

Concord Steam  
PUC 1604.01 (a) Required filing

(1) Internal financial reports for the first and last month of the test year.

Profit & Loss Statement

Month of January 2015

4-0000	Income	
4-5000	Base Steam Income	
4-5010	Commercial/Ind. Base Income	\$169,956
4-5020	Public Authority Base Income	\$433,362
4-5025	Sales Discount	(\$199,746)
4-5027	Energy Income	
4-5028	Commercial Energy Income	\$198,481
4-5029	Public Auth. Energy Income	\$517,959
4-5045	Meter Charges	\$7,260
4-5048	Sale of Electricity	\$23,006
4-5060	Customer Service	
4-5061	Customer Service Parts	\$6,035
4-5062	Customer Service Revenue	\$3,450
4-5115	Misc. Income	\$1,629
	Total Income	\$1,161,392
5-0000	Cost Of Sales	
5-6000	Rent - NH Hospital Plant Lease	\$100,516
5-6006	Diesel Fuel	\$1,295
5-6012	Wood Fuel	
5-6013	Whole Tree Chips	\$131,131
5-6015	Wood Procurement	\$2,917
5-6016	Gas	
5-6017	Main Gas	\$300,906
5-6018	Pilot Gas	\$60
5-6020	Ash Disposal	\$2,184
5-6030	Chemicals	
5-6031	Treatment Chemicals	\$1,548
5-6035	Salt (Boiler)	\$1,528
5-6036	Fuel Additives	\$194
5-6040	Lubricants	\$264
5-6045	Gases (Welding)	\$471
5-6050	Consumables	
5-6051	Mechanical	\$657
5-6052	Pipe Fittings	\$157
5-6053	Valves (Gaskets, Packing etc)	\$813
5-6055	Misc. Small Tools	\$713
5-6060	Consumables/Electrical	\$60
5-6065	Consumables/Building & Struct.	\$69
5-6075	Electricity Purchased	\$2,708
5-6085	Rental Fees/Plant Maintenance	(\$126)
5-6090	Rental Fees/Distribution	\$600
5-6095	Repair Parts/Mechanical Plant	\$2,282

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5-6102	Repairs Distribution	
5-6105	RepairParts Distribution	\$519
5-6106	Pipe	\$210
5-6109	Valves	\$2,101
5-6110	Contracts Maint.&Repair/Plant	\$4,058
5-6117	Instrumentation/Elect	\$2,720
5-6120	Customer Parts/Supplies	\$7,227
5-7000	Turbines-C	
5-7052	Pipe Fittings Turbines	\$87
5-7095	Repair Parts/Mech. Turbine	\$468
5-8000	New Yard Expenses	
5-8005	Yard Rental	\$11,816
5-8010	Utilities	\$805
5-8015	Heat Yard	\$628
5-8060	Contracts-Hauling	\$1,400
5-8085	Loader rental	\$4,300
5-8086	Tractor rental	\$1,269
	Total Cost Of Sales	\$588,553
	Gross Profit	\$572,840
6-0000	Expenses	
6-2100	Discounts Taken	(\$48)
6-2300	Interest Paid	\$1,202
6-5200	Employer FICA	\$5,697
6-5201	Employer SEP/IRA	\$735
6-5202	SUTA	\$1,270
6-5203	FUTA	\$438
6-5700	Steam Plant Labor	
6-5701	Superintendence/Plant-12%	\$7,621
6-5702	Boiler Labor-56%	\$35,565
6-5725	Plant Equip. Maint. Labor-10%	\$6,351
6-5756	Superintendence/Distrib. - 7%	\$4,446
6-5761	O&M Distribution Lines Lab-5%	\$3,175
6-5762	Meter Operating Labor-7%	\$4,446
6-5780	Meter Rding/Collection Lab-3%	\$1,905
6-5781	Customer Billing Labor	\$1,141
6-5791	General Office Labor	\$1,902
6-5799	Contracted Admin. Services	\$457
	Total Steam Plant Labor	\$67,009
6-6130	Depreciation	\$20,173
6-6140	Property Tax-City	\$12,546
6-6172	City Fees	\$60
6-6173	Assoc. Dues/Fees/Memberships	\$1,170
6-6190	Marketing/Promotions/Adv.	\$384
6-6500	Postage	\$32
6-6505	Office Equipment Exp.	\$10
6-6510	Telephone	\$1,130
6-6516	Employee Appreciation	\$46

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6-6520	Leases/Rentals Equipment	\$574
6-6535	Misc. Office Expense/Supplies	\$1,091
6-6555	Engineering Consultants	\$2,935
6-6560	Management Fees	\$7,092
6-6565	Other Consultants	\$266
6-6570	PUC Tax	\$9,818
6-6575	Insurance	
6-6576	Liability/Auto Insurance	\$8,026
6-6577	Workmen's Comp.	\$3,475
6-6585	Employee Med, Dental etc. Ins.	\$9,950
6-6590	Uniforms	\$1,036
6-6600	Safety Equipment	\$979
6-6615	Misc. General Expense	\$584
6-6620	Vehicle Registrations	\$532
6-6625	Truck & Loader Maintenance	\$1,344
6-6626	Truck Lease	\$539
6-6630	Gasoline	\$1,112
6-6635	Interest	
6-6636	Credit Line Interest	\$4,443
6-6637	Term Loan Interest	\$1,405
6-6641	Lease Interest	\$325
6-6642	Truck Loan - Ranger Interest	\$14
	Total Interest	\$6,187
6-6680	Special Payroll/Retired	\$625
6-6710	Bank Charges	\$363
6-9200	Truck/Loader Expense	\$380
6-9205	Tractor Trailer Fuel	\$621
6-9230	Veh. Registrations	\$1,351
6-9600	Property Tax Yard	\$960
	Total Expenses	\$171,692
	Operating Profit	\$401,147
8-0000	Other Income	
9-0000	Non-Operating Expense	
9-5000	Temp Expense	\$1,543
9-9500	Ins. Claims	\$223,333
9-9555	Off Book Rent Expense	\$2,184
9-9560	Service/Late Fees	\$36
	Total Non-Operating Expense	\$227,096
	Net Profit/(Loss)	\$174,051

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(1) Internal financial reports for the first and last month of the test year.

Balance Sheet

As of January 2015

1-0000	Assets	
1-1010	General Checking Account	(\$561,328)
1-1200	Current Assets	
1-1225	Expansion Project/onsite	\$7
1-1251	Accounts Receivable	\$1,152,928
1-1259	Allowance for Doubtful A/R	(\$12,661)
1-2005	Prepaid Oil Additive/Comb. Cat	\$2,276
1-2010	Wood Inventory	\$106,825
1-2030	Parts/Supplies Inventory	\$61,281
1-2035	Chemical Inventory/Salt	\$6,806
1-2040	Prepaid Insurance	\$22,709
1-2042	Prepaid Empl. Insurances	\$11,905
1-2050	Prepaid Property Tax	\$25,092
1-2052	Prepaid Property Tax Yard	\$3,522
1-2055	Deferred Tax Debit	\$550,026
1-2500	Fixed Assets	
1-2502	Organization	\$139
1-2505	Rights of Way	\$2,655
1-2506	Construction Cont. to Others	\$31,000
1-2508	LH Improvements	\$325,535
1-2510	Structures	\$671,407
1-2512	Wood Yard Equipment	\$103,563
1-2514	Wood Yard Building	\$35,184
1-2515	Plant Equipment	\$7,009,198
1-2516	Special FA Account	\$156,837
1-2520	Underground Mains	\$3,462,243
1-2525	Services-Equip. Main to Meter	\$523,258
1-2530	Customers' Meters	\$149,265
1-2535	Office Equip/Improvements	\$29,152
1-2540	Transportation Equipment	\$142,991
1-2545	Shop Equipment	\$8,392
1-2555	Large Tools	\$5,370
1-2560	Misc. General Equipment	\$5,162
1-2565	Depreciation	(\$6,307,426)
1-2570	CIAC-Received-Accum. Amort.	\$118,383
1-2575	Turbine Assets	\$19,762
1-2580	Plant Safety Improvements	\$20,419
1-2600	Cost of Obtaining Financing	\$10,242
1-2601	Accum.Amort.Cost of Ob.Finance	(\$10,242)
	Total Assets	\$7,881,873

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2-0000	Liabilities	
2-0500	Owed to Principals	\$345,000
2-1000	Mortgages/J. Alosa	(\$3)
2-2000	Accounts Payable	\$1,172,084
2-3000	Accrued Taxes FICA/Med	(\$834)
2-3011	Accrued Empl. Other Ded.	(\$3,424)
2-3014	Accr.Med&Dental	(\$4,774)
2-3020	Accrued Taxes FUTA	\$434
2-3025	Accrued Taxes-SUTA	\$1,270
2-3027	Accrued Interest	\$1,925
2-3030	Accrued Taxes - 1120 NH	\$498
2-3050	SEP/IRA Deposits	\$1,820
2-3055	AFLAC pre-tax	\$1,415
2-3056	AFLAC/LTD After Tax	(\$273)
2-3060	Deferred Income Tax Credit	\$1,187,741
2-3065	Line of Credit	\$710,304
2-3500	Long Term Liabilities	
2-3501	Current Maturity Offset	(\$272,651)
2-3502	Current Maturity LTD	\$272,651
2-3505	Term Loan	\$30,305
2-3506	Long Term Loan TD Bank	\$377,403
2-3512	Truck Loan - Ranger	\$5,996
2-3513	Truck Loan - F150	\$28,937
2-3530	Contribution Aid to Constr.	\$671,975
2-4000	Customer Deposits	\$1,100
2-7000	Credit Cards	
2-7001	Chase VISA	\$16,596
	Total Liabilities	\$4,545,495
3-0000	Equity	
3-4000	Common Stock	\$91,200
3-4010	Capital Surplus	\$220,653
3-4022	Treasury stock	(\$873,000)
3-4500	Retained Earnings	\$3,723,475
3-9000	Current Earnings	\$174,051
	Total Equity	\$3,336,379
	Total Liability & Equity	\$7,881,873

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(1) Internal financial reports for the first and last month of the test year.

Profit & Loss Statement

Month of December 2015

4-0000	Income	
4-5000	Base Steam Income	
4-5010	Commercial/Ind. Base Income	\$87,094
4-5020	Public Authority Base Income	\$242,537
4-5025	Sales Discount	(\$60,345)
4-5027	Energy Income	
4-5028	Commercial Energy Income	\$103,902
4-5029	Public Auth. Energy Income	\$292,443
4-5045	Meter Charges	\$6,860
4-5048	Sale of Electricity	\$4,379
4-5060	Customer Service	
4-5061	Customer Service Parts	\$150
4-5062	Customer Service Revenue	\$300
4-5115	Misc. Income	\$53
	Total Income	\$677,373
5-0000	Cost Of Sales	
5-6012	Wood Fuel	
5-6013	Whole Tree Chips	\$117,472
5-6015	Wood Procurement	\$2,917
5-6016	Gas	
5-6017	Main Gas	\$191,930
5-6018	Pilot Gas	\$55
5-6020	Ash Disposal	\$1,693
5-6025	Water/Sewer	\$27,199
5-6030	Chemicals	
5-6031	Treatment Chemicals	\$1,325
5-6035	Salt (Boiler)	\$377
5-6036	Fuel Additives	\$193
5-6050	Consumables	
5-6051	Mechanical	\$2
5-6052	Pipe Fittings	\$676
5-6053	Valves (Gaskets, Packing etc)	\$908
5-6055	Misc. Small Tools	\$531
5-6060	Consumables/Electrical	\$305
5-6065	Consumables/Building & Struct.	\$164
5-6070	Misc. Production Supplies/Exp.	\$40
5-6075	Electricity Purchased	\$5,929
5-6085	Rental Fees/Plant Maintenance	\$128
5-6095	Repair Parts/Mechanical Plant	\$2,649
5-6100	Repair Parts Electrical	\$629
5-6102	Repairs Distribution	
5-6105	RepairParts Distribution	\$13

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5-6110	Contracts Maint.&Repair/Plant	\$5,040
5-6120	Customer Parts/Supplies	\$13,466
5-8000	New Yard Expenses	
5-8005	Yard Rental	\$11,816
5-8006	Loader Fuel	\$1,064
5-8010	Utilities	\$448
5-8051	Mechanical Repairs/Yard	\$272
5-8085	Loader rental	\$4,300
5-8086	Tractor rental	\$1,269
	Total Cost Of Sales	\$392,809
	Gross Profit	\$284,564
6-0000	Expenses	
6-2100	Discounts Taken	(\$50)
6-2300	Interest Paid	\$920
6-5200	Employer FICA	\$6,354
6-5201	Employer SEP/IRA	\$888
6-5202	SUTA	\$2
6-5203	FUTA	\$2
6-5700	Steam Plant Labor	
6-5701	Superintendence/Plant-12%	\$6,464
6-5702	Boiler Labor-56%	\$30,167
6-5725	Plant Equip. Maint. Labor-10%	\$5,387
6-5756	Superintendence/Distrib. - 7%	\$3,771
6-5761	O&M Distribution Lines Lab-5%	\$2,694
6-5762	Meter Operating Labor-7%	\$3,771
6-5780	Meter Rding/Collection Lab-3%	\$1,616
6-5781	Customer Billing Labor	\$1,313
6-5791	General Office Labor	\$2,188
	Total Steam Plant Labor	\$57,370
6-6130	Depreciation	\$20,173
6-6140	Property Tax-City	\$10,721
6-6172	City Fees	\$60
6-6510	Telephone	\$1,667
6-6516	Employee Appreciation	\$8,200
6-6530	Cleaning Supplies/Expense	\$195
6-6535	Misc. Office Expense/Supplies	\$22
6-6555	Engineering Consultants	\$8,500
6-6560	Management Fees	\$7,092
6-6575	Insurance	
6-6576	Liability/Auto Insurance	\$7,896
6-6577	Workmen's Comp.	\$2,770
6-6585	Employee Med, Dental etc. Ins.	\$6,322
6-6590	Uniforms	\$1,460
6-6600	Safety Equipment	\$241
6-6615	Misc. General Expense	\$166
6-6620	Vehicle Registrations	\$350
6-6625	Truck & Loader Maintenance	\$170

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6-6626	Truck Lease	\$539
6-6630	Gasoline	\$1,021
6-6635	Interest	
6-6636	Credit Line Interest	\$4,869
6-6637	Term Loan Interest	\$561
6-6638	Truck Loan Interest	\$54
6-6641	Lease Interest	\$325
6-6642	Truck Loan - Ranger Interest	\$17
	Total Interest	\$5,826
6-6680	Special Payroll/Retired	\$375
6-6710	Bank Charges	\$378
6-9205	Tractor Trailer Fuel	\$240
6-9600	Property Tax Yard	\$1,494
	Total Expenses	\$151,363
	Operating Profit	\$133,201
8-0000	Other Income	
8-6000	A/R Deposit clearing account	\$1,556
	Total Other Income	\$1,556
9-0000	Non-Operating Expense	
9-5000	Temp Expense	(\$4,043)
9-8000	Misc. Project Expense	(\$11,000)
9-9555	Off Book Rent Expense	\$2,184
	Total Non-Operating Expense	(\$12,859)
	Net Profit/(Loss)	\$147,616



Concord Steam  
PUC 1604.01 (a) Required filing

(1) Internal financial reports for the last month of the test year.

Balance Sheet

December 2015

1-0000	Assets	
1-1010	General Checking Account	(\$71,111)
1-1200	Current Assets	
1-1225	Expansion Project/onsite	\$7
1-1251	Accounts Receivable	\$729,896
1-1254	Employee Loan	\$2,500
1-1259	Allowance for Doubtful A/R	(\$6,421)
1-1500	Black Rock Mutual Funds	\$6,142
1-2005	Prepaid Oil Additive/Comb. Cat	\$1,493
1-2010	Wood Inventory	\$34,066
1-2030	Parts/Supplies Inventory	\$61,281
1-2035	Chemical Inventory/Salt	\$4,000
1-2040	Prepaid Insurance	\$22,709
1-2042	Prepaid Empl. Insurances	\$11,905
1-2050	Prepaid Property Tax	\$59,959
1-2052	Prepaid Property Tax Yard	(\$1,277)
1-2055	Deferred Tax Debit	\$550,026
1-2500	Fixed Assets	
1-2502	Organization	\$139
1-2505	Rights of Way	\$2,655
1-2506	Construction Cont. to Others	\$31,000
1-2508	LH Improvements	\$332,051
1-2510	Structures	\$671,407
1-2512	Wood Yard Equipment	\$103,563
1-2514	Wood Yard Building	\$35,184
1-2515	Plant Equipment	\$7,243,207
1-2516	Special FA Account	\$156,837
1-2518	New Plant/CSC/CWIP	\$10,000
1-2520	Underground Mains	\$3,483,519
1-2525	Services-Equip. Main to Meter	\$523,258
1-2530	Customers' Meters	\$149,265
1-2535	Office Equip/Improvements	\$29,152
1-2540	Transportation Equipment	\$142,991
1-2545	Shop Equipment	\$8,392
1-2555	Large Tools	\$5,370
1-2560	Misc. General Equipment	\$5,162
1-2565	Depreciation	(\$6,529,327)
1-2570	CIAC-Received-Accum. Amort.	\$118,383
1-2575	Turbine Assets	\$19,762
1-2580	Plant Safety Improvements	\$20,419
1-2600	Cost of Obtaining Financing	\$10,242
1-2601	Accum.Amort.Cost of Ob.Finance	(\$10,242)
	Total Assets	\$7,967,563

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2-0000	Liabilities	
2-0500	Owed to Principals	\$700,000
2-1000	Mortgages/J. Alosa	(\$3)
2-2000	Accounts Payable	\$993,294
2-3000	Accrued Taxes FICA/Med	\$66
2-3010	Payroll Federal Withholding	(\$32)
2-3011	Accrued Empl. Other Ded.	(\$21,035)
2-3012	Accrued Payroll	\$12,850
2-3014	Accr.Med&Dental	(\$4,356)
2-3020	Accrued Taxes FUTA	(\$3)
2-3025	Accrued Taxes-SUTA	\$58
2-3027	Accrued Interest	\$1,925
2-3030	Accrued Taxes - 1120 NH	\$498
2-3050	SEP/IRA Deposits	\$0
2-3055	AFLAC pre-tax	\$1,406
2-3056	AFLAC/LTD After Tax	(\$220)
2-3060	Deferred Income Tax Credit	\$1,187,741
2-3065	Line of Credit	\$1,040,013
2-3500	Long Term Liabilities	
2-3501	Current Maturity Offset	(\$272,651)
2-3502	Current Maturity LTD	\$272,651
2-3505	Term Loan	\$23,986
2-3506	Long Term Loan TD Bank	\$132,585
2-3512	Truck Loan - Ranger	\$3,358
2-3513	Truck Loan - F150	\$22,138
2-3530	Contribution Aid to Constr.	\$671,975
2-4000	Customer Deposits	\$1,100
2-7000	Credit Cards	
2-7001	Chase VISA	\$30,382
	Total Liabilities	\$4,797,726
3-0000	Equity	
3-4000	Common Stock	\$91,200
3-4010	Capital Surplus	\$220,653
3-4022	Treasury stock	(\$873,000)
3-4500	Retained Earnings	\$3,723,475
3-9000	Current Earnings	\$7,510
	Total Equity	\$3,169,838
	Total Liability & Equity	\$7,967,563

Concord Steam  
PUC 1604.01 (a) Required filing

(1) Internal financial reports for the entire test year

Profit & Loss Statement

January 2015 through December 2015

4-0000	Income	
4-5000	Base Steam Income	
4-5005	Residential Base Income	\$17
4-5010	Commercial/Ind. Base Income	\$760,679
4-5020	Public Authority Base Income	\$2,001,718
4-5025	Sales Discount	(\$564,476)
4-5027	Energy Income	
4-5028	Commercial Energy Income	\$902,593
4-5029	Public Auth. Energy Income	\$2,413,784
4-5030	Residential Energy Income	\$20
4-5040	Customer Penalties	\$1,796
4-5045	Meter Charges	\$53,948
4-5048	Sale of Electricity	\$91,278
4-5060	Customer Service	
4-5061	Customer Service Parts	\$36,891
4-5062	Customer Service Revenue	\$38,702
4-5115	Misc. Income	\$10,103
	Total Income	\$5,747,052
5-0000	Cost Of Sales	
5-6000	Rent - NH Hospital Plant Lease	\$100,572
5-6006	Diesel Fuel	\$1,295
5-6012	Wood Fuel	
5-6013	Whole Tree Chips	\$1,058,780
5-6015	Wood Procurement	\$35,000
5-6016	Gas	
5-6017	Main Gas	\$1,630,527
5-6018	Pilot Gas	\$733
5-6020	Ash Disposal	\$22,389
5-6025	Water/Sewer	\$212,120
5-6026	Calibration Gases (CEM)	\$2,112
5-6030	Chemicals	
5-6031	Treatment Chemicals	\$21,123
5-6032	Reagents	\$1,723
5-6035	Salt (Boiler)	\$5,742
5-6036	Fuel Additives	\$3,297
5-6040	Lubricants	\$1,900
5-6045	Gases (Welding)	\$5,405
5-6050	Consumables	
5-6051	Mechanical	\$8,990
5-6052	Pipe Fittings	\$5,839
5-6053	Valves (Gaskets, Packing etc)	\$6,350
5-6055	Misc. Small Tools	\$11,991

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5-6060	Consumables/Electrical	\$2,721
5-6065	Consumables/Building & Struct.	\$1,306
5-6070	Misc. Production Supplies/Exp.	\$325
5-6075	Electricity Purchased	\$75,268
5-6080	Maintenance of Structures	\$5,180
5-6085	Rental Fees/Plant Maintenance	\$4,571
5-6090	Rental Fees/Distribution	\$955
5-6095	Repair Parts/Mechanical Plant	\$29,945
5-6100	Repair Parts Electrical	\$8,082
5-6102	Repairs Distribution	
5-6105	RepairParts Distribution	\$3,292
5-6106	Pipe	\$1,181
5-6108	Road Materials	\$484
5-6109	Valves	\$8,304
5-6110	Contracts Maint.&Repair/Plant	\$80,579
5-6114	Contracts Main/Repairs Road	\$8,303
5-6115	Contracts Maint.&Repair Distri	\$1,894
5-6116	C.E.M. System	\$26,415
5-6117	Instrumentation/Elect	\$6,558
5-6120	Customer Parts/Supplies	\$75,529
5-7000	Turbines-C	
5-7051	Mechanical Turbines	\$23
5-7052	Pipe Fittings Turbines	\$87
5-7053	Valves (Gaskets, etc. turbines	\$76
5-7095	Repair Parts/Mech. Turbine	\$1,784
5-7100	Repair Parts/Elect. Turbines	\$158
5-8000	New Yard Expenses	
5-8005	Yard Rental	\$141,792
5-8006	Loader Fuel	\$4,315
5-8010	Utilities	\$4,522
5-8015	Heat Yard	\$2,412
5-8051	Mechanical Repairs/Yard	\$530
5-8060	Contracts-Hauling	\$3,250
5-8085	Loader rental	\$51,597
5-8086	Tractor rental	\$15,233
	Total Cost Of Sales	\$3,702,557
	Gross Profit	\$2,044,496
6-0000	Expenses	
6-2100	Discounts Taken	(\$1,199)
6-2300	Interest Paid	\$7,670
6-5200	Employer FICA	\$68,708
6-5201	Employer SEP/IRA	\$9,371
6-5202	SUTA	\$1,609
6-5203	FUTA	\$717
6-5204	SUTA Admin. Contrib.	\$55
6-5700	Steam Plant Labor	
6-5701	Superintendence/Plant-12%	\$102,861

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6-5702	Boiler Labor-56%	\$480,017
6-5725	Plant Equip. Maint. Labor-10%	\$85,717
6-5756	Superintendence/Distrib. - 7%	\$60,002
6-5761	O&M Distribution Lines Lab-5%	\$42,859
6-5762	Meter Operating Labor-7%	\$59,946
6-5780	Meter Rding/Collection Lab-3%	\$25,715
6-5781	Customer Billing Labor	\$15,579
6-5791	General Office Labor	\$25,965
6-5799	Contracted Admin. Services	\$457
	Total Steam Plant Labor	\$899,117
6-6100	Property Tax	\$61
6-6130	Depreciation	\$242,073
6-6140	Property Tax-City	\$139,598
6-6141	Property Tax-Utility	\$48,971
6-6166	State BET Taxes	\$7,998
6-6170	Contributions/Donations	\$7,075
6-6171	State Fees	\$73,486
6-6172	City Fees	\$2,018
6-6173	Assoc. Dues/Fees/Memberships	\$6,749
6-6185	Shipping & Handling	\$37
6-6190	Marketing/Promotions/Adv.	\$1,500
6-6500	Postage	\$1,110
6-6505	Office Equipment Exp.	\$2,321
6-6510	Telephone	\$15,305
6-6515	Employee Recruiting	\$7
6-6516	Employee Appreciation	\$10,454
6-6517	Employee Training/Education	\$633
6-6518	Employee Med. Testing Expense	\$220
6-6520	Leases/Rentals Equipment	\$574
6-6523	Travel Meals etc.	\$44
6-6525	Travel Expenses	\$1,603
6-6530	Cleaning Supplies/Expense	\$4,565
6-6535	Misc. Office Expense/Supplies	\$6,422
6-6545	Attorneys	\$3,985
6-6550	Accountants	\$21,550
6-6555	Engineering Consultants	\$25,643
6-6560	Management Fees	\$85,098
6-6565	Other Consultants	\$9,048
6-6570	PUC Tax	\$28,619
6-6575	Insurance	
6-6576	Liability/Auto Insurance	\$100,384
6-6577	Workmen's Comp.	\$45,536
6-6585	Employee Med, Dental etc. Ins.	\$102,499
6-6590	Uniforms	\$13,932
6-6600	Safety Equipment	\$6,041
6-6615	Misc. General Expense	\$3,029
6-6620	Vehicle Registrations	\$2,012
6-6625	Truck & Loader Maintenance	\$16,402
6-6626	Truck Lease	\$6,463

Concord Steam  
PUC 1604.01 (a) Required filing

6-6630	Gasoline	\$13,315
6-6635	Interest	
6-6636	Credit Line Interest	\$40,840
6-6637	Term Loan Interest	\$11,433
6-6638	Truck Loan Interest	\$697
6-6639	Interest Customer Deposits	\$2
6-6641	Lease Interest	\$3,895
6-6642	Truck Loan - Ranger Interest	\$148
	Total Interest	\$57,013
6-6680	Special Payroll/Retired	\$6,500
6-6710	Bank Charges	\$6,267
6-9100	Misc. Exp. Office, etc.	\$182
6-9200	Truck/Loader Expense	\$5,376
6-9205	Tractor Trailer Fuel	\$5,201
6-9230	Veh. Registrations	\$1,351
6-9560	Highway Use Tax	\$570
6-9600	Property Tax Yard	\$14,725
	Total Expenses	\$2,139,615
	Operating Profit	(\$95,119)
8-0000	Other Income	
9-0000	Non-Operating Expense	
9-8000	Misc. Project Expense	(\$11,000)
9-9500	Ins. Claims	\$13,113
9-9555	Off Book Rent Expense	\$26,208
9-9560	Service/Late Fees	\$140
9-9570	Checking acct. reconciliation	\$1
	Total Non-Operating Expense	\$28,462
	Net Profit/(Loss)	(\$123,581)

Concord Steam  
PUC 1604.01 (a) Required filing

(1) Internal financial reports for the 12 months prior to the test year

Balance Sheet

December 2014

1-0000	Assets	
1-1010	General Checking Account	(\$284,385)
1-1200	Current Assets	
1-1225	Expansion Project/onsite	\$7
1-1251	Accounts Receivable	\$884,603
1-1254	Employee Loan	\$0
1-1259	Allowance for Doubtful A/R	(\$12,661)
1-1500	Black Rock Mutual Funds	\$0
1-2005	Prepaid Oil Additive/Comb. Cat	\$2,470
1-2010	Wood Inventory	\$74,738
1-2030	Parts/Supplies Inventory	\$61,281
1-2035	Chemical Inventory/Salt	\$6,453
1-2040	Prepaid Insurance	\$22,709
1-2042	Prepaid Empl. Insurances	\$11,905
1-2050	Prepaid Property Tax	\$0
1-2052	Prepaid Property Tax Yard	\$4,482
1-2055	Deferred Tax Debit	\$550,026
1-2500	Fixed Assets	
1-2502	Organization	\$139
1-2505	Rights of Way	\$2,655
1-2506	Construction Cont. to Others	\$31,000
1-2508	LH Improvements	\$325,263
1-2510	Structures	\$671,407
1-2512	Wood Yard Equipment	\$103,563
1-2514	Wood Yard Building	\$35,184
1-2515	Plant Equipment	\$6,997,590
1-2516	Special FA Account	\$156,837
1-2518	New Plant/CSC/CWIP	\$0
1-2520	Underground Mains	\$3,462,243
1-2525	Services-Equip. Main to Meter	\$523,258
1-2530	Customers' Meters	\$149,265
1-2535	Office Equip/Improvements	\$29,152
1-2540	Transportation Equipment	\$142,275
1-2545	Shop Equipment	\$8,392
1-2555	Large Tools	\$5,370
1-2560	Misc. General Equipment	\$5,162
1-2565	Depreciation	(\$6,287,254)
1-2570	CIAC-Received-Accum. Amort.	\$118,383
1-2575	Turbine Assets	\$19,762
1-2580	Plant Safety Improvements	\$20,419
1-2600	Cost of Obtaining Financing	\$10,242
1-2601	Accum.Amort.Cost of Ob.Finance	(\$10,242)
	Total Assets	\$7,841,691

Concord Steam  
PUC 1604.01 (a) Required filing

2-0000	Liabilities	
2-0500	Owed to Principals	\$345,000
2-1000	Mortgages/J. Alosa	\$0
2-2000	Accounts Payable	\$986,452
2-3000	Accrued Taxes FICA/Med	(\$819)
2-3010	Payroll Federal Withholding	\$0
2-3011	Accrued Empl. Other Ded.	(\$3,694)
2-3012	Accrued Payroll	\$10,817
2-3014	Accr.Med&Dental	(\$4,682)
2-3020	Accrued Taxes FUTA	(\$3)
2-3025	Accrued Taxes-SUTA	\$0
2-3027	Accrued Interest	\$1,925
2-3030	Accrued Taxes - 1120 NH	\$498
2-3050	SEP/IRA Deposits	\$6,205
2-3055	AFLAC pre-tax	\$1,415
2-3056	AFLAC/LTD After Tax	(\$42)
2-3060	Deferred Income Tax Credit	\$1,187,741
2-3065	Line of Credit	\$993,869
2-3500	Long Term Liabilities	
2-3501	Current Maturity Offset	(\$272,651)
2-3502	Current Maturity LTD	\$272,651
2-3505	Term Loan	\$30,305
2-3506	Long Term Loan TD Bank	\$400,075
2-3512	Truck Loan - Ranger	\$5,996
2-3513	Truck Loan - F150	\$28,937
2-3530	Contribution Aid to Constr.	\$671,975
2-4000	Customer Deposits	\$1,100
2-7000	Credit Cards	
2-7001	Chase VISA	\$18,934
	Total Liabilities	\$4,682,005
3-0000	Equity	
3-4000	Common Stock	\$91,200
3-4010	Capital Surplus	\$220,653
3-4022	Treasury stock	(\$873,000)
3-4500	Retained Earnings	\$3,579,872
3-9000	Current Earnings	\$140,961
	Total Equity	\$3,159,686
	Total Liability & Equity	\$7,841,691







Concord Steam  
PUC 1604.01 (a) Required filing

6-6577	Workers's Comp.	\$0	\$6,200	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$6,200	\$0	\$3,100	\$3,100	\$34,990
6-6585	Employee Med, Dental etc. Ins.	\$12,376	\$9,415	\$9,358	\$18,484	\$2,073	\$9,709	\$9,029	\$9,709	\$10,175	\$7,739	\$5,922	\$5,922	\$114,179
6-6590	Uniforms	\$1,353	\$697	\$1,122	\$1,030	\$1,217	\$980	\$861	\$980	\$1,253	\$1,141	\$1,246	\$1,246	\$13,064
6-6600	Safety Equipment	\$638	\$145	\$3,277	\$3,628	\$1,760	\$921	\$75	\$921	\$606	\$726	\$190	\$428	\$2,287
6-6615	Misc. General Expense	\$209	\$145	\$190	\$190	\$272	\$130	\$172	\$130	\$137	\$182	\$0	\$0	\$1,172
6-6620	Vehicle Registrations	\$816	\$0	\$0	\$356	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,764
6-6625	Truck & Loader Maintenance	\$1,734	\$495	\$676	\$929	\$101	\$834	\$0	\$834	\$330	\$193	\$1,992	\$1,992	\$6,463
6-6626	Truck Lease	\$705	\$539	\$539	\$539	\$539	\$539	\$539	\$539	\$539	\$539	\$539	\$539	\$6,463
6-6630	Gasoline	\$1,013	\$1,857	\$1,431	\$1,728	\$1,473	\$1,709	\$2,033	\$1,709	\$2,177	\$1,102	\$1,369	\$1,369	\$18,697
6-6635	Interest	\$4,488	\$0	\$1,511	\$0	\$2,283	\$3,784	\$2,585	\$3,784	\$4,482	\$4,970	\$4,314	\$4,314	\$34,012
6-6636	Credit Line Interest	\$1,263	\$0	\$1,015	\$0	\$960	\$1,711	\$1,711	\$1,652	\$1,639	\$1,503	(\$89)	(\$89)	\$14,541
6-6637	Term Loan Interest	\$0	\$0	\$0	\$175	\$175	\$175	\$0	\$175	(\$59)	\$76	\$995	\$995	\$1,539
6-6638	Truck Loan Interest	\$3	\$325	\$0	\$649	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6-6639	Interest Customer Deposits	\$3	\$325	\$0	\$649	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6-6641	Lease Interest	\$16	\$16	\$16	\$33	\$16	\$325	\$0	\$325	\$325	\$325	(\$466)	(\$466)	\$3,104
6-6642	Truck Loan - Ranger Interest	\$6,094	\$341	\$2,543	\$857	\$3,435	\$4,621	\$4,621	\$5,952	\$6,404	\$6,890	\$4,770	\$4,770	\$53,448
6-6680	Special Payroll/Retired	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$250	\$250	\$11,250
6-6710	Bank Charges	\$350	\$357	\$358	\$346	\$357	\$342	\$342	\$340	\$342	\$344	\$352	\$352	\$4,198
6-7000	Current Income Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,498
6-7050	Deferred Tax Provision	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85,556
6-9100	Misc. Exp. Office, etc.	\$0	\$0	\$0	\$0	\$258	\$0	\$0	\$0	\$0	\$0	\$18	\$18	\$276
6-9200	Truck/Loader Expense	\$1,320	\$2,004	\$1,586	\$130	\$356	\$119	\$119	\$575	\$0	\$653	\$420	\$420	\$8,250
6-9205	Tractor Trailer Fuel	\$0	\$1,554	\$2,084	\$0	\$752	\$370	\$0	\$370	\$0	\$950	\$1,066	\$1,066	\$13,286
6-9230	Veh. Registrations	\$98	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$98
6-9250	Road/Yard Repairs	\$0	\$0	\$0	\$0	\$983	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$983
6-9560	Highway Use Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6-9600	Property Tax Yield	\$2,028	\$2,028	\$2,028	\$2,028	\$2,029	\$960	\$960	\$960	\$960	\$960	\$960	\$960	\$18,995
	Total Expenses	\$189,046	\$174,070	\$231,508	\$193,646	\$153,010	\$173,099	\$151,803	\$173,099	\$169,530	\$147,631	\$249,359	\$249,359	\$2,174,696
	Operating Profit	\$247,194	\$502,519	(\$26,750)	(\$279,005)	(\$238,422)	(\$276,518)	(\$202,196)	(\$202,196)	(\$37,388)	\$66,345	\$223,066	\$223,066	\$169,875
8-0000	Other Income													
9-0000	Non-Operating Expense													
9-5000	Temp Expense	\$0	(\$12)	\$0	(\$6,980)	\$645	(\$645)	(\$645)	\$1,146	\$146	\$0	(\$1,291)	(\$1,291)	\$26,208
9-9555	Off Book Rent Expense	\$2,184	\$2,184	\$2,184	\$2,184	\$2,184	\$2,184	\$2,184	\$2,184	\$2,184	\$2,184	\$27	\$27	\$2,709
9-9560	Service/Late Fees	\$75	\$2,494	\$0	\$0	\$39	\$0	\$0	\$3	\$10	\$50	\$0	\$0	\$9
9-9570	Checking acct. reconciliation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Non-Operating Expense	\$2,259	\$4,666	\$2,184	(\$4,796)	\$2,868	\$1,539	\$3,341	\$3,341	\$2,339	\$2,234	\$920	\$920	\$28,914
	Net Profit/(Loss)	\$244,935	\$497,852	(\$28,934)	(\$274,209)	(\$241,290)	(\$278,057)	(\$205,537)	(\$205,537)	(\$39,728)	\$64,111	\$223,146	\$223,146	\$140,961

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATED FINANCIAL REPORT  
*(Reviewed)*

DECEMBER 31, 2013

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**NATHAN WECHSLER & COMPANY**  
PROFESSIONAL ASSOCIATION  
**CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS**

**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Board of Directors  
Concord Steam Corporation and Affiliates  
Concord, New Hampshire 03301

We have reviewed the accompanying consolidating balance sheets of Concord Steam Corporation and Affiliates as of December 31, 2013 and 2012, and the related consolidating statements of operations and retained earnings, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the consolidated financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, with the exception of the matter described in the following paragraph, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, at the request of its lender, the Company has consolidated Bloomfield Associates Professional Corp. Bloomfield Associates Professional Corp. is not a variable interest entity in which Concord Steam Corporation is the primary beneficiary and therefore should not be consolidated under generally accepted accounting principles. The impact of this departure is to increase total assets, total equity and net income for the years ended December 31, 2013 and 2012 by \$328,819 and \$295,776, \$328,819 and \$295,776, and \$31,248 and \$83,414, respectively. Further, their reported liabilities do not include net deferred income tax liabilities relating to temporary differences arising from use of the cash basis of accounting for income tax purposes.

*Nathan Wechsler & Company*  
Concord, New Hampshire  
May 14, 2014

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING BALANCE SHEET

December 31, 2013

See Independent Accountant's Review Report

ASSETS	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof. Corp.	Eliminations	Consolidated
PROPERTY AND EQUIPMENT, net of contributions in aid of construction \$671,975	\$ 5,187,101	\$ 1,745,730	\$ 2,584	\$ -	\$ 6,935,415
<b>CURRENT ASSETS</b>					
Cash	-	27,890	-	-	27,890
Trade accounts receivable, net of allowance for doubtful accounts \$22,747	1,058,094	8,193	322,625	(325,518)	1,063,394
Due from member	-	20,524	-	-	20,524
Due from related party	-	-	3,610	-	3,610
Materials and supplies	236,049	-	-	-	236,049
Prepaid expenses	107,121	-	-	-	107,121
Deferred income tax benefit	613,630	-	-	-	613,630
<i>Total current assets</i>	<u>2,014,894</u>	<u>56,607</u>	<u>326,235</u>	<u>(325,518)</u>	<u>2,072,218</u>
<b>OTHER ASSETS</b>					
Uncompleted construction	38,785	-	-	-	38,785
	<u>\$ 7,240,780</u>	<u>\$ 1,802,337</u>	<u>\$ 328,819</u>	<u>\$ (325,518)</u>	<u>\$ 9,046,418</u>
<b>CAPITALIZATION AND LIABILITIES</b>					
<b>CAPITALIZATION</b>					
Common stock, par value \$100; authorized 1,000 shares; issued 912 shares; outstanding 480 shares	\$ 48,000	\$ -	\$ 1,000	\$ (1,000)	\$ 48,000
Additional paid-in capital	220,653	-	-	-	220,653
Members capital	-	199,870	-	(199,870)	-
Retained earnings	2,664,122	-	326,024	(326,024)	2,664,122
<i>Total capitalization</i>	<u>2,932,775</u>	<u>199,870</u>	<u>327,024</u>	<u>(526,894)</u>	<u>2,932,775</u>
Non-controlling interest in affiliates	-	-	-	526,894	526,894
	<u>2,932,775</u>	<u>199,870</u>	<u>327,024</u>	<u>-</u>	<u>3,459,669</u>
<b>COMMITMENTS AND CONTINGENCIES (See Notes)</b>					
<b>CURRENT LIABILITIES</b>					
Excess of outstanding checks over bank balance	621,004	-	-	-	621,004
Notes payable	1,026,204	-	-	-	1,026,204
Current maturities of long-term debt	125,576	133,508	-	-	259,084
Trade accounts payable	1,053,232	8	-	(325,518)	727,722
Accrued expenses	4,529	-	1,795	-	6,324
Deferred income	-	3,100	-	-	3,100
Due to related party	58,994	-	-	-	58,994
Income taxes payable	1,912	-	-	-	1,912
<i>Total current liabilities</i>	<u>2,891,451</u>	<u>136,616</u>	<u>1,795</u>	<u>(325,518)</u>	<u>2,704,344</u>
LONG-TERM DEBT, less current maturities	250,765	1,465,851	-	-	1,716,616
DEFERRED INCOME TAX LIABILITIES	1,165,789	-	-	-	1,165,789
	<u>\$ 7,240,780</u>	<u>\$ 1,802,337</u>	<u>\$ 328,819</u>	<u>\$ (325,518)</u>	<u>\$ 9,046,418</u>

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING BALANCE SHEET

December 31, 2012

See Independent Accountant's Review Report

ASSETS	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Eliminations	Consolidated
<b>PROPERTY AND EQUIPMENT</b> , net of contributions in aid of construction \$671,975	\$ 4,993,155	\$ 1,744,048	\$ 2,658	\$ -	\$ 6,739,861
<b>CURRENT ASSETS</b>					
Cash	-	27,200	62	-	27,262
Trade accounts receivable, net of allowance for doubtful accounts \$24,022	822,722	20,232	291,522	(310,194)	824,282
Due from member	-	20,194	-	-	20,194
Due from related party	-	-	1,534	-	1,534
Materials and supplies	177,185	-	-	-	177,185
Deposits	12,250	-	-	-	12,250
Prepaid expenses	98,845	-	-	-	98,845
Deferred income tax benefit	776,642	-	-	-	776,642
<i>Total current assets</i>	<u>1,887,644</u>	<u>67,626</u>	<u>293,118</u>	<u>(310,194)</u>	<u>1,938,194</u>
<b>OTHER ASSETS</b>					
Costs of obtaining financing, net of accumulated amortization of \$6,285	1,164	-	-	-	1,164
Uncompleted construction	90,686	-	-	-	90,686
<i>Total other assets</i>	<u>91,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,850</u>
	<u>\$ 6,972,649</u>	<u>\$ 1,811,674</u>	<u>\$ 295,776</u>	<u>\$ (310,194)</u>	<u>\$ 8,769,905</u>
<b>CAPITALIZATION AND LIABILITIES</b>					
<b>CAPITALIZATION</b>					
Common stock, par value \$100; authorized 1,000 shares; issued 912 shares; outstanding 480 shares	\$ 48,000	\$ -	\$ 1,000	\$ (1,000)	\$ 48,000
Additional paid-in capital	220,653	-	-	-	220,653
Members capital	-	196,634	-	(196,634)	-
Retained earnings	2,405,420	-	294,776	(294,776)	2,405,420
<i>Total capitalization</i>	<u>2,674,073</u>	<u>196,634</u>	<u>295,776</u>	<u>(492,410)</u>	<u>2,674,073</u>
Non-controlling interest in affiliates	-	-	-	492,410	492,410
	<u>2,674,073</u>	<u>196,634</u>	<u>295,776</u>	<u>-</u>	<u>3,166,483</u>
<b>COMMITMENTS AND CONTINGENCIES (See Notes)</b>					
<b>CURRENT LIABILITIES</b>					
Excess of outstanding checks over bank balance	181,074	-	-	-	181,074
Notes payable	1,386,945	-	-	-	1,386,945
Current maturities of long-term debt	115,108	94,288	-	-	209,396
Trade accounts payable	851,677	-	-	(310,194)	541,483
Accrued expenses	36,998	-	-	-	36,998
Deferred income	5,035	1,900	-	-	6,935
Due to related party	200,000	-	-	-	200,000
Income taxes payable	6,716	-	-	-	6,716
<i>Total current liabilities</i>	<u>2,783,553</u>	<u>96,188</u>	<u>-</u>	<u>(310,194)</u>	<u>2,569,547</u>
<b>LONG-TERM DEBT</b> , less current maturities	<u>337,531</u>	<u>1,518,852</u>	<u>-</u>	<u>-</u>	<u>1,856,383</u>
<b>DEFERRED INCOME TAX LIABILITIES</b>	<u>1,177,492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,177,492</u>
	<u>\$ 6,972,649</u>	<u>\$ 1,811,674</u>	<u>\$ 295,776</u>	<u>\$ (310,194)</u>	<u>\$ 8,769,905</u>



CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF OPERATIONS AND RETAINED EARNINGS

Year Ended December 31, 2013

See Independent Accountant's Review Report

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Eliminations	Consolidated
Operating revenue	\$ 5,661,173	\$ 273,114	\$ 122,603	\$ (250,620)	\$ 5,806,270
Operating expenses:					
Operation and maintenance	3,911,354	54,080	38,325	(168,000)	3,835,759
Other operating expenses	634,324	18,024	44,942	(82,620)	614,670
Property and other taxes	308,876	9,247	3,044	-	321,167
Depreciation and amortization	235,903	106,288	4,344	-	346,535
	5,090,457	187,639	90,655	(250,620)	5,118,131
<i>Operating income</i>	570,716	85,475	31,948	-	688,139
Nonoperating income (expense):					
Interest income	-	330	-	-	330
Loss on disposal of assets	(73,045)	-	-	-	(73,045)
Interest expense on long-term debt	(82,198)	(81,507)	(214)	-	(163,919)
	(155,243)	(81,177)	(214)	-	(236,634)
<i>Income before income taxes</i>	415,473	4,298	31,734	-	451,505
Provision for income tax expense:					
Current tax expense	5,462	1,062	486	-	7,010
Deferred income tax expense	151,309	-	-	-	151,309
	156,771	1,062	486	-	158,319
<i>Net income</i>	258,702	3,236	31,248	-	293,186
Less income attributed to non-controlling interest	-	-	-	(34,484)	(34,484)
<i>Net income attributed to Concord Steam Corporation</i>	258,702	3,236	31,248	(34,484)	258,702
Retained earnings and members' equity, beginning of year	2,405,420	196,634	294,776	(491,410)	2,405,420
<i>Retained earnings and members' equity, end of year</i>	\$ 2,664,122	\$ 199,870	\$ 326,024	\$ (525,894)	\$ 2,664,122

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF OPERATIONS AND RETAINED EARNINGS

Year Ended December 31, 2012

See Independent Accountant's Review Report

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Eliminations	Consolidated
Operating revenue	\$ 4,450,472	\$ 270,496	\$ 185,806	\$ (250,620)	\$ 4,656,154
Operating expenses:					
Operation and maintenance	3,483,116	60,852	38,355	(168,000)	3,414,323
Other operating expenses	625,050	19,420	59,511	(82,620)	621,361
Property and other taxes	295,020	9,234	3,130	-	307,384
Depreciation and amortization	245,607	91,826	2,071	-	339,504
	4,648,793	181,332	103,067	(250,620)	4,682,572
<i>Operating income (loss)</i>	(198,321)	89,164	82,739	-	(26,418)
Nonoperating income (expense):					
Gain on disposal of assets	4,818	-	-	-	4,818
Interest expense on long-term debt	(91,750)	(96,497)	-	-	(188,247)
	(86,932)	(96,497)	-	-	(183,429)
<i>Income (loss) before income taxes (benefit)</i>	(285,253)	(7,333)	82,739	-	(209,847)
Provision for income tax expense (benefit):					
Current tax expense	6,713	800	(675)	-	6,838
Deferred income tax benefit	(126,396)	-	-	-	(126,396)
	(119,683)	800	(675)	-	(119,558)
<i>Net income (loss)</i>	(165,570)	(8,133)	83,414	-	(90,289)
Less income attributed to non-controlling interest	-	-	-	(75,281)	(75,281)
<i>Net income (loss) attributed to Concord Steam Corporation</i>	(165,570)	(8,133)	83,414	(75,281)	(165,570)
Retained earnings and members' equity, beginning of year	2,570,990	204,767	211,362	(416,129)	2,570,990
<i>Retained earnings and members' equity, end of year</i>	\$ 2,405,420	\$ 196,634	\$ 294,776	\$ (491,410)	\$ 2,405,420

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS

Year Ended December 31, 2013

See Independent Accountant's Review Report

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Consolidated
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income	\$ 258,702	\$ 3,236	\$ 31,248	\$ 293,186
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation	234,739	106,288	4,344	345,371
Amortization	1,164	-	-	1,164
Amortization of contribution in aid of construction	(50,000)	-	-	(50,000)
Bad debt expense	(2,158)	-	-	(2,158)
Deferred income tax expense	151,309	-	-	151,309
Loss on disposal of assets	73,045	-	-	73,045
Decrease (increase) in trade accounts receivable	(233,214)	12,039	(31,103)	(252,278)
Increase in amounts due from member	-	(330)	-	(330)
Increase in materials and supplies	(58,864)	-	-	(58,864)
Decrease in deposits	12,250	-	-	12,250
Increase in prepaid expenses	(8,276)	-	-	(8,276)
Increase (decrease) in deferred revenue	(5,035)	1,200	-	(3,835)
Increase in trade accounts payable and accrued expenses	169,086	8	1,795	170,889
Decrease in income taxes payable	(4,804)	-	-	(4,804)
<i>Net cash provided by operating activities</i>	<b>537,944</b>	<b>122,441</b>	<b>6,284</b>	<b>666,669</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Capital expenditures	(424,013)	(26,939)	(4,270)	(455,222)
Proceeds from sale of equipment	15,600	-	-	15,600
Decrease in uncompleted construction	51,901	-	-	51,901
<i>Net cash used in investing activities</i>	<b>(356,512)</b>	<b>(26,939)</b>	<b>(4,270)</b>	<b>(387,721)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Net repayments on notes payable	(360,741)	-	-	(360,741)
Increase in excess of outstanding checks over bank balance	439,930	-	-	439,930
Decrease in due from affiliate	(141,006)	-	(2,076)	(143,082)
Payments on long-term debt	(119,615)	(94,812)	-	(214,427)
<i>Net cash used in financing activities</i>	<b>(181,432)</b>	<b>(94,812)</b>	<b>(2,076)</b>	<b>(278,320)</b>
<i>Net increase (decrease) in cash</i>	<b>-</b>	<b>690</b>	<b>(62)</b>	<b>628</b>
Cash, beginning of year	-	27,200	62	27,262
<i>Cash, end of year</i>	<b>\$ -</b>	<b>\$ 27,890</b>	<b>\$ -</b>	<b>\$ 27,890</b>

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS (CONTINUED)

Year Ended December 31, 2013

*See Independent Accountant's Review Report*

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Consolidated
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>				
Cash used in operating activities:				
Interest	\$ 81,290	\$ 81,507	\$ 214	\$ 163,011
Income taxes	\$ -	\$ 846	\$ 330	\$ 1,176
<b>SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>				
Acquisition of equipment				
Cost	\$ 467,330	\$ 107,969	\$ 4,270	\$ 579,569
Less amounts financed	43,317	81,030	-	124,347
<i>Cash paid</i>	<u>\$ 424,013</u>	<u>\$ 26,939</u>	<u>\$ 4,270</u>	<u>\$ 455,222</u>

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS

Year Ended December 31, 2012

See Independent Accountant's Review Report

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Consolidated
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income (loss)	\$ (165,570)	\$ (8,133)	\$ 83,414	\$ (90,289)
Adjustments to reconcile net income (loss) to net cash provided by operating activities				
Depreciation	242,813	91,826	2,071	336,710
Amortization	2,793	-	-	2,793
Amortization of contribution in aid of construction	(50,000)	-	-	(50,000)
Bad debt expense	7,505	-	-	7,505
Deferred income tax benefit	(126,396)	-	-	(126,396)
Gain on sale of assets	(4,818)	-	-	(4,818)
Decrease (increase) in trade accounts receivable	(170,622)	20,688	(75,244)	(225,178)
Decrease in materials and supplies	33,626	-	-	33,626
Increase in prepaid expenses	(81,104)	-	-	(81,104)
Decrease in income tax refund claim	7,040	-	-	7,040
Increase in deferred revenue	5,035	1,100	-	6,135
Decrease in trade accounts payable and accrued expenses	(101,084)	(557)	(56)	(101,697)
Increase in income taxes payable	6,716	-	-	6,716
<i>Net cash provided by (used in) operating activities</i>	<b>(394,066)</b>	<b>104,924</b>	<b>10,185</b>	<b>(278,957)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Capital expenditures	(95,357)	(22,000)	(1,853)	(119,210)
Proceeds from sale of equipment	22,250	-	-	22,250
Increase in uncompleted construction	(1,976)	-	-	(1,976)
<i>Net cash used in investing activities</i>	<b>(75,083)</b>	<b>(22,000)</b>	<b>(1,853)</b>	<b>(98,936)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Net borrowings on notes payable	524,303	-	-	524,303
Increase in excess of outstanding checks over bank balance	57,838	-	-	57,838
Increase in due from affiliate	-	-	(1,534)	(1,534)
Decrease in due to stockholder	-	-	(13,119)	(13,119)
Payments on long-term debt	(112,992)	(77,850)	-	(190,842)
<i>Net cash provided by (used in) financing activities</i>	<b>469,149</b>	<b>(77,850)</b>	<b>(14,653)</b>	<b>376,646</b>
<i>Net increase (decrease) in cash</i>	<b>-</b>	<b>5,074</b>	<b>(6,321)</b>	<b>(1,247)</b>
Cash, beginning of year	-	22,126	6,383	28,509
<i>Cash, end of year</i>	<b>\$ -</b>	<b>\$ 27,200</b>	<b>\$ 62</b>	<b>\$ 27,262</b>

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS (CONTINUED)

Year Ended December 31, 2012

See Independent Accountant's Review Report

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	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Consolidated
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>				
Cash used in operating activities:				
Interest	\$ 81,290	\$ 81,507	\$ 214	\$ 163,011
Income taxes	\$ -	\$ 846	\$ 330	\$ 1,176

# CONCORD STEAM CORPORATION AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See *Independent Accountant's Review Report*

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### *Note 1. Nature of Business*

Concord Steam Corporation's (the "Company") operations are principally in the generation of steam as a public utility and in the cogeneration of electricity as a by-product of the steam production process, which are subject to regulation by the Public Utility Commission ("PUC"), with sales to customers in the Concord, New Hampshire area on credit terms the Company establishes for individual customers. Bloomfield Associates Professional Corp. is an engineering company owned 100% by the majority stockholder of the Company, which provides engineering and management services. BS & Chips, LLC, which is owned by the stockholders of the Company, provides for the rental of yard space to the Company for its wood chip inventory as well as residential rental property.

### *Note 2. Significant Accounting Policies*

**Basis of presentation:** The Consolidation of variable interest entities topic of FASB Accounting Standards Codification (FASB ASC 810) requires Variable Interest Entities (VIE's) to be consolidated by the primary beneficiary of the entity if the equity investors in the entity do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated support. The Company has adopted these provisions and has determined that BS & Chips, LLC is a variable interest entity and that Concord Steam Corporation is the primary beneficiary of this entity. The Company does not have any other material variable interest entities. The accompanying financial statements have been prepared on the accrual basis of accounting. The balance sheet has been presented following the industry practice for utility companies

**Principles of consolidation:** The consolidated financial statements include the financial statements of the Company and BS & Chips, LLC and Bloomfield Associates Professional Corp. At the request of the lender the Company has consolidated Bloomfield Associates Professional Corp., an entity in which it has no direct ownership interest nor is it a VIE. This presentation is not in conformity with generally accepted accounting principles. All transactions and balances between the Company, Bloomfield Associates Professional Corp. and BS & Chips, LLC have been eliminated upon consolidation.

**Estimates and assumptions:** Management of the Company and affiliates uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Accordingly, actual results could differ from those estimates.

**Depreciation:** For financial statement purposes, depreciation is computed using the straight-line method over the following estimated useful lives:

	Years
Power plant equipment	29 1/3-75
Distribution equipment	29 1/3-75
Office equipment	10-33 1/3
Transportation equipment	5-10
Building and improvements	15
Other equipment	5-20

*(continued on next page)*

# CONCORD STEAM CORPORATION AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See *Independent Accountant's Review Report*

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**Amortization:** Contribution in aid of construction is being amortized over 75 years as discussed in Note 10.

**Income taxes:** Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due and deferred taxes. The deferred tax assets and liabilities represent future tax return consequences, which will either be taxable or deductible when the related assets and liabilities are recovered or settled.

Deferred tax assets arising from future deductible items are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company and affiliates file income tax returns in the U.S. federal jurisdiction and New Hampshire jurisdiction.

The Company and affiliates adopted the provisions of FASB ASC 740, Accounting for Uncertainty in Income Taxes. Accordingly, management has evaluated the Company and affiliates' tax positions and concluded the Company and affiliates had taken no material uncertain tax positions that require adjustment or disclosure in the financial statements. With few exceptions the Company and affiliates are no longer subject to U.S. federal and New Hampshire tax examinations by tax authorities for years before 2010.

**Materials and supplies:** Materials and supplies consist of parts and supplies, wood inventory, oil inventory and chemical inventory. Parts and supplies are valued at the lower of cost (first in, first out) or market. Wood, oil and chemical inventories are valued at the lower of average cost or market.

**Cash and cash equivalents:** For purposes of reporting cash flows, the Company and affiliates consider all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. At December 31, 2013 and 2012, the Company and affiliates had no cash equivalents.

**Advertising costs:** The Company and affiliates follow the policy of charging the costs of advertising to expense as incurred.

**Trade accounts receivable:** The Company extends credit to its customers in the ordinary course of business. Trade accounts receivable are written off when they are determined to be uncollectible. The allowance for doubtful accounts is estimated based on the Company's historical losses, the financial stability of its customers and the existing economic conditions.

### *Note 3. Materials and Supplies*

Materials and supplies, December 31,	2013	2012
Parts and supplies	\$ 59,120	\$ 78,350
Wood	119,066	45,167
Oil	50,787	48,419
Chemicals	7,076	5,249
<i>Total</i>	<u>\$ 236,049</u>	<u>\$ 177,185</u>



CONCORD STEAM CORPORATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See Independent Accountant's Review Report

**Note 4. Property and Equipment**

Property and equipment, at cost, December 31,	2013	2012
Power plant equipment	\$ 6,907,361	\$ 6,665,913
Land	1,445,999	1,437,999
Distribution equipment	3,544,623	3,444,825
Buildings and improvements	1,437,345	1,434,006
Office equipment	144,265	139,346
Transportation equipment	204,720	312,470
Other equipment	292,278	218,031
<i>Total property and equipment</i>	<u>13,976,591</u>	<u>13,652,590</u>
Less accumulated depreciation	7,041,176	6,912,729
	<u><u>\$ 6,935,415</u></u>	<u><u>\$ 6,739,861</u></u>

**Note 5. Income Tax Matters**

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's current deferred tax assets are as follows:

December 31,	2013	2012
Deferred tax assets:		
Accrued wages and related party payables	\$ 125,375	\$ 118,030
Trade accounts receivable reserve	8,594	9,076
Net operating losses	396,938	542,065
Contributions in aid of construction	113,340	132,230
Charitable contributions carryforwards	-	6,031
Tax credit carryforwards	141,572	142,612
<i>Total current-term deferred tax assets</i>	<u>785,819</u>	<u>950,044</u>
Deferred tax asset valuation allowance	(172,189)	(173,402)
<i>Total current deferred tax assets</i>	<u><u>\$ 613,630</u></u>	<u><u>\$ 776,642</u></u>

Significant components of the Company's long-term deferred tax liabilities are as follows:

December 31,	2013	2012
Deferred tax liabilities		
Depreciation	\$ 1,165,789	\$ 1,177,492

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CONCORD STEAM CORPORATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See Independent Accountant's Review Report

The provisions for income taxes, consists of the following for the year ended:

December 31,	2013	2012
Federal:		
Current	\$ 486	\$ -
Deferred	114,105	(101,206)
	<u>114,591</u>	<u>(101,206)</u>
State:		
Current	6,524	6,838
Deferred	37,204	(25,190)
	<u>43,728</u>	<u>(18,352)</u>
	<u>\$ 158,319</u>	<u>\$ (119,558)</u>

FASB ASC 740-10-30-17, Accounting for Income Taxes, requires a valuation allowance to reduce the deferred tax reported if, based on the weight of the evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

After consideration of all the evidence, both positive and negative, management has determined that a valuation allowance of \$172,189 and \$173,402 at December 31, 2013 and 2012, respectively were necessary to reduce the deferred tax assets to the amount that will more likely than not be realized. The total valuation allowance for the years ended December 31, 2013 and 2012, decreased by \$1,213 and \$2,189, respectively.

Current income tax expense for the years ended December 31, 2013 and 2012 were comprised of the New Hampshire Business Enterprise Tax, a tax imposed by the state on wages and interest expense paid or accrued by the Company and its affiliates and dividends paid to the Company's stockholders.

At December 31, 2013, the Company has approximately \$1,019,000 in federal net operating loss carryovers which may be used to offset otherwise future taxable income. These federal carryovers begin to expire in 2023. The Company has energy credits in the amount of \$121,937 that can be used to offset future federal income taxes. These credits expire between 2015 and 2019.

At December 31, 2013, the Company had \$28,875 of New Hampshire Business Enterprise Tax credits available to offset future New Hampshire Business Profits Tax expiring between 2014 and 2018. The Company has approximately \$1,227,000 in New Hampshire net operating loss carryovers, which may be used to reduce New Hampshire taxable income in future years. The New Hampshire net operating loss carryovers begin to expire in 2018.

CONCORD STEAM CORPORATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See Independent Accountant's Review Report

**Note 6. Notes Payable, Long-Term Debt and Pledged Assets**

Details of the Company's notes payable and long-term debt are as follows:

December 31,	2013	2012
<u>Concord Steam Corporation</u>		
Note payable, bank line of credit, \$1,200,000 maximum, with interest at prime plus two percent (5.25% at December 31, 2013), collateralized by all business assets and personally guaranteed by the Company's stockholders, expiring August 31, 2014	\$ 781,204	\$ 1,186,945
Note payable, related party, with interest at the federal applicable rate of .28% as published by the Internal Revenue Service for August 2012, due on demand	245,000	200,000
	<u>\$ 1,026,204</u>	<u>\$ 1,386,945</u>

The loan agreement for the note payable, bank line of credit, requires that the borrower meet a certain debt coverage ratio.

December 31,	2013	2012
<u>Concord Steam Corporation</u>		
Note payable, with interest at the one-month LIBOR plus 2% (4.07% at December 31, 2013), due in monthly principal and interest payments of \$10,552 through October 2016, with balloon payment of remaining principal, collateralized by all Company business assets and personally guaranteed by the Company's stockholders	\$ 329,782	\$ 439,738
Note payable, with interest at 2.9%, due in monthly principal and interest payments of \$413, collateralized by specific Company equipment	-	2,052
Note payable, with interest at 2.9%, due in monthly principal and interest payments of \$231 through March 2017, collateralized by specific Company equipment	8,569	10,848
Note payable, with interest at 8.99%, due in monthly principal and interest payments of \$899 through March 2018, collateralized by specific Company equipment	37,989	-

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CONCORD STEAM CORPORATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See Independent Accountant's Review Report

BS & Chips, LLC

Note payable, with interest at the one-month LIBOR rate (2.16% at December 31, 2013), due in monthly principal and interest payments of \$2,492 through November 2015, with balloon payment of remaining principal, collateralized by certain real property and guaranteed by the two members	400,482	420,103
Note payable, with interest at 5%, due in monthly principal and interest payments of \$3,300 through December 2016, with balloon payment of remaining principal, collateralized by certain equipment	354,947	376,215
Note payable, with interest at the prime rate and adjusted every five years (3.39% at December 31, 2013), due in monthly principal and interest payments of \$3,542 through November 2015, with balloon payment of remaining principal, collateralized by certain real property and guaranteed by the two members	458,559	484,815
Note payable, with interest at 6.7%, due in monthly principal and interest payments of \$2,249 through August 2028, collateralized by certain real property	251,670	261,444
Note payable, with interest at 6.74%, due in monthly principal and interest payments of \$539 through June 2017, collateralized by vehicle	20,062	24,966
Note payable, with interest at 3.89%, due in monthly principal and interest payments of \$2,974 through December 2015, collateralized by specific equipment	68,568	-
Note payable, without interest, due in monthly principal payments of \$173 through July 2019, collateralized by specific equipment	11,598	-
Note payable, with interest at 7.75%, due in monthly principal and interest payments of \$1,269 through May 2016, collateralized by specific equipment	33,474	45,598
	<u>1,975,700</u>	<u>2,065,779</u>
Portion payable within one year	259,084	209,396
<i>Long-term debt</i>	<u>\$ 1,716,616</u>	<u>\$ 1,856,383</u>

Maturities of long-term debt are schedule as follows:

<u>Year ending December 31,</u>	
2014	\$ 259,084
2015	1,035,009
2016	441,582
2017	28,738
2018	18,384
Thereafter	192,903
<i>Total</i>	<u>\$ 1,975,700</u>

# CONCORD STEAM CORPORATION AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See *Independent Accountant's Review Report*

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### *Note 7. Lease Commitment, Rent Expense and Major Customers*

The Company leases its steam utility plant under a noncancelable agreement which was to expire in August 2013 and required annual rentals of \$100,516 plus payment of property taxes, maintenance and insurance. In July 2013, this lease was extended through August 2016, with the same terms.

The total minimum rental commitment at December 31, 2013 is \$67,010, which is due as follows:

2014	\$	100,516
2015		100,516
2016		67,010
<i>Total</i>	<u>\$</u>	<u>268,042</u>

The Company derived approximately 51% of its revenue from the sale of steam to two major customers for each of the years ended December 31, 2013 and 2012. These major customers comprised 54% and 45% of trade accounts receivable at December 31, 2013 and 2012, respectively.

The Company entered into a ten year contract that ends in November 2019 with one of the major customers. This customer contributed \$500,000 toward construction costs to the Company, and this amount is included in property and equipment on the accompanying consolidating balance sheets. This customer is paying the Company a monthly rate based on the current cost of energy plus \$5 multiplied by the monthly usage plus the applicable tariff meter charge. The base rate shall be increased annually by a mutually acceptable CPI inflator. This base rate shall be no more than 80% of the lowest tier base rate of the Company's tariff. The Company is amortizing this contribution over the ten year period of the contract. Amortization for the years ended December 31, 2013 and 2012 amounted to \$50,000 in each year.

### *Note 8. Seasonality of Operations*

The Company derives the bulk of its revenue from the sale of steam for heating purposes. Accordingly, revenue in the period December to March is historically higher than the balance of the year due to customers' heating requirements during that period.

### *Note 9. Related Party Transactions*

The Company received advances of \$200,000 during the year ended December 31, 2010, from a related party owned by one of the stockholders of the Company and his spouse. The balance owed at December 31, 2013 and 2012 on this advance amounted to \$200,000.

The Company received advances of \$45,000 and \$200,000 from a stockholder during the years ended December 31, 2013 and 2012, respectively. The balance due to the stockholder at December 31, 2013 and 2012 amounts to \$245,000 and \$200,000, respectively.

Bloomfield Associates repaid \$13,119 during the year ended December 31, 2012 to a stockholder. There was no balance outstanding to this stockholder at December 31, 2013 and 2012, respectively.

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# CONCORD STEAM CORPORATION AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See *Independent Accountant's Review Report*

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Bloomfield Associates made an advance to an entity owned by the stockholder during the year ended December 31, 2013. The balance owed by this related party at December 31, 2013 and 2012 amounted to \$3,610 and \$1,534, respectively.

Bloomfield Associates provides engineering and administrative services to the Company. The fees for these services amounted to \$82,620 in each of the years ended December 31, 2013 and 2012, respectively. The balance owed to Bloomfield Associates amounted to \$322,625 and \$291,522 at December 31, 2013 and 2012, respectively.

The Company leases the yard space used to hold its wood chip inventory from BS & Chips, LLC. Total rental expense made between the related parties during the years ended December 31, 2013 and 2012 amounted to \$168,000 in each year. The balance owed to BS & Chips, LLC at December 31, 2013 and 2012 amounted to \$2,893 and \$18,672, respectively.

Each of the above related party balances have been included on the accompanying consolidating balance sheet.

The total minimum rental commitment required under the terms of the lease between the Company and BS & Chips, LLC at December 31, 2013 was \$434,000, which is due as follows:

2014	\$	168,000
2015		168,000
2016		98,000
<i>Total</i>	\$	<u>434,000</u>

### **Note 10. Other Asset - Contribution in Aid of Construction**

In prior years, the Company paid \$31,000 for contribution in aid of construction under a contract for interruptible gas service. The Company began utilizing the gas service in November 1993 and began amortizing the contribution using the straight-line method over a period of 15-75 years. Included in amortization expense for the years ended December 31, 2013 and 2012 is \$520 in each year and is included in property and equipment on the accompanying consolidating balance sheets.

### **Note 11. Pension Plan**

The Company has a SEP/IRA pension plan for all eligible employees who are at least 21 years of age and have been employed three of the previous five years. The plan provides for contributions by the Company in such amounts as the Board of Directors may determine annually. The Company's contributions charged to expense were \$9,863 and \$12,261 for the years ended December 31, 2013 and 2012, respectively.

### **Note 12. Concentration of Credit Risk**

The Company and Affiliates maintain cash accounts at one bank. The Company's and Affiliates' accounts are insured up to \$250,000. At December 31, 2013, the Company and Affiliate had no amounts in excess of federally insured deposits.

*Note 13. Advertising*

Advertising expense for the years ended December 31, 2013 and 2010 amounted to \$3,460 and \$3,430, respectively.

*Note 14. Subsequent Event*

The Company and affiliates have evaluated subsequent events through May 14, 2014, the date which the financial statements were available to be issued and has not evaluated subsequent events after that date. No subsequent events were identified that would require disclosure in the financial statements for the year ended December 31, 2013.

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATED FINANCIAL REPORT  
*(Reviewed)*

DECEMBER 31, 2014



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**NATHAN WECHSLER & COMPANY**  
PROFESSIONAL ASSOCIATION  
**CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS**

*INDEPENDENT ACCOUNTANT'S REVIEW REPORT*

To the Board of Directors  
Concord Steam Corporation and Affiliates  
Concord, New Hampshire 03301

We have reviewed the accompanying consolidating balance sheets of Concord Steam Corporation and Affiliates as of December 31, 2014 and 2013, and the related consolidating statements of operations and retained earnings, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the consolidated financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, with the exception of the matter described in the following paragraph, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, at the request of its lender, the Company has consolidated Bloomfield Associates Professional Corp. Bloomfield Associates Professional Corp. is not a variable interest entity in which Concord Steam Corporation is the primary beneficiary and therefore should not be consolidated under generally accepted accounting principles. The impact of this departure is to increase total assets, total equity and net income (loss) for the years ended December 31, 2014 and 2013 by \$353,045 and \$328,819, \$353,045 and \$328,819, and \$(4,077) and \$31,248, respectively. Further, their reported liabilities do not include net deferred income tax liabilities relating to temporary differences arising from use of the cash basis of accounting for income tax purposes.

*Nathan Wechsler & Company*  
Concord, New Hampshire  
March 26, 2015

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING BALANCE SHEET

December 31, 2014

See Independent Accountant's Review Report

ASSETS	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof. Corp.	Eliminations	Consolidated
PROPERTY AND EQUIPMENT, net of contributions in aid of construction \$671,975	\$ 5,626,868	\$ 1,665,522	\$ 5,388	\$ -	\$ 7,297,778
<b>CURRENT ASSETS</b>					
Cash	-	24,391	17,984	-	42,375
Trade accounts receivable, net of allowance for doubtful accounts \$12,661	966,292	11,009	329,673	(336,482)	970,492
Due from member	-	21,961	-	-	21,961
Materials and supplies	144,942	-	-	-	144,942
Prepaid expenses	39,096	-	-	-	39,096
Deferred income tax benefit	128,145	-	-	-	128,145
<i>Total current assets</i>	<u>1,278,475</u>	<u>57,361</u>	<u>347,657</u>	<u>(336,482)</u>	<u>1,347,011</u>
<b>OTHER ASSETS</b>					
Uncompleted construction	156,837	-	-	-	156,837
	<u>\$ 7,062,180</u>	<u>\$ 1,722,883</u>	<u>\$ 353,045</u>	<u>\$ (336,482)</u>	<u>\$ 8,801,626</u>
<b>CAPITALIZATION AND LIABILITIES</b>					
<b>CAPITALIZATION</b>					
Common stock, par value \$100; authorized 1,000 shares; issued 912 shares; outstanding 480 shares	\$ 48,000	\$ -	\$ 31,000	\$ (31,000)	\$ 48,000
Additional paid-in capital	220,653	-	-	-	220,653
Members capital	-	253,181	-	(253,181)	-
Retained earnings	2,826,012	-	321,947	(321,947)	2,826,012
<i>Total capitalization</i>	<u>3,094,665</u>	<u>253,181</u>	<u>352,947</u>	<u>(606,128)</u>	<u>3,094,665</u>
Non-controlling interest in affiliates	-	-	-	606,128	606,128
	<u>3,094,665</u>	<u>253,181</u>	<u>352,947</u>	<u>-</u>	<u>3,700,793</u>
<b>COMMITMENTS AND CONTINGENCIES (See Notes)</b>					
<b>CURRENT LIABILITIES</b>					
Excess of outstanding checks over bank balance	284,385	-	-	-	284,385
Notes payable	1,338,869	-	-	-	1,338,869
Current maturities of long-term debt	272,651	139,490	-	-	412,141
Trade accounts payable	1,098,749	-	-	(336,482)	762,267
Accrued expenses	12,091	-	98	-	12,189
Deferred income	-	5,450	-	-	5,450
Income taxes payable	2,248	-	-	-	2,248
<i>Total current liabilities</i>	<u>3,008,993</u>	<u>144,940</u>	<u>98</u>	<u>(336,482)</u>	<u>2,817,549</u>
LONG-TERM DEBT, less current maturities	192,662	1,324,762	-	-	1,517,424
DEFERRED INCOME TAX LIABILITIES	765,860	-	-	-	765,860
	<u>\$ 7,062,180</u>	<u>\$ 1,722,883</u>	<u>\$ 353,045</u>	<u>\$ (336,482)</u>	<u>\$ 8,801,626</u>

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING BALANCE SHEET

December 31, 2013

See Independent Accountant's Review Report

ASSETS	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Eliminations	Consolidated
PROPERTY AND EQUIPMENT, net of contributions in aid of construction \$671,975	\$ 5,187,101	\$ 1,745,730	\$ 2,584	\$ -	\$ 6,935,415
<b>CURRENT ASSETS</b>					
Cash	-	27,890	-	-	27,890
Trade accounts receivable, net of allowance for doubtful accounts \$22,747	1,058,094	8,193	322,625	(325,518)	1,063,394
Due from member	-	20,524	-	-	20,524
Due from related party	-	-	3,610	-	3,610
Materials and supplies	236,049	-	-	-	236,049
Prepaid expenses	107,121	-	-	-	107,121
Deferred income tax benefit	126,020	-	-	-	126,020
<i>Total current assets</i>	<u>1,527,284</u>	<u>56,607</u>	<u>326,235</u>	<u>(325,518)</u>	<u>1,584,608</u>
<b>OTHER ASSETS</b>					
Uncompleted construction	38,785	-	-	-	38,785
	<u>\$ 6,753,170</u>	<u>\$ 1,802,337</u>	<u>\$ 328,819</u>	<u>\$ (325,518)</u>	<u>\$ 8,558,808</u>
<b>CAPITALIZATION AND LIABILITIES</b>					
<b>CAPITALIZATION</b>					
Common stock, par value \$100; authorized 1,000 shares; issued 912 shares; outstanding 480 shares	\$ 48,000	\$ -	\$ 1,000	\$ (1,000)	\$ 48,000
Additional paid-in capital	220,653	-	-	-	220,653
Members capital	-	199,870	-	(199,870)	-
Retained earnings	2,664,122	-	326,024	(326,024)	2,664,122
<i>Total capitalization</i>	<u>2,932,775</u>	<u>199,870</u>	<u>327,024</u>	<u>(526,894)</u>	<u>2,932,775</u>
Non-controlling interest in affiliates	-	-	-	526,894	526,894
	<u>2,932,775</u>	<u>199,870</u>	<u>327,024</u>	<u>-</u>	<u>3,459,669</u>
<b>COMMITMENTS AND CONTINGENCIES (See Notes)</b>					
<b>CURRENT LIABILITIES</b>					
Excess of outstanding checks over bank balance	621,004	-	-	-	621,004
Notes payable	1,026,204	-	-	-	1,026,204
Current maturities of long-term debt	125,576	133,508	-	-	259,084
Trade accounts payable	1,053,232	8	-	(325,518)	727,722
Accrued expenses	4,529	-	1,795	-	6,324
Deferred income	-	3,100	-	-	3,100
Due to related party	58,994	-	-	-	58,994
Income taxes payable	1,912	-	-	-	1,912
<i>Total current liabilities</i>	<u>2,891,451</u>	<u>136,616</u>	<u>1,795</u>	<u>(325,518)</u>	<u>2,704,344</u>
LONG-TERM DEBT, less current maturities	250,765	1,465,851	-	-	1,716,616
DEFERRED INCOME TAX LIABILITIES	678,179	-	-	-	678,179
	<u>\$ 6,753,170</u>	<u>\$ 1,802,337</u>	<u>\$ 328,819</u>	<u>\$ (325,518)</u>	<u>\$ 8,558,808</u>

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF OPERATIONS AND RETAINED EARNINGS

Year Ended December 31, 2014

See Independent Accountant's Review Report

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Eliminations	Consolidated
Operating revenue	\$ 5,985,394	\$ 279,213	\$ 180,237	\$ (326,070)	\$ 6,118,774
Operating expenses:					
Operation and maintenance	4,473,144	18,282	135,639	(241,293)	4,385,772
Other operating expenses	633,476	15,700	30,427	(84,777)	594,826
Property and other taxes	322,836	9,281	10,394	-	342,511
Depreciation and amortization	224,171	92,638	5,619	-	322,428
	5,653,627	135,901	182,079	(326,070)	5,645,537
<i>Operating income (loss)</i>	331,767	143,312	(1,842)	-	473,237
Nonoperating income (expense):					
Interest income	-	353	-	-	353
Loss on disposal of assets	(17,337)	(12,223)	-	-	(29,560)
Interest expense	(59,486)	(77,357)	(404)	-	(137,247)
	(76,823)	(89,227)	(404)	-	(166,454)
<i>Income (loss) before income taxes</i>	254,944	54,085	(2,246)	-	306,783
Provision for income tax expense:					
Current tax expense	7,498	774	1,831	-	10,103
Deferred income tax expense	85,556	-	-	-	85,556
	93,054	774	1,831	-	95,659
<i>Net income (loss)</i>	161,890	53,311	(4,077)	-	211,124
Less income attributed to non-controlling interest	-	-	-	(49,234)	(49,234)
<i>Net income attributed to Concord Steam Corporation</i>	161,890	53,311	(4,077)	(49,234)	161,890
Retained earnings and members' equity, beginning of year	2,664,122	199,870	326,024	(525,894)	2,664,122
<i>Retained earnings and members' equity, end of year</i>	\$ 2,826,012	\$ 253,181	\$ 321,947	\$ (575,128)	\$ 2,826,012

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF OPERATIONS AND RETAINED EARNINGS

Year Ended December 31, 2013

See Independent Accountant's Review Report

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Eliminations	Consolidated
Operating revenue	\$ 5,661,173	\$ 273,114	\$ 122,603	\$ (323,913)	\$ 5,732,977
Operating expenses:					
Operation and maintenance	3,911,354	54,080	38,325	(241,293)	3,762,466
Other operating expenses	634,324	18,024	44,942	(82,620)	614,670
Property and other taxes	308,876	9,247	3,044	-	321,167
Depreciation and amortization	235,903	106,288	4,344	-	346,535
	5,090,457	187,639	90,655	(323,913)	5,044,838
<i>Operating income</i>	570,716	85,475	31,948	-	688,139
Nonoperating income (expense):					
Interest Income	-	330	-	-	330
Gain on disposal of assets	(73,045)	-	-	-	(73,045)
Interest expense	(82,198)	(81,507)	(214)	-	(163,919)
	(155,243)	(81,177)	(214)	-	(236,634)
<i>Income before income taxes</i>	415,473	4,298	31,734	-	451,505
Provision for income tax expense (benefit):					
Current tax expense	5,462	1,062	486	-	7,010
Deferred income tax benefit	151,309	-	-	-	151,309
	156,771	1,062	486	-	158,319
<i>Net income</i>	258,702	3,236	31,248	-	293,186
Less income attributed to non-controlling interest	-	-	-	(34,484)	(34,484)
<i>Net income Concord Steam Corporation</i>	258,702	3,236	31,248	(34,484)	258,702
Retained earnings and members' equity, beginning of year	2,405,420	196,634	294,776	(491,410)	2,405,420
<i>Retained earnings and members' equity, end of year</i>	\$ 2,664,122	\$ 199,870	\$ 326,024	\$ (525,894)	\$ 2,664,122

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS

Year Ended December 31, 2014

See Independent Accountant's Review Report

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Consolidated
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income (loss)	\$ 161,890	\$ 53,311	\$ (4,077)	\$ 211,124
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation	224,171	92,638	5,619	322,428
Amortization of contribution in aid of construction	(50,000)	-	-	(50,000)
Deferred income tax expense	85,556	-	-	85,556
Loss on disposal of assets	17,337	12,223	-	29,560
Decrease (increase) in trade accounts receivable	91,802	(2,816)	(7,048)	81,938
Increase in amounts due from member	-	(1,437)	-	(1,437)
Decrease in materials and supplies	91,107	-	-	91,107
Decrease in prepaid expenses	68,025	-	-	68,025
Decrease in deferred revenue	-	2,350	-	2,350
Increase (decrease) in trade accounts payable and accrued expenses	53,078	(8)	(1,697)	51,373
Increase in income taxes payable	336	-	-	336
<i>Net cash provided by (used in) operating activities</i>	<b>743,302</b>	<b>156,261</b>	<b>(7,203)</b>	<b>892,360</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Capital expenditures	(599,734)	(24,653)	(8,423)	(632,810)
Increase in uncompleted construction	(118,052)	-	-	(118,052)
<i>Net cash used in investing activities</i>	<b>(717,786)</b>	<b>(24,653)</b>	<b>(8,423)</b>	<b>(750,862)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Net borrowings on notes payable	312,665	-	30,000	342,665
Decrease in excess of outstanding checks over bank balance	(336,619)	-	-	(336,619)
Proceeds from long-term debt	250,000	-	-	250,000
Decrease in due from (to) affiliate	(58,994)	-	3,610	(55,384)
Payments on long-term debt	(192,568)	(135,107)	-	(327,675)
<i>Net cash provided by (used in) financing activities</i>	<b>(25,516)</b>	<b>(135,107)</b>	<b>33,610</b>	<b>(127,013)</b>
<i>Net increase (decrease) in cash</i>	-	(3,499)	17,984	14,485
Cash, beginning of year	-	27,890	-	27,890
<i>Cash, end of year</i>	<b>\$ -</b>	<b>\$ 24,391</b>	<b>\$ 17,984</b>	<b>\$ 42,375</b>

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS (CONTINUED)

Year Ended December 31, 2014

See Independent Accountant's Review Report

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Consolidated
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>				
Cash used in operating activities:				
Interest	\$ 58,643	\$ 77,357	\$ 404	\$ 136,404
Income taxes	\$ -	\$ -	\$ -	\$ -
<b>SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>				
Acquisition of equipment				
Cost	\$ 631,274	\$ 24,653	\$ 8,423	\$ 664,350
Less amounts financed	31,540	-	-	31,540
<i>Cash paid</i>	<u>\$ 599,734</u>	<u>\$ 24,653</u>	<u>\$ 8,423</u>	<u>\$ 632,810</u>



CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS

Year Ended December 31, 2013

See Independent Accountant's Review Report

	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Consolidated
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income	\$ 258,702	\$ 3,236	\$ 31,248	\$ 293,186
Adjustments to reconcile net income (loss) to net cash provided by operating activities				
Depreciation	234,739	106,288	4,344	345,371
Amortization	1,164	-	-	1,164
Amortization of contribution in aid of construction	(50,000)	-	-	(50,000)
Bad debt expense	(2,158)	-	-	(2,158)
Deferred income tax benefit	151,309	-	-	151,309
Gain on sale of assets	73,045	-	-	73,045
Decrease (increase) in trade accounts receivable	(233,214)	12,039	(31,103)	(252,278)
Increase in due from member	-	(330)	-	(330)
Increase in materials and supplies	(58,864)	-	-	(58,864)
Increase in prepaid expenses	(8,276)	-	-	(8,276)
Decrease in deposits	12,250	-	-	12,250
Decrease (increase) in deferred revenue	(5,035)	1,200	-	(3,835)
Increase in trade accounts payable and accrued expenses	169,086	8	1,795	170,889
Decrease in income taxes payable	(4,804)	-	-	(4,804)
<i>Net cash provided by operating activities</i>	<b>537,944</b>	<b>122,441</b>	<b>6,284</b>	<b>666,669</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Capital expenditures	(424,013)	(26,939)	(4,270)	(455,222)
Proceeds from sale of equipment	15,600	-	-	15,600
Decrease in uncompleted construction	51,901	-	-	51,901
<i>Net cash used in investing activities</i>	<b>(356,512)</b>	<b>(26,939)</b>	<b>(4,270)</b>	<b>(387,721)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Net repayments on notes payable	(360,741)	-	-	(360,741)
Increase in excess of outstanding checks over bank balance	439,930	-	-	439,930
Decrease in due from affiliate	(141,006)	-	(2,076)	(143,082)
Payments on long-term debt	(119,615)	(94,812)	-	(214,427)
<i>Net cash used in financing activities</i>	<b>(181,432)</b>	<b>(94,812)</b>	<b>(2,076)</b>	<b>(278,320)</b>
<i>Net increase (decrease) in cash</i>	-	690	(62)	628
Cash, beginning of year	-	27,200	62	27,262
<i>Cash, end of year</i>	<b>\$ -</b>	<b>\$ 27,890</b>	<b>\$ -</b>	<b>\$ 27,890</b>

CONCORD STEAM CORPORATION AND AFFILIATES

CONSOLIDATING STATEMENT OF CASH FLOWS (CONTINUED)

Year Ended December 31, 2013

*See Independent Accountant's Review Report*

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	Concord Steam Corporation	BS & Chips, LLC	Bloomfield Associates Prof Corp.	Consolidated
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>				
Cash used in operating activities:				
Interest	\$ 81,290	\$ 81,507	\$ 214	\$ 163,011
Income taxes	\$ -	\$ 846	\$ 330	\$ 1,176

# CONCORD STEAM CORPORATION AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See *Independent Accountant's Review Report*

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### *Note 1. Nature of Business*

Concord Steam Corporation's (the "Company") operations are principally in the generation of steam as a public utility and in the cogeneration of electricity as a by-product of the steam production process, which are subject to regulation by the Public Utility Commission ("PUC"), with sales to customers in the Concord, New Hampshire area on credit terms the Company establishes for individual customers. Bloomfield Associates Professional Corp. is an engineering company owned 100% by the majority stockholder of the Company, which provides engineering and management services. BS & Chips, LLC, which is owned by the stockholders of the Company, provides for the rental of yard space to the Company for its wood chip inventory as well as residential rental property.

### *Note 2. Significant Accounting Policies*

**Basis of presentation:** The Consolidation of variable interest entities topic of FASB Accounting Standards Codification (FASB ASC 810) requires Variable Interest Entities (VIE's) to be consolidated by the primary beneficiary of the entity if the equity investors in the entity do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated support. The Company has adopted these provisions and has determined that BS & Chips, LLC is a variable interest entity and that Concord Steam Corporation is the primary beneficiary of this entity. The Company does not have any other material variable interest entities. The accompanying financial statements have been prepared on the accrual basis of accounting. The balance sheet has been presented following the industry practice for utility companies

**Principles of consolidation:** The consolidated financial statements include the financial statements of the Company, BS & Chips, LLC and Bloomfield Associates Professional Corp. At the request of the lender the Company has consolidated Bloomfield Associates Professional Corp., an entity in which it has no direct ownership interest nor is it a VIE. This presentation is not in conformity with generally accepted accounting principles. All transactions and balances between the Company, BS & Chips, LLC and Bloomfield Associates Professional Corp. have been eliminated upon consolidation.

**Estimates and assumptions:** Management of the Company and affiliates uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Accordingly, actual results could differ from those estimates.

**Depreciation:** For financial statement purposes, depreciation is computed using the straight-line method over the following estimated useful lives:

	Years
Power plant equipment	29 1/3-75
Distribution equipment	29 1/3-75
Office equipment	10-33 1/3
Transportation equipment	5-10
Building and improvements	15
Other equipment	5-20

(continued on next page)

# CONCORD STEAM CORPORATION AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

*See Independent Accountant's Review Report*

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**Amortization:** Contribution in aid of construction is being amortized over 75 years as discussed in Note 10.

**Income taxes:** Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due and deferred taxes. The deferred tax assets and liabilities represent future tax return consequences, which will either be taxable or deductible when the related assets and liabilities are recovered or settled.

Deferred tax assets arising from future deductible items are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company and affiliates file income tax returns in the U.S. federal jurisdiction and New Hampshire jurisdiction. BS & Chips, LLC files its tax returns as a partnership.

The Company and affiliates adopted the provisions of FASB ASC 740, Accounting for Uncertainty in Income Taxes. Accordingly, management has evaluated the Company and affiliates' tax positions and concluded the Company and affiliates had taken no material uncertain tax positions that require adjustment or disclosure in the financial statements. With few exceptions the Company and affiliates are no longer subject to U.S. federal and New Hampshire tax examinations by tax authorities for years before 2011.

**Materials and supplies:** Materials and supplies consist of parts and supplies, wood inventory, oil inventory and chemical inventory. Parts and supplies are valued at the lower of cost (first in, first out) or market. Wood, oil and chemical inventories are valued at the lower of average cost or market.

**Cash and cash equivalents:** For purposes of reporting cash flows, the Company and affiliates consider all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. At December 31, 2014 and 2013, the Company and affiliates had no cash equivalents.

**Advertising costs:** The Company and affiliates follow the policy of charging the costs of advertising to expense as incurred.

**Trade accounts receivable:** The Company extends credit to its customers in the ordinary course of business. Trade accounts receivable are written off when they are determined to be uncollectible. The allowance for doubtful accounts is estimated based on the Company's historical losses, the financial stability of its customers and the existing economic conditions.

### *Note 3. Materials and Supplies*

Materials and supplies, December 31,	2014	2013
Parts and supplies	\$ 61,281	\$ 59,120
Wood	74,738	119,066
Oil	-	50,787
Chemicals	8,923	7,076
<i>Total</i>	<u>\$ 144,942</u>	<u>\$ 236,049</u>

CONCORD STEAM CORPORATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See Independent Accountant's Review Report

*Note 4. Property and Equipment*

Property and equipment, at cost, December 31,	2014	2013
Power plant equipment	\$ 7,363,035	\$ 6,907,361
Land	1,445,999	1,445,999
Distribution equipment	3,696,808	3,544,623
Buildings and improvements	1,444,724	1,437,345
Office equipment	152,688	144,265
Transportation equipment	245,259	204,720
Other equipment	283,364	292,278
<i>Total property and equipment</i>	14,631,877	13,976,591
Less accumulated depreciation	7,334,099	7,041,176
	\$ 7,297,778	\$ 6,935,415

*Note 5. Income Tax Matters*

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's current deferred tax assets are as follows:

December 31,	2014	2013
Deferred tax assets:		
Accrued wages and related party payables	\$ 127,467	\$ 125,375
Trade accounts receivable reserve	4,783	8,594
Contributions in aid of construction	18,890	22,668
Tax credit carryforwards	141,314	141,572
<i>Total current-term deferred tax assets</i>	292,454	298,209
Deferred tax asset valuation allowance	(164,309)	(172,189)
<i>Total current deferred tax assets</i>	\$ 128,145	\$ 126,020

Significant components of the Company's long-term deferred tax liabilities are as follows:

December 31,	2014	2013
Deferred tax assets (liabilities):		
Net operating losses	\$ 346,321	\$ 396,938
Contributions in aid of construction	75,560	90,672
Depreciation	(1,187,741)	(1,165,789)
<i>Total deferred tax liabilities</i>	\$ (765,860)	\$ (678,179)

(continued on next page)

CONCORD STEAM CORPORATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See *Independent Accountant's Review Report*

The provisions for income taxes, consists of the following for the year ended:

December 31,	2014	2013
Federal:		
Current	\$ -	\$ 486
Deferred	64,681	114,105
	64,681	114,591
State:		
Current	7,498	6,524
Deferred	20,875	37,204
	28,373	43,728
	\$ 93,054	\$ 158,319

FASB ASC 740-10-30-17, Accounting for Income Taxes, requires a valuation allowance to reduce the deferred tax reported if, based on the weight of the evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

After consideration of all the evidence, both positive and negative, management has determined that a valuation allowance of \$164,309 and \$172,189 at December 31, 2014 and 2013, respectively, were necessary to reduce the deferred tax assets to the amount that will more likely than not be realized. The total valuation allowance for the years ended December 31, 2014 and 2013, decreased by \$7,880 and \$1,213, respectively.

Current income tax expense for the years ended December 31, 2014 and 2013 were comprised of the New Hampshire Business Enterprise Tax, a tax imposed by the state on wages and interest expense paid or accrued by the Company and its affiliates and dividends paid to the Company's stockholders.

At December 31, 2014, the Company has approximately \$885,000 in federal net operating loss carryovers which may be used to offset otherwise future taxable income. These federal carryovers begin to expire in 2024. The Company has energy credits in the amount of \$121,937 that can be used to offset future federal income taxes. These credits expire between 2015 and 2019.

At December 31, 2014, the Company had \$28,496 of New Hampshire Business Enterprise Tax credits available to offset future New Hampshire Business Profits Tax expiring between 2015 and 2019. The Company has approximately \$1,130,000 in New Hampshire net operating loss carryovers, which may be used to reduce New Hampshire taxable income in future years. The New Hampshire net operating loss carryovers begin to expire in 2018.

CONCORD STEAM CORPORATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

*See Independent Accountant's Review Report*

**Note 6. Notes Payable, Long-Term Debt and Pledged Assets**

Details of the Company's notes payable and long-term debt are as follows:

December 31,	2014	2013
<u>Concord Steam Corporation</u>		
Note payable, bank line of credit, \$1,200,000 maximum, with interest at prime plus two percent (5.25% at December 31, 2014), collateralized by all business assets and personally guaranteed by the Company's stockholders, expiring August 31, 2015	\$ 993,869	\$ 781,204
Note payable, related party, with interest at the federal applicable rate of .28% as published by the Internal Revenue Service for August 2012, unsecured due on demand	345,000	245,000
	<u>\$ 1,338,869</u>	<u>\$ 1,026,204</u>

The loan agreement for the note payable, bank line of credit requires that the borrower meet a certain debt coverage ratio.

December 31,	2014	2013
<u>Concord Steam Corporation</u>		
Note payable, with interest at the one-month LIBOR plus 2% (4.07% at December 31, 2014), due in monthly principal and interest payments of \$23,077 through October 2016, with balloon payment of remaining principal, collateralized by all Company business assets and personally guaranteed by the Company's stockholders	\$ 400,075	\$ 329,782
Note payable, with interest at 2.9%, due in monthly principal and interest payments of \$231 through March 2017, collateralized by specific Company equipment	5,996	8,569
Note payable, with interest at 8.99%, due in monthly principal and interest payments of \$899 through March 2018, collateralized by specific Company equipment	30,305	37,989
Note payable, with interest at 2.99%, due in monthly principal and interest payments of \$681 through September 2018, collateralized by specific Company equipment	28,937	-

(continued on next page)

CONCORD STEAM CORPORATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See Independent Accountant's Review Report

BS & Chips, LLC

Note payable, with interest at the one-month LIBOR rate (2.164% at December 31, 2014), due in monthly principal and interest payments of \$2,492 through November 2015, with balloon payment of remaining principal, collateralized by certain real property and guaranteed by the two members	379,400	400,482
Note payable, with interest at 5%, due in monthly principal and interest payments of \$3,300 through December 2016, with balloon payment of remaining principal, collateralized by certain equipment	332,587	354,947
Note payable, with interest at the prime rate and adjusted every five years (3.39% at December 31, 2014), due in monthly principal and interest payments of \$3,542 through November 2015, with balloon payment of remaining principal, collateralized by certain real property and guaranteed by the two members	431,386	458,559
Note payable, with interest at 6.7%, due in monthly principal and interest payments of \$2,249 through August 2028, collateralized by certain real property	241,222	251,670
Note payable, with interest at 6.74%, due in monthly principal and interest payments of \$539 through June 2017, collateralized by vehicle	14,811	20,062
Note payable, with interest at 3.89%, due in monthly principal and interest payments of \$2,974 through December 2015, collateralized by specific equipment	34,949	68,568
Note payable, without interest, due in monthly principal payments of \$173 through July 2019, collateralized by specific equipment	9,521	11,598
Note payable, with interest at 7.75%, due in monthly principal and interest payments of \$1,269 through May 2016, collateralized by specific equipment	20,376	33,474
	<u>1,929,565</u>	<u>1,975,700</u>
Portion payable within one year	<u>412,141</u>	<u>259,084</u>
<i>Long-term debt</i>	<u>\$ 1,517,424</u>	<u>\$ 1,716,616</u>

Maturities of long-term debt are schedule as follows:

Year ending December 31,

2015	\$ 412,141
2016	1,263,531
2017	36,589
2018	216,093
2019	1,211
<i>Total</i>	<u>\$ 1,929,565</u>



# CONCORD STEAM CORPORATION AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

*See Independent Accountant's Review Report*

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### **Note 7. Lease Commitment, Rent Expense and Major Customers**

The Company leases its steam utility plant under a noncancelable agreement which was to expire in August 2013 and required annual rentals of \$100,516 plus payment of property taxes, maintenance and insurance. In July 2013, this lease was extended through August 2016, with the same terms.

The total minimum rental commitment at December 31, 2014 is \$167,526, which is due as follows:

2015		\$	100,516
2016			67,010
	<i>Total</i>	\$	<u>167,526</u>

The Company derived approximately 54% and 51% of its revenue from the sale of steam to two major customers for the years ended December 31, 2014 and 2013, respectively. These major customers comprised 59% and 54% of trade accounts receivable at December 31, 2014 and 2013, respectively.

The Company entered into a ten year contract that ends in November 2019 with one of the major customers. This customer contributed \$500,000 toward construction costs to the Company, and this amount is included in property and equipment on the accompanying consolidating balance sheets. This customer is paying the Company a monthly rate based on the current cost of energy plus \$5 multiplied by the monthly usage plus the applicable tariff meter charge. The base rate shall be increased annually by a mutually acceptable CPI inflator. This base rate shall be no more than 80% of the lowest tier base rate of the Company's tariff. The Company is amortizing this contribution over the ten year period of the contract. Amortization for the years ended December 31, 2014 and 2013 amounted to \$50,000 in each year.

### **Note 8. Seasonality of Operations**

The Company derives the bulk of its revenue from the sale of steam for heating purposes. Accordingly, revenue in the period December to March is historically higher than the balance of the year due to customers' heating requirements during that period.

### **Note 9. Related Party Transactions**

The Company received advances of \$100,000 and \$45,000 from a stockholder during the years ended December 31, 2014 and 2013, respectively. The balance due to the stockholder at December 31, 2014 and 2013 amounted to \$345,000 and \$245,000, respectively. Interest expense for the years ended December 31, 2014 and 2013 amounted to \$826 and \$686, respectively.

Bloomfield Associates made an advance to an entity owned by the stockholder during the year ended December 31, 2013. This entity repaid this advance during the year ended December 31, 2014. The balance owed by this related party at December 31, 2014 and 2013 amounted to \$- and \$3,610, respectively.

*(continued on next page)*

# CONCORD STEAM CORPORATION AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

See *Independent Accountant's Review Report*

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Bloomfield Associates provides engineering and administrative services to the Company. The fees for these services amounted to \$82,620 in each of the years ended December 31, 2014 and 2013, respectively. The balance owed to Bloomfield Associates amounted to \$329,673 and \$322,625 at December 31, 2014 and 2013, respectively.

The Company leases the yard space used to hold its wood chip inventory from BS & Chips, LLC. Total rental expense made between the related parties during the years ended December 31, 2014 and 2013 amounted to \$168,000 in each year. The Company also rents equipment from BS & Chips, LLC on a month to month basis. Total rental expense amounted to \$73,293 for each of the years ended December 31, 2014 and 2013, respectively. The balance owed to BS & Chips, LLC at December 31, 2014 and 2013 amounted to \$- and \$2,893, respectively. BS & Chips made an advance to the Company in the amount of \$7,900 and \$5,300 and received payment of \$6,591 and \$- during the years ended December 31, 2014 and 2013, respectively. The balance owed to BS & Chips amounted to \$6,609 and \$5,300 for the years ended December 31, 2014 and 2013, respectively.

Each of the above related party balances have been eliminated on the accompanying consolidating balance sheet.

The total minimum rental commitment required under the terms of the lease between the Company and BS & Chips, LLC at December 31, 2014 was \$266,000, which is due as follows:

2015		\$	168,000
2016			98,000
	<i>Total</i>	<u>\$</u>	<u>266,000</u>

### ***Note 10. Other Asset - Contribution in Aid of Construction***

In prior years, the Company paid \$31,000 for contribution in aid of construction under a contract for interruptible gas service. The Company began utilizing the gas service in November 1993 and began amortizing the contribution using the straight-line method over a period of 15-75 years. Included in amortization expense for the years ended December 31, 2014 and 2013 is \$520 in each year and is included in property and equipment on the accompanying consolidating balance sheets.

### ***Note 11. Pension Plan***

The Company has a SEP/IRA pension plan for all eligible employees who are at least 21 years of age and have been employed three of the previous five years. The plan provides for contributions by the Company in such amounts as the Board of Directors may determine annually. The Company's contributions charged to expense were \$10,084 and \$9,863 for the years ended December 31, 2014 and 2013, respectively.

CONCORD STEAM CORPORATION AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

*See Independent Accountant's Review Report*

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*Note 12. Concentration of Credit Risk*

The Company and Affiliates maintain cash accounts at one bank. The Company's and Affiliates' accounts are insured up to \$250,000. At December 31, 2014, the Company and Affiliate had no amounts in excess of federally insured deposits.

*Note 13. Advertising*

Advertising expense for the years ended December 31, 2014 and 2013 amounted to \$1,436 and \$3,460, respectively.

*Note 14. Reclassification*

Certain reclassifications have been made to prior year amounts to conform to the current year presentation. Such reclassifications have had no effect on changes in retained earnings as previously reported.

*Note 15. Subsequent Events*

The Company and affiliates have evaluated subsequent events through March 26, 2015, the date which the financial statements were available to be issued and has not evaluated subsequent events after that date. No subsequent events were identified that would require disclosure in the financial statements for the year ended December 31, 2014.

FEDERAL AND STATE INCOME TAXES  
Test Year ending Dec. 31, 2015

	Total 2015
Federal and state income tax	-
Deferred income taxes	<u>6,559</u>
State BET Tax	7,998
Total taxes	<u><u>\$ 14,557</u></u>

(4) Computation of income tax on the amount of revenue needed to produce the required net operating income.

Net operating income required		\$	460,636
Required taxable income		\$	762,768
Total income taxes paid	39.61%	\$	302,132

Concord Steam  
PUC 1604.01 (a) Required filing

(5) Charitable contributions charged in the test year.

Concord Steam  
Charitable Contributions 2015

First Church of Christ	\$ 5,951.00
VFW	\$ 125.00
Ignite Ministries International	\$ 1,000.00
	\$ 7,076.00

**Concord Steam Corp.**

PO Box 2520

Concord, NH 03302-2520

**Account Transactions**

**1/1/15 To 12/31/15**

2/5/16  
10:51:16 AM

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ID#	Src	Date	Memo/Payee	Debit	Credit	Job No.
6-6190			Marketing/Promotions/Adv.			
26674	CD	1/8/15	WGIR Radio America	\$99.00		
PGB	PJ	1/26/15	Purchase; NHTOA	\$285.00		
27278	CD	4/7/15	Concord Light Opera Com	\$100.00		
MES	PJ	4/14/15	Purchase; Liturgical Publica	\$634.00		
PGB	PJ	10/2/15	Purchase; Concord Monitor	\$382.00		2015 COE
				<u>\$1,500.00</u>	<u>\$0.00</u>	

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Concord Steam  
PUC 1604.01 (a) Required filing

(8) 2015 construction budget

1/1/15 To 12/31/15

Job #	Job Name	
1-2508	LH Improvements	
2508-1401	Office AC Unit Replacement	\$4,238.16
	Total:	\$4,238.16
1-2515	Plant Equipment	
2515-1411	#5 Blr. Remote Level Indic.	\$10,246.00
2515-1412	Stack Repair 2014	\$1,361.22
2515-1501	CO Analyzer Upgrade	\$24,273.96
2515-1502	#4 Boiler Fd. Pump Repair	\$13,295.20
2515-1503	#1 and #2 Silo Repairs	\$44,355.74
2515-1504	#5 Cyc. Sep. Ash Sys Repair	\$17,261.92
2515-1505	#1 Wood Belt Repairs	\$22,795.63
2515-1506	#1&#2 Silo Exit Auger	\$24,725.34
2515-1507	#6 Boiler Door Replacement	\$6,408.91
2515-1508	Flight Conveyor Repair	\$5,783.12
2515-1509	#6 Feed Screw Repairs	\$16,729.92
2515-1510	#5 HP Feed Pump	\$18,816.52
2515-1511	DA Tank Repair	\$3,339.52
2515-1512	#5 Non-return valve	\$10,421.20
2515-1513	#6 ID Fan VFD A/C Replace	\$3,229.82
2515-1514	#1 STG AVR Replacement	\$21,269.38
2515-1515	#5 FD Fan	\$4,914.04
	Total:	\$249,227.44
1-2520	Underground Mains	
2520-1501	Exp. Jt. Pleasant & Liberty	\$18,472.31
2520-1502	18 Park St. Service line	\$2,804.23
	Total:	\$21,276.54
	Grand total	\$274,742.14



(9) Chart of Accounts

	Account
1-0000	Assets
1-1010	General Checking Account
1-1011	Money Market Acct.
1-1013	Transfer checking account
1-1015	Petty Cash
1-1100	General Checking Account
1-1200	Current Assets
1-1220	Capital Contribution
1-1225	Expansion Project/onsite
1-1251	Accounts Receivable
1-1252	A/R Employees
1-1253	Employee purchases
1-1254	Employee Loan
1-1255	Officer Receivable
1-1259	Allowance for Doubtful A/R
1-1304	Employee Reimb.
1-1500	Black Rock Mutual Funds
1-1600	Due To/From COGEN
1-1700	Loaned to Concord Steam Corp
1-2000	Oil Inventory
1-2005	Prepaid Oil Additive/Comb. Cat
1-2010	Wood Inventory
1-2020	Tools Inventory
1-2030	Parts/Supplies Inventory
1-2035	Chemical Inventory/Salt
1-2038	Prepaid Wood
1-2040	Prepaid Insurance
1-2041	Prepaid Ins. Yard
1-2042	Prepaid Empl. Insurances
1-2043	Unbilled Revenue (GAS)
1-2045	Prepaid Misc. Expense
1-2046	Deposits to Vendors
1-2050	Prepaid Property Tax
1-2051	Prepaid Utility Property Tax
1-2052	Prepaid Property Tax Yard
1-2053	Prepaid yard expense
1-2055	Deferred Tax Debit
1-2060	Accrued A/R
1-2500	Fixed Assets
1-2502	Organization
1-2505	Rights of Way
1-2506	Construction Cont. to Others
1-2507	Amortization Reserve - CCO
1-2508	LH Improvements
1-2510	Structures
1-2512	Wood Yard Equipment
1-2514	Wood Yard Building
1-2515	Plant Equipment
1-2516	Special FA Account
1-2517	Other Production Equip.
1-2518	New Plant/CSC/CWIP
1-2520	Underground Mains
1-2521	Thermal Studies
1-2525	Services-Equip. Main to Meter
1-2530	Customers' Meters
1-2535	Office Equip/Improvements
1-2540	Transportation Equipment
1-2545	Shop Equipment
1-2550	Laboratory Equipment
1-2555	Large Tools
1-2560	Misc. General Equipment
1-2565	Depreciation
1-2570	CIAC-Received-Accum. Amort.
1-2571	CIAC-Received
1-2572	Amortization CIAC
1-2575	Turbine Assets
1-2580	Plant Safety Improvements
1-2600	Cost of Obtaining Financing
1-2601	Accum. Amort. Cost of Ob. Finance
1-2605	Deferred Rate Case Charges
1-2900	Unfinished Construction
1-2910	Property Abandoned
1-2920	Amortization Reserve
1-3000	Real Estate
1-3100	Capitalized Closing Costs
1-3150	Costs for Securing Financing
1-3500	Project Development

Concord Steam  
PUC 1604.01 (a) Required filing

1-3501	Project Design & Coordination
1-3550	Professional Consultants
1-3551	Architects
1-3552	Engineering Consultants
1-3553	Environmental Remediation
1-3554	Demolition
1-3555	Fees & Permits
1-3556	Project Legal& Accounting
1-3557	Project Costs Paid by CSC
1-4000	Equipment - turbine
1-4001	Equipment Boiler
1-5001	Site Work/Construction
1-8000	A/R Transfer Account
1-9001	Prepaid Property Tax
2-0000	Liabilities
2-0280	Due to BAPCO
2-0500	Owed to Principals
2-1000	Mortgages/J. Alosa
2-1500	TD Banknorth Line
2-2000	Accounts Payable
2-3000	Accrued Taxes FICA/Med
2-3010	Payroll Federal Withholding
2-3011	Accrued Empl. Other Ded.
2-3012	Accrued Payroll
2-3013	Accrued Child Support
2-3014	Accr.Med&Dental
2-3015	Sales Tax
2-3020	Accrued Taxes FUTA
2-3025	Accrued Taxes-SUTA
2-3026	State of Maine Tax
2-3027	Accrued Interest
2-3030	Accrued Taxes - 1120 NH
2-3035	Accrued Taxes Federal
2-3040	Misc. Current Liabilities
2-3041	Wood Received before pmt.
2-3045	Misc. Current Accruals
2-3050	SEP/IRA Deposits
2-3055	AFLAC pre-tax
2-3056	AFLAC/LTD After Tax
2-3060	Deferred Income Tax Credit
2-3065	Line of Credit
2-3500	Long Term Liabilities
2-3501	Current Maturity Offset
2-3502	Current Maturity LTD
2-3504	ST Loan 2009
2-3505	Term Loan
2-3506	Long Term Loan TD Bank
2-3507	Truck Loan
2-3508	CNH Capital/Skid Steer
2-3509	Loan from Officer
2-3510	Miscellaneous Debt
2-3511	Loan from P&M Realty
2-3512	Truck Loan - Ranger
2-3513	Truck Loan - F150
2-3530	Contribution Aid to Constr.
2-3535	Deferred Revenue - School
2-4000	Customer Deposits
2-4010	Customer Budgets
2-5000	Payroll Withholdings
2-5001	Employee escrow
2-6000	BCAP
2-7000	Credit Cards
2-7001	Chase VISA
2-8000	American Express
2-9000	A/P Transfer Account
3-0000	Equity
3-1000	Capital Contributions
3-4000	Common Stock
3-4010	Capital Surplus
3-4020	Earned Surplus
3-4022	Treasury stock
3-4025	Dividends
3-4500	Retained Earnings
3-8000	Retained Earnings
3-9000	Current Earnings
3-9999	Historical Balancing Account
4-0000	Income
4-2100	Freight Collected
4-2200	Service Late Fees Collected

Concord Steam  
PUC 1604.01 (a) Required filing

4-5000	Base Steam Income
4-5005	Residential Base Income
4-5010	Commercial/Ind. Base Income
4-5020	Public Authority Base Income
4-5025	Sales Discount
4-5027	Energy Income
4-5028	Commercial Energy Income
4-5029	Public Auth. Energy Income
4-5030	Residential Energy Income
4-5031	Cogen Energy Income
4-5040	Customer Penalties
4-5045	Meter Charges
4-5048	Sale of Electricity
4-5049	Demand Response Income
4-5060	Customer Service
4-5061	Customer Service Parts
4-5062	Customer Service Revenue
4-5070	Interest Income
4-5080	Income - Special Funds/Other
4-5085	Sale of Parts/Supplies Invent
4-5090	Sales of Rebuilt Valves
4-5100	Rental Income (BAPCO)
4-5102	Rental Income Stack
4-5103	Gain/Loss Sale of Assets
4-5105	Customer Budgets/Advances
4-5110	Unbilled Gas Revenue
4-5115	Misc. Income
4-5120	Service Connections/Customers
5-0000	Cost Of Sales
5-2100	Discounts Given
5-6000	Rent - NH Hospital Plant Lease
5-6006	Diesel Fuel
5-6009	Fuel Oil
5-6010	#6 Fuel Oil
5-6011	Waste Oil
5-6012	Wood Fuel
5-6013	Whole Tree Chips
5-6014	Pile Wood
5-6015	Wood Procurement
5-6016	Gas
5-6017	Main Gas
5-6018	Pilot Gas
5-6019	Gas Meter Charges
5-6020	Ash Disposal
5-6025	Water/Sewer
5-6026	Calibration Gases (CEM)
5-6030	Chemicals
5-6031	Treatment Chemicals
5-6032	Reagents
5-6035	Salt (Boiler)
5-6036	Fuel Additives
5-6040	Lubricants
5-6045	Gases (Welding)
5-6050	Consumables
5-6051	Mechanical
5-6052	Pipe Fittings
5-6053	Valves (Gaskets, Packing etc)
5-6055	Misc. Small Tools
5-6060	Consumables/Electrical
5-6065	Consumables/Building & Struct.
5-6070	Misc. Production Supplies/Exp.
5-6075	Electricity Purchased
5-6080	Maintenance of Structures
5-6085	Rental Fees/Plant Maintenance
5-6090	Rental Fees/Distribution
5-6095	Repair Parts/Mechanical Plant
5-6100	Repair Parts Electrical
5-6102	Repairs Distribution
5-6105	RepairParts Distribution
5-6106	Pipe
5-6107	Insulation
5-6108	Road Materials
5-6109	Valves
5-6110	Contracts Maint.&Repair/Plant
5-6112	Asbestos Remediation
5-6114	Contracts Main/Repairs Road
5-6115	Contracts Maint.&Repair Distri
5-6116	C.E.M. System
5-6117	Instrumentation/Elect
5-6118	Mechanical
5-6120	Customer Parts/Supplies

Concord Steam  
PUC 1604.01 (a) Required filing

5-6125	Inventory Adjustments
5-7000	Turbines-C
5-7040	Lubricants-C
5-7051	Mechanical Turbines
5-7052	Pipe Fittings Turbines
5-7053	Valves (Gaskets, etc. turbines
5-7055	Misc. Small Tools Turbines
5-7060	Consumables/turbines
5-7065	Consumables/Turbines Building
5-7070	Misc. Production Supplies Turb
5-7085	Rental Fees/Turbines
5-7095	Repair Parts/Mech. Turbine
5-7100	Repair Parts/Elect. Turbines
5-7110	Contracts Maint/RepairTurbine
5-8000	New Yard Expenses
5-8005	Yard Rental
5-8006	Loader Fuel
5-8010	Utilities
5-8015	Heat Yard
5-8020	Water & Sewer
5-8051	Mechanical Repairs/Yard
5-8055	Small Tools Yard
5-8056	Truck/Loader repairs
5-8060	Contracts-Hauling
5-8085	Loader rental
5-8086	Tractor rental
6-0000	Expenses
6-2100	Discounts Taken
6-2200	Freight Paid
6-2300	Interest Paid
6-5100	Wages & Salaries
6-5150	Temporary OT/Payroll
6-5200	Employer FICA
6-5201	Employer SEP/IRA
6-5202	SUTA
6-5203	FUTA
6-5204	SUTA Admin. Contrib.
6-5700	Steam Plant Labor
6-5701	Superintendence/Plant-12%
6-5702	Boiler Labor-56%
6-5725	Plant Equip. Maint. Labor-10%
6-5756	Superintendence/Distrib. - 7%
6-5761	O&M Distribution Lines Lab-5%
6-5762	Meter Operating Labor-7%
6-5780	Meter Rding/Collection Lab-3%
6-5781	Customer Billing Labor
6-5791	General Office Labor
6-5792	Capitalized labor
6-5799	Contracted Admin. Services
6-6100	Property Tax
6-6130	Depreciation
6-6135	Amortization
6-6136	Amortization - CIAC Received
6-6140	Property Tax-City
6-6141	Property Tax-Utility
6-6161	State Franchise Tax
6-6164	Taxes (1120 Federal)
6-6165	1120 NH Tax (NH Bus. Profits )
6-6166	State BET Taxes
6-6170	Contributions/Donations
6-6171	State Fees
6-6172	City Fees
6-6173	Assoc. Dues/Fees/Memberships
6-6174	Contributions
6-6175	Uncollectable Steam Sales
6-6180	Uncollectable Service Sales
6-6182	Uncollectables A/R Other
6-6185	Shipping & Handling
6-6190	Marketing/Promotions/Adv.
6-6200	Hydrant & Fire Line Fees
6-6310	Legal & Accounting
6-6500	Postage
6-6505	Office Equipment Exp.
6-6506	Lease/Copier
6-6507	Lease/Telephone system
6-6510	Telephone
6-6515	Employee Recruiting
6-6516	Employee Appreciation
6-6517	Employee Training/Education
6-6518	Employee Med. Testing Expense
6-6520	Leases/Rentals Equipment

Concord Steam  
PUC 1604.01 (a) Required filing

6-6523	Travel Meals etc.
6-6525	Travel Expenses
6-6530	Cleaning Supplies/Expense
6-6535	Misc. Office Expense/Supplies
6-6540	Maintenance Office Equipment
6-6545	Attorneys
6-6550	Accountants
6-6555	Engineering Consultants
6-6560	Management Fees
6-6565	Other Consultants
6-6566	Safety Consultants
6-6570	PUC Tax
6-6575	Insurance
6-6576	Liability/Auto Insurance
6-6577	Workmen's Comp.
6-6578	Other Insurance
6-6580	Special Consultants (Pensions)
6-6585	Employee Med, Dental etc. Ins.
6-6590	Uniforms
6-6600	Safety Equipment
6-6605	State of NH Fines
6-6610	Federal Fines
6-6615	Misc. General Expense
6-6620	Vehicle Registrations
6-6625	Truck & Loader Maintenance
6-6626	Truck Lease
6-6630	Gasoline
6-6635	Interest
6-6636	Credit Line Interest
6-6637	Term Loan Interest
6-6638	Truck Loan Interest
6-6639	Interest Customer Deposits
6-6640	Interest ST Loan 2009
6-6641	Lease Interest
6-6642	Truck Loan - Ranger Interest
6-6670	(pre2006)Cogen Payroll
6-6680	Special Payroll/Retired
6-6710	Bank Charges
6-6800	Investment Fees
6-6900	Miscellaneous
6-7000	Current Income Taxes
6-7050	Deferred Tax Provision
6-8000	Expense-C
6-8010	Telephone-C
6-8565	Other Consultants Turbines
6-8615	Misc. General Exp./Turbines
6-9100	Misc. Exp. Office, etc.
6-9110	Utilities
6-9200	Truck/Loader Expense
6-9205	Tractor Trailer Fuel
6-9210	PP Yard expenses
6-9220	Yard heat expense
6-9230	Veh. Registrations
6-9240	State & Town Fees
6-9250	Road/Yard Repairs
6-9525	Cleaning Supplies
6-9555	Engineering Consultants
6-9560	Highway Use Tax
6-9600	Property Tax Yard
8-0000	Other Income
8-1000	BCAP Savings
8-5000	Tax refunds
8-6000	A/R Deposit clearing account
9-0000	Non-Operating Expense
9-5000	Temp Expense
9-8000	Misc. Project Expense
9-9500	Ins. Claims
9-9555	Off Book Rent Expense
9-9560	Service/Late Fees
9-9570	Checking acct. reconciliation

Concord Steam  
PUC 1604.01 (a) Required filing

(11) Membership dues, fees, donations

1/1/15 To 12/31/15

Date	Memo	
6-6173	Assoc. Dues/Fees/Memberships	
1/13/15	OOIDA	\$110.00
1/15/15	Purchase; NHTOA	\$300.00
1/21/15	National Safety Council	\$395.00
1/22/15	Purchase; OOIDA	\$50.00
1/26/15	Purchase; Dan Troy	\$315.00
2/19/15	Purchase; Massachusetts Forest Alliance	\$75.00
2/23/15	Purchase; U.S. Department of Labor	\$2,700.00
3/3/15	Purchase; Sam's Club #6386	\$135.00
3/31/15	Purchase; Dig Safe System, Inc.	\$65.00
7/14/15	Purchase; Dig Safe System, Inc.	\$228.00
7/27/15	Purchase; ISO New England Inc.	\$1,000.00
8/21/15	ASME	\$149.00
8/31/15	Amazon	\$99.00
9/30/15	Purchase; Dig Safe System, Inc.	\$205.00
10/21/15	INTOWN CONCORD	\$200.00
11/2/15	USPS	\$678.00
11/10/15	OOIDA	\$45.00
	Total:	\$6,749.00

Concord Steam  
PUC 1604.01 (a) Required filing

(14) A list of officers and directors of the utility and their full compensation for each of the last 2 years, detailing base compensation, bonuses, and incentive plans;

Mark Saltsman VP, Director

2014 \$105,966.12

2015 \$99,001.00

Peter Bloomfield, President, Director

2014 \$85,098.00 \*

2015 \$85,098.00 \*

Pansy Bloomfield. Treasurer

2014 \$42,000.00 \*

2015 \$42,000.00 \*

There are no incentive plans or bonuses for any officer.

\* Paid as management fee to Bloomfield Associates.

Concord Steam  
PUC 1604.01 (a) Required filing

(16) The amount of voting stock of the utility owned by an officer or director

Peter Bloomfield, President            80% - 384 shares

Mark Saltsman, VP                        20% - 96 shares



Concord Steam  
PUC 1604.01 (a) Required filing

17. Payments to individuals or corporations for contractual services in excess of \$10,000  
January 2015 through December 2015

	Purchase Amount
Royal Bank America Leasing, LP	\$10,788.00
Stafford Tech, Inc.	\$10,791.00
Fastenal Company	\$11,351.39
Douglas M. Woodhams	\$11,980.50
Clean Rentals, Inc.	\$12,004.96
Sanborn Industries	\$12,292.28
Chuck Rose, Inc.	\$12,417.74
Health Plan Services, Inc.	\$12,526.08
PRC Industrial Supply , Inc.	\$12,596.44
Sanel Auto Parts Co.	\$12,723.29
Champlain Oil Co., Inc.	\$12,822.51
Robert E. Lee	\$14,076.55
F.L. Merrill Construction, Inc.	\$14,576.32
NEMO	\$15,803.74
Town of Pembroke, NH	\$17,535.32
Webster Transport LLC	\$17,793.62
Fino Pump, LLC	\$18,146.09
The Granite Group	\$18,668.89
Eastmount Environmental Services, LLC	\$19,000.00
The Rowley Agency	\$19,873.00
Laidig Systems, Inc.	\$21,326.67
Clarity Water Technologies, LLC	\$21,355.98
Nathan Wechsler & Company, PA	\$21,549.50
Resource Management, Inc.	\$22,388.58
Kimball Trucking	\$22,605.96
Hill & Sons Trucking	\$22,677.20
Three-C Electrical	\$29,963.75
Fidelity Investments Southwest Company	\$31,504.04
Troy Industrial Solutions	\$32,379.55
Doherty Electric, LLC	\$34,060.00
North Country Procurement, Inc.	\$35,000.04
F.W. Webb Company	\$41,721.53
Barrett Electric Co., Inc.	\$42,773.04
Sigma One	\$45,535.60
Monitoring Solutions, Inc	\$49,036.92
NHDRA	\$49,912.00
Perry, Spencer	\$50,260.33
Round II Timber LLC	\$59,702.49
D.R. Woodhams Enterprises	\$61,267.40
Bronnenberg Logging & Trucking, LLC	\$68,607.45
Anderson Timber Harvesting, Inc	\$69,057.31
Unitil	\$79,909.52
AFCO	\$80,999.72
North Country Lumber, Inc.	\$83,470.79
Monadnock Landclearing & Chipping, Inc.	\$95,413.14
Harvard Pilgrim Health Care	\$110,570.33
Bloomfield Associates, PC	\$114,872.56
D.H. Hardwick & Sons, Inc.	\$185,374.90
State of New Hampshire (All Departments)	\$210,668.12
EFTPS (Fed Taxes)/US Treasury	\$234,944.74
BS & Chips LLC	\$241,180.91
Hopkinton Forestry & Landclearing, Inc.	\$276,884.47
TD Bank	\$319,763.11
Liberty Utilities-New Hampshire	\$374,499.75
City of Concord (All Departments)	\$409,821.39
Direct Energy Business	\$1,499,475.70

Concord Steam  
PUC 1604.01 (a) Required filing

19 Balance sheets for previous two years

Balance Sheet

As of December 2013

1-0000	Assets	
1-1010	General Checking Account	(\$625,018)
1-1200	Current Assets	
1-1225	Expansion Project/onsite	\$7
1-1251	Accounts Receivable	\$1,080,841
1-1259	Allowance for Doubtfull A/R	(\$22,747)
1-2000	Oil Inventory	\$50,787
1-2005	Prepaid Oil Additive/Comb. Cat	\$511
1-2010	Wood Inventory	\$119,065
1-2030	Parts/Supplies Inventory	\$59,120
1-2035	Chemical Inventory/Salt	\$6,565
1-2040	Prepaid Insurance	\$37,748
1-2042	Prepaid Empl. Insurances	\$9,341
1-2050	Prepaid Property Tax	\$53,947
1-2052	Prepaid Property Tax Yard	\$6,085
1-2055	Deferred Tax Debit	\$613,630
1-2500	Fixed Assets	
1-2502	Organization	\$139
1-2505	Rights of Way	\$2,655
1-2506	Construction Cont. to Others	\$31,000
1-2508	LH Improvements	\$311,623
1-2510	Structures	\$671,407
1-2512	Wood Yard Equipment	\$103,563
1-2514	Wood Yard Building	\$35,184
1-2515	Plant Equipment	\$6,555,557
1-2516	Special FA Account	\$38,785
1-2520	Underground Mains	\$3,383,202
1-2525	Services-Equip. Main to Meter	\$500,114
1-2530	Customers' Meters	\$149,265
1-2535	Office Equip/Improvements	\$29,152
1-2540	Transportation Equipment	\$101,736
1-2545	Shop Equipment	\$8,392
1-2555	Large Tools	\$5,370
1-2560	Misc. General Equipment	\$14,075
1-2565	Depreciation	(\$6,106,301)
1-2570	CIAC-Received-Accum. Amort.	\$108,715
1-2575	Turbine Assets	\$19,762
1-2580	Plant Safety Improvements	\$20,419
1-2600	Cost of Obtaining Financing	\$10,242
1-2601	Accum. Amort. Cost of Ob. Finance	(\$10,242)
	Total Assets	\$7,373,694

Concord Steam  
PUC 1604.01 (a) Required filing

2-0000	Liabilities	
2-0500	Owed to Principals	\$245,000
2-2000	Accounts Payable	\$1,023,705
2-3000	Accrued Taxes FICA/Med	\$754
2-3010	Payroll Federal Withholding	(\$362)
2-3011	Accrued Empl. Other Ded.	(\$3,745)
2-3012	Accrued Payroll	\$7,698
2-3014	Accr.Med&Dental	(\$3,506)
2-3027	Accrued Interest	\$1,082
2-3030	Accrued Taxes - 1120 NH	\$1,912
2-3055	AFLAC pre-tax	\$1,247
2-3056	AFLAC/LTD After Tax	\$61
2-3060	Deferred Income Tax Credit	\$1,165,789
2-3065	Line of Credit	\$781,204
2-3500	Long Term Liabilities	
2-3501	Current Maturity Offset	(\$125,576)
2-3502	Current Maturity LTD	\$125,576
2-3505	Term Loan	\$37,989
2-3506	Long Term Loan TD Bank	\$329,782
2-3511	Loan from P&M Realty	\$59,000
2-3512	Truck Loan - Ranger	\$8,569
2-3530	Contribution Aid to Constr.	\$671,975
2-4000	Customer Deposits	\$1,300
2-7000	Credit Cards	
2-7001	Chase VISA	\$23,051
2-8000	American Express	\$2,463
	Total Liabilities	\$4,354,970
3-0000	Equity	
3-4000	Common Stock	\$91,200
3-4010	Capital Surplus	\$220,653
3-4022	Treasury stock	(\$873,000)
3-4500	Retained Earnings	\$3,271,358
3-9000	Current Earnings	\$308,514
	Total Equity	\$3,018,725
	Total Liability & Equity	\$7,373,694

Concord Steam  
PUC 1604.01 (a) Required filing

19 - Income statement for previous two years

Profit & Loss Statement

January 2013 through December 2013

4-0000	Income	
4-5000	Base Steam Income	
4-5010	Commercial/Ind. Base Income	\$856,441
4-5020	Public Authority Base Income	\$1,980,502
4-5025	Sales Discount	(\$367,734)
4-5027	Energy Income	
4-5028	Commercial Energy Income	\$848,791
4-5029	Public Auth. Energy Income	\$2,010,164
4-5040	Customer Penalties	\$1,225
4-5045	Meter Charges	\$41,907
4-5048	Sale of Electricity	\$110,565
4-5049	Demand Response Income	\$3,185
4-5060	Customer Service	
4-5061	Customer Service Parts	\$33,387
4-5062	Customer Service Revenue	\$43,443
4-5102	Rental Income Stack	\$12,480
4-5103	Gain/Loss Sale of Assets	\$15,600
4-5115	Misc. Income	\$36,817
	Total Income	\$5,626,773
5-0000	Cost Of Sales	
5-6000	Rent - NH Hospital Plant Lease	\$100,516
5-6006	Diesel Fuel	\$4,723
5-6009	Fuel Oil	
5-6010	#6 Fuel Oil	\$59,785
5-6011	Waste Oil	\$2,225
5-6012	Wood Fuel	
5-6013	Whole Tree Chips	\$1,194,334
5-6015	Wood Procurement	\$35,000
5-6016	Gas	
5-6017	Main Gas	\$883,550
5-6018	Pilot Gas	\$573
5-6020	Ash Disposal	\$25,195
5-6025	Water/Sewer	\$239,603
5-6026	Calibration Gases (CEM)	\$265
5-6030	Chemicals	
5-6031	Treatment Chemicals	\$21,915
5-6032	Reagents	\$398
5-6035	Salt (Boiler)	\$4,866
5-6036	Fuel Additives	\$5,158
5-6040	Lubricants	\$1,716
5-6045	Gases (Welding)	\$7,393
5-6050	Consumables	
5-6051	Mechanical	\$7,801
5-6052	Pipe Fittings	\$7,070

Concord Steam  
PUC 1604.01 (a) Required filing

5-6053	Valves (Gaskets, Packing etc)	\$3,864
5-6055	Misc. Small Tools	\$7,607
5-6060	Consumables/Electrical	\$2,048
5-6065	Consumables/Building & Struct.	\$841
5-6070	Misc. Production Supplies/Exp.	\$190
5-6075	Electricity Purchased	\$59,260
5-6080	Maintenance of Structures	\$3,434
5-6085	Rental Fees/Plant Maintenance	\$4,149
5-6090	Rental Fees/Distribution	(\$2,023)
5-6095	Repair Parts/Mechanical Plant	\$26,559
5-6100	Repair Parts Electrical	\$3,339
5-6102	Repairs Distribution	
5-6105	RepairParts Distribution	\$2,894
5-6106	Pipe	\$4,723
5-6107	Insulation	\$4,410
5-6108	Road Materials	\$1,221
5-6109	Valves	\$7,808
5-6110	Contracts Maint.&Repair/Plant	\$52,998
5-6114	Contracts Main/Repairs Road	\$5,375
5-6115	Contracts Maint.&Repair Distri	\$3,520
5-6116	C.E.M. System	\$1,375
5-6117	Instrumentation/Elect	\$4,889
5-6120	Customer Parts/Supplies	\$70,613
5-6125	Inventory Adjustments	\$19,615
5-7000	Turbines-C	
5-7051	Mechanical Turbines	\$113
5-7052	Pipe Fittings Turbines	\$57
5-7053	Valves (Gaskets, etc. turbines	\$118
5-7060	Consumables/turbines	\$57
5-7095	Repair Parts/Mech. Turbine	\$644
5-8000	New Yard Expenses	
5-8005	Yard Rental	\$141,792
5-8006	Loader Fuel	\$9,171
5-8010	Utilities	\$3,465
5-8015	Heat Yard	\$5,401
5-8051	Mechanical Repairs/Yard	\$1,655
5-8055	Small Tools Yard	\$685
5-8085	Loader rental	\$51,597
5-8086	Tractor rental	\$15,233
	Total Cost Of Sales	\$3,120,784
	Gross Profit	\$2,505,989
6-0000	Expenses	
6-2100	Discounts Taken	(\$774)
6-2300	Interest Paid	\$10,059
6-5200	Employer FICA	\$64,269
6-5201	Employer SEP/IRA	\$9,863
6-5202	SUTA	\$7,324
6-5203	FUTA	\$732
6-5204	SUTA Admin. Contrib.	\$514

Concord Steam  
PUC 1604.01 (a) Required filing

6-5700	Steam Plant Labor	
6-5701	Superintendence/Plant-12%	\$75,460
6-5702	Boiler Labor-56%	\$460,002
6-5725	Plant Equip. Maint. Labor-10%	\$58,190
6-5756	Superintendence/Distrib. - 7%	\$48,020
6-5761	O&M Distribution Lines Lab-5%	\$34,057
6-5762	Meter Operating Labor-7%	\$57,695
6-5780	Meter Rding/Collection Lab-3%	\$24,727
6-5781	Customer Billing Labor	\$15,873
6-5791	General Office Labor	\$26,450
6-5799	Contracted Admin. Services	(\$323)
	Total Steam Plant Labor	\$800,150
6-6130	Depreciation	\$233,241
6-6135	Amortization	\$1,164
6-6136	Amortization - CIAC Received	(\$9,668)
6-6140	Property Tax-City	\$106,525
6-6141	Property Tax-Utility	\$29,456
6-6166	State BET Taxes	\$5,462
6-6170	Contributions/Donations	\$7,530
6-6171	State Fees	\$60,597
6-6172	City Fees	\$1,439
6-6173	Assoc. Dues/Fees/Memberships	\$5,058
6-6174	Contributions	\$250
6-6180	Uncollectable Service Sales	\$659
6-6182	Uncollectables A/R Other	(\$2,817)
6-6190	Marketing/Promotions/Adv.	\$3,460
6-6500	Postage	\$2,249
6-6505	Office Equipment Exp.	\$205
6-6510	Telephone	\$16,013
6-6515	Employee Recruiting	\$1,244
6-6516	Employee Appreciation	\$7,223
6-6517	Employee Training/Education	\$1,305
6-6518	Employee Med. Testing Expense	\$718
6-6523	Travel Meals etc.	\$67
6-6525	Travel Expenses	\$163
6-6530	Cleaning Supplies/Expense	\$4,985
6-6535	Misc. Office Expense/Supplies	\$4,785
6-6545	Attorneys	\$57,455
6-6550	Accountants	\$21,235
6-6555	Engineering Consultants	\$24,184
6-6560	Management Fees	\$82,620
6-6565	Other Consultants	\$966
6-6570	PUC Tax	\$15,034
6-6575	Insurance	
6-6576	Liability/Auto Insurance	\$96,801
6-6577	Workmen's Comp.	\$35,398
6-6585	Employee Med, Dental etc. Ins.	\$100,567
6-6590	Uniforms	\$12,192
6-6600	Safety Equipment	\$6,465
6-6615	Misc. General Expense	\$3,442
6-6620	Vehicle Registrations	\$3,056

Concord Steam  
PUC 1604.01 (a) Required filing

6-6625	Truck & Loader Maintenance	\$12,211
6-6626	Truck Lease	\$7,002
6-6630	Gasoline	\$19,698
6-6635	Interest	
6-6636	Credit Line Interest	\$52,315
6-6637	Term Loan Interest	\$16,667
6-6638	Truck Loan Interest	\$120
6-6639	Interest Customer Deposits	\$1
6-6641	Lease Interest	\$2,763
6-6642	Truck Loan - Ranger Interest	\$273
	Total Interest	\$72,139
6-6680	Special Payroll/Retired	\$12,000
6-6710	Bank Charges	\$6,075
6-6900	Miscellaneous	\$8,871
6-7050	Deferred Tax Provision	\$151,309
6-9100	Misc. Exp. Office, etc.	\$283
6-9200	Truck/Loader Expense	\$12,235
6-9205	Tractor Trailer Fuel	\$9,603
6-9230	Veh. Registrations	\$687
6-9250	Road/Yard Repairs	\$49
6-9525	Cleaning Supplies	\$10
6-9560	Highway Use Tax	\$983
6-9600	Property Tax Yard	\$24,426
	Total Expenses	\$2,170,444
	Operating Profit	\$335,545
8-0000	Other Income	
9-0000	Non-Operating Expense	
9-8000	Misc. Project Expense	\$560
9-9500	Ins. Claims	\$264
9-9555	Off Book Rent Expense	\$26,208
9-9570	Checking acct. reconciliation	(\$1)
	Total Non-Operating Expense	\$27,031
	Net Profit/(Loss)	\$308,514

Concord Steam  
PUC 1604.01 (a) Required filing

(19) Balance sheets and income statements for the previous 2 years

Balance Sheet

December 2014

1-0000	Assets	
1-1010	General Checking Account	(\$284,385)
1-1200	Current Assets	
1-1225	Expansion Project/onsite	\$7
1-1251	Accounts Receivable	\$884,603
1-1254	Employee Loan	\$0
1-1259	Allowance for Doubtful A/R	(\$12,661)
1-1500	Black Rock Mutual Funds	\$0
1-2005	Prepaid Oil Additive/Comb. Cat	\$2,470
1-2010	Wood Inventory	\$74,738
1-2030	Parts/Supplies Inventory	\$61,281
1-2035	Chemical Inventory/Salt	\$6,453
1-2040	Prepaid Insurance	\$22,709
1-2042	Prepaid Empl. Insurances	\$11,905
1-2050	Prepaid Property Tax	\$0
1-2052	Prepaid Property Tax Yard	\$4,482
1-2055	Deferred Tax Debit	\$550,026
1-2500	Fixed Assets	
1-2502	Organization	\$139
1-2505	Rights of Way	\$2,655
1-2506	Construction Cont. to Others	\$31,000
1-2508	LH Improvements	\$325,263
1-2510	Structures	\$671,407
1-2512	Wood Yard Equipment	\$103,563
1-2514	Wood Yard Building	\$35,184
1-2515	Plant Equipment	\$6,997,590
1-2516	Special FA Account	\$156,837
1-2518	New Plant/CSC/CWIP	\$0
1-2520	Underground Mains	\$3,462,243
1-2525	Services-Equip. Main to Meter	\$523,258
1-2530	Customers' Meters	\$149,265
1-2535	Office Equip/Improvements	\$29,152
1-2540	Transportation Equipment	\$142,275
1-2545	Shop Equipment	\$8,392
1-2555	Large Tools	\$5,370
1-2560	Misc. General Equipment	\$5,162
1-2565	Depreciation	(\$6,287,254)
1-2570	CIAC-Received-Accum. Amort.	\$118,383
1-2575	Turbine Assets	\$19,762
1-2580	Plant Safety Improvements	\$20,419
1-2600	Cost of Obtaining Financing	\$10,242
1-2601	Accum.Amort.Cost of Ob.Finance	(\$10,242)
	Total Assets	\$7,841,691



Concord Steam  
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2-0000	Liabilities	
2-0500	Owed to Principals	\$345,000
2-1000	Mortgages/J. Alosa	\$0
2-2000	Accounts Payable	\$986,452
2-3000	Accrued Taxes FICA/Med	(\$819)
2-3010	Payroll Federal Withholding	\$0
2-3011	Accrued Empl. Other Ded.	(\$3,694)
2-3012	Accrued Payroll	\$10,817
2-3014	Accr.Med&Dental	(\$4,682)
2-3020	Accrued Taxes FUTA	(\$3)
2-3025	Accrued Taxes-SUTA	\$0
2-3027	Accrued Interest	\$1,925
2-3030	Accrued Taxes - 1120 NH	\$498
2-3050	SEP/IRA Deposits	\$6,205
2-3055	AFLAC pre-tax	\$1,415
2-3056	AFLAC/LTD After Tax	(\$42)
2-3060	Deferred Income Tax Credit	\$1,187,741
2-3065	Line of Credit	\$993,869
2-3500	Long Term Liabilities	
2-3501	Current Maturity Offset	(\$272,651)
2-3502	Current Maturity LTD	\$272,651
2-3505	Term Loan	\$30,305
2-3506	Long Term Loan TD Bank	\$400,075
2-3512	Truck Loan - Ranger	\$5,996
2-3513	Truck Loan - F150	\$28,937
2-3530	Contribution Aid to Constr.	\$671,975
2-4000	Customer Deposits	\$1,100
2-7000	Credit Cards	
2-7001	Chase VISA	\$18,934
	Total Liabilities	\$4,682,005
3-0000	Equity	
3-4000	Common Stock	\$91,200
3-4010	Capital Surplus	\$220,653
3-4022	Treasury stock	(\$873,000)
3-4500	Retained Earnings	\$3,579,872
3-9000	Current Earnings	\$140,961
	Total Equity	\$3,159,686
	Total Liability & Equity	\$7,841,691

Concord Steam  
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(19) Balance sheets and income statements for the previous 2 years

Profit & Loss

January 2014 through December 2014

4-0000	Income	
4-5000	Base Steam Income	
4-5005	Residential Base Income	\$0
4-5010	Commercial/Ind. Base Income	\$827,401
4-5020	Public Authority Base Income	\$2,098,625
4-5025	Sales Discount	(\$323,556)
4-5027	Energy Income	
4-5028	Commercial Energy Income	\$849,502
4-5029	Public Auth. Energy Income	\$2,195,099
4-5030	Residential Energy Income	\$0
4-5040	Customer Penalties	\$4,477
4-5045	Meter Charges	\$59,462
4-5048	Sale of Electricity	\$116,341
4-5060	Customer Service	
4-5061	Customer Service Parts	\$19,297
4-5062	Customer Service Revenue	\$77,400
4-5102	Rental Income Stack	\$6,240
4-5115	Misc. Income	\$5,107
	Total Income	\$5,935,394
5-0000	Cost Of Sales	
5-6000	Rent - NH Hospital Plant Lease	\$100,516
5-6006	Diesel Fuel	\$6,450
5-6009	Fuel Oil	
5-6010	#6 Fuel Oil	\$50,787
5-6012	Wood Fuel	
5-6013	Whole Tree Chips	\$1,150,683
5-6015	Wood Procurement	\$35,000
5-6016	Gas	
5-6017	Main Gas	\$1,341,635
5-6018	Pilot Gas	\$778
5-6020	Ash Disposal	\$25,286
5-6025	Water/Sewer	\$225,142
5-6026	Calibration Gases (CEM)	\$265
5-6030	Chemicals	
5-6031	Treatment Chemicals	\$24,015
5-6032	Reagents	\$2,040
5-6035	Salt (Boiler)	\$4,606
5-6036	Fuel Additives	\$4,391
5-6040	Lubricants	\$1,703
5-6045	Gases (Welding)	\$6,776
5-6050	Consumables	
5-6051	Mechanical	\$14,732

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5-6052	Pipe Fittings	\$8,309
5-6053	Valves (Gaskets, Packing etc)	\$7,950
5-6055	Misc. Small Tools	\$15,170
5-6060	Consumables/Electrical	\$4,092
5-6065	Consumables/Building & Struct.	\$3,045
5-6070	Misc. Production Supplies/Exp.	\$308
5-6075	Electricity Purchased	\$97,537
5-6080	Maintenance of Structures	\$4,794
5-6085	Rental Fees/Plant Maintenance	\$5,562
5-6090	Rental Fees/Distribution	\$4,133
5-6095	Repair Parts/Mechanical Plant	\$43,579
5-6100	Repair Parts Electrical	\$3,663
5-6102	Repairs Distribution	
5-6105	RepairParts Distribution	\$8,460
5-6106	Pipe	\$8,043
5-6107	Insulation	\$5,900
5-6108	Road Materials	\$1,957
5-6109	Valves	\$11,565
5-6110	Contracts Maint.&Repair/Plant	\$44,761
5-6114	Contracts Main/Repairs Road	\$950
5-6115	Contracts Maint.&Repair Distri	\$3,488
5-6116	C.E.M. System	\$20,050
5-6117	Instrumentation/Elect	\$3,738
5-6120	Customer Parts/Supplies	\$56,120
5-7000	Turbines-C	
5-7051	Mechanical Turbines	\$464
5-7052	Pipe Fittings Turbines	\$0
5-7053	Valves (Gaskets, etc. turbines	\$0
5-7060	Consumables/turbines	\$883
5-7095	Repair Parts/Mech. Turbine	\$727
5-7100	Repair Parts/Elect. Turbines	\$185
5-7110	Contracts Maint/RepairTurbine	\$2,340
5-8000	New Yard Expenses	
5-8005	Yard Rental	\$141,792
5-8006	Loader Fuel	\$10,151
5-8010	Utilities	\$3,991
5-8015	Heat Yard	\$4,431
5-8051	Mechanical Repairs/Yard	\$547
5-8060	Contracts-Hauling	\$500
5-8085	Loader rental	\$51,597
5-8086	Tractor rental	\$15,233
	Total Cost Of Sales	\$3,590,822
	Gross Profit	\$2,344,572
6-0000	Expenses	
6-2100	Discounts Taken	(\$8,541)
6-2300	Interest Paid	\$3,328
6-5100	Wages & Salaries	\$0

Concord Steam  
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6-5200	Employer FICA		\$68,508
6-5201	Employer SEP/IRA		\$10,084
6-5202	SUTA		\$4,909
6-5203	FUTA		\$514
6-5204	SUTA Admin. Contrib.		\$454
6-5700	Steam Plant Labor		
6-5701	Superintendence/Plant-12%	\$103,944	
6-5702	Boiler Labor-56%	\$485,073	
6-5725	Plant Equip. Maint. Labor-10%	\$86,620	
6-5756	Superintendence/Distrib. - 7%	\$60,634	
6-5761	O&M Distribution Lines Lab-5%	\$43,310	
6-5762	Meter Operating Labor-7%	\$60,634	
6-5780	Meter Rding/Collection Lab-3%	\$25,986	
6-5781	Customer Billing Labor	\$15,798	
6-5791	General Office Labor	\$26,335	
6-5799	Contracted Admin. Services	(\$133)	
	Total Steam Plant Labor		\$908,201
6-6100	Property Tax		\$113
6-6130	Depreciation		\$222,744
6-6136	Amortization - CIAC Received		(\$9,668)
6-6140	Property Tax-City		\$107,853
6-6141	Property Tax-Utility		\$29,456
6-6166	State BET Taxes		\$7,498
6-6170	Contributions/Donations		\$10,851
6-6171	State Fees		\$75,498
6-6172	City Fees		\$3,925
6-6173	Assoc. Dues/Fees/Memberships		\$9,025
6-6185	Shipping & Handling		\$84
6-6190	Marketing/Promotions/Adv.		\$1,436
6-6310	Legal & Accounting		\$1,758
6-6500	Postage		\$2,055
6-6505	Office Equipment Exp.		\$20
6-6510	Telephone		\$13,565
6-6515	Employee Recruiting		\$1,051
6-6516	Employee Appreciation		\$14,772
6-6517	Employee Training/Education		\$3,091
6-6518	Employee Med. Testing Expense		\$734
6-6520	Leases/Rentals Equipment		\$0
6-6523	Travel Meals etc.		\$354
6-6525	Travel Expenses		\$2,288
6-6530	Cleaning Supplies/Expense		\$6,466
6-6535	Misc. Office Expense/Supplies		\$6,428
6-6545	Attorneys		\$11,524
6-6550	Accountants		\$20,634
6-6555	Engineering Consultants		\$37,289
6-6560	Management Fees		\$84,777
6-6565	Other Consultants		\$1,050
6-6570	PUC Tax		\$16,535
6-6575	Insurance		

Concord Steam  
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6-6576	Liability/Auto Insurance		\$93,021
6-6577	Workmen's Comp.		\$34,990
6-6585	Employee Med, Dental etc. Ins.		\$114,179
6-6590	Uniforms		\$13,064
6-6600	Safety Equipment		\$13,682
6-6615	Misc. General Expense		\$2,287
6-6620	Vehicle Registrations		\$1,172
6-6625	Truck & Loader Maintenance		\$8,764
6-6626	Truck Lease		\$6,463
6-6630	Gasoline		\$18,697
6-6635	Interest		
6-6636	Credit Line Interest	\$34,012	
6-6637	Term Loan Interest	\$14,541	
6-6638	Truck Loan Interest	\$1,539	
6-6639	Interest Customer Deposits	\$55	
6-6641	Lease Interest	\$3,104	
6-6642	Truck Loan - Ranger Interest	\$198	
	Total Interest		\$53,448
6-6680	Special Payroll/Retired		\$11,250
6-6710	Bank Charges		\$4,198
6-7000	Current Income Taxes		\$7,498
6-7050	Deferred Tax Provision		\$85,556
6-9100	Misc. Exp. Office, etc.		\$276
6-9200	Truck/Loader Expense		\$8,250
6-9205	Tractor Trailer Fuel		\$13,286
6-9230	Veh. Registrations		\$1,375
6-9250	Road/Yard Repairs		\$98
6-9560	Highway Use Tax		\$983
6-9600	Property Tax Yard		\$18,995
	Total Expenses		\$2,174,696
	Operating Profit		\$169,875
8-0000	Other Income		
8-6000	A/R Deposit clearing account		\$0
	Total Other Income		\$0
9-0000	Non-Operating Expense		
9-5000	Temp Expense		(\$12)
9-9500	Ins. Claims		\$0
9-9555	Off Book Rent Expense		\$26,208
9-9560	Service/Late Fees		\$2,709
9-9570	Checking acct. reconciliation		\$9
	Total Non-Operating Expense		\$28,914
	Net Profit/(Loss)		\$140,961

Concord Steam  
PUC 1604.01 (a) Required filing

(21) Sales volumes for the previous 2 years, itemized for residential and other classifications of service

All units are Mlbs

Residential			
Month	2013	2014	2015
January	0	0	7.2
February	0	0	0.8
March	0	0	0.8
April	0	0	0.2
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0.1
November	0	0	0.7
December	0	0	1.9
			11.7

Commercial			
Month	2,013	2,014	2,015
January	8,186	8,032	7,900
February	6,875	7,422	8,426
March	4,926	5,343	5,012
April	3,032	2,696	2,898
May	1,083	1,178	653
June	451	367	375
July	329	377	394
August	452	376	386
September	667	578	396
October	2,220	1,618	1,744
November	5,090	3,594	3,013
December	7,070	5,596	4,055
	<u>40,381</u>	<u>37,178</u>	<u>35,252</u>

Public Authority			
Month	2,013	2,014	2,015
January	19,321	19,959	20,636
February	16,034	18,441	21,709
March	11,335	15,942	14,086
April	7,921	8,218	8,586
May	2,274	3,398	1,410
June	909	1,040	860
July	633	755	670
August	716	668	600
September	1,501	1,398	543
October	5,924	5,396	5,516
November	12,118	9,529	8,583
December	17,019	14,971	11,419
	<u>95,704</u>	<u>99,716</u>	<u>94,618</u>

Concord Steam  
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(22) A description of the utility's projected need for external capital for the 2 year period immediately following the test year.

If we are able to move forward with the repowering project, we will install an electrostatic precipitator and a selective catalytic reduction system on the two wood fired boilers. This will bring the facility into compliance with the new Federal EPA regulations and also qualify the facility for RECs.

We will also completely rebuild #6 boiler and install a vibrating air cooled grate stoker in the unit, replacing the fixed grate that is presently installed. #1 boiler is to be completely retubed and a new low NOx burner installed.

Additional upgrades and improvements to the plant and plant equipment will also be done as part of the project, and will result in a facility that is safe, efficient and reliable.

Concord Steam  
PUC 1604.01 (a) Required filing

23) The utility's capital budget with a statement of the source and uses of funds for the 2 years immediately following the test year.

Uses of funds are shown on attached sheet.

Sources of funds are from a projected bond issue with TD Securities as the underwriter.



Concord Steam  
PUC 1604.01 (a) Required filing

23 Capital budget

**Plant Repowering Project.**

General Conditions, project management		2,850,000
Site work		250,000
Concrete		550,000
Building and finishes		150,000
Equipment		7,385,000
Rebuild breeching		400,000
Controls + CEM		250,000
Mechanical		1,722,000
Electrical		1,150,000
Startup and Commissioning		255,000
	Subtotal	14,962,000
Engineering		850,000
	Subtotal	15,812,000
Construction Manager OH&P	6%	948,720
Total Construction contract		16,760,720
Retube #1, new burner		350,000
Upgrade #5		100,000
Well		150,000
Oil tanks cleanup and retirement		50,000
Demo/asbestos abatement		450,000
Interconnect		467,000
Permitting		40,000
Legal		100,000
Engineering		100,000
Building permit		100,000
Builders risk insurance		150,000
Miscellaneous/Contingency		1,300,000
		20,117,720
construct loan interest		1,100,000
Cost of financing		760,000
Debt service reserve		1,000,000
	TOTAL	22,977,720

Concord Steam  
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(24) The amount of outstanding short term debt, on a monthly basis during the test year, for each short-term indebtedness;

	January	February	March	April	May	June	July	August	September	October	November	December
Checking account	\$ (561,328)	\$ (201,631)	\$ (81,910)	\$ (252,476)	\$ (53,754)	\$ 18,588	\$ (4,231)	\$ (12,325)	\$ (32,358)	\$ (62,827)	\$ (56,544)	\$ (71,111)
Line of credit	\$ 710,304	\$ 519,620	\$ 826,326	\$ 545,244	\$ 685,546	\$ -	\$ 665,357	\$ 790,530	\$ 1,043,289	\$ 979,271	\$ 1,004,784	\$ 1,040,013
Owed to Principal	\$ 345,000	\$ 345,000	\$ 345,000	\$ 345,000	\$ 345,000	\$ 545,000	\$ 445,000	\$ 445,000	\$ 438,194	\$ 738,194	\$ 738,194	\$ 700,000
	\$ 1,616,632	\$ 1,066,251	\$ 1,253,236	\$ 1,142,720	\$ 1,084,300	\$ 526,412	\$ 1,114,588	\$ 1,247,855	\$ 1,513,841	\$ 1,780,292	\$ 1,799,522	\$ 1,811,124