Proforma	\$381,731
	2014 Test Year Actual	<u>359,457</u>
	Proforma Adjustment (see Sch 1C)	<u>\$22,274</u>
	To adjust test year hours to reflect full year	
	Entire adjustment is for office personnel	
#2	<u>Wages</u>	
	2014 Test Year Proforma adjusted for wage increases	\$381,731
	2014 Test Year Proforma adjusted for hours (see # 1 above)	<u>381,731</u>
	Proforma Adjustment (see Sch 1C)	<u>\$0</u>
	To adjust test year wages for wage increase effective 08/15/15 net of capitalized	
	Adjustment affects categories as follows:	
	Officer 2,653	
	Field 5,690	
	Office 6,927	
	Total <u>15,270</u>	
#3	<u>Pension</u>	
	2014 Test Year Proforma	\$0
	2014 Test Year Actual	<u>0</u>
	Proforma Adjustment	<u>\$0</u>
	To add pension expense for Company employees	
#4	<u>Water Treatment Expenses - Water Tests</u>	
	2014 Test Year Proforma	\$15,180
	2014 Test Year Actual	<u>11,908</u>
	Proforma Adjustment	<u>\$3,272</u>
	To adjust test year water tests for the 3 year average of such expenses	
	[(2012) - \$20,180 --- (2013) - \$13,452 --- (2014) \$11,908 = \$45,540 / 3 = \$15,180]	
#5	<u>Bad Debts</u>	
	2014 Test Year Proforma	\$9,000
	2014 Test Year Actual	<u>18,076</u>
	Proforma Adjustment	<u>(\$9,076)</u>
	To adjust bad debts to 3yr average	
	[(2012) - \$7,477 --- (2013) - \$1,448 --- (2014) \$18,076 = \$27,001 / 3 = \$9,000]	
#6	<u>Accounting</u>	
	2014 Test Year Proforma	\$43,206
	2014 Test Year Actual	<u>4,028</u>
	Proforma Adjustment	<u>\$39,178</u>
	Remove from 2014 the reduction to Accounting Cost from the Vendors	
	discount received at time of closing of CoBank loan to fully pay vendors	

#7	<u>General Law</u>	
	2014 Test Year Proforma	\$15,700
	2014 Test Year Actual	<u>29,017</u>
	Proforma Adjustment	<u>(\$13,317)</u>
	To adjust general law expense to the 3 year average of such expenses	
	[(2012) - \$17,274 --- (2013) - \$809 --- (2014) \$29,017 = \$47,100 / 3 = \$15,700]	

#8	<u>Regulatory Commission Expenses - Rate Case Expenses</u>	
	2014 Test Year Proforma	\$0
	2014 Test Year Actual	<u>77,389</u>
	Proforma Adjustment	<u>(\$77,389)</u>
	To remove from 2014 actual test year rate case expenses that has been recovered as of 12/31/2014. A like adjustment is made to rate case surcharge income (see revenue adjustment #2)	

#9	<u>Regulatory Commission Expenses - DW 07-105</u>	
	2014 Test Year Proforma	\$9,980
	2014 Test Year Actual	<u>0</u>
	Proforma Adjustment	<u>\$9,980</u>
	Amount to be amortized \$49,902 x (12 / 60) = \$9,980	
	This is to amortize rate case expenses in DW 07-105, which were approved as part of DW 10-141 rate case expense review, over a period of 60 months.	
	The total approved by the Commission for expenses related to 07-105 was \$81,921, however subsequent to Commission approval, vendors agreed to a reduction of (\$32,019) of their expenses related to 07-105 in exchange for immediate payment of remaining balance of \$49,902 of rate case expenses related to 07-105. Payment was approved by the Commission in order 25,655 dated 04/29/14.	

#10	<u>Office Expenses</u>	
	2014 Test Year Proforma	\$29,324
	2014 Test Year Actual	<u>34,280</u>
	Proforma Adjustment	<u>(\$4,956)</u>
	To adjust 2014 actual test year office expenses for certain one time expenses associated with painting office and purchasing small office equipment and a new office pressure tank.	

	Total Proforma Adjustments to O & M Expenses	<u>\$ (30,034)</u>
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Depreciation Expenses

#11	<u>2014 Additions to Plant</u>	
	2014 Test Year Proforma	\$182,662
	2014 Test Year Actual	<u>164,383</u>
	Proforma Adjustment	<u>\$18,279</u>
	To adjust test year expenses for annual depreciation expenses associated with the 2014 additions (See schedule 7 column (g))	

	<u>2015 Additions to Plant</u>	
#12	2014 Test Year Proforma	\$182,662
	2014 Test Year Proforma (from entry 11 above)	<u>182,662</u>
	Proforma Adjustment	<u>\$0</u>
	To adjust test year expenses for annual depreciation expenses associated with the 2015 additions	

(See Sch 9 column (g) \$12,341 plus Sch 10 column (f) \$2,714 = \$15,055

Total Proforma Adjustments to Depreciation Expenses **\$18,279**

Amortization of CIAC

#13 2014 Additions to CIAC
2014 Test Year Proforma \$ (17,347)
2014 Test Year Actual (17,129)
Proforma Adjustment \$ (218)
To adjust test year expenses for annual amortization of CIAC associated with the 2014 additions

Total Proforma Adjustments to Amortization of CIAC **\$ (218)**

Taxes other than Income

#14 State Utility Property Taxes
2014 Test Year Proforma \$21,826
2014 Test Year Actual 18,558
Proforma Adjustment (see Sch 7, col J) \$3,268
To adjust test year expenses for the increase in State Utility Property Taxes associated with the 2014 additions to plant

#15 State Utility Property Taxes
2014 Test Year Proforma \$21,826
2014 Test Year Actual 21,826
Proforma Adjustment (see Sch 9, col J - \$3,601 & Sch 10, col G - \$339) \$0
To adjust test year expenses for the increase in State Utility Property Taxes associated with the 2015 specific and general additions to plant

#16 Municipal Property Taxes
2014 Test Year Proforma \$37,697
2014 Test Year Actual 33,873
Proforma Adjustment (see Sch 7, col J) \$3,824
To adjust test year expenses for the increase in Municipal Property Taxes associated with the 2014 additions to plant

#17 Municipal Property Taxes
2014 Test Year Proforma \$37,697
2014 Test Year Actual 37,697
Proforma Adjustment (see Sch 9, col J - \$4,975 & Sch 10, G - \$325) \$0
To adjust test year expenses for the increase in Municipal Property Taxes associated with the 2015 specific and general additions to plant

#18 Payroll Taxes
2014 Test Year Proforma \$29,022
2014 Test Year Actual 27,318
Proforma Adjustment (see Sch 1C, col H) \$1,704
To adjust test year payroll taxes for the change in wages above

#19 Payroll Taxes

2014 Test Year Proforma	\$29,022
2014 Test Year Actual	<u>29,022</u>
Proforma Adjustment (see Sch 1C, col I)	<u>\$0</u>
To adjust test year payroll taxes for the change in wages above	

Total Proforma Adjustments to Taxes other than Income	<u>\$8,796</u>
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Income Taxes

#20	<u>Federal Income Taxes</u>	
	2014 Test Year Proforma (see Sch 5, Col I)	\$92,229
	2014 Test Year Actual	<u>18,444</u>
	Proforma Adjustment	<u>\$73,785</u>
	To adjust test year expenses for the increase in federal taxable income and related federal tax	

	<u>State Business Taxes</u>	
#21	2014 Test Year Proforma (see Sch 5, Col I)	\$25,199
	2014 Test Year Actual	<u>10,363</u>
	Proforma Adjustment	<u>\$14,836</u>
	To adjust test year expenses for the increase in state gross business profits and the related business taxes	

Total Proforma Adjustments to Income Taxes	<u>\$88,621</u>
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Total Proforma Adjustment to Operating Expenses	<u>\$85,444</u>
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Interest Expense

#22	<u>Interest Expense</u>	
	2014 Test Year Proforma (see Sch 5, Col I)	\$39,033
	2014 Test Year Actual	<u>63,513</u>
	Proforma Adjustment	<u>(\$24,480)</u>
	To adjust test year expenses for the elimination of the TDBank interest, the increase in the CoBank interest, the new interest on the 2015 CoBank and Mt. Roberts loans	

SPSt. Cyr
8/11/2015

Lakes Region Water Company

Schedule 1C

Wage Adjustments

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Employee #	2014 Actual Wages	Adj #1	2014 Adjusted for Full Yr	4% incr Adj # 2	2014 Proforma Wages	(c + e) Total Wage Adjustment	Employer Payroll Tax (c x 7.65%) Adj Full Yr	(e x 7.65%) 4% incr
1	66,317		66,317	2,653	68,970	2,653	-	203
2	45,961		45,961	1,838	47,799	1,838	-	141
3	50,239		50,239	2,010	52,249	2,010	-	154
4	60,672		60,672	2,427	63,099	2,427	-	186
5	4,872		4,872	195	5,067	195	-	15
6	54,705		54,705	2,188	56,893	2,188	-	167
7	47,506		47,506	1,900	49,406	1,900	-	145
8	34,045		34,045	1,362	35,407	1,362	-	104
9	10,816	22,274	33,090	1,324	34,414	23,598	1,704	101
10	3,816		3,816	153	3,969	153	-	12
Total Wages	378,949	22,274	401,223	16,050	417,273	38,324	1,704	1,228
Capitalized Wages	(19,492)	-	(19,492)	(780)	(20,272)	(780)	-	(60)
Net Wage Expense	359,457	22,274	381,731	15,270	397,001	37,544	1,704	1,168

Capitalized Wages %

Employees Capitalized

2	45,961	1,838	47,799
3	50,239	2,010	52,249
4	60,672	2,427	63,099
5	4,872	195	5,067
Total Gross Wages	161,744	6,470	168,214
Capitalized Wages	19,492	780	20,272
Capitalized Wages %	12.05%	12.05%	12.05%

Adjustments:

#1

Gross up employee 9 from 17 weeks to 52 weeks [2014 wages \$10,818 / 17 wks X 52 wks= \$33,090 minus \$10,816 = \$22,274

#2

Adjustments for 4% wage increase to be implemented after 07/01/15 and prior to 10/31/15

Officer	2,653
Field (net of capitalized)	5,690
Office	6,927
	15,270

#3

Adjust payroll taxes for employer tax on increased wages Increased wages X .0765= tax increase
the adjustment is net of the capitalized wages

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Temporary Rates

**Lakes Region Water Company
Statement of Income - Proforma Adjustments**

Schedule 1E

Other Income

#1	2014 Test Year Proforma - Land Sale	\$ -
	2014 Test Year Actual - Land Sale	<u>30,795</u>
	Proforma Adjustment	<u>\$ (30,795)</u>
	To remove from 2014 proforma Hidden Valley land sale	

NHPUC Docket DW 15-209
Lakes Region Water Company
Rate Base

Temporary Rates
Schedule 3

Line No.	Account Title (a)	December 2013 Balance (b)	January 2014 Balance (c)	February 2014 Balance (d)	March 2014 Balance (e)	April 2014 Balance (f)	May 2014 Balance (g)	June 2014 Balance (h)	July 2014 Balance (i)	August 2014 Balance (j)	September 2014 Balance (k)	October 2014 Balance (l)	November 2014 Balance (m)	December 2014 Balance (n)	Actual 13 Month Avg Bal (o)	2014 Proforma Adjustments (p)	2014 Proforma Balance (q)
1	Utility Plant	4,501,148	4,515,098	4,516,700	4,522,991	4,867,587	4,894,114	4,895,012	4,901,273	4,915,826	4,925,826	4,934,275	4,944,901	5,034,709	4,797,651	237,058	5,034,709
2	Less: Accumulated Depreciation	(1,476,345)	(1,483,830)	(1,495,306)	(1,506,872)	(1,517,822)	(1,487,628)	(1,498,203)	(1,523,357)	(1,515,829)	(1,527,637)	(1,537,398)	(1,549,229)	(1,562,018)	(1,515,498)	(84,799)	(1,600,297)
3	Net Utility Plant	3,024,803	3,031,268	3,021,394	3,016,119	3,349,765	3,406,486	3,396,809	3,377,916	3,399,997	3,398,189	3,396,877	3,395,672	3,452,691	3,282,153	152,259	3,434,412
4	Plant Acquisition Adjustment	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)	(254,025)		(254,025)
5	Less: Accum Amort of Util Plant Acq Adj	156,348	166,821	167,294	167,335	167,376	167,417	167,458	167,499	167,540	168,013	168,070	168,543	172,056	167,828	4,228	172,056
6	Total Net Utility Plant	2,937,126	2,944,064	2,934,663	2,929,429	3,263,116	3,319,878	3,310,442	3,291,390	3,313,512	3,312,177	3,310,922	3,310,190	3,370,722	3,195,956	156,487	3,352,443
7	Material and Supplies	9,579	9,063	12,497	14,424	12,994	13,983	16,278	15,694	18,095	20,376	19,746	19,716	4,717	14,397	(9,680)	4,717
8	Prepaid Insurance	34,859	31,465	27,699	24,213	20,447	17,091	35,814	42,138	38,372	45,249	41,833	42,339	37,245	33,751	\$3,494	37,245
9	Prepaid Property Taxes	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,727	11,778	(\$52)	11,727
10	ADIT - Liberalized Depreciation	(171,289)	(171,289)	(171,289)	(171,289)	(171,289)	(171,289)	(171,289)	(171,289)	(171,289)	(171,289)	(171,289)	(171,289)	(190,070)	(172,734)	(\$17,336)	(190,070)
11	Contribution in Aid of Construction	(849,099)	(849,099)	(849,099)	(849,099)	(849,099)	(870,878)	(870,878)	(870,878)	(870,878)	(870,878)	(870,878)	(870,878)	(870,878)	(862,501)	(\$8,377)	(870,878)
12	Accumulated Amortization of CIAC	232,174	233,581	234,988	236,395	237,802	239,209	240,616	242,023	243,430	244,837	246,244	247,651	249,303	240,635	\$8,868	249,321
13	Subtotal Rate Base	2,205,133	2,209,568	2,201,242	2,195,856	2,525,754	2,559,777	2,572,566	2,560,861	2,583,025	2,592,255	2,586,361	2,588,512	2,612,766	2,461,283	133,422	2,594,705
14	Cash Working Capital *														176,047	(5,424)	170,623
15	Total Rate Base	2,205,133	2,209,568	2,201,242	2,195,856	2,525,754	2,559,777	2,572,566	2,560,861	2,583,025	2,592,255	2,586,361	2,588,512	2,612,766	2,637,330	127,999	2,765,328

* The "Actual 13 Month Avg Bal" for Cash Working Capital is the 12/31/14 balance.

NHPUC Docket DW 15-209**Temporary Rates****Lakes Region Water Company****Schedule 3A****Rate Base Adjustments****Plant in Service**

#1	Plant in Service at 12/31/14	\$5,034,709
	Plant in Service 13 Month Average	<u>4,797,651</u>
	Total Proforma Adjustment	<u>\$237,058</u>
	To adjust Plant in Service to year end balance	
#2	Plant in Service at 12/31/14	\$5,034,709
	Plant in Service at 12/31/14	<u>5,034,709</u>
	Total Proforma Adjustment	<u>\$0</u>
	To adjust 12/31/14 Plant in Service for 2015 specific additions	
#3	Plant in Service at 12/31/14	\$5,034,709
	Plant in Service at 12/31/14	<u>5,034,709</u>
	Total Proforma Adjustment	<u>\$0</u>
	To adjust 12/31/14 Plant in Service for 2015 general additions	
	Total Proforma Adjustments to Plant in Service	<u>\$237,058</u>

Accumulated Depreciation

#4	Accumulated Depreciation at 12/31/14	(1,582,018)
	Accumulated Depreciation 13 Month Average	<u>(1,515,498)</u>
	Total Proforma Adjustment	<u>(\$66,520)</u>
	To adjust Accumulated Depreciation to year end balance	
#5	Accumulated Depreciation at 12/31/14	(\$1,600,297)
	Accumulated Depreciation at 12/31/14	<u>(1,582,018)</u>
	Total Proforma Adjustment	<u>(\$18,279)</u>
	To adjust 12/31/14 Accumulated Depreciation for additional half year depreciation on 2014 additions	
#6	Accumulated Depreciation at 12/31/14	(\$1,600,297)
	Accumulated Depreciation at 12/31/14	<u>(1,600,297)</u>
	Total Proforma Adjustment	<u>\$0</u>
	To adjust 12/31/14 Accumulated Depreciation for annual depreciation on 2015 specific additions	
#7	Accumulated Depreciation at 12/31/14	(\$1,600,297)
	Accumulated Depreciation at 12/31/14	<u>(1,600,297)</u>
	Total Proforma Adjustment	<u>\$0</u>
	To adjust 12/31/14 Accumulated Depreciation for annual depreciation on 2015 general additions	
	Total Proforma Adjustments to Accumulated Depreciation	<u>(\$84,799)</u>

Accumulated Amortization of Utility Plant Acquisition Adjustmen

#8	Accumulated Amortization at 12/31/14	172,056
	Accumulated Amortization 13 Month Average	<u>167,828</u>

Total Proforma Adjustment	\$4,228
To adjust Accumulated Amortization to year end balance	

Total Proforma Adjustment to Accumulated Amortization	<u>\$4,228</u>
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Material & Supplies

#9 Material & Supplies 12/31/14	4,717
Material & Supplies 13 Month Average	<u>14,397</u>
Total Proforma Adjustments	<u>(\$9,680)</u>
To adjust Material & Supplies to year end balance	

Total Proforma Adjustment to Material & Supplies	<u>(\$9,680)</u>
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Prepaid Other

#10 Prepaid Other at 12/31/14	37,245
Prepaid Other 13 Month Average	<u>33,751</u>
Total Proforma Adjustments	<u>\$3,494</u>
To adjust Prepaid Other to year end balance	

Total Proforma Adjustment to Prepaid Insurance	<u>\$3,494</u>
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Prepaid Property Taxes

#11 Prepaid Property Taxes at 12/31/14	11,727
Prepaid Property Taxes 13 Month Average	<u>11,779</u>
Total Proforma Adjustments	<u>(\$52)</u>
To adjust Prepaid Property Taxes to year end balance	

Total Proforma Adjustment to Prepaid Property Taxes	<u>(\$52)</u>
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ADIT - Liberalized Depreciation

#12 ADIT - Liberalized Depreciation at 12/31/14	(190,070)
ADIT - Liberalized Depreciation 13 Month Average	<u>(172,734)</u>
Total Proforma Adjustments	<u>(\$17,336)</u>
To adjust ADIT - Liberalized Depreciation to year end balance	

Total Proforma Adjustment to ADIT - Liberalized Depreciation	<u>(\$17,336)</u>
---	--------------------------

Contribution in Aid of Construction

#13 CIAC at 12/31/14	(870,878)
CIAC 13 Month Average	<u>(862,501)</u>
Total Proforma Adjustments	<u>(\$8,377)</u>
To adjust CIAC to year end balance	

Total Proforma Adjustment to CIAC	<u>(\$8,377)</u>
--	-------------------------

Accumulated Amortization of CIAC

#14	AA of CIAC at 12/31/14	249,303
	AA of CIAC 13 Month Average	<u>240,635</u>
	Total Proforma Adjustment	<u>\$8,668</u>
	To adjust Accumulated Amortization of CIAC to year end balance	

#15	AA of CIAC at 12/31/14	\$249,521
	AA of CIAC at 12/31/14	<u>249,303</u>
	Total Proforma Adjustment	<u>\$218</u>
	To adjust 12/31/14 AA of CIAC for additional half year on 2014 additions	

#16	AA of CIAC at 12/31/14	\$249,521
	AA of CIAC at 12/31/14	<u>249,521</u>
	Total Proforma Adjustment	<u>\$0</u>
	To adjust 12/31/14 AA of CIAC for annual AA of CIAC on 2015 additions	

Total Proforma Adjustments to AA of CIAC	<u>\$8,886</u>
---	-----------------------

Cash Working Capital

#17	Cash Working Capital adjusted for increase in O&M Expenses	\$170,623
	Cash Working Capital at 12/31/14	<u>176,047</u>
	Total Proforma Adjustment	<u>(\$5,424)</u>
	To adjust cash working capital for additional working related to increase in O&M Expenses	

Total Proforma Adjustment to Cash Working Capital	<u>(\$5,424)</u>
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SPSt. Cyr
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Temporary Rates

Lakes Region Water Company

Schedule 3B

Working Capital

	2014 Proforma <u>Amount</u>	2014 Actual <u>Amount</u>	2013 Actual <u>Amount</u>	2012 Actual <u>Amount</u>
Operating and Maintenance Expenses	<u>\$944,862</u>	<u>\$974,896</u>	<u>\$807,778</u>	<u>\$744,086</u>
Customers paying in arrears				
Year 2012= (75/365) X (1554/1645)				19.41%
Year 2013= (75/365) X (1554/1645)			19.41%	
Year 2014= (75/365) X (1566/1667)	19.30%	19.30%		
Minus Customers paying in advance				
Year 2012= (75/365) X (101/1645)				-1.26%
Year 2013= (75/365) X (101/1645)			-1.26%	
Year 2014= (75/365) X (101/1667)	<u>-1.24%</u>	<u>-1.24%</u>	<u>-1.26%</u>	<u>-1.26%</u>
Total	<u>18.06%</u>	<u>18.06%</u>	<u>18.15%</u>	<u>18.15%</u>
Working Capital	<u>\$170,623</u>	<u>\$176,047</u>	<u>\$146,609</u>	<u>\$135,049</u>

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Lakes Region Water Company

Schedule 4

Page 1 of 2

Rate of Return Information

Overall Rate of Return	Actual				Proforma		
	Component Ratio	Component Cost Rate	Wght Avg Cost Rate		Component Ratio	Component Cost Rate	Wght Avg Cost Rate
Equity Capital	66.68%	9.60%	6.40%		67.44%	9.60%	6.47%
Long Term Debt	33.32%	5.36%	1.78%		32.56%	4.60%	1.50%
Total Capital	100.00%		8.19%		100.00%		7.97%

Capital Structure		2014 Actual Amounts	2014 Actual Ratios		2014 Proforma Amounts	2014 Proforma Ratios
Common Stock		\$ 10,000	0.36%		\$ 10,000	0.37%
Additional Paid in Capital		1,227,180	44.46%		1,227,180	44.96%
Capital Stock Expense		(7,360)	-0.27%		(7,360)	-0.27%
Retained Earnings		610,827	22.13%		610,827	22.38%
Total Equity		\$ 1,840,647	66.68%		\$ 1,840,647	67.44%
Long Term Debt		\$919,678	33.32%		\$888,678	32.56%
Total Capital		\$ 2,760,325	100.00%		\$ 2,729,325	100.00%

Capital Structure for 2014 - 2012		2014 Amounts		2013 Amounts		2012 Amounts
Common Stock		\$ 10,000		\$ 10,000		\$ 10,000
Premium on Capital Stock		1,227,180		955,248		955,248
Capital Stock Expense		(7,360)		(9,201)		(11,042)
Retained Earnings		610,827		551,670		415,897
Total Equity		\$ 1,840,647		\$ 1,507,717		\$ 1,370,103
Long Term Debt		\$ 919,678		\$ 601,580		\$ 641,707
Total Capital		\$ 2,760,325		\$ 2,109,297		\$ 2,011,810

Capital Structure Ratios for 2014 - 2012		2014 Ratios		2013 Ratios		2012 Ratios
Common Stock		0.36%		0.47%		0.50%
Other Paid in Capital		44.46%		45.29%		47.48%
Capital Stock Expense		-0.27%		-0.44%		
Retained Earnings		22.13%		26.15%		20.67%
Total Equity		66.68%		71.48%		68.10%
Long Term Debt		33.32%		28.52%		31.90%
Total Capital		100.00%		100.00%		100.00%

Cost of Common Equity Capital
The Company is utilizing the Commission determined cost of common equity of 9.60% for temporary rate purposes.

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Lakes Region Water Co., Inc
Year Ended December 31, 2014

Schedule of Notes Payable, Interest Expense & Capitalized Interest - Actual

Temporary Rates

Schedule 4A

Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Principal Balance 12/31/2013 (d)	Additions (e)	Reductions (f)	Balance 12/31/2014 (g)	Interest Rate (h)	Interest Expense (i)	Amort of Debt Exp (j)	Total Int Exp (k)	Total Int Rate (l)
TD Banknorth - 5 (refinance)	1/13/2004	1/13/2014	\$ 225,975	\$ -	\$ (225,975)	\$ -	6.09%	\$ 6,491	\$ 227	\$ 6,718	5.95%
TD Banknorth - 6 (construction)	1/13/2004	1/13/2015	207,434	-	(207,434)	-	5.58%	4,761	502	5,263	5.07%
TD Banknorth - 7 (syst purch)	12/29/2004	12/29/2014	72,900	-	(72,900)	-	6.29%	2,252	908	3,160	8.67%
CoBank (5 Year)	6/24/2014	6/30/2019	-	318,810	(30,327)	288,483	3.45%	5,571	-	5,571	3.86%
CoBank (15 Year - refinance)	6/24/2014	6/30/2029	-	474,567	(13,226)	461,341	5.25%	13,007	200	13,207	5.73%
CoBank (line of credit)	6/24/2014	6/30/2015	-	31,000	-	31,000	2.17%	325	-	325	2.10%
Sub - Total (Sch F-35) (BS Line 13)			506,309	824,377	(549,862)	780,824		32,407	1,837	34,244	5.32%
N/P Gehl Finance - Mustang Excavator	11/13/2009	11/13/2014	4,803	-	(4,803)	-	0.00%	-	-	-	0.00%
N/P Ford Motor Credit -2011 Ford F350XL	9/13/2010	9/13/2015	12,300	-	(6,870)	5,430	7.89%	740	-	740	8.35%
N/P Ford Motor Credit -2011 Ford F150XL	7/21/2011	7/21/2016	18,384	-	(6,677)	11,707	7.89%	1,239	-	1,239	8.24%
N/P Ford Motor Credit -2013 Ford F250 Super	8/16/2013	8/15/2018	34,783	-	(6,663)	28,120	5.95%	1,963	-	1,963	6.24%
N/P Ford Motor Credit -2013 Ford F250 Super	8/26/2013	8/26/2018	25,001	-	(4,791)	20,210	5.95%	1,442	-	1,442	6.38%
N/P Ford Motor Credit -2014 Ford F150	8/6/2014	8/6/2019	-	31,771	(1,824)	29,947	6.24%	778	-	778	5.20%
N/P Cat Financial - 2014 Excavator	3/27/2014	4/5/2019	-	65,250	(21,810)	43,440	0.71%	344	-	344	1.58%
Sub-Total (Sch F-35) (BS Line 16)			95,271	97,021	(53,438)	138,854		6,506	-	6,506	5.56%
Total Long Term Debt (BS Line 17)			601,580	921,398	(603,300)	919,678		38,913	1,837	40,750	5.36%
Vendors			-	-	-	-		24,600	-	24,600	
Total This Schedule			\$ 601,580	\$ 921,398	\$ (603,300)	\$ 919,678		\$ 63,513	\$ 1,837	\$ 65,350	
Total Interest Expense (IS Line 27)								\$ 63,513	\$ 1,837	\$ 65,350	
SPSt. Cyr 8/11/2015								-	-	-	

Cap Int

Net Expense \$ 63,513 \$ 1,837 \$ 65,350

NHPUC Docket DW 15-209

Lakes Region Water Co., Inc
Year Ended December 31, 2014

Schedule of Notes Payable, Interest Expense & Capitalized Interest - Proforma

Temporary Rates
Schedule 4B

Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Principal Balance 12/31/2013 (d)	Additions (e)	Reductions (f)	Balance 12/31/2014 (g)	Proforma Adjustments (h)	Proforma Adj Bal 12/31/2014 (i)	Interest Rate (j)	Interest Expense (k)	Amort of Debt Exp (l)	Total Int Exp (m)	Proforma Adjustments (n)	Pro Adj Int Exp (o)	Total Int Rate (p)
TD Banknorth - 5 (refinance)	1/13/2004	1/13/2014	\$ 225,975	\$ -	\$ (225,975)	\$ -	\$ -	\$ -	6.09%	\$ 6,491	\$ 227	\$ 6,718	\$ (6,718)	\$ -	0.00%
TD Banknorth - 6 (construction)	1/13/2004	1/13/2015	207,434	-	(207,434)	-	-	-	5.58%	4,761	502	5,263	(5,263)	-	0.00%
TD Banknorth - 7 (syst purch)	12/29/2004	12/29/2014	72,900	-	(72,900)	-	-	-	6.29%	2,252	908	3,160	(3,160)	-	0.00%
CoBank (5 Year)	6/24/2014	6/30/2019	-	318,810	(30,327)	288,483	-	288,483	3.45%	5,571	-	5,571	4,382	9,953	3.45%
CoBank (15 Year - refinance)	6/24/2014	6/30/2029	-	474,567	(13,226)	461,341	-	461,341	5.25%	13,007	200	13,207	11,413	24,620	5.25%
CoBank (line of credit)	6/24/2014	6/30/2015	-	31,000	-	31,000	(31,000)	-	2.17%	325	-	325	(325)	-	0.00%
CoBank (IM Project)									5.50%	-	-	-	-	-	0.00%
Mt. Roberts									5.50%	-	-	-	-	-	0.00%
Sub - Total (Sch F-35) (BS Line 13)			506,309	824,377	(549,862)	780,824	(31,000)	749,824		32,407	1,837	34,244	329	34,573	4.61%
N/P Gehl Finance - Mustang Excavator	11/13/2009	11/13/2014	4,803	-	(4,803)	-	-	-	0.00%	-	-	-	-	-	0.00%
N/P Ford Motor Credit -2011 Ford F350XL	9/13/2010	9/13/2015	12,300	-	(6,870)	5,430	-	5,430	7.89%	740	-	740	(419)	321	7.89%
N/P Ford Motor Credit -2011 Ford F150XL	7/21/2011	7/21/2016	18,384	-	(6,677)	11,707	-	11,707	7.89%	1,239	-	1,239	(315)	924	7.89%
N/P Ford Motor Credit -2013 Ford F250 Super	8/16/2013	8/15/2018	34,783	-	(6,663)	28,120	-	28,120	5.95%	1,963	-	1,963	(290)	1,673	5.95%
N/P Ford Motor Credit -2013 Ford F250 Super	8/26/2013	8/26/2018	25,001	-	(4,791)	20,210	-	20,210	5.95%	1,442	-	1,442	(240)	1,202	5.95%
N/P Ford Motor Credit -2014 Ford F150	8/6/2014	8/6/2019	-	31,771	(1,824)	29,947	-	29,947	6.24%	778	-	778	1,091	1,869	6.24%
N/P Cat Financial - 2014 Excavator	3/27/2014	4/5/2019	-	65,250	(21,810)	43,440	-	43,440	0.71%	344	-	344	(36)	308	0.71%
Sub-Total (Sch F-35) (BS Line 16)			95,271	97,021	(53,438)	138,854	-	138,854		6,506	-	6,506	(209)	6,297	4.53%
Total Long Term Debt (BS Line 17)			601,580	921,398	(603,300)	919,678	(31,000)	888,678		38,913	1,837	40,750	120	40,870	4.60%
Vendors			-	-	-	-	-	-		24,600	-	24,600	(24,600)	-	-
Total This Schedule			\$ 601,580	\$ 921,398	\$ (603,300)	\$ 919,678	\$ (31,000)	\$ 888,678		\$63,513	\$1,837	\$65,350	(\$24,480)	\$40,870	
Total Interest Expense (IS Line 27)									Cap Int	-	-	-	-	-	
									Net Expense	\$63,513	\$ 1,837	\$65,350	\$ (24,480)	\$40,870	

SPSL, Cyr
8/11/2015

NHPUC Docket DW 15-209**Temporary Rates****Lakes Region Water Company****Schedule 5****Income Tax Computation**

	<u>Actual</u>	<u>Proforma</u>
Total Rate Base	\$ 2,637,330	\$ 2,765,328
Equity Component of Cost of Capital (Schedule 4)	<u>6.40%</u>	<u>6.47%</u>
Operating Net Income Required	\$ 168,829	\$ 179,033
Tax Effect (.6559)	<u>110,735</u>	<u>117,428</u>
Income Required before Income Taxes	\$ 279,563	\$ 296,461
Less: NH Business Profits Tax @ 8.5%	<u>23,763</u>	<u>25,199</u>
Income subject to Federal Taxes	\$ 255,800	\$ 271,262
Less: Federal Income Tax @ 34%	<u>86,972</u>	<u>92,229</u>
Income after Income Taxes	<u>\$ 168,828</u>	<u>\$ 179,033</u>

SPSt. Cyr
8/11/2015

NHPUC Docket DW 15-209**Temporary Rates****Lakes Region Water Company****Effective Tax Factor****Schedule 5.1**

Taxable Income	100.00%
Less: NH Business Profits Tax	<u>8.50%</u>
Federal Taxable Income	91.50%
Federal Income Tax Rate	<u>34.00%</u>
Effective Federal Income Tax Rate	31.11%
Add: NH Business Profits Tax	<u>8.50%</u>
Effective Tax Rate	<u>39.61%</u>
Percant Of Income Available if No Tax	100.00%
Effective Tax Rate	<u>39.61%</u>
Percent Used as a Divisor in Determining the Revenue Requirment	<u>60.39%</u>
Tax Multiplier	<u>65.59%</u>

SPSt. Cyr
8/11/2015

Lakes Region Water Company

Schedule 6

Report of Proposed Rate Changes

Utility Lakes Region Water Co. Date Filed: 8/14/2015
 Tariff No.: 7 Pages 10 - 12 Effective Date:

Rate of Class of Service	Effect of Change	Number of Customers	Authorized Present Revenue	Proposed Revenue	Proposed Change Amount	Proposed Change Percentage
Unmetered Customers	\$ 80,497	591	\$ 367,707	\$ 448,204	\$ 80,497	21.89%
WVG Pool	308	1	1,448	\$ 1,756	308	21.27%
Metered Customers excluding Suissevale	<u>140,682</u>	<u>1,074</u>	<u>673,988</u>	<u>\$ 814,670</u>	<u>140,682</u>	20.87%
Total Unmetered and Metered Customers excluding Suissevale Contract	\$ 221,487	1,666	\$ 1,043,143	\$ 1,264,630	\$ 221,487	21.23%
Suissevale Contract	65,754	<u>1</u>	<u>136,526</u>	<u>202,280</u>	<u>65,754</u>	48.16%
Total Sales of Water	<u>\$ 287,241</u>	<u>1,667</u>	<u>\$ 1,179,669</u>	<u>\$ 1,466,910</u>	<u>\$ 287,241</u>	24.35%
Forfeited Discount			\$ 6,438	\$ 6,438		
Miscellaneous Services Revenues	-		52,620	52,620	-	
Other Water Revenue - Rate Case Surcharge	<u>(77,283)</u>		<u>77,283</u>	<u>-</u>	<u>(77,283)</u>	
Total Other Operating Revenues	<u>\$ (77,283)</u>		<u>\$ 136,341</u>	<u>\$ 59,058</u>	<u>\$ (77,283)</u>	
Total Water Operating Revenues	<u>\$ 209,958</u>	<u>1,667</u>	<u>\$ 1,316,010</u>	<u>\$ 1,525,968</u>	<u>\$ 209,958</u>	15.95%
Avg. Res. Cust.		<u>1,666</u>	<u>\$ 626.14</u>	<u>\$ 759.08</u>	<u>\$ 132.95</u>	<u>21.23%</u>

SPSt. Cyr
8/11/2015

Lakes Region Water Company

Schedule 6.1

Calculation of Rates

Total revenue to be raised from Pool, Unmetered and Metered Customers
excluding Suissevale Contract \$ 1,264,630.00

WVG Pool

Current Annual Rate	Percentage Increase	Proposed Annual Rate	Number of Customers	Revenue to be Raised	Current Quarterly Rate	Proposed Quarterly Rate	
\$1,448.44	21.23%	\$1,755.98	1	\$1,755.98	\$362.11	\$439.00	<u>\$1,755.98</u>

Total revenue to be raised from Unmetered and Metered Customers
excluding Suissevale Contract \$1,262,874.02

Unmetered Customers

Current Annual Rate	Percentage Increase	Proposed Annual Rate	Number of Customers	Revenue to be Raised	Current Quarterly Rate	Proposed Quarterly Rate	
\$625.56	21.23%	\$758.38	591	\$448,204.33	\$156.39	\$189.60	<u>\$448,204.33</u>

Total revenue to be raised from Metered Customers
excluding Suissevale Contract \$814,669.69

Metered Customers

Current Annual Fixed Rate	Percentage Increase	Proposed Annual Fixed Rate	Number of Customers	Revenue to be Raised by Fixed Rate	Current Quarterly Fixed Rate	Proposed Quarterly Fixed Rate	
\$494.32	21.23%	\$599.28	1,074	\$643,623.75	\$123.58	\$149.82	<u>\$643,623.75</u>

Total to be raised from Volume Rate \$171,045.93

	Divided by	Annual CCF Volume	Current Volume Rate	Proposed Volume Rate	
Volume Rate Calculation	\$171,045.93 /	29,954	\$4.81	\$5.71	<u>\$171,045.93</u>
					<u>\$0.00</u>

Lakes Region Water Company

Schedule 7

Additional Half Year Depreciation and State and Local Property Taxes on 2014 Additions to Plant

Additional Rat Year Depreciation and State and Local Property Taxes on 2014 Additions to Plant																							
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)			
For the Calculation of additional property tax - additions in col F were assigned to appropriate towns in col J - S																							
Vehicles and Computer Equip not subject to prop tax - Added total by town * applicable rate - State total all towns * State Rate																							
Div #	Name	Acct #	Non-Revenue Producing	Revenue Producing	Total Division	2014 Proforma Depreciation	2014 Additions	State of NH	Moultonboro	Thornton	Tuftsboro	Laconia	Campden	Conway	Gilford	Tamworth	Ossipee	Freedom	NHDES Requir.	Description			
1	Far Echo Harbor																						
	Meters	334.4	\$ 367			\$ 9			\$ 367											DES Water Conservation Req. See e.g. Env-Wq 2100. House meter replacement			
	Pumps	311.2	\$ 2,342			\$ 118			\$ 2,342											DES Distribution Main Req. See e.g. Env-Wq 372.31. Replacement of well pump			
2	Paradise Shores				\$ 2,709															DES Pump and Flow Requirements. See e.g. Env-Wq 372.18-22. improvement to pumphouse			
	Structures	304.2	\$ 69,896			\$ 873			\$ 69,896											DES Water Conservation Req. See e.g. Env-Wq 2100. Replace ouse and 2 mag inc			
	Meters	334.4	\$ 11,764			\$ 294			\$ 11,764											DES Water Conservation Req. See e.g. Env-Wq 2100. WIFI Reciever			
	Misc. Equip	339.2	\$ 365			\$ 37			\$ 365											DES Distribution Service Req. See e.g. Env-Wq 372.32 New Service connections			
	Services	333.4	\$ 1,810			\$ 29			\$ 1,810											DES Distribution Main Req. See e.g. Env-Wq 372.31. Replacement of well pump			
	Pumps	311.2	\$ 47,249			\$ 2,361			\$ 47,249											DES Pump and Flow Requirements. See e.g. Env-Wq 372.18-22. Well improvements			
	Wells	307.2	\$ 12,123			\$ 118			\$ 12,123											DES Pump and Flow Requirements. See e.g. Env-Wq 372.18-22. New Wells			
	Wells	307.2	\$ 175,714			\$ 2,201			\$ 175,714											DES Distribution Main Req. See e.g. Env-Wq 372.31. Mains to tie wells to system			
	Mains	331.4	\$ 88,055			\$ 880			\$ 88,055											DES Distribution Main Req. See e.g. Env-Wq 372.31. Replacement of well pump			
3	West Point Pump				\$ 405,976															DES Distribution Service Req. See e.g. Env-Wq 372.32 New Service connections			
	Services	333.4	\$ 685			\$ 12			\$ 685											DES Water Conservation Req. See e.g. Env-Wq 2100. House meter replacement			
	Meters	334.4	\$ 532			\$ 14			\$ 532											DES Pump and Flow Requirements. See e.g. Env-Wq 372.18-22. improvement to pumphouse			
	Structures	304.2	\$ 1,679			\$ 17			\$ 1,679											DES Pump and Flow Requirements. See e.g. Env-Wq 372.18-22. improvement to pumphouse			
4	Waterville Valley Gateway				\$ 4,188															DES Pump and Flow Requirements. See e.g. Env-Wq 372.18-22. improvement to pumphouse			
	Structures	304.2	\$ 744			\$ 7			\$ 744											DES Water Conservation Req. See e.g. Env-Wq 2100. House meter replacement			
	Meter	334.4	\$ 205			\$ 5			\$ 205											DES Pump and Flow Requirements. See e.g. Env-Wq 372.18-22. improvement to pumphouse			
5	Hidden Valley				\$ 949															DES Pump and Flow Requirements. See e.g. Env-Wq 372.18-22. improvement to pumphouse			
	Structure	304.2	\$ 4,220			\$ 42			\$ 4,220											DES Water Conservation Req. See e.g. Env-Wq 2100. Telemetry			
	Misc. Equip	339.2	\$ 6,239			\$ 134			\$ 6,239											DES Water Conservation Req. See e.g. Env-Wq 2100. House meter			
	Meters	334.4	\$ 2,088			\$ 53			\$ 2,088											DES Water Conservation Req. See e.g. Env-Wq 2100. Telemetry			
6	Wentworth Cove				\$ 1,842															DES Water Conservation Req. See e.g. Env-Wq 2100. house meters			
	Meters	334.4	\$ 169			\$ 4			\$ 169											DES Pump and Flow Requirements. See e.g. Env-Wq 372.18-22. improvement to pumphouse			
	Structures	304.2	\$ 150			\$ 1			\$ 150											DES Water Conservation Req. See e.g. Env-Wq 2100. house meters			
	Misc. Equip	339.2	\$ 1,523			\$ 63			\$ 1,523											DES Distribution Main Req. See e.g. Env-Wq 372.31. sump pump replacement			
7	Pendleton Cove																			DES Water Conservation Req. See e.g. Env-Wq 2100. house meters			
	Misc. Equip	339.2	\$ 1,073			\$ 52			\$ 1,073											DES Water Conservation Req. See e.g. Env-Wq 2100. Telemetry			
	Meters	334.4	\$ 432			\$ 11			\$ 432											DES Water Conservation Req. See e.g. Env-Wq 2100. house meters			
8	Deer Run																			DES Water Conservation Req. See e.g. Env-Wq 2100. house meters			
	Meters	334.4	\$ 833			\$ 21			\$ 833											DES Distribution Main Req. See e.g. Env-Wq 372.31. sump pump replacement			
9	Woodland Grove Pump																			DES Water Conservation Req. See e.g. Env-Wq 2100. House meter			
		311.2	\$ 832			\$ 42			\$ 832											DES Water Conservation Req. See e.g. Env-Wq 2100. House meter			
10	Echo Lake Woods																			DES Water Conservation Req. See e.g. Env-Wq 2100. House meter			
	Meters	334.4	\$ 208			\$ 5			\$ 208											DES Water Conservation Req. See e.g. Env-Wq 2100. House meter			
11	Brake Hill																			DES Water Conservation Req. See e.g. Env-Wq 2100. House meter			
	Meters	334.4	\$ 198			\$ 5			\$ 198											DES Distribution Main Req. See e.g. Env-Wq 372.31. Pumphouse meters			
12	Tamworth Water Works																						
	Meters	334.4	\$ 560			\$ 14			\$ 560														
13	175 Estates																						
	No Additions	n/a	\$ -			\$ -			\$ -														
14	Deer Cove																						
	No Additions	n/a	\$ -			\$ -			\$ -														
15	Lake Ossipee Village Mains																						
		331.4	\$ 15,139			\$ 151																	
																		\$	560			\$	15,139

Lakes Region Water Company
Schedule 7[illegible]

2014 Retirements

Div #	Name	Acct #	Amount	Division Total	Deprciation adj on Proforma
1	Far Echo Harbor				
	Meters	334.4	\$ (151)		0
	Pumps	311.2	\$ (2,070)		0
			\$	(2,221)	
2	Paradise Shores				
	Pumps	331.2	\$ (478)		0
	Meters	334.4	\$ (2,814)		0
			\$	(3,292)	
3	West Point				
	pumps	311.2	\$ (958)		0
	Meters	334.4	\$ (178)		0
			\$	(1,136)	
4	Waterville Valley Gateway				
	Meters	334.4	\$ (160)		0
			\$	(160)	
5	Hidden Valley				
	Land	303	\$ (1,205)		
	Meters	334.4	\$ (1,173)		0
			\$	(2,378)	
6	Wentworth Cove				
	Meters	334.4	\$ (97)		0
			\$	(97)	
7	Pendelton Cove				
	Meters	334.4	\$ (225)		0
			\$	(225)	
8	Deer Run				
	Meters	334.4	\$ (482)		0
			\$	(482)	
9	Woodland Grove				
	Pumps	311.2	\$ (334)		0
			\$	(334)	
10	Echo Lake Woods				
	Meters	334.4	\$ (106)		0
			\$	(106)	
11	Brake Hill				
	Meters	334.4	\$ (96)		0
			\$	(96)	
12	Tamworth Water Works				
	No Retirements	n/a	\$ -	\$ -	0
13	175 Estates				
	No Retirements	n/a	\$ -	\$ -	0
14	Deer Cove				
	No Retirements	n/a	\$ -	\$ -	0
15	Lake Ossipee Village				
	No Retirements	n/a	\$ -	\$ -	0
16	Indian Mound				
	Pump	311.2	\$ (659)		0
			\$	(659)	
17	Gunstock Glen				
	No Retirements	n/a	\$ -	\$ -	0
50	Administrative				
	Vehicle	341.5	\$ (63,727)		0
			\$	(63,727)	
Total Plant Retired from Service			\$	(74,913)	\$ -

P. O. Box 389
420 Governor Wentworth Highway
Moultonboro, NH 03254
Telephone: (603) 476-2348
Fax: (603) 476-2721

LAKE REGION WATER COMPANY, INC.

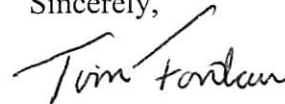
August 17, 2015

Debra A. Howland
Executive Director & Secretary
NH Public Utilities Commission
21 S. Fruit St., Suite 10
Concord, N. H. 03301-2429

Dear Ms. Howland:

Lakes Region Water Company's ("Company") filing for the proposed rate change in DW 15-209 was prepared utilizing the Company's books and records. To the best of my knowledge and belief, the filing including its revenue and expenses and assets and liabilities accurately reflects the Company's books.

Sincerely,



Tim Fontaine

Email: lrwater@lakesregionwater.com
www.lakesregionwater.com