

Summary of Full Rate Case Documents

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Puc 1604(a)(2)	Annual Reports to Stockholders	Waiver Motion Tab 4
Puc 1604(a)(3)	Federal Income Tax Reconciliation	Tab 16
Puc 1604(a)(4)	Detailed Tax Factor Computation	Tab 17
Puc 1604(a)(5)	Charitable Contributions	Waiver Motion Tab 4
Puc 1604(a)(6)	Advertising Charges	Waiver Motion Tab 4
Puc 1604(a)(7)	Recent Cost of Service Study	Waiver Motion Tab 4
Puc 1604(a)(8)	Construction Budget	Tab 18
Puc 1604(a)(9)	Chart of Accounts, if different	Waiver Motion Tab 4
Puc 1604(a)(10)	SEC Filings	Waiver Motion Tab 4
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Puc 1604(a)(12)	Recent Depreciation Study	Waiver Motion Tab 4
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Puc 1604(a)(16)	Voting Stock Controlled by Officers or Directors	Waiver Motion Tab 4
Puc 1604(a)(17)	Material Contract Payments	Tab 19
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Puc 1604(a)(19)	Balance Sheets and Income Statements	Waiver Motion Tab 4
Puc 1604(a)(20)	Quarterly Income Statements	Waiver Motion Tab 4
Puc 1604(a)(21)	Quarterly Sales Volumes	Tab 20
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Puc 1604(a)(24)	Short-Term Debt	Included in Tab 13 at Schedule 6
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Puc 1604(a)(26)	Support for Testimony	See Testimony and Schedules

Pennichuck East Utilities, Inc.
Federal Income Tax Reconciliation
For the Twelve Months Ended December 31, 2016

Provided pursuant to NHPUC Rule 1604.01(3)

Net income per books for the test year	\$ (128,251)
Addback provision for Federal and State income taxes	47,319
Pretax Book Income before permanent items	(80,932)
Permanent Items:	
50% meals & entertainment expenses	-
Amortization of Municipal Acquisition Regulatory Asset (MARA)	200,394
Disqualifying Dispositions (ISO's)	-
	200,394
Taxable Income	119,461
NHBPT	10,154
Federal Income Tax	37,165
Amortization of Investment Tax Credit	-
Total Income Taxes	\$ 47,319

Note: The following are temporary differences (Schedule M-1 items) that are recorded in Deferred Income Taxes:

Accelerated depreciation/Amortization of CIAC	(646,553)
Book/Tax Difference on disposal of assets	(248,451)
Prior Year's Charitable Contributions	-
Prepaid Expenses	-
A/R Reserve	-
Deferred Debits	4,460
	(890,544)

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

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

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Income Statement, schedule F-2	\$ (128,251)
2	Income taxes per Income Statement, schedule F-2 and account 439, Adjustments to Retained Earnings.	\$ 47,319
3	Other Reconciling amounts (list first additional income and unallowable deductions, followed by additional deductions and nontaxable income):	
4	Temporary Differences:	
5		
6		
7		
8	Charitable Contributions	\$ -
9	Prepaid Expenses	\$ -
10	A/R Reserve	\$ (6,545)
11	Deferred Debits	\$ 4,460
12	Accelerated depreciation	\$ (646,553)
13	AFUDC	\$ -
14	Book/Tax Difference on disposal of assets	\$ (248,451)
15	Total Temporary Differences	\$ (897,089)
16		
17		
18		
19	New Hampshire Taxable Income	\$ (978,021)
20		
21		
22	New Hampshire Business Profits Tax	\$ -
23	New Hampshire Business Enterprise Tax	\$ -
24		
25		
26		
27		
28	Federal taxable net	\$ (978,021)
29	Computation of tax:	
30		
31	Pre Tax Income	\$ (80,932)
32		
33	New Hampshire Business Profits Tax @ 8.5% and Business Enterprise Tax	\$ 10,154
34	Federal Income Tax @ 34%	\$ 37,165
35		
36	Amortization of Investment Tax Credit	
37		
38		
39		
40	Total Income Taxes	\$ 47,319

Pennichuck East Utilities, Inc
 Analysis of Income Tax Provisions for PEU
 For the Twelve Months Ended December 31, 2016

	PEU
(a) YTD Net Income (Loss)	\$ (80,932)
Adjustment for permanent Book/Tax Differences:	
50% of meals and entertainment expenses	\$ -
Amortization of MARA	\$ 200,394
Disqualifying Dispositions (ISO's)	\$ -
NH book taxable income (loss)	\$ 119,462
(b) NHBPT 8.2% (adj for credit by entity) - benefit (provision)	\$ (9,796)
Federal book taxable income (loss)	\$ 109,666
Federal tax at 34%	\$ (37,286)
Plus: amortization of ITC	\$ -
(c) Net Federal Tax Provision - benefit (provision)	\$ (37,286)
Net Income (a)+(b)+(c)	\$ (128,014)

Bifurcation of Provision for Miscellaneous Non-utility Expense

(a) Non-Utility Expense - gross	\$ -
(b) NHBPT 8.2% (adj credit by entity) - benefit (provision)	\$ -
Federal book taxable income (loss)	\$ -
(c) Federal tax at 34% - benefit (provision)	\$ -
Net Non-Utility Expense (a)+(b)+(c)	\$ -

Total Federal Benefit (Provision)	\$ (37,286)
Less: Federal Benefit applicable to Non-utility Expense (netted against that value)	\$ -
Less: ITC credit	\$ -
(A) Net Federal Provision included in Operating Expenses	\$ (37,286)

Total State Benefit (Provision)	\$ (9,796)
Less: State Benefit applicable to Non-utility Expense (netted against that value on)	\$ -
(B) Net State Provision included in Operating Expenses	\$ (9,796)

(A) Net Federal Provision included in Operating Expenses	\$ (37,286)
Less: Change in Federal deferred taxes 12/31/16 versus 12/31/15	\$ (106,380)
Net Amount applicable to current taxes	\$ 69,094

\$ (277,019)

(B) Net State Provision included in Operating Expenses
Less: Change in State deferred taxes 12/31/16 versus 12/31/15
Net Amount applicable to current taxes

\$ (9,796)
\$ (19,333)
\$ 9,537

\$ (15,239)

**Computation of Detailed Tax Factor
Pennichuck East Utility, Inc.
December 31, 2016**

Provided pursuant to NHPUC Rule 1604.01(4)

Taxable Income	100.00%
Less: NH Business Profits Tax	<u>8.20%</u> Updated from 8.5 to 8.2 per George.
Federal Taxable Income	91.80%
Federal Income Tax Rate	<u>34.00%</u>
Effective Federal Income Tax Rate	31.21%
Add: NH Business Profits Tax	<u>8.20%</u>
Effective Tax Rate	<u><u>39.41%</u></u>
Percent of Income Available if No Tax	100.00%
Effective Tax Rate	<u>39.41%</u>
Percent Used as a Divisor in Determining the Revenue Requirement	<u><u>60.59%</u></u>

Pennichuck East Utilities, Inc.
Capital and Construction Budget 2017

Provided pursuant to NHPUC Rule 1604.01(8)

Department	2016 Carryover/Multi-year Projects	Project Description	Total 2017 incl O/H
T&D - PEU			-
T&D - PEU			-
Subtotal 2016 Carryover/Multi-year Projects			-

Department	New 2017 Projects	Project Description	Total 2017 incl O/H
T&D - PEU	5 New Services	5 New Services	23.00
T&D - PEU	10 Renewed Services	10 Renewed Services	32.00
T&D - PEU	2 Hydrants	2 Hydrants	10.00
T&D - PEU	10 Valve Replacements	10 Valve Replacements	24.00
T&D - PEU	75 New Meters (growth) 5/8"-2"	75 New Meters (growth) 5/8"-2"	14.00
T&D - PEU	441 New Meters for Lead Meter exchanges 5/8"-6'	441 New Meters for Lead Meter exchanges 5/8"-6'	94.50
Subtotal New 2017 Projects			197.50
Total 2017 Capital Projects Budget			197.50

Department	2016 Carryover/Multi-year Projects	Project Description	Total 2017 incl O/H
Engineering	PWW-PEU Interconnection	Design and Permitting	100.00
Engineering	Hardwood New Source	Permitting & Construction	100.00
Engineering	Locke Lake New Source	Permitting & Construction	50.00
Subtotal 2016 Carryover/Multi-year Projects			250.00

Department	New 2017 Projects	Project Description	Total 2017 incl O/H
Engineering	Maple Hills	Brady Avenue Main Replacement	570.00
Engineering	PWW-PEU Interconnection	Construction	2,377.00
Engineering	Hillcrest Road Replacement	Construction	240.00
Engineering	Hardwood New Source	Additional New source	200.00

Pennichuck East Utilities, Inc.
Capital and Construction Budget 2017

Provided pursuant to NHPUC Rule 1604.01(8)

Department	2016 Carryover/Multi-year Projects	Project Description	Total 2017 incl O/H
Engineering	Locke Lake	New Source Construction	800.00
		Subtotal New 2017 Projects	4,187.00
		Total 2017 Capital Projects Budget	4,437.00

Department	2016 Carryover/Multi-year Projects	Project Description	Total 2017 incl O/H
Water Supply	Weinstein Well Rehab	The Town of Hudson is rehabbing the Weinstein Well PEU is contractually obligated to pay 15% of the cost of this rehab.	70.00
		Subtotal 2016 Carryover/Multi-year Projects	70.00

Department	New 2017 Projects	Project Description	Total 2017 incl O/H
Water Supply	Booster/Well/Chemical Feed pump replacements	Booster/Well/Chemical Feed pump replacements	60.00
Water Supply	Miscellaneous Structural Improvements	Miscellaneous Structural Improvements	20.00
Water Supply	Install/replace treatment systems	Install/replace treatment systems	40.00
Water Supply	PEU well rehabilitation (4 locations)	PEU well rehabilitation (4 locations)	25.00
Water Supply	replace various instrumentation	replace various instrumentation	40.00
Water Supply	Miscellaneous Mechanical Improvements	Miscellaneous Mechanical Improvements	40.00
Water Supply	New Garage/Office - North Country Operations	New Garage/Office - North Country Operations	320.00
		Subtotal New 2017 Projects	545.00
		Total 2017 Capital Projects Budget	615.00

**Pennichuck East Utilities, Inc.
Capital and Construction Budget 2017**

Provided pursuant to NHPUC Rule 1604.01(8)

Department	2016 Carryover/Multi-year Projects	Project Description	Total 2017 incl O/H
2016 Carryover/Multi-year Projects - Total PEU			<u>320.00</u>
New 2017 Projects - Total PEU			<u>4,929.50</u>
Total Capital Budget - PEU			<u><u>5,249.50</u></u>
<u>Breakout</u>			
Land			-
Buildings			340.00
Equipment & software			<u>4,909.50</u>
			<u><u>5,249.50</u></u>

**Pennichuck East Utilities, Inc.
Capital and Construction Budget 2018**

Department **2017 Carryover/Multi-year Projects**

Engineering Paving and Restoration

Department **New 2018 Projects**

Engineering ~~Station Repairs~~
 Engineering Pelham
 Engineering Gage Hill
 Engineering Londonderry main replacement

Department **2017 Carryover/Multi-year Projects**

Water Supply

Department **New 2018 Projects**

Water Supply Booster/Well/Chemical Feed pump replacements
 Water Supply Miscellaneous Structural Improvements
 Water Supply Install/replace treatment systems
 Water Supply PEU well rehabilitation (4 locations)
 Water Supply replace various instrumentation
 Water Supply Miscellaneous Mechanical Improvements
 Water Supply Rehabilitate 2 wells, White Rock Station

Department

2017 Carryover/Multi-year Projects

T&D

Department

New 2018 Projects

T&D	5 New Services
T&D	10 Renewed Services
T&D	2 Hydrants
T&D	10 Valve Replacements
T&D	75 New Meters (growth) 5/8"-2"
T&D	401 New Meters for Lead Meter exchanges 5/8"-6'

2017 Carryover/Multi-year Projects - Total PEU

New 2018 Projects - Total PEU

Total Capital Budget - PEU

Provided pursuant to NHPUC Rule 1604.01(8)

Project Description	Total 2018 incl O/H
	50.00
Subtotal 2017 Carryover/Multi-year Projects	50.00

Project Description	Total 2018 incl O/H
Goldenbrook MOVE TO 2018	-
Monticello & Lane Road 2,400 lf	550.00
Main Replacement	600.00
Londonderry main replacement	500.00
Subtotal New 2018 Projects	1,650.00
Total 2018 Capital Projects Budget	1,700.00

Project Description	Total 2018 incl O/H
	-
Subtotal 2017 Carryover/Multi-year Projects	-

Project Description	Total 2018 incl O/H
Booster/Well/Chemical Feed pump replacements	60.00
Miscellaneous Structural Improvements	20.00
Install/replace treatment systems	40.00
PEU well rehabilitation (4 locations)	25.00
replace various instrumentation	20.00
Miscellaneous Mechanical Improvements	40.00
	40.00
	-
Rehabilitate 2 wells, White Rock Station	
	245.00
Subtotal New 2018 Projects	
Total 2018 Capital Projects Budget	245.00

Project Description	Total 2018 incl O/H
	-
Subtotal 2017 Carryover/Multi-year Projects	-

Project Description	Total 2018 incl O/H
5 New Services	24
10 Renewed Services	35
2 Hydrants	11
10 Valve Replacements	61
75 New Meters (growth) 5/8"-2"	14
401 New Meters for Lead Meter exchanges 5/8"-6'	95
	-
	-
	-
Subtotal New 2018 Projects	239.00
Total 2018 Capital Projects Budget	239.00

50.00

2,134.00

2,184.00

Breakout

Land	0.00
Buildings	20.00
Equipment & software	2,164.00
	2,184.00

**Pennichuck East Utilities, Inc.
Capital and Construction Budget 2019**

Department **2018 Carryover/Multi-year Projects**

Engineering Misc Paving and Restoration

Department **New 2019 Projects**

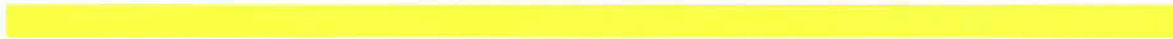
Engineering Various systems
Engineering Locke Lake
Engineering Station Rebuilds
Engineering Londonderry main replacement

Department **2018 Carryover/Multi-year Projects**

Water Supply

Department **New 2019 Projects**

Water Supply Booster/Well/Chemical Feed pump replacements
Water Supply Miscellaneous Structural Improvements
Water Supply Install/replace treatment systems
Water Supply PEU well rehabilitation (4 locations)
Water Supply replace various instrumentation
Water Supply Remote Cellular Alarming (3 locations)
Water Supply Miscellaneous Electrical/SCADA improvements
Water Supply Rehabilitate 2 wells, White Rock Station
Water Supply Miscellaneous Mechanical Improvements



Department	2018 Carryover/Multi-year Projects
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T&D

Department	New 2019 Projects
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T&D	5 New Services
T&D	10 Renewed Services
T&D	2 Hydrants
T&D	10 Valve Replacements
T&D	75 New Meters (growth) 5/8"-2"
T&D	705 New Meters for Lead Meter exchanges 5/8"-6'

2018 Carryover/Multi-year Projects - Total PEU

New 2019 Projects - Total PEU

Total Capital Budget - PEU

Provided pursuant to NHPUC Rule 1604.01(8)

Project Description	Total 2019 incl O/H
Misc Paving and Restoration	50.00
Subtotal 2018 Carryover/Multi-year Projects	50.00

Project Description	Total 2019 incl O/H
Main Replacement	700.00
Source related improvements	200.00
Goldenbrook	800.00
Londonderry main replacement	500.00
	-
Subtotal New 2019 Projects	2,200.00
Total 2019 Capital Projects Budget	2,250.00

Project Description	Total 2019 incl O/H
n/a	-
Subtotal 2018 Carryover/Multi-year Projects	-

Project Description	Total 2019 incl O/H
Booster/Well/Chemical Feed pump replacements	60.00
Miscellaneous Structural Improvements	15.00
Install/replace treatment systems	40.00
PEU well rehabilitation (4 locations)	30.00
replace various instrumentation	20.00
Remote Cellular Alarming (3 locations)	15.00
Miscellaneous Electrical/SCADA improvements	20.00
Rehabilitate 2 wells, White Rock Station	40.00
Miscellaneous Mechanical Improvements	40.00
	-

	280.00
Subtotal New 2019 Projects	
Total 2019 Capital Projects Budget	280.00

Project Description	Total 2019 incl O/H
n/a	-
Subtotal 2018 Carryover/Multi-year Projects	-

Project Description	Total 2019 incl O/H
5 New Services	25.00
10 Renewed Services	37.00
2 Hydrants	12.00
10 Valve Replacements	64.00
75 New Meters (growth) 5/8"-2"	14.70
705 New Meters for Lead Meter exchanges 5/8"-6'	140.70
	-
Subtotal New 2019 Projects	293.40
Total 2019 Capital Projects Budget	293.40

50.00

2,773.40

2,823.40

Breakout

Land	0.00
Buildings	15.00
Equipment & software	2,808.40
	2,823.40

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See Motion for Waiver TAB 4

Pennichuck East Utilities, Inc.
Contractual Services over \$10,000
For the Twelve Months Ended December 31, 2016

Provided pursuant to NHPUC Rule 1604.01(17)

Name	Address	Amount	Purpose
American Excavating Corp	American Excavating Corp 5 MADDEN ROAD DERRY NH	25,154	Construction Services - Water main installation
Bigg Dawg Landscaping	Bigg Dawg Landscaping 57 HILBREN ROAD WEARE NH	31,200	Landscaping Services - Station Grounds maintenance
Constellation NewEnergy Inc. 78454	Constellation NewEnergy Inc. 78454 14217 COLLECTIONS CENTER DR CHICAGO IL	13,108	Electricity Supply Provider
CSSI Corp	CSSI 513 DONALD STREET BEDFORD NH	22,840	Construction Services - Water main installation
DBU Construction	DBU Construction PO BOX 984 EPSOM NH	61,619	Construction Services - Water main installation
ELECTRICAL INSTALLATIONS, INC	ELECTRICAL INSTALLATIONS, INC 397 WHITTIER HWY MOULTONBORO NH	36,633	Electrical Installations & Maintenance Services
EnergyNorth Propane	ENERGYNORTH PROPANE 75 REGIONAL DRIVE CONCORD NH	22,633	Fuel Supplier - Booster Stations Heat and Gensets
Eversource	Eversource PO BOX 650047 DALLAS TX	149,915	Electricity Distribution Services
Fences Unlimited Inc	Fences Unlimited Inc 25 INDIAN ROCK ROAD WINDHAM NH	24,115	Construction Services - Security Fence
Francoeur Bros., Inc	FRANCOEUR BROS., INC. 220 DERRY ROAD HUDSON NH	57,645	Water Delivery - Emergency trucked water
Granite State Analytical, Inc.	GRANITE STATE ANALYTICAL INC 22 MANCHESTER ROAD DERRY NH	24,160	Laboratory Services - Water Analysis
HARCROS CHEMICALS, INC. 77256	HARCROS CHEMICALS, INC. PO BOX 74583 CHICAGO IL	10,881	Chemical Supplier - Water Treatment chemicals
Hickory Woods	Hickory Woods 15 DARTMOUTH DR #102 AUBURN NH	18,722	One times Revenue Investment in Main Extension
Hooksett Village Water District	Hooksett Village Water District PO BOX 16383 HOOKSETT NH	38,451	Purchased Water
HydroSource Associates, Inc	HydroSource Associates, Inc P.O. BOX 609 ASHLAND NH	35,190	Hydrological services - new well location and permitting
John H. Lyman & Sons, Inc	John H. Lyman & Sons, Inc 310 HOYT ROAD GILFORD NH	2,093,226	Construction Services - Water main installation
Joseph P. Cardillo & Son, Inc	Joseph P. Cardillo & Son, Inc ONE MELVIN STREET WAKEFIELD MA	304,686	Construction Services - Water main installation
L.C. Engineering Co., LLC	L.C. Engineering Co., LLC 8 SAVAGE COURT PEMBROKE NH	59,085	Construction Services
Liberty Utilities	LIBERTY UTILITIES PO BOX 11738 NEWARK NJ	59,523	Electricity Distribution Services
Manchester Water Works	MANCHESTER WATER WORKS PO BOX 9677 MANCHESTER NH	345,956	Purchased Water
Manchester Water Works	Manchester Water Works 281 LINCOLN ST MANCHESTER NH	230,747	MSDC Charge
N. Granese & Sons, Inc	N. Granese & Sons, Inc 59 JEFFERSON AVENUE SALEM MA	1,070,721	Construction Services - Water main installation
NH Electric Cooperative, Inc.	NH ELECTRIC COOPERATIVE, INC. PO BOX 9612 MANCHESTER NH	26,999	Electricity Distribution Services
North Conway Water Precinct	NORTH CONWAY WATER PRECINCT 104 SAWMILL LANE NORTH CONWAY NH	44,638	Purchased Water
Northeast Earth Mechanics, Inc	Northeast Earth Mechanics, Inc 159 BARNSTEAD ROAD PITTSFIELD NH	214,486	Construction Services - Water main installation
Parsons Brinckerhoff, Inc	Parsons Brinckerhoff, Inc PO BOX 732476 DALLAS TX	16,055	
Pinnacle Towers, Inc.	Pinnacle Towers, Inc. PO BOX 409250 ATLANTA GA	11,785	Tower Rental for SCADA Radio Antenna
Power Up Generator Service LLC	Power Up Generator Service LLC 8 PRISCILLA LANE AUBURN NH	15,067	Emergency Genset Maintenance Services
Rath Young & Pignatelli PC	Rath Young & Pignatelli PC PO BOX 1500 CONCORD NH	15,390	Legal Services
RE Prescott	R.E. PRESCOTT CO., INC. 10 RAILROAD AVE EXETER NH	13,963	Water Treatment Equipment & Media
RH White Construction	R H WHITE CONSTRUCTION CO., INC. 41 CENTRAL STREET AUBURN MA	10,966	Construction Services
S.U.R. Construction West, Inc	S.U.R. Construction West, Inc 51 PAYNE ROAD WINCHESTER NH	749,029	Construction Services - Water main installation
Smith Pump, Inc.	SMITH PUMP, INC 48 LONDONDERRY TURNPIKE HOOKSETT NH	20,770	Installer and Supplier- pumps, pipes, wires
TI SALES INC 77585	TI SALES INC 77585 36 HUDSON ROAD ROUTE 27 SUDBURY MA	41,543	Inventory Provider - Meters
Town of Derry	TOWN OF DERRY - WATER BILL TAX COLLECTOR DERRY NH	120,156	Purchased Water
Town of Hudson	TOWN OF HUDSON - WATER UTILITY 12 SCHOOL STREET HUDSON NH	379,716	Purchased Water
Unitil Energy Systems	UNITIL ENERGY SYSTEMS PO BOX 981010 BOSTON MA	29,487	Electricity Distribution Services
Weston & Sampson Engineers, Inc	Weston & Sampson Engineers, Inc 5 CENTENNIAL DRIVE PEABODY MA	20,860	Construction Services
Wind River Environmental LLC 77900	Wind River Environmental LLC 77900 577 MAIN STREET HUDSON MA	18,917	Commercial Pumping

Total Contractual Services 6,486,036

A-7 PAYMENTS TO INDIVIDUALS

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

Line No.	Name	Address		Amount		
1	American Excavating Corp	5 MADDEN ROAD	DERRY NH	03038	25,153.91	
2	Bigg Dawg Landscaping	57 HILBREN ROAD	WEARE NH	03281	31,200.00	
3	Constellation NewEnergy Inc. 78454	14217 COLLECTIONS CENTER DR	CHICAG IL	60693-0142	13,108.04	
4	CSSI Corp	513 DONALD STREET	BEDFOR NH	03110	22,840.24	
5	DBU Construction	PO BOX 984	EPSOM NH	03234-0984	61,618.50	
6	ELECTRICAL INSTALLATIONS, INC	397 WHITTIER HWY	MOULTON NH	03254	36,632.56	
7	EnergyNorth Propance	75 REGIONAL DRIVE	CONCOF NH	03301-8504	22,632.97	
8	Eversource	PO BOX 650047	DALLAS TX	75265-0047	149,915.06	
9	Fences Unlimited Inc	THE COMMONS	WINDHU NH	03087	24,115.00	
10	Francoeur Bros., Inc	220 DERRY ROAD	HUDSON NH	03051	57,645.00	
11	Granite State Analytical, Inc.	ACCOUNTS RECEIVABLE	DERRY NH	03038	24,159.80	
12	HARCROS CHEMICALS, INC. 77256	PO BOX 74583	CHICAG IL	60690	10,880.99	
13	Hickory Woods	15 DARTMOUTH DR #102	AUBURN NH	03032	18,722.24	
14	Hooksett Village Water District	PO BOX 16383	HOOKSE NH	03106-6383	38,451.00	
15	HydroSource Associates, Inc	P.O. BOX 609	ASHLAN NH	03217	35,190.44	
16	John H. Lyman & Sons, Inc	310 HOYT ROAD	GILFORD NH	03249	2,093,226.17	
17	Joseph P. Cardillo & Son, Inc	ONE MELVIN STREET	WAKEFI MA	01880	304,686.00	
18	L.C. Engineering Co., LLC	8 SAVAGE COURT	PEMBRC NH	03275-1313	59,085.00	
19	Liberty Utilities	75 REMITTANCE DRIVE	CHICAG IL	60675-1032	59,522.67	
20	Manchester Water Works	PO BOX 9677	MANCHE NH	03108-9677	345,955.94	
21	Manchester Water Works	281 LINCOLN ST	MANCHE NH	03108-9677	230,747.00	
22	N. Granese & Sons, Inc	59 JEFFERSON AVENUE	SALEM MA	01970	1,070,721.45	
23	NH Electric Cooperative, Inc.	PO BOX 9612	MANCHE NH	03108-9612	26,998.78	
24	North Conway Water Precinct	104 SAWMILL LANE	NORTH NH	03860-0630	44,637.54	
25	Northeast Earth Mechanics, Inc	159 BARNSTEAD ROAD	PITTSFI NH	03263	214,485.73	
26	Parsons Brinckerhoff, Inc	PO BOX 732476	DALLAS TX	75373-2476	16,055.00	
27	Pinnacle Towers, Inc.	PO BOX 409250	ATLANT GA	30384-9250	11,785.36	
28	Power Up Generator Service LLC	8 PRISCILLA LANE	AUBURN NH	03032	15,067.27	
29	Rath Young & Pignatelli PC	PO BOX 1500	CONCOF NH	03302-1500	15,389.50	
30	RE Prescott	10 RAILROAD AVE	EXETER NH	03833	13,963.14	
31	RH White Construction	PO BOX 404	AUBURN MA	01501	10,966.14	
32	S.U.R. Construction West, Inc	51 PAYNE ROAD	WINCHE NH	03470	749,028.57	
33	Smith Pump, Inc.	48 LONDONDERRY TURNPIKE	HOOKSE NH	03106	20,770.40	
34	State of NH	DEPT OF REVENUE ADMINISTRATION	CONCOF NH	03302-0637	212,712.00	
35	State of NH	PUBLIC UTILITIES COMMISSION	CONCOF NH	03301	22,490.00	
36	TI SALES INC 77585	36 HUDSON ROAD ROUTE 27	SUDBUF MA	01776-2097	41,543.08	
37	Town of Barnstead	PO BOX 11	CENTER NH	03225	192,120.69	
38	Town of Bow	CATE DE VASTO - TAX COLLECTOR	BOW NH	03304	19,924.00	
39	Town of Conway	1634 EAST MAIN STREET	CENTER NH	03813	24,264.00	
40	Town of Derry	TAX COLLECTOR	DERRY NH	03038	120,156.21	
41	Town of Derry	TAX COLLECTOR	PO BOX 9673	MANCHE NH	03108-9673	27,695.81
42	Town of Hooksett	35 MAIN STREET	HOOKSE NH	03106	16,784.00	
43	Town of Hudson	WATER UTILITY	HUDSON NH	03051	379,715.75	
44	Town of Litchfield	TAX COLLECTOR	2 LIBERTY WAY, SU	LITCHFI NH	03052	204,759.00
45	Town of Londonderry	OFFICE OF TAX COLLECTOR	268B MAMMOTH RD	LONDON NH	03053	149,228.81
46	Town of Middleton	182 KINGS HIGHWAY	MIDDLE NH	03887	19,582.00	
47	Town of Pelham	TAX COLLECTOR	6 VILLAGE GREEN	PELHAM NH	03076	140,690.00
48	Town of Raymond	TAX COLLECTOR	4 EPPING STREET	RAYMON NH	03077	108,089.57
49	Town of Tilton	TAX COLLECTOR	257 MAIN STREET	TILTON NH	03276	11,798.00
50	Town of Windham	TAX COLLECTOR	3 NORTH LOWELL R	WINDHU NH	03087-1605	76,346.71
51	Unitil Energy Systems	PO BOX 981010	BOSTON MA	02298-1010	29,487.12	
52	Weston & Sampson Engineers, Inc	5 CENTENNIAL DRIVE	PEABOC MA	01960-7985	20,859.80	
53	Wind River Environmental LLC 77900	577 MAIN STREET	HUDSON MA	01749	18,916.94	
54	Total				7,712,520.90	

A-7 PAYMENTS TO INDIVIDUALS

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

Line No.	Name	Address			Amount
1	John H. Lyman & Sons, Inc	310 HOYT ROAD	GILFORD	NH 03249	2,093,226.17
2	N. Granese & Sons, Inc	59 JEFFERSON AVENUE	SALEM	MA 01970	1,070,721.45
3	S.U.R. Construction West, Inc	51 PAYNE ROAD	WINCHESTER	NH 03470	749,028.57
4	Town of Hudson	WATER UTILITY PO BOX 9677	HUDSON	NH 03051	379,715.75
5	Manchester Water Works	ONE MELVIN STREET PO BOX 9677	MANCHESTER	NH 03108-9677	345,955.94
6	Joseph P. Cardillo & Son, Inc	159 BARNSTEAD ROAD	WAKEFIELD	MA 01880	304,686.00
7	Manchester Water Works	DEPT OF REVENUE ADMINISTRATION PO BOX 637	MANCHESTER	NH 03108-9677	230,747.00
8	Northeast Earth Mechanics, Inc	TAX COLLECTOR 2 LIBERTY WAY, SUITE # 1	PITTSFIELD	NH 03263	214,485.73
9	State of NH	PO BOX 11 108 SO BARNSTEAD ROAD	CONCORD	NH 03302-0637	212,712.00
10	Town of Litchfield	PO BOX 650047	LITCHFIELD	NH 03052	204,759.00
11	Town of Barnstead	OFFICE OF TAX COLLECTOR 268B MAMMOTH RD	CENTER BARNSTEAD	NH 03225	192,120.69
12	Eversource	TAX COLLECTOR 6 VILLAGE GREEN	DALLAS	TX 75265-0047	149,915.06
13	Town of Londonderry	TAX COLLECTOR 14 MANNING STREET	LONDONDERRY	NH 03053	149,228.81
14	Town of Pelham	TAX COLLECTOR 4 EPPING STREET	PELHAM	NH 03076	140,690.00
15	Town of Derry	TAX COLLECTOR 3 NORTH LOWELL RD	DERRY	NH 03038	120,156.21
16	Town of Raymond	PO BOX 984	RAYMOND	NH 03077	108,089.57
17	Town of Windham	75 REMITTANCE DRIVE SUITE 1032	WINDHAM	NH 03087-1605	76,346.71
18	DBU Construction	8 SAVAGE COURT	EPSOM	NH 03234-0984	61,618.50
19	Liberty Utilities	220 DERRY ROAD	CHICAGO	IL 60675-1032	59,522.67
20	L.C. Engineering Co., LLC	104 SAWMILL LANE PO BOX 630	PEMBROKE	NH 03275-1313	59,085.00
21	Francoeur Bros., Inc	36 HUDSON ROAD ROUTE 27 PO BOX 16383	HUDSON	NH 03051	57,845.00
22	North Conway Water Precinct	397 WHITTIER HWY P.O. BOX 609	NORTH CONWAY	NH 03860-0630	44,637.54
23	TI SALES INC 77585	57 HILBREN ROAD PO BOX 981010	SUDBURY	MA 01776-2097	41,543.08
24	Hooksett Village Water District	TAX COLLECTOR PO BOX 9673	HOOKSETT	NH 03106-6383	38,451.00
25	ELECTRICAL INSTALLATIONS, INC	5 MADDEN ROAD	MOULTONBORO	NH 03254	36,632.56
26	HydroSource Associates, Inc	1634 EAST MAIN STREET	ASHLAND	NH 03217	35,190.44
27	Bigg Dawg Landscaping	ACCOUNTS RECEIVABLE 22 MANCHESTER ROAD	WEARE	NH 03281	31,200.00
28	Unitil Energy Systems	THE COMMONS 25 INDIAN ROCK ROAD	BOSTON	MA 02298-1010	29,487.12
29	Town of Derry	513 DONALD STREET	MANCHESTER	NH 03108-9673	27,695.81
30	NH Electric Cooperative, Inc.	75 REGIONAL DRIVE	MANCHESTER	NH 03108-9612	26,998.78
31	American Excavating Corp	PUBLIC UTILITIES COMMISSION 21 S FRUIT ST, STE 10	DERRY	NH 03038	25,153.91
32	Town of Conway	5 CENTENNIAL DRIVE	CENTER CONWAY	NH 03813	24,264.00
33	Granite State Analytical, Inc.	48 LONDONDERRY TURNPIKE PO BOX 16358	DERRY	NH 03038	24,159.80
34	Fences Unlimited Inc	CATE DE VASTO - TAX COLLECTOR 10 GRANDVIEW ROAD	WINDHAM	NH 03087	24,115.00
35	CSSJ Corp	182 KINGS HIGHWAY	BEDFORD	NH 03110	22,840.24
36	EnergyNorth Propance	577 MAIN STREET SUITE 110	CONCORD	NH 03301-8504	22,632.97
37	State of NH	15 DARTMOUTH DR #102	CONCORD	NH 03301	22,490.00
38	Weston & Sampson Engineers, Inc	35 MAIN STREET	PEABODY	MA 01960-7985	20,859.80
39	Smith Pump, Inc.	PO BOX 732476	HOOKSETT	NH 03106	20,770.40
40	Town of Bow	PO BOX 1500	BOW	NH 03304	19,924.00
41	Town of Middleton	8 PRISCILLA LANE UNIT #6	MIDDLETON	NH 03887	19,582.00
42	Wind River Environmental LLC 77900	10 RAILROAD AVE	HUDSON	MA 01749	18,916.94
43	Hickory Woods	14217 COLLECTIONS CENTER DR	AUBURN	NH 03032	18,722.24
44	Town of Hooksett	TAX COLLECTOR 257 MAIN STREET	HOOKSETT	NH 03106	16,784.00
45	Parsons Brinckerhoff, Inc	PO BOX 409250	DALLAS	TX 75373-2476	16,055.00
46	Rath Young & Pignatelli PC	PO BOX 404	CONCORD	NH 03302-1500	15,389.50
47	Power Up Generator Service LLC	41 CENTRAL STREET	AUBURN	NH 03032	15,067.27
48	RE Prescott	BR 0029	EXETER	NH 03833	13,963.14
49	Constellation NewEnergy Inc. 78454		CHICAGO	IL 60693-0142	13,108.04
50	Town of Tilton		TILTON	NH 03276	11,798.00
51	Pinnacle Towers, Inc.		ATLANTA	GA 30384-9250	11,785.36
52	RH White Construction		AUBURN	MA 01501	10,966.14
53	HARCROS CHEMICALS, INC. 77256		CHICAGO	IL 60690	10,880.99
54	Total				7,712,520.90

Pennichuck East Utility, Inc.
Quarterly Sales Volume Schedule for
For the Period January 1, 2014 to December 31, 2015

Provided pursuant to NHPUC Rule 1604.01(21)

2014

Customer Type	March \$	March Cons.	June \$	June Cons.	September \$	September Cons.	December \$	December Cons.	Total \$	Total Cons.
Residential	\$ 1,148,951	111,784	\$ 1,211,849	122,038	\$ 1,645,415	194,109	\$ 1,230,528	124,947	\$ 5,236,743	552,878
Commercial	\$ 184,181	16,610	\$ 189,506	17,768	\$ 223,645	22,989	\$ 208,740	20,228	\$ 806,072	77,595
Industrial	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Municipal	\$ 171,983	1,421	\$ 173,727	1,696	\$ 170,733	1,263	\$ 182,096	1,606	\$ 698,540	5,986
	\$ 1,505,116	129,815	\$ 1,575,083	141,502	\$ 2,039,793	218,361	\$ 1,621,364	146,781	\$ (3,356) Abatements	
									\$ (4,444) Other Adjustments	
									\$ 6,733,555 Total Water Billed	
									\$ (2,793) Unbilled Revenue	
									\$ 216,480 Recoupment	
									\$ 6,947,242	636,459

2015

Customer Type	March \$	March Cons.	June \$	June Cons.	September \$	September Cons.	December \$	December Cons.	Total \$	Total Cons.
Residential	\$ 1,143,999	111,657	\$ 1,366,832	147,423	\$ 1,744,489	205,983	\$ 1,336,048	139,961	\$ 5,591,368	605,024
Commercial	\$ 181,515	15,753	\$ 200,512	18,788	\$ 240,336	24,994	\$ 218,296	21,471	\$ 840,659	81,006
Industrial	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Municipal	\$ 177,564	1,255	\$ 181,698	1,662	\$ 176,098	874	\$ 180,910	1,553	\$ 716,270	5,344
	\$ 1,503,079	128,665	\$ 1,749,042	167,873	\$ 2,160,922	231,851	\$ 1,735,254	162,985	\$ 2,785 Abatements	
									\$ 851 Other Adjustments	
									\$ 7,151,933 Total Water Billed	
									\$ 35,128 Unbilled Revenue	
									\$ 1 Recoupment	
									\$ 7,187,062	691,374

**Pennichuck East Utility, Inc.
Projected Need for External Capital - 2017 and 2018**

Provided pursuant to NHPUC Rule 1604.01(22)

<u>Description</u>	<u>Funding Source</u>	<u>Total</u>
<u>2017</u>		
Replace aging water main infrastructure in Derry and Litchfield and provide an interconnection under the Merrimack River and installation of a related pumping facility to connect the town of Litchfield to its system.	State Revolving Loan Fund	3,215,000
Fund 2017 capital projects not funded by SRF loans.	Co-Bank (term loan up to \$1M)	<u>1,000,000</u>
Total		<u><u>4,215,000</u></u>
<u>2018</u>		
Pelham - Monticello & Lane Road 2,400 lf	CoBank	550,000
Gage Hill - Main Replacement	CoBank	600,000
Londonderry main replacement	CoBank	500,000
Paving and Restoration Carryover	CoBank	<u>50,000</u>
Total		<u><u>1,700,000</u></u>

Pennichuck East Utilities, Inc.
Capital Expenditure Budget - 2017

Provided pursuant to MHPUC Rule 1604.01(27)

Department	2016 Carryover/Multi-year Projects	Project Description	Total 2017 Incl O/H	Funding Source
T&D - PEU			-	
T&D - PEU			-	
	Subtotal 2016 Carryover/Multi-year Projects		-	
			-	
Department	New 2017 Projects	Project Description	Total 2017 Incl O/H	Funding Source
T&D - PEU	5 New Services	5 New Services	23.00	CoBank
T&D - PEU	10 Renewed Services	10 Renewed Services	32.00	CoBank
T&D - PEU	2 Hydrants	2 Hydrants	10.00	CoBank
T&D - PEU	10 Valve Replacements	10 Valve Replacements	24.00	CoBank
T&D - PEU	75 New Meters (growth) 5/8" - 2"	75 New Meters (growth) 5/8" - 2"	14.00	CoBank
T&D - PEU	441 New Meters for Lead Meter exchanges 5/8" - 4"	441 New Meters for Lead Meter exchanges 5/8" - 4"	94.50	CoBank
	Subtotal New 2017 Projects		197.50	
	Total 2017 Capital Projects Budget		197.50	
Department	2016 Carryover/Multi-year Projects	Project Description	Total 2017 Incl O/H	Funding Source
Engineering	PWW-PEU Interconnection	Design and Permitting	100.00	CoBank
Engineering	Hardwood New Source	Permitting & Construction	100.00	SRF
Engineering	Locks Lake New Source	Permitting & Construction	50.00	SRF
	Subtotal 2016 Carryover/Multi-year Projects		250.00	
Department	New 2017 Projects	Project Description	Total 2017 Incl O/H	Funding Source
Engineering	Maple Hills	Brady Avenue Main Replacement	570.00	SRF
Engineering	PWW-PEU Interconnection	Construction	2,377.00	CoBank
Engineering	Hickmast Road Replacement	Construction	240.00	SRF
Engineering	Hardwood New Source	Additional New source	200.00	SRF
Engineering	Locks Lake	New Source Construction	800.00	SRF
	Subtotal New 2017 Projects		4,187.00	
	Total 2017 Capital Projects Budget		4,437.00	
Department	2016 Carryover/Multi-year Projects	Project Description	Total 2017 Incl O/H	Funding Source
Water Supply	Weinstein Well Rehab	The Town of Hudson is rehabbing the Weinstein Well PEU is contractually obligated to pay 15% of the cost of this rehab.	70.00	CoBank
	Subtotal 2016 Carryover/Multi-year Projects		70.00	
Department	New 2017 Projects	Project Description	Total 2017 Incl O/H	Funding Source
Water Supply	Booster/Well/Chemical Feed pump replacements	Booster/Well/Chemical Feed pump replacements	60.00	CoBank
Water Supply	Miscellaneous Structural Improvements	Miscellaneous Structural Improvements	20.00	CoBank
Water Supply	Install/replace treatment systems	Install/replace treatment systems	40.00	CoBank
Water Supply	PEU well rehabilitation (4 locations)	PEU well rehabilitation (4 locations)	20.00	CoBank
Water Supply	replace various instrumentation	replace various instrumentation	40.00	CoBank
Water Supply	Miscellaneous Mechanical Improvements	Miscellaneous Mechanical Improvements	40.00	CoBank
Water Supply	New Garage/Office - North Country Operations	New Garage/Office - North Country Operations	320.00	CoBank
	Subtotal New 2017 Projects		540.00	
	Total 2017 Capital Projects Budget		615.00	
2016 Carryover/Multi-year Projects - Total PEU			320.00	
New 2017 Projects - Total PEU			4,929.50	
Total Capital Budget - PEU			5,249.50	

Pennichuck East Utilities, Inc.
 Capital Expenditure Budget - 2018

Provid

Department	2017 Carryover/Multi-year Projects	Project Description
Engineering	Paving and Restoration	
Subtotal 2017 Carryover/Multi-year Projects		

Department	New 2018 Projects	Project Description
Engineering	Pelham	Pelham - Monticello & Lane Road 2,400 ft
Engineering	Gage Hill	Gage Hill - Main Replacement
Engineering	Londonderry main replacement	Londonderry main replacement
Subtotal New 2018 Projects		

Total 2018 Capital Projects Budget

Department	2017 Carryover/Multi-year Projects	Project Description
Water Supply		
Subtotal 2017 Carryover/Multi-year Projects		

Department	New 2018 Projects	Project Description
Water Supply	Booster/Well/Chemical Feed pump replacements	Booster/Well/Chemical Feed pump replacements
Water Supply	Miscellaneous Structural Improvements	Miscellaneous Structural Improvements
Water Supply	Install/replace treatment systems	Install/replace treatment systems
Water Supply	PEU well rehabilitation (4 locations)	PEU well rehabilitation (4 locations)
Water Supply	replace various instrumentation	replace various instrumentation
Water Supply	Miscellaneous Mechanical Improvements	Miscellaneous Mechanical Improvements
Water Supply	Rehabilitate 2 wells, White Rock Station	Rehabilitate 2 wells, White Rock Station
Subtotal New 2018 Projects		

Total 2018 Capital Projects Budget

Department	2017 Carryover/Multi-year Projects	Project Description
T&D		
Subtotal 2017 Carryover/Multi-year Projects		

Department	New 2018 Projects	Project Description
T&D	5 New Services	5 New Services
T&D	10 Renewed Services	10 Renewed Services
T&D	2 Hydrants	2 Hydrants
T&D	10 Valve Replacements	10 Valve Replacements
T&D	75 New Meters (growth) 5/8"-2"	75 New Meters (growth) 5/8"-2"
T&D	401 New Meters for Lead Meter exchanges 5/8"-6"	401 New Meters for Lead Meter exchanges 5/8"-6"
Subtotal New 2018 Projects		

Total 2018 Capital Projects Budget

2017 Carryover/Multi-year Projects - Total PEU
 New 2018 Projects - Total PEU
 Total Capital Budget - PEU

Pennichuck Water Works
Operating Expense Allocation (to other Subsidiary Companies)
For Month Ending 12/31/16

Dollars Applicable to:

Full Year Amounts (to be allocated)	YTD EXPENSES	Tier Allocation Required	Special Allocation	Tier 1 (All)	Tier 2	Tier 3	Tier 4	PWSC Only	PAC Only	C-Sitemu
					(Regulated + PWSC)	(PWW+PEU+ PWSC)	(Regulated)			Wages & Fringes Only (budgeted specifically on
Wages										
Officers Salaries & Wages	458,436	1		458,436	-	-	-	-	-	-
Salaries - Engineering	1,091,218	4		-	-	-	1,091,218	-	-	-
Office Salaries and Wages - IS	432,678	1		432,678	-	-	-	-	-	-
Office Salaries and Wages - Acctg	646,458	1		646,458	-	-	-	-	-	-
Office Salaries and Wages - Admin	180,621	1		180,621	-	-	-	-	-	-
Office Salaries and Wages - C/S	775,264	2		-	775,264	-	-	-	-	-
Office Salaries and Wages - BR	131,033	6		-	-	-	-	131,033	-	-
Less: Capitalized Overhead - IS	(1,571)	1		(1,571)	-	-	-	-	-	-
Less: Capitalized Overhead Engineering	(402,848)	4		-	-	-	(402,848)	-	-	-
Benefits (Based on 12/31/15 Schedule)										
Officers Salaries & Wages	236,232	1		236,232	-	-	-	-	-	-
Salaries - Engineering	562,305	4		-	-	-	562,305	-	-	-
Office Salaries and Wages - IS	222,959	1		222,959	-	-	-	-	-	-
Office Salaries and Wages - Acctg	333,120	1		333,120	-	-	-	-	-	-
Office Salaries and Wages - Admin	93,074	1		93,074	-	-	-	-	-	-
Office Salaries and Wages - C/S	399,493	2		-	399,493	-	-	-	-	-
Office Salaries and Wages - BR	67,521	6	0	-	-	-	-	67,521	-	-
Less: Capitalized Overhead IS	(810)	1		(810)	-	-	-	-	-	-
Less: Capitalized Overhead Engineering	(207,588)	4		-	-	-	(207,588)	-	-	-

Dollars Applicable to:

Full Year Budgeted Amounts (to be allocated) - Tier 1	YTD EXPENSES	Tier Allocation Required	Special Allocation	Tier 1 (All)	Tier 2	Tier 3	Tier 4	PWSC Only	PAC Only	C-Sitemu
					(Regulated + PWSC)	(PWW+PEU+ PWSC)	(Regulated)			Wages & Fringes Only (budgeted specifically on
Facilities - Manchester Street										
Office Supplies & Expense	48,572	1		48,572	-	-	-	-	-	-
Office Equipment Rental	38,821	1		38,821	-	-	-	-	-	-
Rental Exp HECOP III	305,974	1		305,974	-	-	-	-	-	-
Manchester St Phone	51,032	1		51,032	-	-	-	-	-	-
Manchester St Electric	41,351	1		41,351	-	-	-	-	-	-
Maintenance Manchester St	31,935	1		31,935	-	-	-	-	-	-
Office Equipment maintenance	-	1		-	-	-	-	-	-	-
Miscellaneous Charges										
Senior Management Vehicles	3,992	1		3,992	-	-	-	-	-	-
Senior Management Fuel Purchased	4,406	1		4,406	-	-	-	-	-	-
Senior Management Vehicle Registrations	923	1		923	-	-	-	-	-	-
Courier & Express Mail Expense	797	1		797	-	-	-	-	-	-
Outside Svcs (Supervision/Spec Svcs)	413,837	1		413,837	-	-	-	-	-	-
Meetings and Conventions	29,674	1		29,674	-	-	-	-	-	-
License Fees	9,649	1		9,649	-	-	-	-	-	-
Meals	3,087	1		3,087	-	-	-	-	-	-
Recruiter Fees	8,907	1		8,907	-	-	-	-	-	-
Engineering Dept Expense	39,530	4		-	-	-	39,530	-	-	-
Engineering Vehicles	15,158	4		-	-	-	15,158	-	-	-
Engineering - Fuel Purchased	19,692	4		-	-	-	19,692	-	-	-
Engineering - Vehicle Registration	4,187	4		-	-	-	4,187	-	-	-
Maint of Communication Equip	5,404	2		-	5,404	-	-	-	-	-
Computer Maintenance	480,614	1		480,614	-	-	-	-	-	-
Depreciation - 2403 & Amort										

Comm Depreciation	62,333	2	-	62,333	-	-	-	-	-
Computer Depreciation	552,572	1	552,572	-	-	-	-	-	-
Office Furniture Depreciation	38,657	1	38,657	-	-	-	-	-	-
Leasehold Improvements-15 year property	3,168	1	3,168	-	-	-	-	-	-
Union Negotiations - 2013	-	1	-	-	-	-	-	-	-
Union Negotiations - 2015	3,329	1	3,329	-	-	-	-	-	-
Total Allocable Expenses	7,235,198		4,672,496	1,242,494	-	1,121,654	198,554	-	-

Tier 1 - use the corporate expense allocation between TSC, PWSC and regulated utilities. The allocation among utilities will be based on total assets and customers.
Tier 2 - allocate to PWW, PEU, PAC and PWSC based on total assets and customers
Tier 3 - allocate to PWW, PEU and PWSC based on total assets and customers
Tier 4 - allocate to the regulated utilities (PWW, PEU and PAC) based on total assets and customers.
(1) Retention/Bonus, Overtime, Merit increases and summer temp help are included in Officers' and Office Salaries
(2) Outside Services include temporary help from temporary services providers
(3) Effectively, all Admin & Gen Expense (incl. Engineering) are allocated less Insurance, Regulatory Commission, Memberships, Misc General, Public Relations and Charitable Contributions and Union Benefits

Allocation Calculation - Tier 1 (All Companies)							
	PWW	PEU	Pittsfield	Total Regulated	Con Ops (PWS)1	Real Estate (TSC) ¹	Total
Revenues ⁴	\$ 30,922,560	\$ 7,410,951	\$ 788,926	\$ 39,122,437	\$ 3,574,365	\$ -	\$ 42,696,802
	81.63%	16.81%	1.51%	91.63%	8.37%	0.00%	100.00%
Employees (FTE's) - 2016 (including summer help)				112	1	0	113
				99.12%	0.88%	0.00%	100.00%
Square Footage - w/ add'l lease space Manchester Street Facility ⁵				17,891	1,574	0	19,465
				91.91%	8.09%	0.00%	100.00%
Total Assets ²	\$ 259,710,598	\$ 53,436,434	\$ 4,795,630	\$ 317,942,662	\$ 362,226	\$ 2,357,341	\$ 320,662,229
	81.68%	16.81%	1.51%	99.15%	0.11%	0.74%	100.00%
Customers ³	28,193	7,416	633	36,242			
	77.79%	20.46%	1.75%	100.00%			
Average Percentage	79.74%	18.64%	1.63%	95.45%	4.36%	0.19%	100.00%
Allocation of Allocable Expenses	3,555,876	831,325	72,696	4,459,897	203,721	8,878	\$ 4,672,496
Effective Allocation %	76.10%	17.79%	1.56%		4.36%	0.19%	
							Check Total
							\$ -

¹ - PWS - 100% of 1 employee
² - Based on December 2016 Preliminary Less Intercompany Account Balances per Charlie/Larry 5/07
³ - Based on December 2016 Actuals
⁴ - Based on December 2016 Preliminary

Allocation Calculation - Tier 2 (All Regulated Companies plus PWSC)							
	PWW	PEU	Pittsfield	Total Regulated	Con Ops (PWS) 1	Real Estate (TSC)	Total
Total Assets ²	\$ 259,710,598	\$ 53,436,434	\$ 4,795,630	\$ 317,942,662	\$ 362,226	\$ -	\$ 318,304,888
	81.68%	16.81%	1.51%	99.89%	0.11%	0.00%	100.00%
Customers ³	28,193	7,416	633	36,242	10,705	0	46,947
	77.79%	20.46%	1.75%	77.20%	22.80%		
Average Percentage	79.74%	18.64%	1.63%	88.55%	11.46%		100.01%
Allocation of Allocable Expenses	877,113	205,059	17,932	1,100,104	142,390	0	\$ 1,242,494
Effective Allocation %	70.59%	16.50%	1.44%		11.46%	N/A	
							Check Total
							\$ -

¹ - PWS customers based on municipality customers and pro rated based on services rendered

Allocation Calculation - Tier 3 (PWW, PEU and PWSC)							
	PWW	PEU	Pittsfield		Con Ops (PWS)	Real Estate (TSC)	Total
Total Assets ²	\$ 259,710,598	\$ 53,436,434			\$ 362,226		\$ 313,509,258
	82.84%	17.04%			0.12%		100.00%
Customers ³	28,193	7,416			10,705		46,314
	60.87%	16.01%			23.11%		99.99%

Average Percentage		71.86%	16.53%		11.62%		100.01%		Check Total
Allocation of Allocable Expenses	\$	-	\$	-	0			\$	-
Effective Allocation %		#DIV/0!	#DIV/0!	N/A	#DIV/0!	N/A			\$

Allocation Calculation - Tier 4 (Regulated Companies)

	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC) ¹	Total	
Total Assets ²	\$ 259,710,598 81.68%	\$ 53,436,434 16.81%	\$ 4,795,630 1.51%			\$ 317,942,662 100.00%	
Customers ³	28,193 77.79%	7,416 20.46%	633 1.75%			36,242 100.00%	
Average Percentage	79.74%	18.64%	1.63%			100.01%	
Allocation of Allocable Expenses	\$ 894,295	\$ 209,076	\$ 18,283	0	0	\$ 1,121,654	Check Total
Effective Allocation %	79.73%	18.64%	1.63%	N/A	N/A		\$ -

Specific Allocation Calculations - Tier 5-7

	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC) ¹	Total	Check Total
Direct Allocable Costs	0 N/A	0 N/A	-	198,554	0 N/A	198,554	\$ -

Summary of Allocations	PWW	PEU	Pittsfield	Real Estate		Totals	unallocated PAC/PEU	Total	Check Total
				Con Ops (PWS)	(TSC)				
Tier 1	3,555,876	831,325	72,696	203,721	8,878	4,672,496			
Tier 2	877,113	205,059	17,932	142,390	-	1,242,494			
Tier 3	-	-	-	-	-	-			
Tier 4	894,295	209,076	18,283	-	-	1,121,654			
PWSC only and PAC only	-	-	-	198,554	-	198,554			
Total Allocations	5,327,285	1,245,460	108,911	544,665	8,878	7,235,198	-	7,235,198	-
	73.63%	17.21%	1.51%	7.53%	0.12%	100.00%			

PWSC Customers	Operations	Water Supply	Billing	Cust Svc	Customers	Customers
Hudson	0.25	0.25	-	-	6,418	3,209
Salisbury	0.25	-	0.25	0.25	4,118	3,089
Amesbury	-	-	0.25	0.25	5,745	2,873
Rowley	-	-	0.25	0.25	1,869	935
Woodstock	0.25	0.25	-	-	1,200	600
					10,705	*

Note: Customer Counts updated 02/29/2016

Pennichuck Water Works
Work Order Allocation of Operations and Production Expenses
For Month Ending 12/31/16

Full Year Amounts (to be allocated)

Wages

Superintendence - WTP	265,101
Office Salaries & Wages: WTP	270,736
Purification Labor	212,999
Superintendence - Operations	225,900
Office Salaries - Operations	99,847

Benefits

Superintendence - WTP	136,607
Office Salaries & Wages: WTP	139,510
Purification Labor	109,759
Superintendence - Operations	116,406
Office Salaries - Operations	51,451

Facilities - Will Street

Maint: Meter Department	2,583
Will Street Parking	6,600
Will Street Office Supplies	12,922
Will Street Gas	5,792
Will Street Electric	9,568
Will Street Phone	34,654

Miscellaneous Charges

Misc Gen Exp Ops	20,153
Misc T&D Materials & Supplies	16,060
Stores Expense	64,696
Small Tools Expense	22,914
OPS - Non-Union Vehicles	5,050
WTP - Non-Union Vehicles	1,437
Misc.Transport Expense	67,160
Non-Union Vehicle Fuel Costs	33,543
Misc Gen Equipment Exp	18,517

Depreciation - 2304

Will Street Facility	4,459
Tools, Shop & Garage	35,922
Other Tangible Equipment-Misc Equip	23,477
Non-Union Transportation Depreciation	57,078

Total Allocable Expenses	2,070,904
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	2016 Workorder Costs												Total
	PWW Capital	070 WTP Maintenance	080 OPS Maintenance	Fleet	PWW Jobbing	PWS Maintenance	PWS Jobbing	PAC Capital	PAC Maintenance	PEU Capital	PEU Maintenance		
Labor	134,212.12	733,699.96	1,176,007.14	85,687.60	44,456.18	538,262.94	82,822.06	2,215.74	67,868.07	36,681.44	535,912.67	3,437,825.92	
Contractor Clearing	182,576.92	10,101.93	1,021.81	165,346.61	6,791.03	-	832,554.90	7,369.59	-	106,595.08	62.96	1,312,420.83	
Inventory: Pipes & Fittings	69,508.13	234.64	48,149.77	4.57	75,634.26	834.16	24,441.11	10,626.77	1,254.35	14,093.38	22,878.31	267,659.45	
Inventory: Meters	176,718.32	-	5,805.28	-	-	349.61	39,993.43	799.30	36.80	52,122.53	960.82	276,786.09	
Inventory: Misc T&D	9,077.32	1,141.19	13,441.61	-	2,166.55	298.51	3,586.19	46.73	601.01	976.59	5,209.50	36,545.20	
Inventory: Chemicals	-	688,946.60	-	-	-	-	20,526.15	-	751.65	-	55,897.78	766,122.18	
Inventory: Fleet	-	-	-	2,085.53	-	-	-	-	-	-	-	2,085.53	
Inventory: Backup Gen Fuel	-	-	-	-	-	-	-	-	-	-	-	-	
Misc T&D Supplies	-	-	-	-	-	-	-	-	-	-	-	-	
Truck	51,130.00	65,261.00	193,569.25	1,217.25	18,756.00	149,151.00	24,799.25	1,191.50	11,087.00	13,405.75	159,015.75	688,583.75	
Backhoe	6,601.50	646.00	18,044.50	64.00	4,700.50	360.00	2,860.50	255.00	1,188.00	1,540.00	11,111.50	47,371.50	
Compressor	1,172.55	-	2,950.50	-	-	30.00	-	-	-	-	340.50	4,493.55	
Inspection Fees	-	-	-	-	100,225.57	-	300.00	-	-	-	-	100,525.57	
Overhead	12,735.24	210.26	-	-	49,551.06	-	205.63	-	-	3,253.79	-	65,955.98	
Labor Overhead	92,282.03	515,644.33	826,497.82	60,221.25	45,587.39	355,201.34	54,797.60	1,541.76	36,456.52	24,738.91	361,206.20	2,374,175.15	
Misc General Equipment	-	-	-	-	-	450.00	110.00	-	-	-	230.00	790.00	
Total Costs	736,014.13	2,015,885.91	2,285,487.68	314,626.81	347,868.54	1,044,937.56	1,086,791.19	24,252.02	119,243.40	253,407.47	1,152,825.99	9,381,340.70	
Total Costs w/o OH & CWIP	540,701.97	2,005,573.72	2,284,465.87	149,280.20	291,526.45	1,044,937.56	254,236.29	16,676.80	119,243.40	143,558.60	1,152,763.03	8,002,963.89	
% of Total	7.85%	21.49%	24.36%	3.35%	3.71%	11.14%	11.58%	0.26%	1.27%	2.70%	12.29%	100.00%	
% of Total w/o OH & CWIP	6.76%	25.06%	28.55%	1.87%	3.64%	13.06%	3.18%	0.21%	1.49%	1.79%	14.40%	100.00%	
Ovhd Allocable to Work Orders	2,070,904												
	162,473	445,001	504,516	69,453	76,791	230,667	239,906	5,354	26,323	55,939	254,483	2,070,906	
Totals by Company:													
PWW	162,473	445,001	504,516	69,453	76,791							1,258,234	60.8%
PEU										55,939	254,483	310,422	15.0%
PAC								5,354	26,323			31,677	1.5%
PWS						230,667	239,906					470,573	22.7%
Total Overhead	162,473	445,001	504,516	69,453	76,791	230,667	239,906	5,354	26,323	55,939	254,483	2,070,906	100.0%
% Labor	3.90%	21.34%	34.21%	2.49%	1.29%	15.66%	2.41%	0.06%	1.97%	1.07%	15.59%	100.00%	

**070, 080 & Fleet Labor Overhead has been calculated per Charlie.

1.00

Pennichuck Water Works
 Return on Common Assets Allocation (to other Subsidiary Companies)
 For Month Ending 12/31/16

Provided pursuant to NHPUC Rule 1604.01(25)

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UPDATE EVERY MONTH

Effective Tax Rate - current

39.61%

6.04%

Dollars Applicable to:

Full Year Amounts (to be allocated)	Rate of Return	Net Book Value	Tier Allocation Required	Tier 1 (All)	Dollars Applicable to:				TSC Only (budgeted specifically on TSC P/L)	
					Tier 2 (Regulated + PWSC)	Tier 3 (PWW+PEU+ PWSC)	Tier 4 (Regulated)	PWSC Only		PAC Only
Office Furniture & Equipment	4,111	68,056.90	1	4,111	-	-	-	-	-	-
Transportation Equipment	105,139	1,740,706.40	2	-	105,139	-	-	-	-	-
Tools, Shop & Garage Equipment	19,948	330,264.71	3	-	-	19,948	-	-	-	-
Construction Meters	-	-	2	-	-	-	-	-	-	-
Power Operated Equipment	13,832	229,009.65	2	-	13,832	-	-	-	-	-
Communication Equipment	41,219	682,435.96	4	-	-	-	41,219	-	-	-
Computer Equipment	180,036	2,980,733.76	1	180,036	-	-	-	-	-	-
Other Plant and Misc Equipment	(1,571)	371,463.68	4	-	-	-	(1,571)	-	-	-
Leasehold Improvements	831	13,765.33	1	831	-	-	-	-	-	-
16 DW Highway	411,025	6,805,043.31	3	-	-	411,025	-	-	-	-
Will Street Expansion	817	13,529.34	3	-	-	817	-	-	-	-
Deferred Pension Costs	426,839	7,066,877	1	426,839	-	-	-	-	-	-
Deferred Post Retirement Health	23,547	389,845	1	23,547	-	-	-	-	-	-
Deferred Post Employment Health	-	-	1	-	-	-	-	-	-	-
Deferred SERP	42,642	705,998	1	42,642	-	-	-	-	-	-
VEBA Trust - Union	25,539	422,836	1	25,539	-	-	-	-	-	-
VEBA Trust - Non-union	9,867	163,360	1	9,867	-	-	-	-	-	-
Union Negotiations - 2013	-	-	1	-	-	-	-	-	-	-
Union Negotiations - 2015	190	3,144	1	190	-	-	-	-	-	-
Deferred Pension Costs		7,066,877								
Deferred Post Employment Health		-								
Deferred Post Retirement Health		389,845								
Deferred SERP		705,998								
Less: Accrued Liability Pension - ST		-								
Less: Accrued Liability Pension - LT		(9,009,643)								
Less: Post Employment Health Liability - ST		-								
Less: Post Employment Health Liability - LT		-								
Less: Accrued Liability SERP		(537,319)								
VEBA Trust - Union		422,836								
VEBA Trust - Non-union		163,360								
Less: Post Retirement Liability Health - ST		-								
Less: Post Retirement Liability Health - LT		(3,164,661)								
Subtotal		(3,962,707)								
Less: Tax Impact at current effective tax rate		1,569,628								
Net Impact Unfunded FAS 106 & FAS 158 Costs	(144,542)	(2,393,079)	1	(144,542)	-	-	-	-	-	-
Total Allocable Expenses	1,159,469	19,593,990.93		569,060	118,971	431,790	39,648	-	-	-

Note: Rate of Return based on YTD NBV/12#months

Tier 1 - use the corporate expense allocation between TSC, PWSC and regulated utilities. The allocation among utilities will be based on total assets and customers.

Tier 2 - allocate to PWW, PEU, PAC and PWSC based on total assets and customers

Tier 3 - allocate to PWW, PEU and PWSC based on total assets and customers

Tier 4 - allocate to the regulated utilities (PWW, PEU and PAC) based on total assets and customers.

Note: Laboratory Equipment not included. Currently, PWW charges a \$15 fee for all lab work which is considered to be a competitive price and \$5 higher than charged by the State of New Hampshire.

Allocation Calculation - Tier 1 (All Companies)

	<u>PWW</u>	<u>PEU</u>	<u>Pittsfield</u>	<u>Total Regulated</u>	<u>Con Ops (PWS)1</u>	<u>Real Estate (TSC)1</u>	<u>Total</u>	
Revenues ⁴	30,922,560	7,410,951	788,926	\$ 39,122,437 91.63%	3,574,365 8.37%	- 0.00%	\$ 42,696,802 100.00%	
Employees (FTE's) - 2016 (including summer help)				112 99.12%	1 0.88%	0 0.00%	113 100.00%	
Square Footage - w/ add'l lease space Manchester Street Facility				17,891 91.91%	1,574 8.09%	0 0.00%	19,465 100.00%	
Total Assets ²	259,710,598 81.69%	53,436,434 16.81%	4,795,630 1.51%	317,942,662 99.15%	362,226 0.11%	\$ 2,359,577 0.74%	\$ 320,664,465 100.00%	
Customers ³	28,193 77.79%	7,416 20.46%	633 1.75%	36,242 100.00%				
Average Percentage	79.74%	18.63%	1.63%	95.45%	4.36%	0.19%	100.00%	
Allocation of Allocable Expenses	433,122	101,192	8,854	543,168	24,811	1,081	\$ 569,060	Check Total
Effective Allocation %	76.11%	17.78%	1.56%		4.36%	0.19%		\$ -
1 - PWS - 100% of 1 employee								
2 - Based on December 2016 Preliminary Less Intercompany Account Balances per Charlie/Larry 5/07								
3 - Based on December 2016 Actuals								
	0							

Allocation Calculation - Tier 2 (All Regulated Companies plus PWSC)

	<u>PWW</u>	<u>PEU</u>	<u>Pittsfield</u>	<u>Total Regulated</u>	<u>Con Ops (PWS) 1</u>	<u>Real Estate (TSC)</u>	<u>Total</u>	
Total Assets ²	\$ 259,710,598 81.68%	\$ 53,436,434 16.81%	\$ 4,795,630 1.51%	\$ 317,942,662 99.89%	\$ 362,226 0.11%	\$ - 0.00%	\$ 318,304,888 100.00%	
Customers ³	28,193 77.79%	7,416 20.46%	633 1.75%	36,242 77.20%	10,705 22.80%	0	46,947	
Average Percentage	79.74%	18.64%	1.63%	88.55%	11.46%		100.01%	
Allocation of Allocable Expenses	83,985	19,635	1,717	105,337	13,634	0	\$ 118,971	Check Total
Effective Allocation %	70.59%	16.50%	1.44%		11.46%	N/A		\$ -
1 - PWS customers based on municipality customers and pro rated based on services rendered								

Allocation Calculation - Tier 3 (PWW, PEU and PWSC)

	<u>PWW</u>	<u>PEU</u>	<u>Pittsfield</u>	<u>Con Ops (PWS)</u>	<u>Real Estate (TSC)</u>	<u>Total</u>	
Total Assets ²	\$ 259,710,598 82.84%	\$ 53,436,434 17.05%		\$ 362,226 0.12%		\$ 313,509,258 100.00%	
Customers ³	28,193 60.87%	7,416 16.01%		10,705 23.11%		46,314 99.99%	
Average Percentage	71.86%	16.53%		11.61%		100.00%	
Allocation of Allocable Expenses	\$ 310,284	\$ 71,375	0	\$ 50,131	0	\$ 431,790	<u>Check Total</u>
Effective Allocation %	71.86%	16.53%	N/A	11.61%	N/A		\$

Allocation Calculation - Tier 4 (Regulated Companies)

	PWW	PEU	Pittsfield	Con Ops (PWS)	Real Estate (TSC) ¹	Total	
Total Assets ²	\$ 259,710,598 81.69%	\$ 53,436,434 16.81%	\$ 4,795,630 1.51%			\$ 317,942,662 100.00%	
Customers ³	28,193 77.79%	7,416 20.46%	633 1.75%			36,242 100.00%	
Average Percentage	79.74%	18.63%	1.63%			100.00%	
Allocation of Allocable Expenses	\$ 31,616	\$ 7,386	\$ 646	0	0	\$ 39,648	Check Total
Effective Allocation %	79.74%	18.63%	1.63%	N/A	N/A		\$ -

Specific Allocation Calculations - Tier 5-7

	PWW	PEU	Pittsfield	North Country	Con Ops (PWS)	Real Estate (TSC) ¹	Total	Check Total
Direct Allocable Costs	0 N/A	0 N/A	-	-	-	0 N/A	-	\$ -

Summary of Allocations	PWW	PEU	Pittsfield	North Country	Real Estate		Totals	unallocated TSC	Check Total
					Con Ops (PWS)	(TSC)			
Tier 1	433,122	101,192	8,854	-	24,811	1,081	569,060		
Tier 2	83,985	19,635	1,717	-	13,634	-	118,971		
Tier 3	310,284	71,375	-	-	50,131	-	431,790		
Tier 4	31,616	7,386	646	-	-	-	39,648		
PWSC only and PAC only	-	-	-	-	-	-	-		
Total Allocations	859,007	199,588	11,217	-	88,576	1,081	1,159,469		
	74.09%	17.21%	0.97%	0.00%	7.64%	0.09%	100.00%		

Summary Transfers from PWW Operating to Other Companies

Full Year Amounts	Annual Amts		Monthly Amts	
PWW operating expense allocation - PWW	\$ (300,462)	\$ (25,038)		
PWW operating expense allocation - PEU	\$ 199,588	\$ 16,632		
PWW operating expense allocation - Pittsfield	\$ 11,217	\$ 935		
PWW operating expense allocation - PCP	\$ -	\$ -		
PWW operating expense allocation - PWS	\$ 88,576	\$ 7,381		
PWW operating expense allocation - TSC	\$ 1,081	\$ 90		
Check Totals	\$ -	\$ -		