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May 29, 2019

Debra Howland, Executive Director
NH Public Utilities Commission
21 South Fruit Street, Suite 10,
Concord, N.H. 03301-2429

Re: Abenaki Water Co., Inc., Supplement to Acquisition Closing Agreement for
Tioga River Water Company, Inc., Docket No. DW 18 – 108

Dear Executive Director Howland:

On May 20, 2019, Abenaki Water Co., Inc. (“Abenaki”) filed executed copies of the acquisition closing documents in response to Order No. 26,231. In its May 20, 2019 filing, Abenaki advised that it had omitted certain closing documents and schedules containing sensitive commercial and financial information protected from disclosure under State and Federal law. However, on May 21, 2019, Staff requested that Abenaki provide the *Calculation of Purchase Price* and other information to permit Staff to confirm that the acquisition does not result in an acquisition premium.

In order to accommodate Staff’s request, I have enclosed for filing and Staff’s review an original and seven copies of the *Calculation of Purchase Price* and Tioga’s March 31, 2019 *Financial Statements* referenced in the *Bill of Sale*, previously filed. These documents confirm that the acquisition and purchase price did not include an acquisition premium.

In addition, I understand that Abenaki will continue to maintain its accounts as required by Section (e)(1) of the *Uniform System of Accounts for Water Utilities*, which provides that the “amounts included in the accounts for utility plant ... shall be stated at the cost incurred by the person who first devoted the property to utility service.” The *Glossary* also defines cost of utility plant as its cost “... when it was first dedicated to public service by a regulated water entity, whether the accounting company or by predecessors.” Based on these provisions, Abenaki will continue to record utility plant at its original cost, except as authorized by the Commission. See e.g. *Order No. 26,231*, Page 6 (“Abenaki will record its acquisition costs as a deferred asset in its accounting records.”).

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Thank you for your assistance in this proceeding. If you have any questions, please feel free to contact me.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Justin C. Richardson", with a stylized flourish at the end.

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JCR
Enclosure
Cc: Service List