

# **SUEZ WATER RHODE ISLAND INC.** **2018 RATE CASE FILING**

## **State of Rhode Island Public Utilities Commission Required Items for General Rate Schedule Filing**

### **Item 2.5 (b)**

#### **Direct Case**

- Testimony: Christopher Jacobs – Company Overview
- Testimony: Gary S. Prettyman – DSIC
- Testimony: Elda Gil – Revenues, Rate Base,  
Revenue Requirement
- Testimony: Katherine Arp -- O&M Expenses
- Testimony: Paula L. McEvoy – Capital Projects
- Testimony: James C. Cagle – Federal Tax Impact
- Testimony: John J. Spanos – Depreciation Study
- Testimony: David Fox – Cost of Service Study
- Testimony: Harold Walker III – Cost of Capital

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- Exhibit 2 – Revenues**
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- Exhibit 4 – Rate Base**
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- Exhibit 7 – Cost of Service Study**
- Exhibit 8 – Rate of Return**

**Enclosed**

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**Exhibit 1 (Gil)**  
**Schedule 1**

**SUEZ Water Rhode Island, Inc.**  
**Operating Income as Adjusted at Present and Proposed Rates**

| Line No. | Description                      | (1)                                       | (2)                 | (3)                           | (4)                           | (5)                               |
|----------|----------------------------------|---|---------------------|-------------------------------|-------------------------------|-----------------------------------|
|          |                                  | Test Year 12<br>Months ended<br>9/30/2017 | Adjustments         | Rate Year at<br>Present Rates | Adjustments                   | Rate Year at<br>Proposed<br>Rates |
| 1        | Operating Revenues               | <u>\$ 4,705,752</u>                       | <u>\$ 108,136</u>   | <u>\$ 4,813,887</u>           | <u>\$ 1,024,856</u><br>21.29% | <u>\$ 5,838,744</u>               |
| 2        | Operating Expenses               |   |                     |                               |                               |                                   |
| 3        | Operating & maintenance expenses | \$ 2,075,461                              | \$ 435,046          | \$ 2,510,506                  | \$ 4,381                      | \$ 2,514,887                      |
| 4        | Depreciation and Amortization    | 636,361                                   | 269,141             | 905,502                       | -                             | 905,502                           |
| 5        | Taxes other than income          | 476,218                                   | 60,624              | 536,842                       | 12,811                        | 549,653                           |
| 6        | Federal income tax               | 372,159                                   | (321,493)           | 50,666                        | 211,610                       | 262,275                           |
| 7        | Total Operating Expenses         | <u>\$ 3,560,199</u>                       | <u>\$ 443,317</u>   | <u>\$ 4,003,516</u>           | <u>\$ 228,801</u>             | <u>\$ 4,232,317</u>               |
| 8        | Operating Income                 | <u>\$ 1,145,553</u>                       | <u>\$ (335,181)</u> | <u>\$ 810,371</u>             | <u>\$ 796,055</u>             | <u>\$ 1,606,426</u>               |
| 9        | Rate Base (13m Average)          | <u>\$ 16,789,903</u>                      |                     | <u>\$ 20,542,518</u>          |                               | <u>\$ 20,542,518</u>              |
| 10       | Rate of Return                   | <u>6.82%</u>                              |                     | <u>3.94%</u>                  |                               | <u>7.82%</u>                      |
| 11       | Required Rate of Return          |   |                     | <u>7.82%</u>                  |                               |                                   |
| 12       | Required Net Operating Income    |   |                     | <u>\$ 1,606,425</u>           |                               |                                   |
| 13       | Operating Income Deficiency      |   |                     | <u>\$ 796,054</u>             |                               |                                   |
| 14       | Gross Revenue Conversion Factor  |   |                     | <u>1.287424</u>               |                               |                                   |
| 15       | Revenue Deficiency               |   |                     | <u>\$ 1,024,856</u>           |                               |                                   |

**SUEZ WATER RHODE ISLAND**  
**Summary of Revenue at Present and Proposed Rates**

| Line No. | Description                     | Actual<br>12 Months ended<br>September 30, 2017<br><i>(1)</i> | Rate Year<br>12 Months ended<br>September 30, 2019<br><i>at present Rates</i><br><i>(2)</i> | Rate Year<br>12 Months ended<br>September 30, 2019<br><i>at proposed Rates</i><br><i>(3)</i> | Percentage<br>Increase<br><i>(4)</i> |
|----------|---------------------------------|---|---|--|--------------------------------------|
| 1        | Total Metered Sales             | \$ 3,703,620  | \$ 3,689,218  | \$ 4,421,595   | 19.85%                               |
| 2        | Sales for Resale                | 484,122   | 440,306   | 526,147  | 19.50%                               |
| 3        | Private Fire                    | 184,496   | 189,105   | 247,711  | 30.99%                               |
| 4        | Public Fire                     | 454,710   | 455,124   | 591,186  | 29.90%                               |
| 5        | Total Fire Protection           | 639,206   | 644,229   | 838,897  | 30.22%                               |
| 6        | <b>Total Revenue From Sales</b> | 4,826,948   | 4,773,752   | 5,786,640  | 21.22%                               |
| 7        | Other Revenue                   |   |   |  |                                      |
| 8        | Other Sales (Pool Fills)        | 13,665  | 15,379  | 23,923   | 55.56%                               |
| 9        | Miscellaneous Revenue           | 27,319  | 24,756  | 28,226   | 14.02%                               |
| 10       | Unbilled Revenue                | (162,180)   | -   | -  |                                      |
| 11       | <b>Total Other Revenue</b>      | (121,196)   | 40,135  | 52,149   | 29.93%                               |
| 12       | <b>Total Operating Revenue</b>  | <u>\$ 4,705,752</u>   | <u>\$ 4,813,887</u>   | <u>\$ 5,838,789</u>  | 21.29%                               |
| 14       | Target                          |   |   | <u>\$ 5,838,744</u>  | 21.29%                               |
| 15       | Rounding                        |   |   | <u>\$ 45</u>   |                                      |
| 16       | Consumption mgl                 | 948,047   | 912,279   |  |                                      |

SUEZ WATER RHODE ISLAND  
Test Year and Rate Year at Existing and Proposed Rates

| (1)  | (2)                              | (3)                  | (4)                    | (5)                 |
|--|----------------------------------|----------------------|------------------------|---------------------|
| <b>Test Year Adjusted at Present Rates</b><br>for the Twelve Months Ended September 30, 2017 |                                  |                      |                        |                     |
| <b>Fixed Charges</b>   |                                  |                      |                        |                     |
| <b>Quarterly</b>   |                                  |                      |                        |                     |
|  | Meter Size                       | Number of Eqv Meters | Number of Bills        | Rate                |
| 1  | 5/8"                             | 7,578                | 30,312                 | \$31.84             |
| 2  | 3/4"                             | 1                    | 4                      | 34.11               |
| 3  | 1"                               | 294                  | 1,176                  | 50.04               |
| 4  | 1-1/2"                           | 76                   | 304                    | 84.15               |
| 5  | 2"                               | 154                  | 616                    | 113.72              |
| 6  | 3"                               | 9                    | 36                     | 152.40              |
| 7  | 4"                               | 1                    | 4                      | 227.46              |
| 8  | 6"                               | 6                    | 24                     | 393.52              |
| 9  | 8"                               | 1                    | 4                      | 682.41              |
| 10   |                                  | 8,120                | 32,480                 |                     |
|  |                                  |                      |                        | \$ 1,138,321        |
| <b>Monthly</b>   |                                  |                      |                        |                     |
|  | Meter Size                       | Number of Eqv Meters | Number of Bills        | Rate                |
| 11   | 5/8"                             | 4                    | 48                     | \$16.67             |
| 12   | 1"                               | 4                    | 48                     | 22.73               |
| 13   | 2"                               | 10                   | 120                    | 43.96               |
| 14   | 3"                               | 3                    | 36                     | 56.86               |
| 15   | 4"                               | 1                    | 12                     | 81.88               |
| 16   |                                  | 22                   | 264                    |                     |
|  |                                  |                      |                        | \$ 10,198           |
| <b>Resale Monthly</b>  |                                  |                      |                        |                     |
| 17   | 4"                               | 1                    | 12                     | 81.88               |
|  |                                  |                      |                        | 983                 |
| <b>Point Judith Country Club Maintenance Charge per Year</b>                                 |                                  |                      |                        |                     |
| 18   | 8"                               | 1                    | 1                      | 2,190.00            |
|  |                                  |                      |                        | 2,190               |
| 19   | <b>Total Fix Charges</b>         |                      |                        | <b>\$ 1,151,690</b> |
| <b>Consumption Charges</b>   |                                  |                      |                        |                     |
| <b>Residential Metered Customers</b>   |                                  |                      |                        |                     |
| 20   | First Block                      | MGL                  | Rate Converted Per Mgl | Total               |
| 21   | First 5,984 mgl                  | 301,780              | 4.035                  | 1,217,682           |
|  | Second Block Over 5,984 mgl      | 98,476               | 5.059                  | 498,192             |
| 22   | <b>General Metered Customers</b> |                      |                        |                     |
|  | All Use mgl                      | 217,885              | 3.853                  | 839,511             |
| 23   | <b>Resale Customers</b>          |                      |                        |                     |
|  | All Use mgl                      | 324,806              | 1.490                  | 483,961             |
| 24   | <b>Tank Trunk Sales</b>          |                      |                        |                     |
|  | All Use mgl                      | 5,100                | 2.250                  | 11,475              |
| 25   | <b>Total Consumption</b>         | 948,047              |                        | <b>\$ 3,050,820</b> |
| 26   | <b>Total Metered Revenue</b>     |                      |                        | <b>\$ 4,202,510</b> |
| <b>Fire Services</b>   |                                  |                      |                        |                     |
| <b>Private Fire Quarterly</b>  |                                  |                      |                        |                     |
| 27   | 2 1/2"                           | Number of Units      | Number of Bills        | Rate                |
| 28   | 3"                               | 7                    | 28                     | 29.00               |
| 29   | 4"                               | -                    | -                      | 42.00               |
| 30   | 6"                               | 20                   | 80                     | 80.00               |
| 31   | 8"                               | 144                  | 576                    | 215.00              |
| 32   | 10"                              | 27                   | 108                    | 447.00              |
| 33   | 12"                              | 1                    | 4                      | 797.00              |
| 34   | 16"                              | 1                    | 4                      | 1,281.00            |
| 35   |                                  | 199                  |                        | 2,719.00            |
|  |                                  |                      |                        | \$ 184,452          |
| 36   | Public HYD Quarterly             | 352                  | 1,408                  | 172.50              |
| 37   | Public HYD Semi-Annual           | 307                  | 614                    | 345.00              |
| 38   | <b>Total Fire Service</b>        |                      |                        | <b>\$ 639,162</b>   |
| 39   | <b>Total Revenue from Sales</b>  |                      |                        | <b>\$ 4,841,672</b> |
| 40   | Miscellaneous Revenue            |                      |                        | 26,656              |
| 41   | <b>TOTAL REVENUE</b>             |                      |                        | <b>4,868,328</b>    |

| (6)   | (7)                              | (8)                  | (9)                    | (10)                |
|---|----------------------------------|----------------------|------------------------|---------------------|
| <b>Rate Year at Present Rates</b><br>for the Twelve Months Ended September 30, 2019 |                                  |                      |                        |                     |
| <b>Fixed Charges</b>  |                                  |                      |                        |                     |
| <b>All Meters Monthly</b>   |                                  |                      |                        |                     |
|   | Meter Size                       | Number of Eqv Meters | Number of Bills        | Rate                |
|   | 5/8"                             | 7,702                | 92,424                 | \$ 10.61            |
|   | 3/4"                             | 1                    | 12                     | 11.37               |
|   | 1"                               | 307                  | 3,684                  | 16.68               |
|   | 1-1/2"                           | 79                   | 948                    | 28.05               |
|   | 2"                               | 169                  | 2,028                  | 37.91               |
|   | 3"                               | 12                   | 144                    | 50.80               |
|   | 4"                               | 2                    | 24                     | 75.82               |
|   | 6"                               | 6                    | 72                     | 131.17              |
|   | 8"                               | 1                    | 12                     | 227.47              |
|   |                                  | 8,279                | 99,348                 |                     |
|   |                                  |                      |                        | \$ 1,166,966        |
| <b>Resale Monthly</b>   |                                  |                      |                        |                     |
|   | 4"                               | 1                    | 12                     | 81.88               |
|   | 4"                               | 1                    | 12                     | -                   |
|   |                                  |                      |                        | 983                 |
| <b>Point Judith Country Club Maintenance Charge per Year</b>                        |                                  |                      |                        |                     |
|   | 8"                               | 1                    | 1                      | 2,190.00            |
|   |                                  |                      |                        | 2,190               |
|   | <b>Total Fix Charges</b>         |                      |                        | <b>\$ 1,170,158</b> |
| <b>Consumption Charges</b>  |                                  |                      |                        |                     |
| <b>Residential Metered Customers</b>  |                                  |                      |                        |                     |
|   | First Block                      | MGL                  | Rate Converted Per Mgl | Total               |
|   | First 5,984 mgl                  | 284,849              | 4.035                  | 1,149,366           |
|   | Second Block Over 5,984 mgl      | 92,951               | 5.059                  | 470,239             |
|   | <b>General Metered Customers</b> |                      |                        |                     |
|   | All Use mgl                      | 234,266              | 3.853                  | 902,627             |
|   | <b>Resale Customers</b>          |                      |                        |                     |
|   | All Use mgl                      | 293,378              | 1.490                  | 437,133             |
|   | <b>Tank Trunk Sales</b>          |                      |                        |                     |
|   | All Use mgl                      | 6,835                | 2.250                  | 15,379              |
|   | <b>Total Consumption</b>         | 912,279              |                        | <b>\$ 2,974,744</b> |
|   | <b>Total Metered Revenue</b>     |                      |                        | <b>\$ 4,144,902</b> |
| <b>Fire Services</b>  |                                  |                      |                        |                     |
| <b>Private Fire Monthly</b>   |                                  |                      |                        |                     |
|   | 2 1/2"                           | Number of Units      | Number of Bills        | Rate                |
|   | 3"                               | 8                    | 91                     | 9.67                |
|   | 4"                               | -                    | -                      | 14.00               |
|   | 6"                               | 21                   | 257                    | 26.67               |
|   | 8"                               | 149                  | 1,786                  | 71.67               |
|   | 10"                              | 27                   | 324                    | 149.00              |
|   | 12"                              | 1                    | 12                     | 265.67              |
|   | 16"                              | 1                    | 12                     | 427.00              |
|   |                                  | 206                  |                        | 906.33              |
|   |                                  |                      |                        | \$ 189,105          |
|   | Public HYD Monthly               | 660                  | 7,915                  | 57.50               |
|   | <b>Total Fire Service</b>        |                      |                        | <b>\$ 644,229</b>   |
|   | <b>Total Revenue from Sales</b>  |                      |                        | <b>\$ 4,789,131</b> |
|   | Miscellaneous Revenue            |                      |                        | 24,756              |
|   | <b>TOTAL REVENUE</b>             |                      |                        | <b>4,813,887</b>    |

| (11)  | (12)                             | (13)                 | (14)                   | (15)                |
|---|----------------------------------|----------------------|------------------------|---------------------|
| <b>Rate Year at Present Rates</b><br>for the Twelve Months Ended September 30, 2019 |                                  |                      |                        |                     |
| <b>Fixed Charges</b>  |                                  |                      |                        |                     |
| <b>All Meters Monthly</b>   |                                  |                      |                        |                     |
|   | Meter Size                       | Number of Eqv Meters | Number of Bills        | Rate                |
|   | 5/8"                             | 7,702                | 92,424                 | \$ 12.92            |
|   | 3/4"                             | 1                    | 12                     | 15.46               |
|   | 1"                               | 307                  | 3,684                  | 20.53               |
|   | 1-1/2"                           | 79                   | 948                    | 33.20               |
|   | 2"                               | 169                  | 2,028                  | 48.40               |
|   | 3"                               | 12                   | 144                    | 83.88               |
|   | 4"                               | 2                    | 24                     | 134.57              |
|   | 6"                               | 6                    | 72                     | 261.29              |
|   | 8"                               | 1                    | 12                     | 413.35              |
|   |                                  | 8,279                | 99,348                 |                     |
|   |                                  |                      |                        | \$ 1,438,646        |
| <b>Resale Monthly</b>   |                                  |                      |                        |                     |
|   | 4"                               | 1                    | 12                     | \$ 134.57           |
|   | 4"                               | 1                    | 12                     | \$ -                |
|   |                                  |                      |                        | 1,615               |
| <b>Point Judith Country Club Maintenance Charge per Year</b>                        |                                  |                      |                        |                     |
|   | 8"                               | 1                    | 1                      | \$ 4,960.20         |
|   |                                  |                      |                        | 4,960               |
|   | <b>Total Fix Charges</b>         |                      |                        | <b>\$ 1,445,221</b> |
| <b>Consumption Charges</b>  |                                  |                      |                        |                     |
| <b>Residential Metered Customers</b>  |                                  |                      |                        |                     |
|   | First Block                      | MGL                  | Rate Converted Per Mgl | Total               |
|   | First 5,984 mgl                  | 284,849              | 4.035                  | 1,312,584           |
|   | Second Block Over 5,984 mgl      | 92,951               | 6.697                  | 622,493             |
|   | <b>General Metered Customers</b> |                      |                        |                     |
|   | All Use mgl                      | 234,266              | 4.473                  | 1,047,872           |
|   | <b>Resale Customers</b>          |                      |                        |                     |
|   | All Use mgl                      | 293,378              | 1.771                  | 519,572             |
|   | <b>Tank Trunk Sales</b>          |                      |                        |                     |
|   | All Use mgl                      | 6,835                | 3.500                  | 23,923              |
|   | <b>Total Consumption mgl</b>     | 912,279              |                        | <b>\$ 3,526,444</b> |
|   | <b>Total Metered Revenue</b>     |                      |                        | <b>\$ 4,971,665</b> |
| <b>Fire Services</b>  |                                  |                      |                        |                     |
| <b>Private Fire Monthly</b>   |                                  |                      |                        |                     |
|   | 2 1/2"                           | Number of Units      | Number of Bills        | Rate                |
|   | 3"                               | 8                    | 91                     | \$ 12.66            |
|   | 4"                               | -                    | -                      | 18.34               |
|   | 6"                               | 21                   | 257                    | 34.93               |
|   | 8"                               | 149                  | 1,786                  | 93.88               |
|   | 10"                              | 27                   | 324                    | 195.19              |
|   | 12"                              | 1                    | 12                     | 348.02              |
|   | 16"                              | 1                    | 12                     | 559.37              |
|   |                                  | 206                  |                        | 1,187.30            |
|   |                                  |                      |                        | \$ 247,711          |
|   | Public HYD Monthly               | 660                  | 7,915                  | \$ 74.69            |
|   | <b>Total Fire Service</b>        |                      |                        | <b>\$ 838,997</b>   |
|   | <b>Total Revenue from Sales</b>  |                      |                        | <b>\$ 5,810,562</b> |
|   | Miscellaneous Revenue            |                      |                        | 28,226              |
|   | <b>TOTAL REVENUE</b>             |                      |                        | <b>5,838,788</b>    |

42 Target 5,838,744  
 43 Rounding 45  
 44 Increase 1,024,856  
 45 % Increase 21.29%

**SUEZ Water Rhode Island, Inc.**  
**Summary of Utility Proposed Adjustments at Current and Proposed Rates**  
**For the Test Year Ending September 30, 2017 and Rate Year at Present and Proposed Rates**

| Line No. | Elements of Operating Expenses           | Exhibit 3 Schedule Number | Test Year 09/30/2017 | Adjustments | Rate Year     |                |
|----------|--|---------------------------|----------------------|-------------|---------------|----------------|
|          |  |                           |                      |             | Present Rates | Proposed Rates |
| 1        | Operation and Maintenance Expenses:      |                           |                      |             |               |                |
| 2        | Wages and Salaries                       | Sch 2                     | \$ 511,720           | \$ 143,010  | \$ 654,731    | \$ 654,731     |
| 3        | Fringe Benefits Transferred              | Sch 3                     | (88,114)             | (4,521)     | (92,635)      | (92,635)       |
| 4        | Power Expense                            | Sch 4                     | 281,222              | 81,864      | 363,086       | 363,086        |
| 5        | Chemical Expense                         | Sch 5                     | 59,113               | (13,942)    | 45,171        | 45,171         |
| 6        | Pension Expense                          | Sch 6                     | 140,178              | (44,579)    | 95,599        | 95,599         |
| 7        | PEBOP Expense                            | Sch 7                     | (5,006)              | 4,058       | (948)         | (948)          |
| 8        | Employee Health and Welfare Expense      | Sch 8                     | 182,413              | 66,006      | 248,419       | 248,419        |
| 9        | Tank Painting Amortization               | Sch 9                     | 43,380               | (23,568)    | 19,812        | 19,812         |
| 10       | Transportation/Vehicle Expense           | Sch 10                    | 49,567               | 12,002      | 61,569        | 61,569         |
| 11       | Customer Information/Billing Expense     | Sch 11                    | 28,460               | 100,344     | 128,805       | 128,805        |
| 12       | Rent Expense                             | Sch 12                    | 35,189               | 53,534      | 88,724        | 88,724         |
| 13       | Outside Services Expense                 | Sch 13                    | 156,520              | (34,987)    | 121,533       | 121,533        |
| 14       | M&S                                      | Sch 14                    | 480,678              | 29,273      | 509,952       | 509,952        |
| 15       | Rate Case Expense                        | Sch 15                    | -                    | 60,333      | 60,333        | 60,333         |
| 16       | Regulatory Commission Expense            | Sch 16                    | 21,926               | (1,347)     | 20,579        | 24,961         |
| 17       | Other Operation and Maintenance Expense  | Sch 17                    | 178,213              | 7,563       | 185,776       | 185,776        |
| 18       |  |                           |                      |             |               |                |
| 19       | Total Operation and Maintenance Expenses |                           | \$ 2,075,461         | \$ 435,046  | \$ 2,510,506  | \$ 2,514,887   |
| 20       |  |                           |                      |             |               |                |
| 21       | Taxes other than Income                  |                           |                      |             |               |                |
| 22       | Property Tax Expense                     | Sch 18                    | \$ 358,512           | \$ 51,210   | \$ 409,722    | \$ 409,722     |
| 23       | Payroll Tax Expense                      | Sch 19                    | 57,195               | 9,751       | 66,946        | 66,946         |
| 24       | Gross Receipts Tax Expense               | Sch 20                    | 60,510               | (337)       | 60,174        | 72,984         |
| 25       |  |                           | \$ 476,218           | \$ 60,624   | \$ 536,842    | \$ 549,653     |

**SUEZ Water Rhode Island, Inc.**  
**Summary of Adjustments to Operation and Maintenance Expenses**  
**For the Test Year and Rate Year**  
**At Present and Proposed Rates**

**Exhibit 3 (Arp)**  
**Schedule 1A**

| Line No. | Account No. | Description   | Test Year            |                   | Rate Year         |                   |
|----------|-------------|---|----------------------|-------------------|-------------------|-------------------|
|          |             |   | 09/30/2017 Per Books | Adjustments       | Present Rates     | Proposed Rates    |
| 1        |             | <b>Source of Supply Expenses</b>                      |                      |                   |                   |                   |
| 2        | 600         | Operation Supervision and Engineering                 | \$ 64,814            | \$ 11,895         | \$ 76,709         | \$ 76,709         |
| 3        | 601         | Operation Labor and Expenses                          | 87,363               | 6,376             | 93,739            | 93,739            |
| 4        | 602         | Purchased Water                                       | -                    | -                 | -                 | -                 |
| 5        | 603         | Miscellaneous Expenses                                | 697                  | (61)              | 636               | 636               |
| 6        |             | Total Operation                                       | \$ 152,874           | \$ 18,211         | \$ 171,085        | \$ 171,085        |
| 7        |             |   |                      |                   |                   |                   |
| 8        | 610         | Maintenance Supervision and Engineering               | \$ 4,157             | \$ (929)          | \$ 3,228          | \$ 3,228          |
| 9        | 611         | Maintenance of Structures and Improvements            | 569                  | 43                | 612               | 612               |
| 10       | 614         | Maintenance of Wells and Springs                      | 4,100                | (916)             | 3,184             | 3,184             |
| 11       | 616         | Maintenance of Supply Mains                           | 17,741               | 931               | 18,673            | 18,673            |
| 12       | 617         | Maintenance of Miscellaneous Water Source Plant       | 1,500                | (335)             | 1,165             | 1,165             |
| 13       |             | Total Maintenance                                     | \$ 28,068            | \$ (1,206)        | \$ 26,862         | \$ 26,862         |
| 14       |             | <b>Total Source of Supply Expenses</b>                | <b>\$ 180,942</b>    | <b>\$ 17,004</b>  | <b>\$ 197,946</b> | <b>\$ 197,946</b> |
| 15       |             |   |                      |                   |                   |                   |
| 16       |             | <b>Pumping Expenses</b>                               |                      |                   |                   |                   |
| 17       | 620         | Operation Supervision and Engineering                 | \$ 950               | \$ (212)          | \$ 738            | \$ 738            |
| 18       | 621         | Fuel for Power Production                             | 5,233                | 1,523             | 6,757             | 6,757             |
| 19       | 622         | Power Production Labor & Exps                         | 3,731                | 233               | 3,964             | 3,964             |
| 20       | 623         | Fuel or Power Purchased for Production                | 229,279              | 66,721            | 296,001           | 296,001           |
| 21       | 624         | Pumping Labor and Expenses                            | 64,414               | 10,441            | 74,855            | 74,855            |
| 22       | 626         | Miscellaneous Expenses                                | 6,983                | 81                | 7,065             | 7,065             |
| 23       |             | Total Operation                                       | \$ 310,591           | \$ 78,788         | \$ 389,379        | \$ 389,379        |
| 24       |             |   |                      |                   |                   |                   |
| 25       | 630         | Maintenance Supervision and Engineering               | \$ 2,906             | \$ (650)          | \$ 2,257          | \$ 2,257          |
| 26       | 631         | Maintenance of Structures and Improvements            | 979                  | 42                | 1,021             | 1,021             |
| 27       | 632         | Maintenance of Power Production Equipment             | 1,831                | 130               | 1,961             | 1,961             |
| 28       | 633         | Maintenance of Pumping Equipment                      | 20,876               | 4,218             | 25,094            | 25,094            |
| 29       | 635         | Contractual Services - Testing                        | 1,255                | (281)             | 975               | 975               |
| 30       |             | Total Maintenance                                     | \$ 27,848            | \$ 3,459          | \$ 31,307         | \$ 31,307         |
| 31       |             | <b>Total Pumping Expenses</b>                         | <b>\$ 338,439</b>    | <b>\$ 82,247</b>  | <b>\$ 420,686</b> | <b>\$ 420,686</b> |
| 32       |             |   |                      |                   |                   |                   |
| 33       |             | <b>Source Supply Water Expenses</b>                   |                      |                   |                   |                   |
| 34       | 636         | Contractual Services - Other                          | \$ 5,280             | \$ (1,180)        | \$ 4,099          | \$ 4,099          |
| 35       |             | Total Maintenance                                     | \$ 5,280             | \$ (1,180)        | \$ 4,099          | \$ 4,099          |
| 36       |             | <b>Total Source Supply Water Expenses</b>             | <b>\$ 5,280</b>      | <b>\$ (1,180)</b> | <b>\$ 4,099</b>   | <b>\$ 4,099</b>   |
| 37       |             |   |                      |                   |                   |                   |
| 38       |             | <b>Water Treatment Expenses</b>                       |                      |                   |                   |                   |
| 39       | 640         | Operation Supervision and Engineering                 | \$ 977               | \$ 284            | \$ 1,262          | \$ 1,262          |
| 40       | 641         | Chemicals   | 51,000               | (3,571)           | 47,429            | 47,429            |
| 41       | 642         | Operation Labor and Expenses                          | 61,680               | 13,926            | 75,606            | 75,606            |
| 42       | 643         | Miscellaneous Expenses                                | 40,250               | 565               | 40,815            | 40,815            |
| 43       | 644         | Rents   | 11,022               | (11,022)          | -                 | -                 |
| 44       |             | Total Operation                                       | \$ 164,929           | \$ 182            | \$ 165,112        | \$ 165,112        |
| 45       |             |   |                      |                   |                   |                   |
| 46       | 650         | Maintenance Supervision and Engineering               | \$ 23,225            | \$ (5,192)        | \$ 18,033         | \$ 18,033         |
| 47       | 651         | Maintenance of Structures and Improvements            | (29,383)             | (661)             | (30,044)          | (30,044)          |
| 48       | 652         | Maintenance of Water Treatment Equipment              | \$ 9,405             | 10                | 9,415             | 9,415             |
| 49       |             | Total Maintenance                                     | \$ 3,247             | \$ (5,842)        | \$ (2,595)        | \$ (2,595)        |
| 50       |             | <b>Total Water Treatment Expenses</b>                 | <b>\$ 168,176</b>    | <b>\$ (5,660)</b> | <b>\$ 162,517</b> | <b>\$ 162,517</b> |
| 51       |             |   |                      |                   |                   |                   |
| 52       |             | <b>Transmission and Distribution Expenses</b>         |                      |                   |                   |                   |
| 53       | 660         | Operation Supervision and Engineering                 | \$ 1,464             | \$ (37)           | \$ 1,427          | \$ 1,427          |
| 54       | 662         | Transmission and Distribution Lines Expenses          | 117,984              | 22,591            | 140,576           | 140,576           |
| 55       | 663         | Meter Expenses  | 22,702               | 4,671             | 27,373            | 27,373            |
| 56       | 665         | Miscellaneous Expenses                                | 118,351              | 21,544            | 139,895           | 139,895           |
| 57       | 666         | Rents   | 1,846                | 376               | 2,222             | 2,222             |
| 58       |             | Total Operation                                       | \$ 262,348           | \$ 49,145         | \$ 311,493        | \$ 311,493        |
| 59       |             |   |                      |                   |                   |                   |
| 60       | 670         | Maintenance Supervision and Engineering               | \$ 17,951            | \$ 2,596          | \$ 20,547         | \$ 20,547         |
| 61       | 671         | Maintenance of Structures and Improvements            | 29,031               | 5,743             | 34,775            | 34,775            |
| 62       | 672         | Maintenance of Dist. Reservoirs & Standpipes          | 75,915               | (23,084)          | 52,831            | 52,831            |
| 63       | 673         | Maintenance of Trans. & Distribution Mains            | 9,947                | 1,989             | 11,935            | 11,935            |
| 64       | 674         | Maintenance of Fire Mains                             | -                    | -                 | -                 | -                 |
| 65       | 675         | Maintenance of Services                               | -                    | -                 | -                 | -                 |
| 66       | 676         | Maintenance of Meters                                 | -                    | -                 | -                 | -                 |
| 67       | 677         | Maintenance of Hydrants                               | 8,605                | 365               | 8,970             | 8,970             |
| 68       | 678         | Maintenance of Miscellaneous Plant                    | 153                  | (153)             | -                 | -                 |
| 69       |             | Total Maintenance                                     | \$ 141,602           | \$ (12,544)       | \$ 129,057        | \$ 129,057        |
| 70       |             | <b>Total Transmission &amp; Distribution Expenses</b> | <b>\$ 403,950</b>    | <b>\$ 36,601</b>  | <b>\$ 440,550</b> | <b>\$ 440,550</b> |
| 71       |             |   |                      |                   |                   |                   |

**SUEZ Water Rhode Island, Inc.**  
**Summary of Adjustments to Operation and Maintenance Expenses**  
**For the Test Year and Rate Year**  
**At Present and Proposed Rates**

**Exhibit 3 (Arp)**  
**Schedule 1A**

| Line No. | Account No. | Description                                      | Test Year<br>09/30/2017 Per |                   | Rate Year           |                     |
|----------|-------------|--|-----------------------------|-------------------|---------------------|---------------------|
|          |             |  | Books                       | Adjustments       | Present Rates       | Proposed Rates      |
| 72       |             | <b>Customer Accounts Expenses</b>                |                             |                   |                     |                     |
| 73       | 901         | Supervision                                      | \$ -                        | \$ -              | \$ -                | \$ -                |
| 74       | 902         | Meter Reading Expenses                           | 79,818                      | 16,269            | 96,086              | 96,086              |
| 75       | 903         | Customer Records & Coll. Expenses-Labor          | 205,510                     | 129,397           | 334,907             | 334,907             |
| 76       | 904         | Uncollectible Accounts                           | 56,418                      | 11,572            | 67,990              | 67,990              |
| 77       | 905         | Miscellaneous Customer Account Expense           | 371                         | 16                | 386                 | 386                 |
| 78       |             | <b>Total Customer Accounts Expenses</b>          | <b>\$ 342,117</b>           | <b>\$ 157,253</b> | <b>\$ 499,369</b>   | <b>\$ 499,369</b>   |
| 79       |             |  |                             |                   |                     |                     |
| 80       |             | <b>Administrative and General Expenses</b>       |                             |                   |                     |                     |
| 81       | 920         | Administrative and General Salaries              | \$ 32,697                   | \$ 29,785         | \$ 62,483           | \$ 62,483           |
| 82       | 921         | Office Supplies and Other Expenses               | 59,813                      | 5,242             | 65,055              | 65,055              |
| 83       | 922         | Administrative Expenses Transferred              | (369,535)                   | (48,715)          | (418,251)           | (418,251)           |
| 84       | 923         | Outside Services Employed                        | 509,889                     | 22,643            | 532,532             | 532,532             |
| 85       | 924         | Property Insurance                               | 450                         | -                 | 450                 | 450                 |
| 86       | 925         | Injuries and Damages                             | 14,788                      | -                 | 14,788              | 14,788              |
| 87       | 926         | Employee Pension and Benefits                    | 302,796                     | 25,486            | 328,282             | 328,282             |
| 88       | 928         | Regulatory Commission Expenses                   | 21,926                      | 58,987            | 80,913              | 85,294              |
| 89       | 930         | Miscellaneous General Expenses                   | 28,886                      | 1,286             | 30,172              | 30,172              |
| 90       | 931         | Rents  | 28,460                      | 55,286            | 83,746              | 83,746              |
| 91       |             | Total Operation                                  | \$ 630,171                  | \$ 149,999        | \$ 780,170          | \$ 784,551          |
| 92       |             |  |                             |                   |                     |                     |
| 93       | 932         | Maintenance of General Plant                     | \$ 6,386                    | \$ (1,218)        | \$ 5,168            | \$ 5,168            |
| 94       |             | <b>Total Administrative and General Expenses</b> | <b>\$ 636,557</b>           | <b>\$ 148,781</b> | <b>\$ 785,338</b>   | <b>\$ 789,719</b>   |
| 95       |             |  |                             |                   |                     |                     |
| 96       |             |  |                             |                   |                     |                     |
| 97       |             | <b>Total Operation and Maintenance Expenses</b>  | <b>\$ 2,075,461</b>         | <b>\$ 435,046</b> | <b>\$ 2,510,506</b> | <b>\$ 2,514,887</b> |
| 98       |             |  |                             |                   |                     |                     |
| 99       | 408         | <b>Taxes other than Income</b>                   |                             |                   |                     |                     |
| 100      |             | Property taxes                                   | \$ 358,512                  | \$ 51,210         | \$ 409,722          | \$ 409,722          |
| 101      |             | Payroll taxes & other                            | \$ 57,195                   | 9,751             | \$ 66,946           | 66,946              |
| 102      |             | Gross Receipts Tax                               | \$ 60,510                   | (337)             | \$ 60,174           | 72,984              |
| 103      |             | <b>Total Taxes</b>                               | <b>\$ 476,218</b>           | <b>\$ 60,624</b>  | <b>\$ 536,842</b>   | <b>\$ 549,653</b>   |









SUEZ Water Rhode Island, Inc.  
Historical Test Year Operation and Maintenance Expenses by Cost Element  
For the Twelve Months Ended September 30, 2019

| Line No.                                      | Account No. | Description   | Test Year<br>Per Books<br>09/30/2017 | Book<br>Adjustments | Adjusted Test Year<br>Per Books<br>09/30/2017 | Exh 3 Sch 2       | Exh 3 Sch 2                  | Exh 3 Sch 2                   |
|---|-------------|---|--------------------------------------|---------------------|---|-------------------|------------------------------|-------------------------------|
|   |             |   |                                      |                     |   | Labor             | Super/Dir<br>Labor Tm'frd In | Super/Dir Labor<br>Tm'frd Out |
| <b>Water Treatment Expenses</b>               |             |   |                                      |                     |   |                   |                              |                               |
| <u>Operation</u>                              |             |   |                                      |                     |   |                   |                              |                               |
| 44  | 640         | Operation Supervision and Engineering                 | \$ 977                               |                     | \$ 977  | \$ -              | \$ -                         | \$ -                          |
| 45  | 641         | Chemicals   | 51,000                               |                     | 51,000  | -                 | -                            | -                             |
| 46  | 642         | Operation Labor and Expenses                          | 61,680                               |                     | 61,680  | 28,911            | -                            | -                             |
| 47  | 643         | Miscellaneous Expenses                                | 40,250                               |                     | 40,250  | 8,889             | -                            | -                             |
| 48  | 644         | Rents   | 11,022                               |                     | 11,022  | -                 | -                            | -                             |
| 49  |             | <b>Total Operation</b>                                | <b>\$ 164,929</b>                    | <b>\$ -</b>         | <b>\$ 164,929</b>                             | <b>\$ 37,800</b>  | <b>\$ -</b>                  | <b>\$ -</b>                   |
| <u>Maintenance</u>                            |             |   |                                      |                     |   |                   |                              |                               |
| 52  | 650         | Maintenance Supervision and Engineering               | \$ 23,225                            |                     | \$ 23,225                                     | \$ -              | \$ -                         | \$ -                          |
| 53  | 651         | Maintenance of Structures and Improvements            | (29,383)                             |                     | (29,383)                                      | -                 | -                            | -                             |
| 54  | 652         | Maintenance of Water Treatment Equipment              | 9,405                                |                     | 9,405   | 345               | -                            | -                             |
| 55  |             | <b>Total Maintenance</b>                              | <b>\$ 3,247</b>                      | <b>\$ -</b>         | <b>\$ 3,247</b>                               | <b>\$ 345</b>     | <b>\$ -</b>                  | <b>\$ -</b>                   |
| 56  |             | <b>Total Water Treatment Expenses</b>                 | <b>\$ 168,176</b>                    | <b>\$ -</b>         | <b>\$ 168,176</b>                             | <b>\$ 38,145</b>  | <b>\$ -</b>                  | <b>\$ -</b>                   |
| <b>Transmission and Distribution Expenses</b> |             |   |                                      |                     |   |                   |                              |                               |
| <u>Operation</u>                              |             |   |                                      |                     |   |                   |                              |                               |
| 60  | 660         | Operation Supervision and Engineering                 | \$ 1,464                             |                     | \$ 1,464                                      | \$ -              | \$ -                         | \$ -                          |
| 61  | 662         | Transmission and Distribution Lines Expenses          | 117,984                              |                     | 117,984                                       | 69,765            | -                            | -                             |
| 62  | 663         | Meter Expenses  | 22,702                               |                     | 22,702  | 14,299            | -                            | -                             |
| 63  | 665         | Miscellaneous Expenses                                | 118,351                              |                     | 118,351                                       | 38,413            | -                            | 3,996                         |
| 64  | 666         | Rents   | 1,846                                |                     | 1,846   | 1,254             | -                            | -                             |
| 65  |             | <b>Total Operation</b>                                | <b>\$ 262,348</b>                    | <b>\$ -</b>         | <b>\$ 262,348</b>                             | <b>\$ 123,731</b> | <b>\$ -</b>                  | <b>\$ 3,996</b>               |
| <u>Maintenance</u>                            |             |   |                                      |                     |   |                   |                              |                               |
| 68  | 670         | Maintenance Supervision and Engineering               | \$ 17,951                            |                     | \$ 17,951                                     | \$ 10,434         | \$ -                         | \$ -                          |
| 69  | 671         | Maintenance of Structures and Improvements            | 29,031                               |                     | 29,031  | 17,317            | -                            | -                             |
| 70  | 672         | Maintenance of Dist. Reservoirs & Standpipes          | 75,915                               |                     | 75,915  | -                 | -                            | -                             |
| 71  | 673         | Maintenance of Trans. & Distribution Mains            | 9,947                                |                     | 9,947   | 1,692             | 4,567                        | -                             |
| 72  | 674         | Maintenance of Fire Mains                             | -                                    |                     | -   | -                 | -                            | -                             |
| 73  | 675         | Maintenance of Services                               | -                                    |                     | -   | -                 | -                            | -                             |
| 74  | 676         | Maintenance of Meters                                 | -                                    |                     | -   | -                 | -                            | -                             |
| 75  | 677         | Maintenance of Hydrants                               | 8,605                                |                     | 8,605   | -                 | -                            | -                             |
| 76  | 678         | Maintenance of Miscellaneous Plant                    | 153                                  |                     | 153   | -                 | -                            | -                             |
| 77  |             | <b>Total Maintenance</b>                              | <b>\$ 141,602</b>                    | <b>\$ -</b>         | <b>\$ 141,602</b>                             | <b>\$ 29,443</b>  | <b>\$ 4,567</b>              | <b>\$ -</b>                   |
| 78  |             | <b>Total Transmission &amp; Distribution Expenses</b> | <b>\$ 403,950</b>                    | <b>\$ -</b>         | <b>\$ 403,950</b>                             | <b>\$ 153,174</b> | <b>\$ 4,567</b>              | <b>\$ 3,996</b>               |
| <b>Customer Accounts Expenses</b>             |             |   |                                      |                     |   |                   |                              |                               |
| <u>Operation</u>                              |             |   |                                      |                     |   |                   |                              |                               |
| 82  | 901         | Supervision   | \$ -                                 |                     | \$ -  | \$ -              | \$ -                         | \$ -                          |
| 83  | 902         | Meter Reading Expenses                                | 79,818                               |                     | 79,818  | 48,845            | -                            | -                             |
| 84  | 903         | Customer Records & Coll. Expenses-Labor               | 205,510                              |                     | 205,510                                       | 97,851            | -                            | -                             |
| 85  | 904         | Uncollectible Accounts                                | 56,418                               |                     | 56,418  | 34,956            | -                            | -                             |
| 86  | 905         | Miscellaneous Customer Account Expense                | 371                                  |                     | 371   | -                 | -                            | -                             |
| 87  |             | <b>Total Customer Accounts Expenses</b>               | <b>\$ 342,117</b>                    | <b>\$ -</b>         | <b>\$ 342,117</b>                             | <b>\$ 181,652</b> | <b>\$ -</b>                  | <b>\$ -</b>                   |





SUEZ Water Rhode Island, Inc.  
 Historical Test Year Operation and Maintenance Expenses by Cost Element  
 For the Twelve Months Ended September 30, 2019

| Line No. | Account No. | Description                                | Test Year Per Books 09/30/2017 | Book Adjustments | Adjusted Test Year Per Books 09/30/2017 | Exh 3 Sch 2 | Exh 3 Sch 2               | Exh 3 Sch 2                |
|----------|-------------|--|--------------------------------|------------------|---|-------------|---------------------------|----------------------------|
|          |             |  |                                |                  |   | Labor       | Super/Dir Labor Tm'frd In | Super/Dir Labor Tm'frd Out |
| 89       |             | <b>Administrative and General Expenses</b> |                                |                  |   |             |                           |                            |
| 90       |             | <u>Operation</u>                           |                                |                  |   |             |                           |                            |
| 91       | 920         | Administrative and General Salaries        | \$ 32,697                      |                  | \$ 32,697                               | \$ 190,665  | \$ 3,011                  | \$ (182,647)               |
| 92       | 921         | Office Supplies and Other Expenses         | 59,813                         |                  | 59,813                                  | -           | -                         | -                          |
| 93       | 922         | Administrative Expenses Transferred        | (369,535)                      |                  | (369,535)                               | -           | -                         | -                          |
| 94       | 923         | Outside Services Employed                  | 509,889                        |                  | 509,889                                 | -           | -                         | -                          |
| 95       | 924         | Property Insurance                         | 450                            |                  | 450                                     | -           | -                         | -                          |
| 96       | 925         | Injuries and Damages                       | 14,788                         |                  | 14,788                                  | -           | -                         | -                          |
| 97       | 926         | Employee Pension and Benefits              | 302,796                        |                  | 302,796                                 | -           | -                         | -                          |
| 98       | 928         | Regulatory Commission Expenses             | 21,926                         |                  | 21,926                                  | -           | -                         | -                          |
| 99       | 930         | Miscellaneous General Expenses             | 28,886                         |                  | 28,886                                  | -           | -                         | -                          |
| 100      | 931         | Rents                                      | 28,460                         |                  | 28,460                                  | -           | -                         | -                          |
| 101      |             | Total Operation                            | \$ 630,171                     | \$ -             | \$ 630,171                              | \$ 190,665  | \$ 3,011                  | \$ (182,647)               |
| 102      |             |  |                                |                  |   |             |                           |                            |
| 103      |             | <u>Maintenance</u>                         |                                |                  |   |             |                           |                            |
| 104      | 932         | Maintenance of General Plant               | \$ 6,386                       |                  | \$ 6,386                                | \$ -        | \$ -                      | \$ -                       |
| 105      |             | Total Administrative and General Expenses  | \$ 636,557                     | \$ -             | \$ 636,557                              | \$ 190,665  | \$ 3,011                  | \$ (182,647)               |
| 106      |             |  |                                |                  |   |             |                           |                            |
| 107      |             | Total Operation and Maintenance Expenses   | \$ 2,075,461                   | \$ -             | \$ 2,075,461                            | \$ 682,794  | \$ 7,578                  | \$ (178,651)               |

SUEZ Water Rhode Island, Inc.  
Historical Test Year Operation and Maintenance Expenses by Cost Element  
For the Twelve Months Ended September 30, 2019

| Line No. | Account No. | Description                                | Exh 3 Sch 3     | Exh 3 Sch 4 | Exh 3 Sch 5 | Exh 3 Sch 6 | Exh 3 Sch 7 | Exh 3 Sch 8     | Exh 3 Sch 8 | Exh 3 Sch 8             | Exh 3 Sch 9                | Exh 3 Sch 10   |
|----------|-------------|--|-----------------|-------------|-------------|-------------|-------------|-----------------|-------------|-------------------------|----------------------------|----------------|
|          |             |  | Fringe Benefits | Power       | Chemicals   | Pension     | OPEB        | Empl Med / Life | 401k        | Other Employee Benefits | Tank Painting Amortization | Transportation |
| 89       |             | <b>Administrative and General Expenses</b> |                 |             |             |             |             |                 |             |                         |                            |                |
| 90       |             | <u>Operation</u>                           |                 |             |             |             |             |                 |             |                         |                            |                |
| 91       | 920         | Administrative and General Salaries        | \$ 15,763       | \$ -        | \$ -        | \$ -        | \$ -        | \$ -            | \$ -        | \$ -                    | \$ -                       | \$ 2,614       |
| 92       | 921         | Office Supplies and Other Expenses         | -               | 7,017       | -           | -           | -           | -               | -           | -                       | -                          | -              |
| 93       | 922         | Administrative Expenses Transferred        | (369,535)       | -           | -           | -           | -           | -               | -           | -                       | -                          | -              |
| 94       | 923         | Outside Services Employed                  | -               | -           | -           | -           | -           | -               | -           | -                       | -                          | -              |
| 95       | 924         | Property Insurance                         | -               | -           | -           | -           | -           | -               | -           | -                       | -                          | -              |
| 96       | 925         | Injuries and Damages                       | -               | -           | -           | -           | -           | -               | -           | 14,788                  | -                          | -              |
| 97       | 926         | Employee Pension and Benefits              | -               | -           | -           | 140,178     | (5,006)     | 133,015         | 29,282      | 5,328                   | -                          | -              |
| 98       | 928         | Regulatory Commission Expenses             | -               | -           | -           | -           | -           | -               | -           | -                       | -                          | -              |
| 99       | 930         | Miscellaneous General Expenses             | -               | 240         | -           | -           | -           | -               | -           | -                       | -                          | -              |
| 100      | 931         | Rents                                      | -               | -           | -           | -           | -           | -               | -           | -                       | -                          | -              |
| 101      |             | Total Operation                            | \$ (353,772)    | \$ 7,257    | \$ -        | \$ 140,178  | \$ (5,006)  | \$ 133,015      | \$ 29,282   | \$ 20,116               | \$ -                       | \$ 2,614       |
| 102      |             |  |                 |             |             |             |             |                 |             |                         |                            |                |
| 103      |             | <u>Maintenance</u>                         |                 |             |             |             |             |                 |             |                         |                            |                |
| 104      | 932         | Maintenance of General Plant               | \$ -            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -            | \$ -        | \$ -                    | \$ -                       | \$ -           |
| 105      |             | Total Administrative and General Expenses  | \$ (353,772)    | \$ 7,257    | \$ -        | \$ 140,178  | \$ (5,006)  | \$ 133,015      | \$ 29,282   | \$ 20,116               | \$ -                       | \$ 2,614       |
| 106      |             |  |                 |             |             |             |             |                 |             |                         |                            |                |
| 107      |             | Total Operation and Maintenance Expenses   | \$ (88,114)     | \$ 281,222  | \$ 59,113   | \$ 140,178  | \$ (5,006)  | \$ 133,015      | \$ 29,282   | \$ 20,116               | \$ 43,380                  | \$ 49,567      |



SUEZ Water Rhode Island, Inc.  
Historical Test Year Operation and Maintenance Expenses by Cost Element  
For the Twelve Months Ended September 30, 2019

| Line No. | Account No. | Description                                | Exh 3 Sch 11<br>CCB | Exh 3 Sch 12<br>Rents | Exh 3 Sch 13<br>O/S K's<br>Contract<br>Services | Exh 3 Sch 14<br>M&S | Exh 3 Sch 15<br>Rate Case<br>Expense | Exh 3 Sch 16<br>Reg<br>Commission | Exh 3 Sch 17<br>Materials | Exh 3 Sch 17<br>Miscellaneous | Exh 3 Sch 17<br>Clothing and<br>Uniforms | Exh 3 Sch 17<br>Office<br>Expenses |
|----------|-------------|--|---------------------|-----------------------|---|---------------------|--------------------------------------|-----------------------------------|---------------------------|-------------------------------|--|------------------------------------|
| 89       |             | <b>Administrative and General Expenses</b> |                     |                       |   |                     |                                      |                                   |                           |                               |  |                                    |
| 90       |             | <u>Operation</u>                           |                     |                       |   |                     |                                      |                                   |                           |                               |  |                                    |
| 91       | 920         | Administrative and General Salaries        | \$ -                | \$ 3,291              | \$ -  | \$ -                | \$ -                                 | \$ -                              | \$ -                      | \$ -                          | \$ -                                     | \$ -                               |
| 92       | 921         | Office Supplies and Other Expenses         | -                   | 3,296                 | -   | -                   | -                                    | -                                 | -                         | 120                           | -  | 49,380                             |
| 93       | 922         | Administrative Expenses Transferred        | -                   | -                     | -   | -                   | -                                    | -                                 | -                         | -                             | -  | -                                  |
| 94       | 923         | Outside Services Employed                  | -                   | -                     | 29,661  | 480,228             | -                                    | -                                 | -                         | -                             | -  | -                                  |
| 95       | 924         | Property Insurance                         | -                   | -                     | -   | 450                 | -                                    | -                                 | -                         | -                             | -  | -                                  |
| 96       | 925         | Injuries and Damages                       | -                   | -                     | -   | -                   | -                                    | -                                 | -                         | -                             | -  | -                                  |
| 97       | 926         | Employee Pension and Benefits              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         | -                             | -  | -                                  |
| 98       | 928         | Regulatory Commission Expenses             | -                   | -                     | -   | -                   | -                                    | 21,926                            | -                         | -                             | -  | -                                  |
| 99       | 930         | Miscellaneous General Expenses             | -                   | -                     | -   | -                   | -                                    | -                                 | -                         | 13,859                        | (441)                                    | 15,229                             |
| 100      | 931         | Rents                                      | -                   | 28,429                | -   | -                   | -                                    | -                                 | -                         | 31                            | -  | -                                  |
| 101      |             | Total Operation                            | \$ -                | \$ 35,016             | \$ 29,661                                       | \$ 480,678          | \$ -                                 | \$ 21,926                         | \$ -                      | \$ 14,010                     | \$ (441)                                 | \$ 64,609                          |
| 102      |             |  |                     |                       |   |                     |                                      |                                   |                           |                               |  |                                    |
| 103      |             | <u>Maintenance</u>                         |                     |                       |   |                     |                                      |                                   |                           |                               |  |                                    |
| 104      | 932         | Maintenance of General Plant               | \$ -                | \$ -                  | \$ 5,600  | \$ -                | \$ -                                 | \$ -                              | \$ -                      | \$ -                          | \$ -                                     | \$ 786                             |
| 105      |             | Total Administrative and General Expenses  | \$ -                | \$ 35,016             | \$ 35,261                                       | \$ 480,678          | \$ -                                 | \$ 21,926                         | \$ -                      | \$ 14,010                     | \$ (441)                                 | \$ 65,395                          |
| 106      |             |  |                     |                       |   |                     |                                      |                                   |                           |                               |  |                                    |
| 107      |             | Total Operation and Maintenance Expenses   | \$ 28,460           | \$ 35,189             | \$ 156,520                                      | \$ 480,678          | \$ -                                 | \$ 21,926                         | \$ 55,427                 | \$ 26,551                     | \$ 1,041                                 | \$ 95,193                          |

SUEZ Water Rhode Island, Inc.  
Rate Year Adjustments to Operation and Maintenance Expenses

| Line No. | Account No. | Description                                     | Test Year<br>Per Books<br>09/30/2017 | Exh 3 Sch 2 | Exh 3 Sch 3     | Exh 3 Sch 4 | Exh 3 Sch 5 | Exh 3 Sch 6 | Exh 3 Sch 7 | Exh 3 Sch 8               |
|----------|-------------|---|--------------------------------------|-------------|-----------------|-------------|-------------|-------------|-------------|---------------------------|
|          |             |   |                                      | Payroll     | Fringe Benefits | Power       | Chemicals   | Pension     | OPEB        | Employee Health & Welfare |
| 1        |             | <u>Source of Supply Expenses</u>                |                                      |             |                 |             |             |             |             |                           |
| 2        |             | <u>Operation</u>                                |                                      |             |                 |             |             |             |             |                           |
| 3        | 600         | Operation Supervision and Engineering           | \$ 64,814                            | \$ 8,507    | \$ 2,872        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 4        | 601         | Operation Labor and Expenses                    | 87,363                               | 8,195       | 3,246           | -           | -           | -           | -           | -                         |
| 5        | 602         | Purchased Water                                 | -                                    | -           | -               | -           | -           | -           | -           | -                         |
| 6        | 603         | Miscellaneous Expenses                          | 697                                  | -           | -               | -           | -           | -           | -           | -                         |
| 7        |             | Total Operation                                 | \$ 152,874                           | \$ 16,702   | \$ 6,118        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 8        |             |   |                                      |             |                 |             |             |             |             |                           |
| 9        |             | <u>Maintenance</u>                              |                                      |             |                 |             |             |             |             |                           |
| 10       | 610         | Maintenance Supervision and Engineering         | \$ 4,157                             | \$ -        | \$ -            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 11       | 611         | MTCE of Structures and Improvements             | 569                                  | 61          | 21              | -           | -           | -           | -           | -                         |
| 12       | 614         | Maintenance of Wells and Springs                | 4,100                                | -           | -               | -           | -           | -           | -           | -                         |
| 13       | 616         | Maintenance of Supply Mains                     | 17,741                               | 171         | 57              | -           | -           | -           | -           | -                         |
| 14       | 617         | Maintenance of Miscellaneous Water Source Plant | 1,500                                | -           | -               | -           | -           | -           | -           | -                         |
| 15       |             | Total Maintenance                               | \$ 28,068                            | \$ 232      | \$ 78           | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 16       |             | Total Source of Supply Expenses                 | \$ 180,942                           | \$ 16,934   | \$ 6,196        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 17       |             |   |                                      |             |                 |             |             |             |             |                           |
| 18       |             | <u>Pumping Expenses</u>                         |                                      |             |                 |             |             |             |             |                           |
| 19       |             | <u>Operation</u>                                |                                      |             |                 |             |             |             |             |                           |
| 20       | 620         | Operation Supervision and Engineering           | \$ 950                               | \$ -        | \$ -            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 21       | 621         | Fuel for Power Production                       | 5,233                                | -           | -               | 1,523       | -           | -           | -           | -                         |
| 22       | 622         | Power Production Labor & Exps                   | 3,731                                | 353         | 131             | -           | -           | -           | -           | -                         |
| 23       | 623         | Fuel or Power Purchased for Production          | 229,279                              | -           | -               | 66,721      | -           | -           | -           | -                         |
| 24       | 624         | Pumping Labor and Expenses                      | 64,414                               | 6,849       | 2,572           | -           | -           | -           | -           | -                         |
| 25       | 626         | Miscellaneous Expenses                          | 6,983                                | -           | -               | 929         | -           | -           | -           | -                         |
| 26       |             | Total Operation                                 | \$ 310,591                           | \$ 7,202    | \$ 2,703        | \$ 69,174   | \$ -        | \$ -        | \$ -        | \$ -                      |
| 27       |             |   |                                      |             |                 |             |             |             |             |                           |
| 28       |             | <u>Maintenance</u>                              |                                      |             |                 |             |             |             |             |                           |
| 29       | 630         | Maintenance Supervision and Engineering         | \$ 2,906                             | \$ -        | \$ -            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 30       | 631         | Maintenance of Structures and Improvements      | 979                                  | -           | -               | -           | -           | -           | -           | -                         |
| 31       | 632         | Maintenance of Power Production Equipment       | 1,831                                | -           | -               | -           | -           | -           | -           | -                         |
| 32       | 633         | Maintenance of Pumping Equipment                | 20,876                               | 2,878       | 1,040           | -           | -           | -           | -           | -                         |
| 33       | 635         | Contractual Services - Testing                  | 1,255                                | -           | -               | -           | -           | -           | -           | -                         |
| 34       |             | Total Maintenance                               | \$ 27,848                            | \$ 2,878    | \$ 1,040        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 35       |             | Total Pumping Expenses                          | \$ 338,439                           | \$ 10,080   | \$ 3,743        | \$ 69,174   | \$ -        | \$ -        | \$ -        | \$ -                      |
| 36       |             |   |                                      |             |                 |             |             |             |             |                           |
| 37       |             | <u>Source Supply Water Expenses</u>             |                                      |             |                 |             |             |             |             |                           |
| 38       | 636         | Contractual Services - Other                    | \$ 5,280                             | \$ -        | \$ -            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 39       |             | Total Maintenance                               | \$ 5,280                             | \$ -        | \$ -            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 40       |             | Total Source Supply Water Expenses              | \$ 5,280                             | \$ -        | \$ -            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 41       |             |   |                                      |             |                 |             |             |             |             |                           |
| 42       |             | <u>Water Treatment Expenses</u>                 |                                      |             |                 |             |             |             |             |                           |
| 43       |             | <u>Operation</u>                                |                                      |             |                 |             |             |             |             |                           |
| 44       | 640         | Operation Supervision and Engineering           | \$ 977,16                            | \$ -        | \$ -            | \$ 284      | \$ -        | \$ -        | \$ -        | \$ -                      |
| 45       | 641         | Chemicals                                       | 51,000                               | -           | -               | -           | (2,921)     | -           | -           | -                         |
| 46       | 642         | Operation Labor and Expenses                    | 61,680                               | 6,554       | 2,384           | 4,333       | -           | -           | -           | -                         |
| 47       | 643         | Miscellaneous Expenses                          | 40,250                               | 2,015       | 716             | -           | -           | -           | -           | -                         |
| 48       | 644         | Rents   | 11,022                               | -           | -               | -           | (11,022)    | -           | -           | -                         |
| 49       |             | Total Operation                                 | \$ 1,649,29                          | \$ 8,569    | \$ 3,100        | \$ 4,618    | \$ (13,942) | \$ -        | \$ -        | \$ -                      |
| 50       |             |   |                                      |             |                 |             |             |             |             |                           |
| 51       |             | <u>Maintenance</u>                              |                                      |             |                 |             |             |             |             |                           |
| 52       | 650         | Maintenance Supervision and Engineering         | \$ 23,225                            | \$ -        | \$ -            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                      |
| 53       | 651         | Maintenance of Structures and Improvements      | (29,383)                             | -           | -               | -           | -           | -           | -           | -                         |
| 54       | 652         | Maintenance of Water Treatment Equipment        | 9,405                                | 78          | 32              | -           | -           | -           | -           | -                         |

SUEZ Water Rhode Island, Inc.  
Rate Year Adjustments to Operation and Maintenance Expenses

| Line No. | Account No. | Description                                     | Exh 3 Sch 9<br>Tank Painting<br>Amortization | Exh 3 Sch 10<br>Transportation | Exh 3 Sch 11<br>CCB | Exh 3 Sch 12<br>Rents | Exh 3 Sch 13<br>O/S K's<br>Contract<br>Services | Exh 3 Sch 14<br>M&S | Exh 3 Sch 15<br>Rate Case<br>Expense | Exh 3 Sch 16<br>Reg<br>Commission | Exh 3 Sch 17<br>Other O&M |
|----------|-------------|---|--|--------------------------------|---------------------|-----------------------|---|---------------------|--------------------------------------|-----------------------------------|---------------------------|
| 1        |             | <b>Source of Supply Expenses</b>                |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 2        |             | <u>Operation</u>                                |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 3        | 600         | Operation Supervision and Engineering           | \$ -   | \$ 622                         | \$ -                | \$ -                  | \$ (318)  | \$ -                | \$ -                                 | \$ -                              | \$ 213                    |
| 4        | 601         | Operation Labor and Expenses                    | -  | 916                            | -                   | -                     | (5,981)   | -                   | -                                    | -                                 | -                         |
| 5        | 602         | Purchased Water                                 | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 6        | 603         | Miscellaneous Expenses                          | -  | -                              | -                   | -                     | (76)  | -                   | -                                    | -                                 | 15                        |
| 7        |             | Total Operation                                 | \$ -   | \$ 1,538                       | \$ -                | \$ -                  | \$ (6,376)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 228                    |
| 8        |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 9        |             | <u>Maintenance</u>                              |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 10       | 610         | Maintenance Supervision and Engineering         | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ (929)  | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 11       | 611         | MTCE of Structures and Improvements             | -  | (1)                            | -                   | -                     | (38)  | -                   | -                                    | -                                 | -                         |
| 12       | 614         | Maintenance of Wells and Springs                | -  | -                              | -                   | -                     | (916)   | -                   | -                                    | -                                 | -                         |
| 13       | 616         | Maintenance of Supply Mains                     | -  | (2)                            | -                   | -                     | -   | -                   | -                                    | -                                 | 706                       |
| 14       | 617         | Maintenance of Miscellaneous Water Source Plant | -  | -                              | -                   | -                     | (335)   | -                   | -                                    | -                                 | -                         |
| 15       |             | Total Maintenance                               | \$ -   | \$ (3)                         | \$ -                | \$ -                  | \$ (2,219)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 706                    |
| 16       |             | Total Source of Supply Expenses                 | \$ -   | \$ 1,536                       | \$ -                | \$ -                  | \$ (8,595)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 934                    |
| 17       |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 18       |             | <b>Pumping Expenses</b>                         |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 19       |             | <u>Operation</u>                                |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 20       | 620         | Operation Supervision and Engineering           | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ (212)  | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 21       | 621         | Fuel for Power Production                       | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 22       | 622         | Power Production Labor & Exps                   | -  | 25                             | -                   | -                     | (276)   | -                   | -                                    | -                                 | -                         |
| 23       | 623         | Fuel or Power Purchased for Production          | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 24       | 624         | Pumping Labor and Expenses                      | -  | 720                            | -                   | -                     | (277)   | -                   | -                                    | -                                 | 578                       |
| 25       | 626         | Miscellaneous Expenses                          | -  | -                              | -                   | -                     | (848)   | -                   | -                                    | -                                 | -                         |
| 26       |             | Total Operation                                 | \$ -   | \$ 745                         | \$ -                | \$ -                  | \$ (1,613)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 578                    |
| 27       |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 28       |             | <u>Maintenance</u>                              |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 29       | 630         | Maintenance Supervision and Engineering         | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ (650)  | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 30       | 631         | Maintenance of Structures and Improvements      | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | 42                        |
| 31       | 632         | Maintenance of Power Production Equipment       | -  | -                              | -                   | 539                   | (409)   | -                   | -                                    | -                                 | -                         |
| 32       | 633         | Maintenance of Pumping Equipment                | -  | 283                            | -                   | -                     | -   | -                   | -                                    | -                                 | 17                        |
| 33       | 635         | Contractual Services - Testing                  | -  | -                              | -                   | -                     | (281)   | -                   | -                                    | -                                 | -                         |
| 34       |             | Total Maintenance                               | \$ -   | \$ 283                         | \$ -                | \$ 539                | \$ (1,339)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 58                     |
| 35       |             | Total Pumping Expenses                          | \$ -   | \$ 1,028                       | \$ -                | \$ 539                | \$ (2,953)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 636                    |
| 36       |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 37       |             | <u>Source Supply Water Expenses</u>             |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 38       | 636         | Contractual Services - Other                    | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ (1,180)                                      | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 39       |             | Total Maintenance                               | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ (1,180)                                      | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 40       |             | Total Source Supply Water Expenses              | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ (1,180)                                      | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 41       |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 42       |             | <b>Water Treatment Expenses</b>                 |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 43       |             | <u>Operation</u>                                |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 44       | 640         | Operation Supervision and Engineering           | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ -  | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 45       | 641         | Chemicals                                       | -  | -                              | -                   | -                     | (650)   | -                   | -                                    | -                                 | -                         |
| 46       | 642         | Operation Labor and Expenses                    | -  | 654                            | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 47       | 643         | Miscellaneous Expenses                          | -  | 234                            | -                   | -                     | (2,939)   | -                   | -                                    | -                                 | 539                       |
| 48       | 644         | Rents   | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 49       |             | Total Operation                                 | \$ -   | \$ 888                         | \$ -                | \$ -                  | \$ (3,589)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 539                    |
| 50       |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 51       |             | <u>Maintenance</u>                              |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 52       | 650         | Maintenance Supervision and Engineering         | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ (5,192)                                      | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 53       | 651         | Maintenance of Structures and Improvements      | -  | -                              | -                   | 56                    | (717)   | -                   | -                                    | -                                 | -                         |
| 54       | 652         | Maintenance of Water Treatment Equipment        | -  | 4                              | -                   | -                     | (402)   | -                   | -                                    | -                                 | 299                       |

SUEZ Water Rhode Island, Inc.  
Rate Year Adjustments to Operation and Maintenance Expenses

| Line No. | Account No. | Description   | Test Year<br>Per Books<br>09/30/2017 | Exh 3 Sch 2       | Exh 3 Sch 3        | Exh 3 Sch 4      | Exh 3 Sch 5        | Exh 3 Sch 6        | Exh 3 Sch 7     | Exh 3 Sch 8               |
|----------|-------------|---|--------------------------------------|-------------------|--------------------|------------------|--------------------|--------------------|-----------------|---------------------------|
|          |             |   |                                      | Payroll           | Fringe Benefits    | Power            | Chemicals          | Pension            | OPEB            | Employee Health & Welfare |
| 55       |             | Total Maintenance                                     | \$ 3,247                             | \$ 78             | \$ 32              | \$ -             | \$ -               | \$ -               | \$ -            | \$ -                      |
| 56       |             | <b>Total Water Treatment Expenses</b>                 | <b>\$ 168,176</b>                    | <b>\$ 8,648</b>   | <b>\$ 3,132</b>    | <b>\$ 4,618</b>  | <b>\$ (13,942)</b> | <b>\$ -</b>        | <b>\$ -</b>     | <b>\$ -</b>               |
| 57       |             |   |                                      |                   |                    |                  |                    |                    |                 |                           |
| 58       |             | <b>Transmission and Distribution Expenses</b>         |                                      |                   |                    |                  |                    |                    |                 |                           |
| 59       |             | <u>Operation</u>                                      |                                      |                   |                    |                  |                    |                    |                 |                           |
| 60       | 660         | Operation Supervision and Engineering                 | \$ 1,464                             | \$ -              | \$ -               | \$ -             | \$ -               | \$ -               | \$ -            | \$ -                      |
| 61       | 662         | Transmission and Distribution Lines Expenses          | 117,984                              | 15,816            | 5,978              | -                | -                  | -                  | -               | -                         |
| 62       | 663         | Meter Expenses  | 22,702                               | 3,242             | 1,117              | -                | -                  | -                  | -               | -                         |
| 63       | 665         | Miscellaneous Expenses                                | 118,351                              | 8,708             | 3,973              | 5,960            | -                  | -                  | -               | -                         |
| 64       | 666         | Rents   | 1,846                                | 284               | 95                 | -                | -                  | -                  | -               | -                         |
| 65       |             | Total Operation                                       | \$ 262,348                           | \$ 28,050         | \$ 11,164          | \$ 5,960         | \$ -               | \$ -               | \$ -            | \$ -                      |
| 66       |             |   |                                      |                   |                    |                  |                    |                    |                 |                           |
| 67       |             | <u>Maintenance</u>                                    |                                      |                   |                    |                  |                    |                    |                 |                           |
| 68       | 670         | Maintenance Supervision and Engineering               | \$ 17,951                            | \$ 2,365          | \$ 670             | \$ -             | \$ -               | \$ -               | \$ -            | \$ -                      |
| 69       | 671         | Maintenance of Structures and Improvements            | 29,031                               | 3,926             | 1,320              | -                | -                  | -                  | -               | -                         |
| 70       | 672         | Maintenance of Dist. Reservoirs & Standpipes          | 75,915                               | -                 | 484                | -                | -                  | -                  | -               | -                         |
| 71       | 673         | Maintenance of Trans. & Distribution Mains            | 9,947                                | 1,857             | -                  | -                | -                  | -                  | -               | -                         |
| 72       | 674         | Maintenance of Fire Mains                             | -                                    | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 73       | 675         | Maintenance of Services                               | -                                    | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 74       | 676         | Maintenance of Meters                                 | -                                    | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 75       | 677         | Maintenance of Hydrants                               | 8,605                                | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 76       | 678         | Maintenance of Miscellaneous Plant                    | 153                                  | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 77       |             | Total Maintenance                                     | \$ 141,602                           | \$ 8,149          | \$ 2,473           | \$ -             | \$ -               | \$ -               | \$ -            | \$ -                      |
| 78       |             | <b>Total Transmission &amp; Distribution Expenses</b> | <b>\$ 403,950</b>                    | <b>\$ 36,199</b>  | <b>\$ 13,637</b>   | <b>\$ 5,960</b>  | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>     | <b>\$ -</b>               |
| 79       |             |   |                                      |                   |                    |                  |                    |                    |                 |                           |
| 80       |             | <b>Customer Accounts Expenses</b>                     |                                      |                   |                    |                  |                    |                    |                 |                           |
| 81       |             | <u>Operation</u>                                      |                                      |                   |                    |                  |                    |                    |                 |                           |
| 82       | 901         | Supervision   | \$ -                                 | \$ -              | \$ -               | \$ -             | \$ -               | \$ -               | \$ -            | \$ -                      |
| 83       | 902         | Meter Reading Expenses                                | 79,818                               | 11,073            | 4,076              | -                | -                  | -                  | -               | -                         |
| 84       | 903         | Customer Records & Coll. Expenses-Labor               | 205,510                              | 22,183            | 8,074              | -                | -                  | -                  | -               | -                         |
| 85       | 904         | Uncollectible Accounts                                | 56,418                               | 7,925             | 2,860              | -                | -                  | -                  | -               | -                         |
| 86       | 905         | Miscellaneous Customer Account Expense                | 371                                  | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 87       |             | Total Customer Accounts Expenses                      | \$ 342,117                           | \$ 41,182         | \$ 15,011          | \$ -             | \$ -               | \$ -               | \$ -            | \$ -                      |
| 88       |             |   |                                      |                   |                    |                  |                    |                    |                 |                           |
| 89       |             | <b>Administrative and General Expenses</b>            |                                      |                   |                    |                  |                    |                    |                 |                           |
| 90       |             | <u>Operation</u>                                      |                                      |                   |                    |                  |                    |                    |                 |                           |
| 91       | 920         | Administrative and General Salaries                   | \$ 32,697                            | \$ 29,968         | \$ 2,475           | \$ -             | \$ -               | \$ -               | \$ -            | \$ -                      |
| 92       | 921         | Office Supplies and Other Expenses                    | 59,813                               | -                 | -                  | 2,043            | -                  | -                  | -               | -                         |
| 93       | 922         | Administrative Expenses Transferred                   | (369,535)                            | -                 | (48,715)           | -                | -                  | -                  | -               | -                         |
| 94       | 923         | Outside Services Employed                             | 509,889                              | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 95       | 924         | Property Insurance                                    | 450                                  | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 96       | 925         | Injuries and Damages                                  | 14,788                               | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 97       | 926         | Employee Pension and Benefits                         | 302,796                              | -                 | -                  | -                | -                  | (44,579)           | 4,058           | 66,006                    |
| 98       | 928         | Regulatory Commission Expenses                        | 21,926                               | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 99       | 930         | Miscellaneous General Expenses                        | 28,886                               | -                 | -                  | 70               | -                  | -                  | -               | -                         |
| 100      | 931         | Rents   | 28,460                               | -                 | -                  | -                | -                  | -                  | -               | -                         |
| 101      |             | Total Operation                                       | \$ 630,171                           | \$ 29,968         | \$ (46,240)        | \$ 2,113         | \$ -               | \$ (44,579)        | \$ 4,058        | \$ 66,006                 |
| 102      |             |   |                                      |                   |                    |                  |                    |                    |                 |                           |
| 103      |             | <u>Maintenance</u>                                    |                                      |                   |                    |                  |                    |                    |                 |                           |
| 104      | 932         | Maintenance of General Plant                          | \$ 636,557                           | \$ -              | \$ -               | \$ -             | \$ -               | \$ -               | \$ -            | \$ -                      |
| 105      |             | <b>Total Administrative and General Expenses</b>      | <b>\$ 636,557</b>                    | <b>\$ 29,968</b>  | <b>\$ (46,240)</b> | <b>\$ 2,113</b>  | <b>\$ -</b>        | <b>\$ (44,579)</b> | <b>\$ 4,058</b> | <b>\$ 66,006</b>          |
| 106      |             |   |                                      |                   |                    |                  |                    |                    |                 |                           |
| 107      |             | <b>Total Operation and Maintenance Expenses</b>       | <b>\$ 2,075,461</b>                  | <b>\$ 143,010</b> | <b>\$ (4,521)</b>  | <b>\$ 81,864</b> | <b>\$ (13,942)</b> | <b>\$ (44,579)</b> | <b>\$ 4,058</b> | <b>\$ 66,006</b>          |

SUEZ Water Rhode Island, Inc.  
Rate Year Adjustments to Operation and Maintenance Expenses

| Line No. | Account No. | Description   | Exh 3 Sch 9<br>Tank Painting<br>Amortization | Exh 3 Sch 10<br>Transportation | Exh 3 Sch 11<br>CCB | Exh 3 Sch 12<br>Rents | Exh 3 Sch 13<br>O/S K's<br>Contract<br>Services | Exh 3 Sch 14<br>M&S | Exh 3 Sch 15<br>Rate Case<br>Expense | Exh 3 Sch 16<br>Reg<br>Commission | Exh 3 Sch 17<br>Other O&M |
|----------|-------------|---|--|--------------------------------|---------------------|-----------------------|---|---------------------|--------------------------------------|-----------------------------------|---------------------------|
| 55       |             | Total Maintenance                                     | \$ -   | \$ 4                           | \$ -                | \$ 56                 | \$ (6,311)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 299                    |
| 56       |             | <b>Total Water Treatment Expenses</b>                 | \$ -   | \$ 892                         | \$ -                | \$ 56                 | \$ (9,900)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 837                    |
| 57       |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 58       |             | <b>Transmission and Distribution Expenses</b>         |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 59       |             | <u>Operation</u>                                      |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 60       | 660         | Operation Supervision and Engineering                 | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ (84)   | \$ -                | \$ -                                 | \$ -                              | \$ 46                     |
| 61       | 662         | Transmission and Distribution Lines Expenses          | -  | 1,595                          | -                   | -                     | (797)   | -                   | -                                    | -                                 | -                         |
| 62       | 663         | Meter Expenses  | -  | 312                            | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 63       | 665         | Miscellaneous Expenses                                | -  | 1,168                          | -                   | -                     | 554   | -                   | -                                    | -                                 | 1,181                     |
| 64       | 666         | Rents   | -  | (4)                            | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 65       |             | Total Operation                                       | \$ -   | \$ 3,071                       | \$ -                | \$ -                  | \$ (327)  | \$ -                | \$ -                                 | \$ -                              | \$ 1,227                  |
| 66       |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 67       |             | <u>Maintenance</u>                                    |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 68       | 670         | Maintenance Supervision and Engineering               | \$ -   | \$ 150                         | \$ -                | \$ -                  | \$ (589)  | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 69       | 671         | Maintenance of Structures and Improvements            | -  | 433                            | -                   | -                     | -   | -                   | -                                    | -                                 | 65                        |
| 70       | 672         | Maintenance of Dist. Reservoirs & Standpipes          | (23,568)                                     | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 71       | 673         | Maintenance of Trans. & Distribution Mains            | -  | 128                            | -                   | -                     | -   | -                   | -                                    | -                                 | 3                         |
| 72       | 674         | Maintenance of Fire Mains                             | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 73       | 675         | Maintenance of Services                               | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 74       | 676         | Maintenance of Meters                                 | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 75       | 677         | Maintenance of Hydrants                               | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | 365                       |
| 76       | 678         | Maintenance of Miscellaneous Plant                    | -  | -                              | -                   | (153)                 | -   | -                   | -                                    | -                                 | -                         |
| 77       |             | Total Maintenance                                     | \$ (23,568)                                  | \$ 710                         | \$ -                | \$ (153)              | \$ (589)  | \$ -                | \$ -                                 | \$ -                              | \$ 433                    |
| 78       |             | <b>Total Transmission &amp; Distribution Expenses</b> | \$ (23,568)                                  | \$ 3,781                       | \$ -                | \$ (153)              | \$ (915.98)                                     | \$ -                | \$ -                                 | \$ -                              | \$ 1,660                  |
| 79       |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 80       |             | <b>Customer Accounts Expenses</b>                     |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 81       |             | <u>Operation</u>                                      |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 82       | 901         | Supervision   | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ -  | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 83       | 902         | Meter Reading Expenses                                | -  | 1,099                          | -                   | -                     | -   | -                   | -                                    | -                                 | 20                        |
| 84       | 903         | Customer Records & Coll. Expenses-Labor               | -  | 2,247                          | 100,344             | -                     | (3,562)   | -                   | -                                    | -                                 | 109                       |
| 85       | 904         | Uncollectible Accounts                                | -  | 787                            | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 86       | 905         | Miscellaneous Customer Account Expense                | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | 16                        |
| 87       |             | Total Customer Accounts Expenses                      | \$ -   | \$ 4,132                       | \$ 100,344          | \$ -                  | \$ (3,562)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 145                    |
| 88       |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 89       |             | <b>Administrative and General Expenses</b>            |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 90       |             | <u>Operation</u>                                      |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 91       | 920         | Administrative and General Salaries                   | \$ -   | \$ 633                         | \$ -                | \$ (3,291)            | \$ -  | \$ -                | \$ -                                 | \$ -                              | \$ -                      |
| 92       | 921         | Office Supplies and Other Expenses                    | -  | -                              | -                   | 1,098                 | -   | -                   | -                                    | -                                 | 2,101                     |
| 93       | 922         | Administrative Expenses Transferred                   | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 94       | 923         | Outside Services Employed                             | -  | -                              | -                   | -                     | (6,630)   | 29,273              | -                                    | -                                 | -                         |
| 95       | 924         | Property Insurance                                    | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 96       | 925         | Injuries and Damages                                  | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 97       | 926         | Employee Pension and Benefits                         | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | -                         |
| 98       | 928         | Regulatory Commission Expenses                        | -  | -                              | -                   | -                     | -   | -                   | 60,333                               | (1,347)                           | -                         |
| 99       | 930         | Miscellaneous General Expenses                        | -  | -                              | -                   | -                     | -   | -                   | -                                    | -                                 | 1,216                     |
| 100      | 931         | Rents   | -  | -                              | -                   | 55,285                | -   | -                   | -                                    | -                                 | 1                         |
| 101      |             | Total Operation                                       | \$ -   | \$ 633                         | \$ -                | \$ 53,092             | \$ (6,630)                                      | \$ 29,273           | \$ 60,333                            | \$ (1,347)                        | \$ 3,318                  |
| 102      |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 103      |             | <u>Maintenance</u>                                    |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 104      | 932         | Maintenance of General Plant                          | \$ -   | \$ -                           | \$ -                | \$ -                  | \$ (1,252)                                      | \$ -                | \$ -                                 | \$ -                              | \$ 33                     |
| 105      |             | <b>Total Administrative and General Expenses</b>      | \$ -   | \$ 633                         | \$ -                | \$ 53,092             | \$ (7,882)                                      | \$ 29,273           | \$ 60,333                            | \$ (1,347)                        | \$ 3,351                  |
| 106      |             |   |  |                                |                     |                       |   |                     |                                      |                                   |                           |
| 107      |             | <b>Total Operation and Maintenance Expenses</b>       | \$ (23,568)                                  | \$ 12,002                      | \$ 100,344          | \$ 53,534             | \$ (34,987)                                     | \$ 29,273           | \$ 60,333                            | \$ (1,347)                        | \$ 7,563                  |

**SUEZ Water Rhode Island, Inc.**  
**Wages and Salaries Expense**  
**Various Account Numbers**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 2**  
**Page 1 of 1**

**Purpose and Description:** To normalize Test Year salaries and projected pay increase. See "Exhibit 3 Schedule 2A Page 3 of 3" and "Exhibit 3 Schedule 1C" for account number allocation.

| Line No. | Description               | Amount             |
|----------|---------------------------|--------------------|
| 1        | Rate Year Payroll Expense | \$ 654,731 (a)     |
| 2        |                           |                    |
| 3        | Test Year Per Books       | <u>511,720 (b)</u> |
| 4        |                           |                    |
| 5        | Payroll Adjustment        | <u>\$ 143,010</u>  |
| 6        |                           |                    |
| 7        |                           |                    |
| 8        |                           |                    |

| Line No. | Description  | Amount                |
|----------|--|-----------------------|
| 9        | <u>Notes:</u>  |                       |
| 10       |  |                       |
| 11       | (a) Total Labor                                      | 837,587               |
| 12       | Labor Capitalized/Transferred Out (Exhibit 3 Sch 2A) | (192,879)             |
| 13       | Labor Transferred In (Exhibit 3 Sch 2A)              | <u>10,023</u>         |
| 14       |  | <u><u>654,731</u></u> |
| 15       |  |                       |
| 16       |  |                       |
| 17       | (b) Total Labor                                      | 682,794               |
| 18       | Labor Capitalized/Transferred Out                    | (178,651)             |
| 19       | Labor Transferred In                                 | <u>7,578</u>          |
| 20       |  | <u><u>511,720</u></u> |
| 21       |  |                       |



SUEZ Water Rhode Island, Inc.  
Wages and Salaries Expense Workpapers  
Various Account Numbers  
For the Rate Year

| <u>Overtime:</u>                             |       |   |   |                                       |
|--|-------|---|---|---------------------------------------|
| Year   | Hours | Overtime \$   | Hour Rate                                       |                                       |
| 2014   | 1,373 | \$ 50,174   | \$ 36.54  |                                       |
| 2015   | 1,450 | 54,323  | 37.46   |                                       |
| 2016   | 1,426 | 51,907  | 36.40   |                                       |
| 12M 09/30/2017                               | 1,460 | 53,580  | 36.71   |                                       |
| 4 yr hrs average X 9/30/17-12M rate          |       | 1,427   | \$ 52,385                                       |                                       |
| Overtime with compound salary increase 6.09% |       | \$ 55,575   |   |                                       |
| Job Title                                    | FLSA  | Projected 2019 Base Salary Reflecting 3.0% Increase | Overtime Allocation as a Percentage of Base Pay | Rate Year Overtime with 3.0% Increase |
| Chief Operator                               | N     | \$ 69,179   | 18.69%  | \$ 10,385                             |
| Meter Reader                                 | N     | 54,394  | 14.69%  | 8,165                                 |
| Sr Cust Serv Rep                             | N     | 54,019  | 14.59%  | 8,109                                 |
| Sr Cust Serv Rep                             | N     | 51,107  | 13.80%  | 7,672                                 |
| Service Person                               | N     | 50,290  | 13.58%  | 7,549                                 |
| Service Person                               | N     | 45,480  | 12.28%  | 6,827                                 |
| Customer service/data entry tech             | N     | 45,760  | 12.36%  | 6,869                                 |
|  |       | \$ 370,229  | 100.00%   | \$ 55,575                             |
|  |       |   |   | \$ 55,575                             |

| <u>Labor Capitalized/Transferred Out:</u>                         |              |
|---|--------------|
|   | Rate Year    |
| Total Labor   | \$ 837,587   |
| Capitalized/Transferred Out Rate<br>(See "Exhibit 3 Schedule 2B") | -23.03%      |
| Rate Year Capitalized/Transferred Out                             | \$ (192,879) |

| <u>Labor Transferred in:</u>                         |            |
|--|------------|
|  | Rate Year  |
| Total Labor  | \$ 837,587 |
| Transferred in Rate<br>(See "Exhibit 3 Schedule 2B") | 1.20%      |
| Rate Year Transferred In                             | \$ 10,023  |

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SUEZ Water Rhode Island, Inc.  
Wages and Salaries Expense Workpapers  
Various Account Numbers  
For the Rate Year

76 Payroll, transfer in and out Allocated by PUC A/C#  
77 For the Period 09/30/2016 - 09/30/2017

| 78  | 79             | 80 | Total Labor |             | Labor Transferred In |                |           | Labor Capitalized |                |            |              |
|-----|----------------|----|-------------|-------------|----------------------|----------------|-----------|-------------------|----------------|------------|--------------|
|     |                |    | 50100-50105 | 50110-50115 | 50120-50125          | Allocation     | Rate Year | Allocation        | Rate Year      | Allocation | Rate Year    |
| 81  | 82             | 83 | Test Year   | %           | Adjustment           | Test Year      | %         | Adjustment        | Test Year      | %          | Adjustment   |
| 84  | 600            | \$ | 37,524      | 5.50%       | \$ 8,507             | \$ -           | 0.00%     | \$ -              | \$ -           | 0.00%      | \$ -         |
| 85  | 601            |    | 36,148      | 5.29%       | 8,195                | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 86  | 611            |    | 271         | 0.04%       | 61                   | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 87  | 616            |    | 752         | 0.11%       | 171                  | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 88  | 622            |    | 1,558       | 0.23%       | 353                  | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 89  | 624            |    | 30,209      | 4.42%       | 6,849                | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 90  | 633            |    | 12,696      | 1.86%       | 2,878                | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 91  | 642            |    | 28,911      | 4.23%       | 6,554                | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 92  | 643            |    | 8,889       | 1.30%       | 2,015                | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 93  | 652            |    | 345         | 0.05%       | 78                   | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 94  | 662            |    | 69,765      | 10.22%      | 15,816               | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 95  | 663            |    | 14,299      | 2.09%       | 3,242                | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 96  | 665            |    | 38,413      | 5.63%       | 8,708                | -              | 0.00%     | -                 | 3,996          | 0.00%      | -            |
| 97  | 666            |    | 1,254       | 0.18%       | 284                  | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 98  | 670            |    | 10,434      | 1.53%       | 2,365                | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 99  | 671            |    | 17,317      | 2.54%       | 3,926                | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 100 | 673            |    | 1,692       | 0.25%       | 384                  | 4,567          | 60.27%    | 1,474             | -              | 0.00%      | -            |
| 101 | 902            |    | 48,845      | 7.15%       | 11,073               | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 102 | 903            |    | 97,851      | 14.33%      | 22,183               | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 103 | 904            |    | 34,956      | 5.12%       | 7,925                | -              | 0.00%     | -                 | -              | 0.00%      | -            |
| 104 | 920            |    | 190,665     | 27.92%      | 43,225               | 3,011          | 39.73%    | 971               | (182,647)      | 100.00%    | (14,228)     |
| 105 |                |    |             |             |                      |                |           |                   |                |            |              |
| 106 | Total          | \$ | 682,794     | 100%        | \$ 154,794           | \$ 7,578       | 100.00%   | \$ 2,445          | \$ (178,651)   | 100%       | \$ (14,228)  |
| 107 |                |    |             |             |                      |                |           |                   |                |            |              |
| 108 | Total on gross |    |             |             | \$ 154,793           | Total on gross |           | \$ 2,445          | Total on gross |            | \$ (14,228)  |
| 109 |                |    |             |             |                      |                |           |                   |                |            |              |
| 110 | Test Year      |    |             |             | \$ 682,794           | Test Year      |           | \$ 7,578          | Test Year      |            | \$ (178,651) |
| 111 | Adjustment     |    |             |             | \$ 154,793           | Adjustment     |           | \$ 2,445          | Adjustment     |            | \$ (14,228)  |
| 112 | Rate Year      |    |             |             | \$ 837,587           | Rate Year      |           | \$ 10,023         | Rate Year      |            | \$ (192,879) |

**SUEZ Water Rhode Island, Inc.**  
**Expense and Transferred In Percentages**

Line  
No.

| 1  |                            |                 | [-----Calendar Year-----] |                      |                      | 12M -                |                      |
|----|----------------------------|-----------------|---------------------------|----------------------|----------------------|----------------------|----------------------|
| 2  |                            |                 | 2014                      | 2015                 | 2016                 | 9/30/2017            | 4 Yr Avg             |
| 3  |                            |                 |                           |                      |                      |                      |                      |
| 4  | Gross Payroll              | (a)             | \$ 686,271                | \$ 684,882           | \$ 707,293           | \$ 682,794           | \$ 690,310           |
| 5  | -Capitalized               | (b)             | (129,432)                 | (163,142)            | (164,632)            | (178,651)            | (158,964)            |
| 6  | -Transferred to Other BU's | (c)             | -                         | -                    | -                    | -                    | -                    |
| 7  | Net Payroll                | (d)             | <u>\$ 556,839</u>         | <u>\$ 521,741</u>    | <u>\$ 542,661</u>    | <u>\$ 504,143</u>    | <u>\$ 531,346</u>    |
| 8  |                            |                 |                           |                      |                      |                      |                      |
| 9  | Expense Rate               | (d) / (a)       | <u><b>81.14%</b></u>      | <u><b>76.18%</b></u> | <u><b>76.72%</b></u> | <u><b>73.84%</b></u> | <u><b>76.97%</b></u> |
| 10 |                            |                 |                           |                      |                      |                      |                      |
| 11 |                            |                 |                           |                      |                      |                      |                      |
| 12 | Capitalized                | (b) & (c)       | <u>\$ (129,432)</u>       | <u>\$ (163,142)</u>  | <u>\$ (164,632)</u>  | <u>\$ (178,651)</u>  | <u>\$ (158,964)</u>  |
| 13 |                            |                 |                           |                      |                      |                      |                      |
| 14 | Capitalized Rate           | (b) & (c) / (a) | <u><b>18.86%</b></u>      | <u><b>23.82%</b></u> | <u><b>23.28%</b></u> | <u><b>26.16%</b></u> | <u><b>23.03%</b></u> |
| 15 |                            |                 |                           |                      |                      |                      |                      |
| 16 |                            |                 |                           |                      |                      |                      |                      |
| 17 | Transferred in             | (e)             | <u>\$ 10,709</u>          | <u>\$ 8,414</u>      | <u>\$ 6,341</u>      | <u>\$ 7,578</u>      | <u>\$ 8,260</u>      |
| 18 |                            |                 |                           |                      |                      |                      |                      |
| 19 | Transferred in Rate        | (e) / (a)       | <u><b>1.56%</b></u>       | <u><b>1.23%</b></u>  | <u><b>0.90%</b></u>  | <u><b>1.11%</b></u>  | <u><b>1.20%</b></u>  |
| 20 |                            |                 |                           |                      |                      |                      |                      |

**SUEZ Water Rhode Island, Inc.**  
**Fringe Benefits Transferred Expense**  
**Various Account Numbers**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 3**  
**Page 1 of 1**

**Purpose and Description:** To adjust fringe benefits capitalized based on Rate Year fringe benefits amount of \$424,319.  
See "Exhibit 3 Schedule 3A" and "Exhibit 3 Schedule 1C" for account number allocation.

| Line<br>No. | Description                            | Amount            |
|-------------|--|-------------------|
| 1           | Rate Year Fringe Benefits Capitalized  | \$ (92,635)       |
| 2           |  |                   |
| 3           | Test Year Per Books                    | <u>(88,114)</u>   |
| 4           |  |                   |
| 5           | Fringe Benefits Capitalized Adjustment | <u>\$ (4,521)</u> |

**SUEZ Water Rhode Island, Inc.**  
**Fringe Benefits Transferred Allocation**  
**For the Test Year Ended 09/30/2017 and Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 3A**  
**Page 1 of 1**

| Line No. | Acct No.    | Account Description                                      | Test Year Per Books | Fringe Benefits Capitalized | Rate Year Amount   | Fringe Benefits Capitalized |
|----------|-------------|--|---------------------|-----------------------------|--------------------|-----------------------------|
| 1        |             |  |                     | -23.51%                     |                    | -21.83%                     |
| 2        | 70251       | FICA Taxes   | \$ 53,934           | \$ (12,680)                 | \$ 63,528          | \$ (13,869)                 |
| 3        | 70252       | Federal Unemployment Taxes                               | 466                 | (110)                       | 462                | (101)                       |
| 4        | 70253       | State Unemployment Taxes                                 | 2,795               | (657)                       | 2,957              | (646)                       |
| 5        | 91460       | Worker compensation                                      | 14,788              | (3,477)                     | 14,302             | (3,122)                     |
| 6        | 91500       | Employee Pension Cost                                    | 140,178             | (32,957)                    | 95,599             | (20,871)                    |
| 7        | 91550       | Post Retirement Health Care Accrued                      | (5,006)             | 1,177                       | (948)              | 207                         |
| 8        | 91700       | Employee Group Health & Life                             | 133,015             | (31,273)                    | 194,752            | (42,517)                    |
| 9        | 91800       | Employee 401K  | 29,282              | (6,885)                     | 31,066             | (6,782)                     |
| 10       | 91850       | Other Employee Benefits                                  | 83                  | (20)                        | 22,601             | (4,934)                     |
| 11       | 92056       | Amortization of OPEB cost                                | 5,245               | (1,233)                     | -                  | -                           |
| 12       |             | Total Fringe Benefit Costs Subject to Allocation         | <u>\$ 374,780</u>   | <u>\$ (88,114)</u>          | <u>\$ 424,319</u>  | <u>\$ (92,635)</u>          |
| 13       |             |  |                     |                             |                    |                             |
| 14       |             | Fringe Benefits transferred to various accounts          | \$ 281,422          |                             | \$ 325,616         |                             |
| 15       |             | Fringe Benefits related to A&G salaries                  | 5,245               |                             | 6,068              |                             |
| 16       |             | Fringe Benefits Capitalized/Transferred Out              | <u>88,114</u>       |                             | <u>92,635</u>      |                             |
| 17       |             |  |                     |                             |                    |                             |
| 18       |             | Total Fringe Benefits Allocated                          | <u>\$ 374,780</u>   |                             | <u>\$ 424,319</u>  |                             |
| 19       |             |  |                     |                             |                    |                             |
| 20       |             |  |                     |                             |                    |                             |
| 21       |             |  |                     |                             |                    |                             |
| 22       |             | <b>Fringe Benefits Allocated by PUC A/C# 90950 90953</b> |                     |                             |                    |                             |
| 23       |             | <b>For the Period 09/30/2016 - 09/30/2017</b>            |                     |                             |                    |                             |
|          |             |  | <b>Test Year</b>    |                             | <b>Rate Year</b>   |                             |
| 24       | <b>A/C#</b> |  | <b>Per Books</b>    | <b>% to Total</b>           | <b>Amount</b>      | <b>Adjustment</b>           |
| 25       | 600         |  | \$ 18,288           | 6.38%                       | \$ 21,160          | \$ 2,872                    |
| 26       | 601         |  | 20,672              | 7.21%                       | 23,919             | 3,246                       |
| 27       | 611         |  | 131                 | 0.05%                       | 152                | 21                          |
| 28       | 616         |  | 364                 | 0.13%                       | 421                | 57                          |
| 29       | 622         |  | 835                 | 0.29%                       | 966                | 131                         |
| 30       | 624         |  | 16,379              | 5.71%                       | 18,951             | 2,572                       |
| 31       | 633         |  | 6,622               | 2.31%                       | 7,662              | 1,040                       |
| 32       | 642         |  | 15,183              | 5.30%                       | 17,567             | 2,384                       |
| 33       | 643         |  | 4,557               | 1.59%                       | 5,273              | 716                         |
| 34       | 652         |  | 201                 | 0.07%                       | 232                | 32                          |
| 35       | 662         |  | 38,067              | 13.28%                      | 44,045             | 5,978                       |
| 36       | 663         |  | 7,115               | 2.48%                       | 8,232              | 1,117                       |
| 37       | 665         |  | 25,300              | 8.83%                       | 29,273             | 3,973                       |
| 38       | 666         |  | 607                 | 0.21%                       | 702                | 95                          |
| 39       | 670         |  | 4,265               | 1.49%                       | 4,934              | 670                         |
| 40       | 671         |  | 8,406               | 2.93%                       | 9,726              | 1,320                       |
| 41       | 673         |  | 3,079               | 1.07%                       | 3,563              | 484                         |
| 42       | 902         |  | 25,958              | 9.06%                       | 30,034             | 4,076                       |
| 43       | 903         |  | 51,416              | 17.94%                      | 59,491             | 8,074                       |
| 44       | 904         |  | 18,213              | 6.35%                       | 21,074             | 2,860                       |
| 45       | 920         |  | 15,763              | 5.50%                       | 18,239             | 2,475                       |
| 46       |             |  |                     |                             |                    |                             |
| 47       |             |  | <u>\$ 281,422</u>   |                             | <u>\$ 325,616</u>  | <u>\$ 44,194</u>            |
| 48       |             |  |                     |                             |                    |                             |
| 49       | 920         |  | <u>\$ 5,245</u>     | 1.83%                       | <u>\$ 6,068</u>    | <u>\$ 824</u>               |
| 50       |             |  |                     |                             |                    |                             |
| 51       |             | Total Allocated to Expense                               | \$ 286,667          |                             | \$ 331,684         | \$ 45,018                   |
| 52       |             |  |                     |                             |                    |                             |
| 53       |             | Total Fringe Benefit Costs Subject to Allocation         | <u>\$ 374,780</u>   | 100.00%                     | <u>\$ 424,319</u>  | <u>\$ 49,539</u>            |
| 54       |             |  |                     |                             |                    |                             |
| 55       |             |  |                     |                             |                    |                             |
| 56       |             | Fringe Benefits Capitalized/Transferred                  | <u>\$ (88,114)</u>  |                             | <u>\$ (92,635)</u> | <u>\$ (4,521)</u>           |
| 57       |             |  |                     |                             |                    |                             |
| 58       |             | % Capitalized  | <u>-23.51%</u>      |                             | <u>-21.83%</u>     |                             |

**SUEZ Water Rhode Island, Inc.**  
**Purchased Power Expense**  
**Account Number 623**  
**For the Rate Year**

**Purpose and Description:**

To adjust cost of power to reflect Rate Year production based upon revenue projections and projected price changes.  
 The Commodity/ Supply of power was provided by Constellation New Energy during Test Year.  
 The Commodity/ Supply of power will be provided by Engie Resources, LLC during Rate Year.  
 The transmission/distribution of power is provided to SUEZ Water Rhode Island, Inc. by National Grid

| Line No. | Description                        | Amount            |
|----------|------------------------------------|-------------------|
| 1        | Rate Year Power Costs:             |                   |
| 2        | Purchase Power acct 50610          | \$ 334,478        |
| 3        | Other Utilities - Power acct 50620 | 28,608            |
| 4        |                                    | <u>\$ 363,086</u> |
| 5        |                                    |                   |
| 6        | Test Year Per Books:               |                   |
| 7        | Purchase Power acct 50610          | \$ 250,835        |
| 8        | Other Utilities - Power acct 50620 | 30,386            |
| 9        |                                    | <u>\$ 281,222</u> |
| 10       | Power Cost Adjustment              | <u>\$ 81,864</u>  |

SUEZ Water Rhode Island, Inc.  
Power Cost  
For the Rate Year

Line No.

| Power Act 50610                      |           |   |                    |               |             |
|--------------------------------------|-----------|---|--------------------|---------------|-------------|
| Year End 12/31/2014                  | kWh       | 2014 Actual Water Production (MG)       | kWh Avge Usage     | kWh Avge Cost | Total Cost  |
| Commodity (Constellation New Energy) | 1,789,558 | 1,014                                   | 1,765              | \$ 0.0770     | \$ 137,821  |
| Distribution (National Grid)         | 1,789,558 | 1,014                                   | 1,765              | 0.0610        | 109,167     |
| Subtotal                             |           |   |                    |               | \$ 246,989  |
| Accruals and Adjs                    |           |   |                    |               | \$ 10,335   |
| Income Statement                     |           |   |                    |               | \$ 257,324  |
| Year End 12/31/2015                  | kWh       | 2015 Actual Water Production (MG)       | kWh Avge Usage     | kWh Avge Cost | Total Cost  |
| Commodity (Constellation New Energy) | 1,808,537 | 1,035                                   | 1,747              | \$ 0.0868     | \$ 157,040  |
| Distribution (National Grid)         | 1,808,537 | 1,035                                   | 1,747              | 0.0624        | 112,926     |
| Subtotal                             |           |   |                    |               | \$ 269,966  |
| Accruals and Adjs                    |           |   |                    |               | \$ (8,458)  |
| Income Statement                     |           |   |                    |               | \$ 261,508  |
| Year End 12/31/2016                  | kWh       | 2016 Actual Water Production (MG)       | kWh Avge Usage     | kWh Avge Cost | Total Cost  |
| Commodity (Constellation New Energy) | 1,886,928 | 1,042                                   | 1,810              | \$ 0.0771     | \$ 145,535  |
| Distribution (National Grid)         | 1,886,928 | 1,042                                   | 1,810              | 0.0688        | 129,902     |
| Subtotal                             |           |   |                    |               | \$ 275,437  |
| Accruals and Adjs                    |           |   |                    |               | \$ (1,770)  |
| Income Statement                     |           |   |                    |               | \$ 273,666  |
| Test Year 12M 09/30/2017             | kWh       | 09/30/2017 Actual Water Production (MG) | kWh Avge Usage     | kWh Avge Cost | Total Cost  |
| Commodity (Constellation New Energy) | 1,615,112 | 952                                     | 1,696              | \$ 0.0830     | \$ 134,132  |
| Distribution (National Grid)         | 1,615,112 | 952                                     | 1,696              | 0.0790        | 127,636     |
| Subtotal                             |           |   |                    |               | \$ 261,768  |
| Accruals and Adjs                    |           |   |                    |               | \$ (10,933) |
| Income Statement                     |           |   |                    |               | \$ 250,835  |
| Rate Year 12M 09/30/2019             | kWh       | Projected Water Production (MG) (a)     | kWh Avge Usage (b) | kWh Avge Cost | Total Cost  |
| Commodity (Engie Resources, LLC)     | 1,650,975 | 941                                     | 1,754              | \$ 0.0850 (c) | \$ 140,333  |
| Distribution (National Grid)         | 1,650,975 | 941                                     | 1,754              | 0.1176 (d)    | 194,145     |
| Total Rate Year                      |           |   |                    |               | \$ 334,478  |

Notes:

- (a) Consumption projected for 2018 grossed up by the 4 years average Non-Revenue Water (see Exhibit 3, Schedule 5A)  
 (b) Rate Year kWh based on 4 year average of kWh usage  
 (c) Rate Year Commodity unit cost contract with Engie effective 1/1/2018 kWh \$ 0.0739 plus 15% for surcharges  
 (d) National Grid actual average rate per kWh effective 10/1/2017-9/30/2018 \$0.1067 plus 10.21% expected increase RIPUC Docket No. 4770

| Other Utilities-Power Act 50620 |                    |        |           |
|---------------------------------|--------------------|--------|-----------|
|                                 | 2014               | \$     | 28,132    |
|                                 | 2015               |        | 31,106    |
|                                 | 2016               |        | 18,623    |
|                                 | 12M - 09/30/2017   |        | 30,386    |
|                                 | 4 years average    | \$     | 27,062    |
|                                 | Rate Year 2018 (e) | 5.714% | \$ 28,608 |

Notes:

- (e) Rate Year projection for Other Utilities-Power based in 4 years average and adjusted by inflation. See "Exhibit 3 Schedule 17B"

Power Allocated by PUC A/C# 50610/ 506520  
For the Period 09/30/2016 - 09/30/2017  
A/C#

|  | Test Year Per Books | Proforma Adjustment |
|--|---------------------|---------------------|
| 621 - Fuel for Power Production              | 5,233               | 1,523               |
| 623 - Fuel or Power Purchased for Production | 229,202             | 66,721              |
| 626 - Miscellaneous Expenses                 | 3,192               | 929                 |
| 640 - Operation Supervision and Engineering  | 977                 | 284                 |
| 642 - Operation Labor and Expenses           | 14,886              | 4,333               |
| 665 - Miscellaneous Expenses                 | 20,475              | 5,960               |
| 921 - Office Supplies and Other Expenses     | 7,017               | 2,043               |
| 930 - Miscellaneous General Expenses         | 240                 | 70                  |
|  | 281,222             | 81,864              |

**SUEZ Water Rhode Island, Inc.**  
**Chemical Expense**  
**Account Number 641**

**Exhibit 3 (Arp)**  
**Schedule 5**  
**Page 1 of 1**

**Purpose and Description:** To adjust chemical costs to reflect Rate Year production based upon revenue projections and projected price changes.

| Line No. | Description                 | Amount                    |
|----------|-----------------------------|---------------------------|
| 1        | Rate Year Chemical Expense  | \$ 45,171                 |
| 2        |                             |                           |
| 3        | Test Year Per Books         | <u>59,113</u>             |
| 4        |                             |                           |
| 5        | Chemical Expense Adjustment | <u><u>\$ (13,942)</u></u> |

**SUEZ Water Rhode Island, Inc.  
Chemical Costs  
For the Rate Year**

Line No.

| Chemical 50635                      |      |         |                              |                      |                     |           |
|-------------------------------------|------|---------|------------------------------|----------------------|---------------------|-----------|
| Year End 12/31/2014                 | UOM  | Usage   | Actual Water Production (MG) | Average Usage Per MG | Chemical Unit Price | Total     |
| Lime                                | lbs  | 109,500 | 1,014                        | 108.00               | \$ 0.1600           | \$ 17,520 |
| Sodium Hypochloride                 | gals | 8,195   | 1,014                        | 8.08                 | 1.6300              | 13,358    |
| Zinc Orthophosphate (Klenphos K-10) | lbs  | 16,891  | 1,014                        | 16.66                | 0.8600              | 14,526    |
| Subtotal                            |      |         |                              |                      |                     | \$ 45,404 |
| Adjustments and Accruals            |      |         |                              |                      |                     | (3,585)   |
| Income Statement                    |      |         |                              |                      |                     | \$ 41,819 |

| Year End 12/31/2015                 | UOM  | Usage   | Actual Water Production (MG) | Average Usage Per MG | Chemical Unit Price | Total     |
|-------------------------------------|------|---------|------------------------------|----------------------|---------------------|-----------|
| Lime                                | lbs  | 108,250 | 1,035                        | 104.55               | \$ 0.1770           | \$ 19,160 |
| Sodium Hypochloride                 | gals | 9,361   | 1,035                        | 9.04                 | 1.8573              | 17,386    |
| Zinc Orthophosphate (Klenphos K-10) | lbs  | 16,697  | 1,035                        | 16.13                | 0.6700              | 11,187    |
| Subtotal                            |      |         |                              |                      |                     | \$ 47,733 |
| Adjustments and Accruals            |      |         |                              |                      |                     | (4,974)   |
| Income Statement                    |      |         |                              |                      |                     | \$ 42,759 |

| Year End 12/31/2016                 | UOM  | Usage   | Actual Water Production (MG) | Average Usage Per MG | Chemical Unit Price | Total     |
|-------------------------------------|------|---------|------------------------------|----------------------|---------------------|-----------|
| Lime                                | lbs  | 119,450 | 1,042                        | 114.58               | \$ 0.1810           | \$ 21,620 |
| Sodium Hypochloride                 | gals | 11,304  | 1,042                        | 10.84                | 1.3649              | 15,429    |
| Zinc Orthophosphate (Klenphos K-10) | lbs  | 21,972  | 1,042                        | 21.08                | 0.4900              | 10,766    |
| Subtotal                            |      |         |                              |                      |                     | \$ 47,815 |
| Adjustments and Accruals            |      |         |                              |                      |                     | 1,067     |
| Income Statement                    |      |         |                              |                      |                     | \$ 48,882 |

| Test Year 12M 09/30/2017            | UOM  | Usage   | Actual Water Production (MG) | Average Usage Per MG | Chemical Unit Price | Total     |
|-------------------------------------|------|---------|------------------------------|----------------------|---------------------|-----------|
| Lime                                | lbs  | 114,500 | 952                          | 120.25               | \$ 0.1872           | \$ 21,434 |
| Sodium Hypochloride                 | gals | 11,216  | 952                          | 11.78                | 1.4685              | 16,471    |
| Zinc Orthophosphate (Klenphos K-10) | lbs  | 21,697  | 952                          | 22.79                | 0.5800              | 12,584    |
| Subtotal                            |      |         |                              |                      |                     | \$ 50,489 |
| Adjustments and Accruals            |      |         |                              |                      |                     | 8,624     |
| Income Statement                    |      |         |                              |                      |                     | \$ 59,113 |

| Rate Year 12M 09/30/2019            | UOM  | Usage (a) | Projected Water Production (MG) (d) | Average Usage Per MG (b) | Chemical Unit Price (c) | Total            |
|-------------------------------------|------|-----------|-------------------------------------|--------------------------|-------------------------|------------------|
| Lime                                | lbs  | 105,246   | 941                                 | 111.84                   | \$ 0.1916               | \$ 20,168        |
| Sodium Hypochloride                 | gals | 9,350     | 941                                 | 9.94                     | 1.5310                  | 14,315           |
| Zinc Orthophosphate (Klenphos K-10) | lbs  | 18,031    | 941                                 | 19.16                    | 0.5928                  | 10,688           |
| <b>Total Rate Year</b>              |      |           |                                     |                          |                         | <b>\$ 45,171</b> |

- (a) Usage projection based on projected water times chemicals average usage per MG  
 (b) 4 Years average usage per thousand gallons  
 (c) Chemical unit price based on actual 2018 prices adjusted by inflation. See "Exhibit 3 Schedule 17B"

| Description                         | UOM  | 2017      | 2018      | 2019   |
|-------------------------------------|------|-----------|-----------|--------|
| Lime                                | lbs  | \$ 0.1872 | \$ 0.1875 | 0.1916 |
| Sodium Hypochloride                 | gals | \$ 1.4685 | \$ 1.4980 | 1.5310 |
| Zinc Orthophosphate (Klenphos K-10) | lbs  | \$ 0.5800 | \$ 0.5800 | 0.5928 |

(d) Projected water production

| Non-Revenue Water %: | NRW %        |
|----------------------|--------------|
| 2014                 | 2.98%        |
| 2015                 | 3.99%        |
| 2016                 | 1.76%        |
| 09/30/2017           | 0.44%        |
| Four Year Average    | <u>3.05%</u> |

Computation of Water Subject to Chemical Treatment:

|  | Rate Year    |
|--|--------------|
| Billed Consumption (MG) (per witness Gil - Sch 2.8h) | 912          |
| Non-revenue water %                                  | <u>3.05%</u> |
| Total Production Subject to Chemical Treatment (MG)  | <u>911</u>   |



**SUEZ Water Rhode Island, Inc.**  
**Pension Expense**  
**Part of Account Number 926**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 6**  
**Page 1 of 1**

**Purpose and Description:** To reflect the level of costs determined by the Company's Actuary based on their September 2017 update.

| Line No. | Description   | Amount             |
|----------|---|--------------------|
| 1        | Estimated 2018 ASC 715-30 Net Periodic Pension Cost | \$ 95,599          |
| 2        |   |                    |
| 3        | Test Year Per Books                                 | <u>140,178</u>     |
| 4        |   |                    |
| 5        | Pension Adjustment                                  | <u>\$ (44,579)</u> |

**SUEZ Water Rhode Island, Inc.  
PEBOP (Retiree Medical) Expense  
Part of Account Number 926  
For the Rate Year**

**Exhibit 3 (Arp)  
Schedule 7  
Page 1 of 1**

**Purpose and Description:** To reflect the level of costs determined by the Company's Actuary based on their September 2017 update.

| Line<br>No. | Description  | Amount          |
|-------------|--|-----------------|
| 1           | Estimated 2018 ASC 715-60 Net Periodic Postretirement Cost | \$ (948)        |
| 2           |  |                 |
| 3           | Test Year Per Books  | <u>(5,006)</u>  |
| 4           |  |                 |
| 5           | PEBOP Adjustment   | <u>\$ 4,058</u> |

**SUEZ Water Rhode Island, Inc.**  
**Employee Health and Welfare Expenses**  
**Part of Account Number 925/926**  
**For the Rate Year**

**Purpose and Description:** To adjust employee health and welfare expenses. 401k adjusted for projected wage increase. Other benefits adjusted utilizing inflation rate. See notes below.

| Line No. | Description                                     |                   |                   | Amount            |                   |            |               |                   |
|----------|---|-------------------|-------------------|-------------------|-------------------|------------|---------------|-------------------|
| 1        | Rate Year Employee Health and Welfare Expenses  |                   |                   | \$ 248,419        |                   |            |               |                   |
| 2        |   |                   |                   |                   |                   |            |               |                   |
| 3        | Test Year Per Books                             |                   |                   | <u>182,413</u>    |                   |            |               |                   |
| 4        |   |                   |                   |                   |                   |            |               |                   |
| 5        | Employee Health and Welfare Expenses Adjustment |                   |                   | <u>\$ 66,006</u>  |                   |            |               |                   |
| 6        |   |                   |                   |                   |                   |            |               |                   |
| 7        |   |                   |                   |                   |                   |            |               |                   |
| 8        |   |                   |                   |                   |                   |            |               |                   |
| 9        |   |                   |                   |                   |                   |            |               |                   |
| 10       |   | 2014              | 2015              | 2016              | 12M<br>9/30/2017  |            | Adjustments   | RY 2019           |
| 11       | 91700 Employee group health & life              | \$ 117,509        | \$ 144,955        | \$ 94,027         | \$ 133,015        | \$ 159,014 | (a) \$ 35,739 | \$ 194,752        |
| 12       | 91800 Employee 401K                             | 17,791            | 23,575            | 23,457            | 29,282            | 29,282     | (b) 1,783     | 31,066            |
| 13       | 91850 Other employee benefits                   | 6,726             | 3,984             | 993               | 83                | 2,947      | (c) 168       | 3,115             |
| 14       | 91860 Other Awards                              | 556               | 6,803             | 7,011             | 5,245             | 4,904      | (c) 280       | 5,184             |
| 15       | 91460 Worker compensation                       | <u>12,456</u>     | <u>12,807</u>     | <u>14,066</u>     | <u>14,788</u>     | 13,529     | (c) 773       | <u>14,302</u>     |
| 16       |   | <u>\$ 155,038</u> | <u>\$ 192,124</u> | <u>\$ 139,554</u> | <u>\$ 182,413</u> |            |               | <u>\$ 248,419</u> |

- Notes:
- 21 (a) See "Exhibit 3 Schedule 8A"
  - 22 (b) 401K Test Year amount and then adjusted with the salary increases
  - 23 (c) 4 years average and then adjusted with Inflation Factor. See "Exhibit 3 Schedule 17B"

**SUEZ Water Rhode Island, Inc.**  
**Medical Benefits**  
**For the Rate Year**

Line  
No.

| Line No. | Benefit Plan             | Test Year<br>Number of<br>Participants | Projected New<br>Employees | Proforma Year<br>Number of<br>Participants | Employer Actual<br>12M - 9/30/2017<br>Annual Costs | Employer 2018<br>Annual Costs | Rate Year -<br>Employer Projected<br>2019 Annual Costs |
|----------|--------------------------|--|----------------------------|--|--|-------------------------------|--|
| 1        |                          |  |                            |  |  |                               |  |
| 2        | <u>HDHP</u>              |  |                            |  |  |                               |  |
| 3        | EE                       | 0                                      |                            | 0  | \$ -   | \$ -                          | \$ -   |
| 4        | EE+Child(ren)            | 0                                      |                            | 0  | -  | -                             | -  |
| 5        | EE+Spouse                | 1                                      |                            | 1  | 15,988   | 16,725                        | 17,296   |
| 6        | Family                   | 2                                      | 1                          | 3  | 45,618   | 71,585                        | 74,031   |
| 7        |                          |  |                            |  |  |                               |  |
| 8        | <u>PPO</u>               |  |                            |  |  |                               |  |
| 9        | EE                       | 0                                      |                            | 0  | \$ -   | \$ -                          | \$ -   |
| 10       | EE+Child(ren)            | 2                                      |                            | 2  | 26,260   | 26,785                        | 27,700   |
| 11       | EE+Spouse                | 1                                      |                            | 1  | 15,318   | 15,625                        | 16,158   |
| 12       | Family                   | 2                                      |                            | 2  | 43,766   | 44,642                        | 46,167   |
| 13       |                          |  |                            |  |  |                               |  |
| 14       |                          |  |                            |  |  |                               |  |
| 15       | <u>Dental DMO</u>        |  |                            |  |  |                               |  |
| 16       | EE                       | 0                                      |                            | 0  | \$ -   | \$ -                          | \$ -   |
| 17       | EE+Child(ren)            | 0                                      |                            | 0  | -  | -                             | -  |
| 18       | EE+Spouse                | 0                                      |                            | 0  | -  | -                             | -  |
| 19       | Family                   | 0                                      |                            | 0  | -  | -                             | -  |
| 20       |                          |  |                            |  |  |                               |  |
| 21       | <u>Dental PPO</u>        |  |                            |  |  |                               |  |
| 22       | EE                       | 0                                      |                            | 0  | \$ -   | \$ -                          | \$ -   |
| 23       | EE+Child(ren)            | 0                                      |                            | 0  | -  | -                             | -  |
| 24       | EE+Spouse                | 2                                      |                            | 2  | 1,822  | 1,737                         | 1,796  |
| 25       | Family                   | 4                                      | 1                          | 5  | 5,139  | 6,118                         | 6,327  |
| 26       |                          |  |                            |  |  |                               |  |
| 27       |                          |  |                            |  |  |                               |  |
| 28       | <u>Vision Basic</u>      |  |                            |  |  |                               |  |
| 29       | EE                       | 0                                      |                            | 0  | \$ -   | \$ -                          | \$ -   |
| 30       | EE+Child(ren)            | 0                                      |                            | 0  | -  | -                             | -  |
| 31       | EE+Spouse                | 0                                      |                            | 0  | -  | -                             | -  |
| 32       | Family                   | 1                                      |                            | 1  | -  | -                             | -  |
| 33       |                          |  |                            |  |  |                               |  |
| 34       |                          |  |                            |  |  |                               |  |
| 35       | <u>Vision Enhanced</u>   |  |                            |  |  |                               |  |
| 36       | EE                       | 1                                      |                            | 1  | \$ -   | \$ -                          | \$ -   |
| 37       | EE+Child(ren)            | 0                                      |                            | 0  | -  | -                             | -  |
| 38       | EE+Spouse                | 1                                      |                            | 1  | -  | -                             | -  |
| 39       | Family                   | 3                                      | 1                          | 4  | -  | -                             | -  |
| 40       |                          |  |                            |  |  |                               |  |
| 41       |                          |  |                            |  |  |                               |  |
| 42       | <u>STD/LTD/LIFE</u>      |  |                            |  |  |                               |  |
| 43       | Basic STD                | 10                                     | 1                          | 11   | \$ 337   | \$ 337                        | \$ 349   |
| 44       | Basic LTD                | 10                                     | 1                          | 11   | 3,112  | 3,112                         | 3,218  |
| 45       | Optional LTD             | 2                                      |                            | 2  | -  | -                             | -  |
| 46       | Basic Life 1X annual     | 7                                      | 1                          | 8  | 755  | 755                           | 781  |
| 47       | Basic Life 3 X annual    | 3                                      |                            | 3  | 899  | 899                           | 930  |
| 48       |                          |  |                            |  |  |                               |  |
| 49       | <b>Rate Year Expense</b> |  |                            |  | <b>\$ 159,014</b>                                  | <b>\$ 188,319</b>             | <b>\$ 194,752</b>                                      |

**SUEZ Water Rhode Island, Inc.**  
**Tank Painting Amortization**  
**Part of Account Number 672/ 651**  
**For the Rate Year**

**Purpose and Description:** To adjust annual tank painting amortization costs.  
See "Exhibit 3 Schedule 9A" for tank information.

| Line No. | Description                             |              |              | Amount             |              |                  |                  |
|----------|---|--------------|--------------|--------------------|--------------|------------------|------------------|
| 1        | Rate Year Tank Painting Amortization    |              |              | \$ 19,812          |              |                  |                  |
| 2        |   |              |              |                    |              |                  |                  |
| 3        | Test Year Per Books                     |              |              | <u>43,380</u>      |              |                  |                  |
| 4        |   |              |              |                    |              |                  |                  |
| 5        | Tank Painting Amortization Adjustment   |              |              | <u>\$ (23,568)</u> |              |                  |                  |
| 6        |   |              |              |                    |              |                  |                  |
| 7        |   |              |              |                    |              |                  |                  |
| 8        |   |              |              |                    |              |                  |                  |
| 9        |   |              |              |                    |              |                  |                  |
| 10       | <u>Amortization Schedule:</u>           |              |              |                    |              |                  |                  |
|          |   | Begin        | End          | Monthly            | Test Year    | Rate Year        |                  |
|          |   | Amortization | Amortization | Amortization       | Amortization | Amortization     |                  |
| 11       |   |              |              | Cost               | Per Books    |                  |                  |
| 12       | <u>Projected:</u>                       |              |              |                    |              |                  |                  |
| 13       |   |              |              |                    |              |                  |                  |
| 14       | Howland Aerator Tank                    | 05/01/08     | 04/30/18     | \$ 791             | \$ 94,924    | \$ 9,492         | \$ -             |
| 15       |   |              |              |                    |              |                  |                  |
| 16       | Sherman Tank                            | 05/01/08     | 04/30/18     | 1,173              | 140,919      | 14,076           | -                |
| 17       |   |              |              |                    |              |                  |                  |
| 18       | Boston Neck Tank                        | 01/01/13     | 12/31/22     | 1,651              | 199,472      | <u>19,812</u>    | <u>19,812</u>    |
| 19       |   |              |              |                    |              |                  |                  |
| 20       | <b>Total Tank Painting Amortization</b> |              |              |                    |              | <u>\$ 43,380</u> | <u>\$ 19,812</u> |

SUEZ Water Rhode Island, Inc.  
Tank Painting Information

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| STORAGE TANK         | YEAR CONST. | DIMENSIONS                       | CAPACITY (MG) | LAST PAINTED | INSP. | NEXT PAINTING YEAR & COST (\$1,000's)         | COST AMORTIZED/CAPITALIZED | PAINT SYSTEM   | REMARKS  |
|----------------------|-------------|----------------------------------|---------------|--------------|-------|---|----------------------------|--|--|
| Boston Neck Tank     | 1958        | 27' Dia 70 High                  | 0.300         | 2012         | 2012  | Oct. 2022<br>Exp - \$250,000<br>Cap - 100,00  | Amortized                  | Interior - 2 coat Pennsbury Epoxy System<br>Exterior - 3 coat Pennsbury Vinyl System | Last painter - USG<br>Surface Area:<br>N/A   |
| Sherman Tank         | 1978        | 42.6' Diam 48' High              | 0.500         | 2008         | 2008  | Tank replacement underway.                    | Capitalized (new tank)     | Interior - 2 coat Pennsbury Epoxy System<br>Exterior - 3 coat Pennsbury Vinyl System | Last painter - C&C<br>New Sherman Tank will be a glass lined tank and coated as part of new construction |
| Howland Aerator Tank | 1989        | 25' Diam 41.2' High              | 0.250         | 2008         | 2011  | Oct. 2023<br>Exp - \$300,000<br>Cap - 100,000 | Amortized                  | Interior - 2 coat Pennsbury Epoxy System<br>Exterior - 3 coat Pennsbury Vinyl System | Last painter - C&C<br>N/A  |
| Tuckertown Clearwell | 1989        | 87' Diam, 25' High               | 1.000         | 1998         | 2013  | October 2020<br>Exp - \$300,000<br>Cap - 0    | Fully Amortized            | Interior - 2 coat Pennsbury Epoxy System<br>Exterior - 3 coat Pennsbury Vinyl System |  |
| Tower Hill Tank      | 2013        | 40' Diam 110' High Elevated tank | 1.000         | 2013         | n/a   |   | Capitalized                | Tank has a glass coating inside and outside  | Due to being glass coated tank will require maintenance but will not require painting.                   |

**SUEZ Water Rhode Island, Inc.**  
**Transportation/Vehicle Expenses**  
**Various Account Numbers**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 10**  
**Page 1 of 1**

**Purpose and Description:** To reflect transportation costs based upon current fleet of vehicles.  
See "Exhibit 3 Schedule 10A" for computation of adjustments and account number allocation.

| Line No. | Description                       | Amount           |
|----------|-----------------------------------|------------------|
| 1        | Rate Year Transportation Expense  | \$ 61,569        |
| 2        |                                   |                  |
| 3        | Test Year Per Books               | <u>49,567</u>    |
| 4        |                                   |                  |
| 5        | Transportation Expense Adjustment | <u>\$ 12,002</u> |

Transportation/Vehicle Expenses

| Line No. | Description                                      | Test Year Per Books | Adjustment | Rate Year   |     |
|----------|--|---------------------|------------|-------------|-----|
| 1        | <b>Description</b>                               |                     |            |             |     |
| 2        | Leases   | \$ 38,076           | \$ (3,714) | \$ 34,362   | (a) |
| 3        | Fuel   | \$ 15,403           | \$ 5,166   | \$ 20,569   | (b) |
| 4        | Maintenance & Repair                             | \$ 13,717           | \$ (2,404) | \$ 11,313   | (c) |
| 5        | Payroll  | \$ 280              | \$ (280)   | \$ -        |     |
| 6        | Insurance  | \$ 2,618            | \$ 3,673   | \$ 6,291    | (d) |
| 7        | Depreciation                                     | \$ 1,643            | \$ -       | \$ 1,643    | (e) |
| 8        | Other-Registration, plates, tolls, mileage, etc. | \$ (2,458)          | \$ 8,269   | \$ 5,811    | (f) |
| 9        | Total Costs                                      | \$ 69,279           | \$ 10,710  | \$ 79,989   |     |
| 10       | Capitalized                                      | \$ (19,712)         | \$ 1,292   | \$ (18,420) | (g) |
| 11       | Net Transportation Expense                       | \$ 49,567           | \$ 12,002  | \$ 61,569   |     |

12

13 Notes:

14 (a) Adjustment based upon actual leased vehicles and projected costs for replacement leases.

15

16 (b) Based upon Four year average inflated

17 Fuel:

18 Year

19 2014 \$ 27,357

20 2015 17,337

21 2016 17,732

22 12M - 09/30/2017 15,403

23 4 Year Average \$ 19,457

24 Apply inflation rate (h) 5.714% \$ 20,569

25

26 (c) Based upon four year average inflated

27 Maintenance & Repair:

28 Year

29 2014 \$ 3,753

30 2015 5,522

31 2016 9,113

32 12M - 09/30/2017 13,717

33 4 Year Average 10,702

34 Apply inflation rate (h) 5.714% \$ 11,313

35

36 (d) Based upon four year average inflated

37 Insurance

38 Year

39 2014 \$ 4,907

40 2015 6,055

41 2016 4,273

42 12M - 09/30/2017 2,618

43 4 Year Average 5,951

44 Apply inflation rate (h) 5.714% \$ 6,291

45

46 (e) Based upon 2017 depreciation 1,643

47

48 (f) Based upon four year average inflated

49 Other Misc:

50 Year

51 2014 \$ 4,770

52 2015 5,882

53 2016 4,167

54 12M - 09/30/2017 1,671

55 4 Year Average 5,497

56 Apply inflation rate (h) 5.714% \$ 5,811

57

58 (g) Based upon Labor Capitalized (See "Exhibit 3 Schedule 2B")

59 4 year average 23.03%

60

61 (h) See "Exhibit 3 Schedule 17B"



SUEZ Water Rhode Island, Inc.  
 Transportation/Vehicle Expenses  
 For the Rate Year

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| Transportation Expense Adjustment Account Number Allocation: |  |                 |                         |        |
|--|--|-----------------|-------------------------|--------|
| Account Number   | Historical Test Year<br>Transportation | Allocation<br>% | Rate Year<br>Adjustment |        |
| 600  | \$ 2,569                               | 5.18%           | 622                     |        |
| 601  | 3,784                                  | 7.63%           | 916                     |        |
| 611  | (3)                                    | -0.01%          | (1)                     |        |
| 616  | (9)                                    | -0.02%          | (2)                     |        |
| 622  | 104                                    | 0.21%           | 25                      |        |
| 624  | 2,972                                  | 6.00%           | 720                     |        |
| 633  | 1,169                                  | 2.36%           | 283                     |        |
| 642  | 2,701                                  | 5.45%           | 654                     |        |
| 643  | 967                                    | 1.95%           | 234                     |        |
| 652  | 18                                     | 0.04%           | 4                       |        |
| 662  | 6,585                                  | 13.29%          | 1,595                   |        |
| 663  | 1,289                                  | 2.60%           | 312                     |        |
| 665  | 4,822                                  | 9.73%           | 1,168                   |        |
| 666  | (15)                                   | -0.03%          | (4)                     |        |
| 670  | 618                                    | 1.25%           | 150                     |        |
| 671  | 1,788                                  | 3.61%           | 433                     |        |
| 673  | 528                                    | 1.06%           | 128                     |        |
| 902  | 4,538                                  | 9.16%           | 1,099                   |        |
| 903  | 9,279                                  | 18.72%          | 2,247                   |        |
| 904  | 3,249                                  | 6.55%           | 787                     |        |
| 920  | 2,614                                  | 5.27%           | 633                     |        |
| Total  | \$ 49,567                              | 100.00%         | 12,002                  |        |
| Transportation Expense Adjustment                            |  |                 | \$                      | 12,002 |

**SUEZ Water Rhode Island, Inc.**  
**Transportation Expenses - Vehicle Lease Costs**  
**Various Account Numbers**  
**For the Rate Year**

Line  
No.

| Line No. | Vehicle      | Lease No. | Current Monthly Lease Amount | Proforma Monthly Lease Amount | Lease Start Date | Lease End Date | 2018 Proforma Year Lease Costs | 2019 Proforma Year Lease Costs |
|----------|--------------|-----------|------------------------------|-------------------------------|------------------|----------------|--------------------------------|--------------------------------|
| 2        | 002          | 1430      | \$ 13                        | \$ 13                         | 09/01/11         | 08/30/17       | \$ 156                         | \$ 156                         |
| 3        | 026          | 110105    | 357                          | 13                            | 11/01/11         | 10/31/17       | 156                            | 156                            |
| 4        | 027          | 110196    | 386                          | 750                           | 09/01/12         | 08/31/18       | 4,628                          | 9,000                          |
| 5        | 024          | 110197    | 295                          | 520                           | 09/01/12         | 08/31/18       | 3,543                          | 6,240                          |
| 6        | JACOBS       | 110364    | 465                          | 465                           | 05/01/14         | 04/30/20       | 5,574                          | 5,574                          |
| 7        | JACOBS       | 110527    | 512                          | 512                           | 04/01/16         | 03/31/22       | 6,146                          | 6,146                          |
| 8        | JACOBS       | 86251     | 591                          | 591                           | 05/01/14         | 04/30/20       | 7,090                          | 7,090                          |
| 9        | Annual Costs |           |                              |                               |                  |                | \$ 27,293                      | \$ 34,362                      |

**SUEZ Water Rhode Island, Inc.**  
**Customer Information/Billing Expense**  
**Part of Account Number 903**  
**For the Rate Year**

**Purpose and Description:** To reflect costs for Customer Care and Billing system.

| Line No. | Description                                     | Amount            |
|----------|---|-------------------|
| 1        | Rate Year Customer Information/Billing Expense  | \$ 128,805        |
| 2        |   |                   |
| 3        | Test Year Per Books                             | <u>28,460</u>     |
| 4        |   |                   |
| 5        | Customer Information/Billing Expense Adjustment | <u>\$ 100,344</u> |

Line  
No.

| Line No. | 2014                                | 2015             | 2016             | 12 Mos End<br>9/30/2017<br>(Quarterly) | Inflation<br>Adjustment (a) | Adjustment      | Rate Year<br>(Monthly) (b)  |
|----------|-------------------------------------|------------------|------------------|--|-----------------------------|-----------------|-----------------------------|
| 1        |                                     |                  |                  |  |                             |                 |                             |
| 2        |                                     |                  |                  |  |                             |                 |                             |
| 3        | <b>Customer Information System:</b> |                  |                  |  |                             |                 |                             |
| 4        | <b>CC&amp;B support cost</b>        |                  |                  |  |                             |                 |                             |
| 5        | Billing                             | \$ 10,445        | \$ 10,516        | \$ 10,941                              | \$ 11,953                   | \$ 507          | \$ 37,382 (c) \$ 49,842     |
| 6        | Postage                             | 16,163           | 16,681           | 17,228                                 | 16,507                      | 701             | 51,622 (c) 68,829           |
| 7        | E-billing                           | 1,853            | 1,433            | 1,183                                  | 1,770                       | 75              | 5,534 (c) 7,379             |
| 8        | Convenience fee                     | -                | -                | -                                      | -                           | -               | 2,754 (d) 2,754             |
| 9        |                                     |                  |                  |  |                             |                 |                             |
| 10       | <b>Total</b>                        | <b>\$ 28,461</b> | <b>\$ 28,630</b> | <b>\$ 29,352</b>                       | <b>\$ 30,230</b>            | <b>\$ 1,283</b> | <b>\$ 97,292 \$ 128,805</b> |

11 Notes:

12 (a) See "Exhibit 3 Schedule 17B"

13 (b) Customers are currently billed quarterly. In this filing, they will be changed to monthly billing

14

15 (c) Quarterly to monthly payments

|    | 3 mths    | Inflation        | 9 mths          | monthly amt                 |
|----|-----------|------------------|-----------------|-----------------------------|
| 17 |           |                  |                 |                             |
| 18 | Billing   | \$ 11,953        | \$ 507          | \$ 37,382 \$ 49,842         |
| 19 | Postage   | 16,507           | 701             | 51,622 68,829               |
| 20 | E-billing | 1,770            | 75              | 5,534 7,379                 |
| 21 |           | <u>\$ 30,230</u> | <u>\$ 1,283</u> | <u>\$ 94,538 \$ 126,051</u> |

22

23 (d) Convenience fee

24

25 12 Months Ended 9/30/17

Projected (Increase by 25%)

|    | 12 Months Ended 9/30/17 |                     |                | Projected (Increase by 25%) |                     |                |
|----|-------------------------|---------------------|----------------|-----------------------------|---------------------|----------------|
|    | Number of Occurances    | Cost per Occurances | Amount Charged | Number of Occurances        | Cost per Occurances | Amount Charged |
| 26 |                         |                     |                |                             |                     |                |
| 27 |                         |                     |                |                             |                     |                |
| 28 |                         |                     |                |                             |                     |                |
| 29 | 1,107                   | \$ 3.99             | \$ 4,417       | 1,384                       | \$ 1.99             | \$ 2,754       |

**SUEZ Water Rhode Island, Inc.**  
**Rent Expense**  
**Various Account Numbers**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 12**  
**Page 1 of 1**

**Purpose and Description:** To reflect rent expenses based upon current agreements.

| Line<br>No. | Description             | Amount                  |
|-------------|-------------------------|-------------------------|
| 1           | Rate Year Rent Expense: | \$ 88,724               |
| 2           |                         |                         |
| 3           | Test Year Per Books     | <u>35,189</u>           |
| 4           |                         |                         |
| 5           | Rent Expense Adjustment | <u><u>\$ 53,534</u></u> |

Line  
No.

|    | G/L<br>A/C #                       | 2014             | 2015             | 2016             | 12M<br>09/30/2017 |
|----|------------------------------------|------------------|------------------|------------------|-------------------|
| 1  |                                    |                  |                  |                  |                   |
| 2  | <b>Rents:</b>                      |                  |                  |                  |                   |
| 3  |                                    |                  |                  |                  |                   |
| 4  | Office Space 50600                 | \$ 21,000        | \$ -             | \$ -             | \$ -              |
| 5  | Office Space 50310                 | -                | 27,600           | 25,800           | 30,562            |
| 6  | Narragansett-dumpster rental 50310 | -                | -                | 653              | (56)              |
| 7  | Hewlett Packard 50310              | -                | -                | -                | 113               |
| 8  | Propane Tank 50310                 | 616              | 616              | 693              | 77                |
| 9  | Canon Copier 90110/50310           | -                | 3,153            | 3,564            | 2,723             |
| 10 | Postage Machine 90110/50310        | -                | 1,247            | 1,391            | 1,617             |
| 11 | Water Heater 50310                 | -                | 65               | 87               | 153               |
| 12 | <b>Total</b>                       | <b>\$ 21,616</b> | <b>\$ 32,683</b> | <b>\$ 32,189</b> | <b>\$ 35,189</b>  |

|    | Dept -<br>(Office, T&D,<br>Meter, etc.) | Property Location               | Date of<br>Original<br>Lease | Expiration<br>Date of<br>Lease | Monthly<br>Payments | 2019<br>Annual   |
|----|---|---------------------------------|------------------------------|--------------------------------|---------------------|------------------|
| 15 |   |                                 |                              |                                |                     |                  |
| 16 |   |                                 |                              |                                |                     |                  |
| 17 |   |                                 |                              |                                |                     |                  |
| 18 |   |                                 |                              |                                |                     |                  |
| 19 | Office Space                            | 17 Arnold Street, Wakefield, RI | 12/14/2015                   | 12/31/2018                     | \$ 2,150            | \$ -             |
| 20 | Office Space                            | 10 High Street, Wakefield, RI   | 10/1/2017                    | 09/30/2025                     | 6,976               | 83,714           |
| 21 | Hewlett Packard                         | 10 High Street, Wakefield, RI   | 4/1/2017                     | 04/30/2020                     | 16                  | 194              |
| 22 | Propane Tank                            | Tuckertown Road Wellfield       | Open-ended Contract          |                                | 51                  | 616              |
| 23 | Canon Financial - Canon Printer Copier  | 17 Arnold Street, Wakefield, RI |                              |                                | 250                 | 3,000            |
| 24 | Pitney Bowes - Postage Machine          | 17 Arnold Street, Wakefield, RI | 1/20/2015                    | 04/19/2019                     | 100                 | 1,200            |
| 25 | Water Heater                            | 17 Arnold Street, Wakefield, RI | 12/14/2015                   | 12/31/2018                     | 22                  | -                |
| 26 |   |                                 |                              |                                |                     |                  |
| 27 | <b>Total Rent</b>                       |                                 |                              |                                | <b>\$ 9,566</b>     | <b>\$ 88,724</b> |
| 28 |   |                                 |                              |                                |                     |                  |

**SUEZ Water Rhode Island, Inc.**  
**Outside Services**  
**Various Account Numbers**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 13**  
**Page 1 of 1**

**Purpose and Description:** To project costs related to Outside Service expense. See "Exhibit 3 Schedule 13A" for computation

| Line No. | Description                        | Opt 1 Amount       |
|----------|------------------------------------|--------------------|
| 1        | Rate Year Outside Services Expense | \$ 121,533         |
| 2        |                                    |                    |
| 3        | Test Year Per Books                | <u>156,520</u>     |
| 4        |                                    |                    |
| 5        | Outside Services Adjustment        | <u>\$ (34,987)</u> |

**SUEZ Water Rhode Island, Inc.**  
**Outside Services**  
**Various Account Numbers**  
**For the Rate Year**

| Line No. | Description           | 2014              | 2015              | 2016             | 12 Mos End 9/30/2017 | Extraordinary Adjustments | 4 year average    | Inflation Adjustment (a) | Rate Year         |
|----------|-----------------------|-------------------|-------------------|------------------|----------------------|---------------------------|-------------------|--------------------------|-------------------|
| 1        | Professional Services | \$ 107,024        | \$ 26,782         | \$ 24,928        | \$ 52,206            | \$ (53,114)               | \$ 39,457         | \$ 2,254                 | \$ 41,711         |
| 2        | ADP                   | -                 | 324               | 2,548            | 1,271                | -                         | 1,381             | 79                       | 1,460             |
| 3        | E-Billing             | 1,654             | 1,433             | 1,183            | 1,770                | -                         | 1,510             | 86                       | 1,596             |
| 4        | Field Contractors     | -                 | 29,162            | 5,888            | 22,008               | -                         | 19,019            | 1,087                    | 20,106            |
| 5        | Legal Services        | -                 | 624               | 16,688           | 26,795               | -                         | 14,702            | 840                      | 15,542            |
| 6        | Markouts              | -                 | -                 | 3,581            | 4,315                | -                         | 3,948             | 226                      | 4,174             |
| 7        | Other                 | 7,097             | 27,628            | 23               | 302                  | -                         | 8,762             | 501                      | 9,263             |
| 8        | Temporary Help        | -                 | 385               | 176              | 24,863               | (24,863)                  | 187               | 11                       | 198               |
| 9        | Testing               | 23,034            | 18,067            | 14,135           | 14,402               | -                         | 17,410            | 995                      | 18,404            |
| 10       | Police                | -                 | -                 | -                | 8,588                | -                         | 8,588             | 491                      | 9,079             |
| 11       | <b>Total</b>          | <b>\$ 138,809</b> | <b>\$ 104,404</b> | <b>\$ 69,150</b> | <b>\$ 156,520</b>    | <b>\$ (77,977)</b>        | <b>\$ 114,964</b> | <b>\$ 6,569</b>          | <b>\$ 121,533</b> |
| 12       |                       |                   |                   |                  |                      |                           |                   |                          |                   |
| 13       | M&S - Other           | 57,709            | 43,965            | -                | -                    |                           |                   |                          |                   |
| 14       | CC&B support costs    | 44,461            | 27,197            | 28,169           | 28,460               |                           |                   |                          |                   |
| 15       | <b>Total</b>          | <b>\$ 240,979</b> | <b>\$ 175,566</b> | <b>\$ 97,319</b> | <b>\$ 184,980</b>    | <b>\$ (77,977)</b>        | <b>\$ 114,964</b> | <b>\$ 6,569</b>          | <b>\$ 121,533</b> |

**Note:**  
(a) Adjustment based on applying 4 year average inflation rate (See "Exhibit 3 Schedule 17B")  
5.714%

22 Outside Services Allocated by PUC A/C# 50400  
23 For the Period 09/30/2016 - 09/30/2017

| A/C# | Test Year Per Books | % to Total | Rate Year Amount  | Adjustment         |
|------|---------------------|------------|-------------------|--------------------|
| 24   | 600                 | 0.91%      | \$ 1,106          | \$ (318)           |
| 25   | 601                 | 17.10%     | 20,777            | (5,981)            |
| 26   | 603                 | 0.22%      | 264               | (76)               |
| 27   | 610                 | 2.66%      | 3,228             | (929)              |
| 28   | 611                 | 0.11%      | 132               | (38)               |
| 29   | 614                 | 2.62%      | 3,184             | (916)              |
| 30   | 617                 | 0.96%      | 1,165             | (335)              |
| 31   | 620                 | 0.61%      | 738               | (212)              |
| 32   | 622                 | 0.79%      | 958               | (276)              |
| 33   | 624                 | 0.79%      | 963               | (277)              |
| 34   | 626                 | 2.42%      | 2,944             | (848)              |
| 35   | 630                 | 1.86%      | 2,257             | (650)              |
| 36   | 632                 | 1.17%      | 1,422             | (409)              |
| 37   | 635                 | 0.80%      | 975               | (281)              |
| 38   | 636                 | 3.37%      | 4,099             | (1,180)            |
| 39   | 641                 | 1.86%      | 2,258             | (650)              |
| 40   | 643                 | 8.40%      | 10,208            | (2,939)            |
| 41   | 650                 | 14.84%     | 18,033            | (5,192)            |
| 42   | 651                 | 2.05%      | 2,491             | (717)              |
| 43   | 652                 | 1.15%      | 1,398             | (402)              |
| 44   | 660                 | 0.24%      | 291               | (84)               |
| 45   | 662                 | 2.28%      | 2,769             | (797)              |
| 46   | 665                 | -1.58%     | (1,924)           | 554                |
| 47   | 670                 | 1.68%      | 2,046             | (589)              |
| 48   | 903                 | 10.18%     | 12,372            | (3,562)            |
| 49   | 923                 | 18.95%     | 23,031            | (6,630)            |
| 50   | 932                 | 3.58%      | 4,348             | (1,252)            |
| 51   |                     |            | <u>\$ 156,520</u> | <u>\$ (34,987)</u> |
| 52   |                     |            | <u>\$ 121,533</u> | <u>\$ (34,987)</u> |



**SUEZ Water Rhode Island, Inc.  
Management and Services (M&S) Expense  
For the Rate Year**

**Exhibit 3 (Arp)  
Schedule 14  
Page 1 of 1**

**Purpose and Description:** To project costs related to M&S expense. See "Exhibit 3 Schedule 14A" for computation.

| Line<br>No. | Description                                      | Amount           |
|-------------|--|------------------|
| 1           | Rate Year Management and Services (M&S) Expense  | \$ 509,952       |
| 2           |  |                  |
| 3           | Test Year Per Books                              | <u>480,678</u>   |
| 4           |  |                  |
| 5           | Management and Services (M&S) Expense Adjustment | <u>\$ 29,273</u> |

**SUEZ Water Rhode Island, Inc.  
M&S Costs  
For the Rate Year**

**Exhibit 3 (Arp)  
Schedule 14A  
Page 1 of 1**

| Line<br>No. | Account | Description   |            |         |         | Test Year<br>12M 9/30/2017 | Rate Year<br>2019 |  |
|-------------|---------|---|------------|---------|---------|----------------------------|-------------------|--|
| 1           |         |   |            |         |         |                            |                   |  |
| 2           |         |   | 2014       | 2015    | 2016    |                            |                   |  |
| 3           |         |   |            |         |         |                            |                   |  |
| 4           | 90850   | Corporate M&S   | \$ 259,208 | 410,381 | 463,490 | 480,678                    | 509,952           |  |
| 5           |         |   |            |         |         |                            |                   |  |
| 6           |         |   |            |         |         |                            |                   |  |
| 7           |         |   |            |         |         |                            |                   |  |
| 8           | Notes:  |   |            |         |         |                            |                   |  |
| 9           | (a)     | Projected 2019 compound wage increase (3.00% for 2018 and 3.00% for 2019) |            |         |         |                            |                   |  |
| 10          |         |   |            | 6.090%  |         |                            |                   |  |

**United Water Rhode Island, Inc.**  
**Rate Case Expenses**  
**Part of Account Number 928**  
**For the Rate Year**

**Purpose and Description:** To adjust rate case expenses based upon projected costs.

| Line No. | Description                             | Amount            |
|----------|---|-------------------|
| 1        | Rate Year Estimated Rate Case Expenses  | \$ 60,333         |
| 2        |   |                   |
| 3        | Test Year Per Books                     | -                 |
| 4        |   |                   |
| 5        | Rate Case Expense Adjustment            | <u>\$ 60,333</u>  |
| 6        |   |                   |
| 7        |   |                   |
| 8        |   |                   |
| 9        | Legal                                   | \$ 30,000         |
| 10       | Rate of Return                          | 25,000            |
| 11       | Cost of Service                         | 30,000            |
| 12       | Depreciation Study                      | 36,000            |
| 13       | Miscellaneous                           | 5,000             |
| 14       | Public Utilities                        | 55,000            |
| 15       | Total Estimated 2019 Rate Case Expenses | <u>\$ 181,000</u> |
| 16       |   |                   |
| 17       | Proposed Normalization/Amortization     | <u>\$ 60,333</u>  |
| 18       | 3 Years                                 |                   |

**SUEZ Water Rhode Island, Inc.**  
**Regulatory Commission Expense**  
**Part of Account Number 928**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 16**  
**Page 1 of 1**

**Purpose and Description:** Rate Year adjustment based upon assessment rate per the most recent Statement from the Public Utilities Commission

| Line No. | Description                  | Rate Year                |
|----------|------------------------------|--------------------------|
| 1        | Assessment for year 2018     |                          |
| 2        | Revenue Reported to PUC      |                          |
| 3        | Fiscal year 2015             | \$ 5,059,124             |
| 4        | Assessment                   | 21,626                   |
| 5        |                              |                          |
| 6        | Assessment Rate              | 0.4275%                  |
| 7        |                              |                          |
| 8        | Revenues at present rates    | <u>\$ 4,813,887</u>      |
| 9        |                              |                          |
| 10       | Assessment                   | \$ 20,579                |
| 11       |                              |                          |
| 12       | Test Year Amount Per Books   | <u>21,926</u>            |
| 13       |                              |                          |
| 14       | Adjustment at present rates  | <u><u>\$ (1,347)</u></u> |
| 15       |                              |                          |
| 16       | Revenues at proposed rates   | <u>\$ 5,838,744</u>      |
| 17       |                              |                          |
| 18       | Adjustment at proposed rates | <u><u>\$ 4,381</u></u>   |

**SUEZ Water Rhode Island, Inc.**  
**Other Operation and Maintenance Expenses**  
**Various Account Numbers**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 17**  
**Page 1 of 1**

**Purpose and Description:**

To apply inflation factor per the Blue Chip Financial Forecast 4.244%  
Forecast to Operation and Maintenance Expenses not specifically adjusted.  
See "Exhibit 3 Schedule 17A" for computation.  
See "Exhibit 3 Schedule 17A" and "Exhibit 3 Schedule 1C" for account number allocation.

| Line<br>No. | Description   | Amount                 |
|-------------|---|------------------------|
| 1           | Rate Year Other Operation and Maintenance Expenses  | \$ 185,776             |
| 2           |   |                        |
| 3           | Test Year Per Books                                 | <u>178,213</u>         |
| 4           |   |                        |
| 5           | Other Operation and Maintenance Expenses Adjustment | <u><u>\$ 7,563</u></u> |

**SUEZ Water Rhode Island, Inc.**  
**Other Operation and Maintenance Expenses**  
**Various Account Numbers**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 17A**  
**Page 1 of 1**

| Line No. | Account Number | Account Description                             | Other O&M<br>Test Year<br>Per Books | Inflation<br>Adjustment<br>(a) | Other O&M<br>Rate Year |
|----------|----------------|---|-------------------------------------|--------------------------------|------------------------|
| 1        | 600            | Operation Supervision and Engineering           | \$ 5,009                            | \$ 213                         | \$ 5,221               |
| 2        | 603            | Miscellaneous Expenses                          | 357                                 | 15                             | 372                    |
| 3        | 616            | Maintenance of Supply Mains                     | 16,634                              | 706                            | 17,340                 |
| 4        | 624            | Pumping Labor and Expenses                      | 13,614                              | 578                            | 14,192                 |
| 5        | 631            | Maintenance of Structures and Improvements      | 979                                 | 42                             | 1,021                  |
| 6        | 633            | Maintenance of Pumping Equipment                | 389                                 | 17                             | 406                    |
| 7        | 643            | Miscellaneous Expenses                          | 12,690                              | 539                            | 13,228                 |
| 8        | 652            | Maintenance of Water Treatment Equipment        | 7,041                               | 299                            | 7,339                  |
| 9        | 660            | Operation Supervision and Engineering           | 1,090                               | 46                             | 1,136                  |
| 10       | 665            | Miscellaneous Expenses                          | 27,824                              | 1,181                          | 29,004                 |
| 11       | 671            | Maintenance of Structures and Improvements      | 1,520                               | 65                             | 1,585                  |
| 12       | 673            | Maintenance of Trans. & Distribution Mains      | 80                                  | 3                              | 84                     |
| 13       | 677            | Maintenance of Hydrants                         | 8,605                               | 365                            | 8,970                  |
| 14       | 902            | Meter Reading Expenses                          | 477                                 | 20                             | 497                    |
| 15       | 903            | Customer Records & Coll. Expenses-Labor         | 2,570                               | 109                            | 2,679                  |
| 16       | 905            | Miscellaneous Customer Account Expense          | 371                                 | 16                             | 386                    |
| 17       | 921            | Office Supplies and Other Expenses              | 49,500                              | 2,101                          | 51,601                 |
| 18       | 930            | Miscellaneous General Expenses                  | 28,646                              | 1,216                          | 29,862                 |
| 19       | 931            | Rents   | 31                                  | 1                              | 32                     |
| 20       | 932            | Maintenance of General Plant                    | 786                                 | 33                             | 820                    |
| 21       |                | <b>Total Operation and Maintenance Expenses</b> | <b>\$ 178,213</b>                   | <b>\$ 7,563</b>                | <b>\$ 185,776</b>      |

22

23 Note:

24 (a) Inflation factor based on Blue Chip Financial Forecasts. See "Exhibit 3 Schedule 17A" 4.244%

**SUEZ Water Rhode Island, Inc.**  
**Inflation Adjustment Rate**  
**For the Rate Year**

**Purpose and Description:** Computation of Inflation factor applied to certain expenses based on Blue Chip Financial Forecasts.

| Line No. | Description   | Inflation Factors |
|----------|---|-------------------|
| 1        | Inflation Adjustment (to update 2017 values to 2019)            | <u>4.244%</u>     |
| 2        |   |                   |
| 3        | Inflation Adjustment ( to update 2018 budgets to 2019)          | <u>2.200%</u>     |
| 4        |   |                   |
| 5        | Inflation Adjustment (to update 4 years average values to 2019) | <u>5.714%</u>     |

|      | GDP<br>Price<br>Index | Compounded<br>from 2017 to 2019 |
|------|-----------------------|---------------------------------|
| 2018 | 2.000%                | 2.000%                          |
| 2019 | 2.200%                | <u>2.244%</u>                   |
|      |                       | <u>4.244%</u>                   |

|          | GDP<br>Price<br>Index | Compounded<br>from 4y avge to 2019 |     |
|----------|-----------------------|------------------------------------|-----|
| 2014 (a) | 1.350%                |                                    |     |
| 2015 (a) | 1.100%                |                                    |     |
| 2016 (b) | 1.520%                |                                    |     |
| 2017 (b) | 1.670%                | 1.410%                             | [1] |
| 2018 (b) | 2.000%                | 3.438%                             | [2] |
| 2019 (b) | 2.200%                | 5.714%                             | [3] |

**Source:**

- 33 (a) Blue Chip Financial Forecasts March 1, 2016 (Volume 35, No. 3)
- 34 (b) Blue Chip Financial Forecasts October 1, 2017 (Volume 36, No. 10)
- 35 [1] 4 year average GDP price index 2014 2015 2016 2017
- 36 [2] Compound rate from 4 year average GDP and the GDP for 2018
- 37 [3] Compound rate from 4 year average GDP and the GDP for 2019

**SUEZ Water Rhode Island, Inc.**  
**Property Tax Expense**  
**Part of Account Number 408**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 18**  
**Page 1 of 1**

**Purpose and Description:** To adjust property tax expense by applying four year average percentage change.

| Line No. | Description   |            |           |          | Amount           |
|----------|---|------------|-----------|----------|------------------|
| 1        | Rate Year Property Tax Expense                      |            |           |          | \$ 409,722       |
| 2        |   |            |           |          |                  |
| 3        | Historical Test Year Property Tax Expense Per Books |            |           |          | <u>358,512</u>   |
| 4        |   |            |           |          |                  |
| 5        | Property Tax Adjustment                             |            |           |          | <u>\$ 51,210</u> |
| 6        |   |            |           |          |                  |
| 7        |   |            |           |          |                  |
| 8        | Actual Municipal Property Taxes:                    |            |           |          |                  |
| 9        |   | Amount     | Change    | % Change |                  |
| 10       |   |            |           |          |                  |
| 11       | 2013  | \$ 293,412 |           |          |                  |
| 12       | 2014  | 322,959    | \$ 29,547 | 10.07%   |                  |
| 13       | 2015  | 334,442    | 11,483    | 3.56%    |                  |
| 14       | 2016  | 343,043    | 8,601     | 2.57%    |                  |
| 15       | 2017  | 366,378    | 23,335    | 6.80%    |                  |
| 16       |   |            |           |          |                  |
| 17       | Four year average increase                          |            |           | 5.75%    |                  |
| 18       |   |            |           |          |                  |
| 19       | 2018 Projected                                      | \$ 387,445 |           |          |                  |
| 20       | 2019 Projected                                      | \$ 409,722 |           |          |                  |



SUEZ Water Rhode Island, Inc.  
Payroll Tax Expense  
Part of Account Number 408  
For the Rate Year

Exhibit 3 (Arp)  
Schedule 19  
Page 1 of 1

**Purpose and Description:** To reflect increase in payroll tax expense related to Rate Year salaries and wages. See "Exhibit 3 Schedule 19A" for computation of amounts.

| Line No. | Description                    | Amount          |
|----------|--------------------------------|-----------------|
| 1        | Rate Year Payroll Tax Expense  | \$ 66,946       |
| 2        |                                |                 |
| 3        | Test Year Per Books            | <u>57,195</u>   |
| 4        |                                |                 |
| 5        | Payroll Tax Expense Adjustment | <u>\$ 9,751</u> |

**SUEZ Water Rhode Island, Inc.  
Payroll Tax Worksheet  
Part of Account Number 408  
For the Rate Year**

[-----Rate Year Payroll Taxes (b)-----]

| Line No. | Job Title                        | Total Rate Year Labor (a) | FICA             | Medicare         | State Unemploy  | Federal Unemploy | Total Payroll Taxes |
|----------|----------------------------------|---------------------------|------------------|------------------|-----------------|------------------|---------------------|
| 1        | Mgr Rhode Island                 | \$ 136,038                | \$ 7,886         | \$ 1,973         | \$ 269          | \$ 42            | \$ 10,170           |
| 2        | Foreman                          | 79,486                    | 4,928            | 1,153            | 269             | 42               | 6,391               |
| 3        | Supv Customer Contact&Billing    | 81,689                    | 5,065            | 1,184            | 269             | 42               | 6,560               |
| 4        | Superintendent                   | 103,463                   | 6,415            | 1,500            | 269             | 42               | 8,226               |
| 5        | Chief Operator                   | 81,639                    | 5,062            | 1,184            | 269             | 42               | 6,556               |
| 6        | Meter Reader                     | 64,192                    | 3,980            | 931              | 269             | 42               | 5,221               |
| 7        | Sr Cust Serv Rep                 | 63,749                    | 3,952            | 924              | 269             | 42               | 5,188               |
| 8        | Sr Cust Serv Rep                 | 60,311                    | 3,739            | 875              | 269             | 42               | 4,925               |
| 9        | Service Person                   | 59,348                    | 3,680            | 861              | 269             | 42               | 4,851               |
| 10       | Service Person                   | 53,671                    | 3,328            | 778              | 269             | 42               | 4,417               |
| 11       | Customer service/data entry tech | 54,002                    | 3,348            | 783              | 269             | 42               | 4,442               |
| 12       | Total Rate Year                  | <u>\$ 837,587</u>         | <u>\$ 51,382</u> | <u>\$ 12,145</u> | <u>\$ 2,957</u> | <u>\$ 462</u>    | <u>\$ 66,946</u>    |

13

14 Notes:

15 (a) Rate Year Labor per "Exhibit 3 Schedule 2A".

16

17 (b)

| Payroll Tax                | Current Rate | Current Taxable (Base) Amount |
|----------------------------|--------------|-------------------------------|
| FICA                       | 6.20%        | \$ 127,200                    |
| Medicare                   | 1.45%        | \$ -                          |
| Federal Unemployment (FUI) | 0.60%        | \$ 7,000                      |
| State Unemployment (SUI)   | 1.20%        | \$ 22,400                     |

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**SUEZ Water Rhode Island, Inc.**  
**Gross Receipts Tax**  
**Part of Account Number 408**  
**For the Rate Year**

**Exhibit 3 (Arp)**  
**Schedule 20**  
**Page 1 of 1**

**Purpose and Description:** To reflect change in gross receipts tax expense related to Rate Year Revenues.

| Line No. | Description                           | Present Rates   | Proposed Rates   |
|----------|---------------------------------------|-----------------|------------------|
| 1        | Rate Year Revenues at Present rates   | \$ 4,813,887    | \$ 5,838,744     |
| 2        |                                       |                 |                  |
| 3        | Gross Receipts Tax Rate               | <u>1.25%</u>    | <u>1.25%</u>     |
| 4        |                                       |                 |                  |
| 5        | Rate Year Gross Receipts Tax          | \$ 60,174       | \$ 72,984        |
| 6        |                                       |                 |                  |
| 7        | Test Year Per Books                   | <u>60,510</u>   | <u>60,174</u>    |
| 8        |                                       |                 |                  |
| 9        | Gross Receipts Tax Expense Adjustment | <u>\$ (337)</u> | <u>\$ 12,811</u> |

**SUEZ Water Rhode Island, Inc.**  
**Federal Income Tax Expense**  
**Part of Account Number 408**  
**For the Rate Year**

**Exhibit 3 (Gil)**  
**Schedule 21**

**Purpose and Description:** To reflect Federal Income expense based upon Rate Year changes in taxable income at present and proposed rates.

| Line No.              | Description                            | [-----Rate Year-----] |                     |
|-----------------------|--|-----------------------|---------------------|
|                       |  | Present Rates         | Proposed Rates      |
|                       |  | Rates                 | Rates               |
| 1                     | Revenues                               | \$ 4,813,887          | \$ 5,838,744        |
| 2                     | Operating Expenses:                    |                       |                     |
| 3                     | Operation and Maintenance              | 2,510,506             | 2,514,887           |
| 4                     | Depreciation and Amortization          | 905,502               | 905,502             |
| 5                     | Taxes other than income                | 536,842               | 549,653             |
| 6                     | Operating Expenses Before Income Taxes | <u>3,952,850</u>      | <u>3,970,042</u>    |
| 7                     | Operating Income Before Income Taxes   | 861,037               | 1,868,701           |
| 8                     | Interest Expense                       | 437,556 (a)           | 437,556 (a)         |
| 9                     | Federal Taxable Income                 | <u>\$ 423,481</u>     | <u>\$ 1,431,146</u> |
| 10                    | Federal Income Tax Rate                | 21.00%                | 21.00%              |
| 11                    | Federal Income Tax                     | <u>\$ 88,931</u>      | <u>\$ 300,541</u>   |
| 12                    | Amortization of Reg Liability TCJA     | \$ (33,604)           | \$ (33,604)         |
| 13                    | Amortization of ITC                    | <u>\$ (4,662)</u>     | <u>\$ (4,662)</u>   |
| 14                    | Total Federal Income tax               | <u>\$ 50,666</u>      | <u>\$ 262,275</u>   |
| <br><b>Reference:</b> |  |                       |                     |
| 15                    | (a) Interest Expense                   |                       |                     |
| 16                    | Rate Base                              | \$ 20,542,518         | \$ 20,542,518       |
| 17                    | Weighted Cost of Debt                  | 2.13%                 | 2.13%               |
| 18                    | Interest Expense                       | <u>\$ 437,556</u>     | <u>\$ 437,556</u>   |

**SUEZ Water Rhode Island, Inc.**  
**Depreciation and Amortization Expense**  
**Part of Account Number 403 and 404**  
**For the Rate Year**

**Exhibit 3 (Gil)**  
**Schedule 22**

**Purpose and Description:** To adjust Rate Year depreciation expense based upon projected capital expenditures at current approved depreciation rates.

| Line<br>No. | Description   | Amount                   |
|-------------|---|--------------------------|
| 1           | Rate Year Depreciation/Amortization Expense<br><i>(Exh 4 Sch 3 Page 13)</i> | \$ 905,502               |
| 2           | Historical Test Year Depreciation Expense Per Books                         | <u>636,361</u>           |
| 3           | Adjustment  | <u><u>\$ 269,141</u></u> |

**SUEZ Water Rhode Island  
Rate Base Summary**

| Line No. | (1)<br><u>September 30, 2017</u>       | (2)<br><u>Average</u>    | (3)<br><u>September 30, 2018</u> | (4)<br><u>Average</u>      | (5)<br><u>September 30, 2019</u> | (6)<br><u>Average</u>      |                            |
|----------|--|--------------------------|----------------------------------|----------------------------|----------------------------------|----------------------------|----------------------------|
| 1        | Utility Plant In Service               | \$31,373,738             | \$30,778,252                     | \$35,111,465               | \$32,310,823                     | \$37,657,480               | \$36,073,465               |
| 2        | Accumulated Depreciation               | (8,100,486)              | (7,862,758)                      | (7,939,996)                | (7,937,358)                      | (8,787,170)                | (8,362,574)                |
| 3        | Net Utility Plant in Service           | <u>23,273,253</u>        | <u>22,915,494</u>                | <u>27,171,469</u>          | <u>24,373,465</u>                | <u>28,870,309</u>          | <u>27,710,890</u>          |
| 4        | Materials and Supplies                 | 200,871                  | 202,340                          | 202,340                    | 202,227                          | 202,227                    | 202,236                    |
| 5        | Cash Working Capital (CWC)             | 227,456                  | 227,467                          | 227,467                    | 227,467                          | 313,813                    | 307,171                    |
| 6        | Def'd Tank Painting (net of Def'd Tax) | 95,038                   | 127,680                          | 66,507                     | 74,278                           | 50,857                     | 58,682                     |
| 7        | Def'd Rate Case (net of Def'd Tax)     | 2,373                    | (4,048)                          | 111,214                    | 77,177                           | 63,551                     | 87,383                     |
| 8        |  | <u>525,739</u>           | <u>553,440</u>                   | <u>607,529</u>             | <u>581,149</u>                   | <u>630,449</u>             | <u>655,472</u>             |
| 9        | CIAC                                   | (3,355,575)              | (3,354,422)                      | (3,532,075)                | (3,394,806)                      | (3,637,075)                | (3,560,845)                |
| 10       | Def'd Income Tax                       | (2,809,678)              | (2,699,148)                      | (1,811,339)                | (1,944,272)                      | (1,953,862)                | (1,866,387)                |
| 11       | Regulatory Liability - Tax rate change | -                        | -                                | (1,680,178)                | (1,230,489)                      | (1,646,575)                | (1,663,377)                |
| 12       | Unamortized ITC                        | (73,919)                 | (76,253)                         | (69,257)                   | (71,588)                         | (64,595)                   | (66,926)                   |
| 13       | Unfunded FAS 106 (net of Def'd Tax)    | (548,229)                | (549,209)                        | (666,309)                  | (629,977)                        | (666,309)                  | (666,309)                  |
| 14       |  | <u>(6,787,402)</u>       | <u>(6,679,031)</u>               | <u>(7,759,159)</u>         | <u>(7,271,132)</u>               | <u>(7,968,416)</u>         | <u>(7,823,844)</u>         |
| 15       | <b>Total Rate Base</b>                 | <b><u>17,011,590</u></b> | <b><u>\$16,789,903</u></b>       | <b><u>\$20,019,838</u></b> | <b><u>\$17,683,482</u></b>       | <b><u>\$21,532,342</u></b> | <b><u>\$20,542,518</u></b> |

**SUEZ Water Rhode Island  
Rate Base Summary  
Test Year and Rate Year**

**Exhibit 4 (Gil)  
Schedule 1  
Page 2 of 5**

| Line # | Rate Base at Point in Time                           |            |           |
|--------|--|------------|-----------|
| 1      | Actual Rate Base as of 9/30/2016                     | 16,557,674 |           |
| 2      | Actual Rate Base as of 9/30/2017                     | 17,011,590 |           |
| 3      | Change in Rate Base 9/30/2016 - 9/30/2017            |            | 453,916   |
| 4      | Actual Rate Base 9/30/2017                           | 17,011,590 |           |
| 5      | Projected Rate Base 9/30/2018                        | 20,019,838 |           |
| 6      | Change in Rate Base 9/30/2017 - 9/30/2018            |            | 3,008,248 |
| 7      | Projected Rate Base 9/30/2018                        | 20,019,838 |           |
| 8      | Projected Rate Base 9/30/2019                        | 21,532,342 |           |
| 9      | Change in Rate Base 9/30/2018 - 9/30/2019            |            | 1,512,504 |
| 10     |  |            |           |
| 11     | <b>Average Rate Base for Test Year and Rate Year</b> |            |           |
| 12     | Actual Average Rate Base 9/30/2016 - 9/30/2017       | 16,789,903 |           |
| 13     | Projected Average Rate Base 9/30/2018 - 9/30/2019    | 20,542,518 |           |
| 14     | Change in Average Rate Base Test Year to Rate Year   |            | 3,752,615 |

SUEZ Water Rhode Island  
Rate Base Summary  
Test Year ended September 30, 2017 (by Month)

| Line # |  | Sep-16            | Oct-16            | Nov-16            | Dec-16            | Jan-17            | Feb-17            | Mar-17            | Apr-17            | May-17            | Jun-17            | Jul-17            | Aug-17            | Sep-17            | Average           |
|--------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1      | Utility Plant In Service               | 30,232,053        | 30,383,061        | 30,451,440        | 30,444,291        | 30,570,060        | 30,694,362        | 30,718,660        | 30,818,223        | 30,937,393        | 31,056,469        | 31,251,369        | 31,186,152        | 31,373,738        | 30,778,252        |
| 2      | Accumulated Depreciation               | (7,633,195)       | (7,671,820)       | (7,704,830)       | (7,721,080)       | (7,770,166)       | (7,819,696)       | (7,872,856)       | (7,911,734)       | (7,951,232)       | (7,982,898)       | (8,015,611)       | (8,060,247)       | (8,100,486)       | (7,862,758)       |
| 3      | CIAC                                   | (3,350,575)       | (3,350,575)       | (3,350,575)       | (3,355,575)       | (3,355,575)       | (3,355,575)       | (3,355,575)       | (3,355,575)       | (3,355,575)       | (3,355,575)       | (3,355,575)       | (3,355,575)       | (3,355,575)       | (3,354,422)       |
| 4      | Def'd Income Tax                       | (2,586,725)       | (2,609,219)       | (2,680,180)       | (2,677,539)       | (2,678,412)       | (2,678,841)       | (2,722,042)       | (2,685,058)       | (2,689,147)       | (2,778,988)       | (2,778,988)       | (2,714,100)       | (2,809,678)       | (2,699,148)       |
| 5      | Regulatory Liability - Tax rate change | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 |
| 6      | Unamortized ITC                        | (78,587)          | (78,198)          | (77,809)          | (77,420)          | (77,031)          | (76,642)          | (76,253)          | (75,864)          | (75,475)          | (75,086)          | (74,697)          | (74,308)          | (73,919)          | (76,253)          |
| 7      | Materials and Supplies                 | 171,308           | 187,589           | 197,670           | 200,995           | 196,157           | 200,671           | 204,792           | 210,598           | 219,013           | 215,893           | 213,984           | 210,880           | 200,871           | 202,340           |
| 8      | Cash Working Capital (CWC)             | 227,601           | 227,456           | 227,456           | 227,456           | 227,456           | 227,456           | 227,456           | 227,456           | 227,456           | 227,456           | 227,456           | 227,456           | 227,456           | 227,467           |
| 9      | Def'd Tank Painting (net of Def'd Tax) | 153,456           | 161,227           | 143,695           | 138,815           | 135,200           | 131,585           | 122,523           | 124,355           | 120,740           | 109,533           | 113,676           | 110,002           | 95,038            | 127,680           |
| 10     | Def'd Rate Case (net of Def'd Tax)     | (27,472)          | (13,375)          | (27,472)          | -                 | -                 | -                 | -                 | -                 | 3,651             | 2,373             | 3,651             | 3,651             | 2,373             | (4,048)           |
| 11     | Unfunded FAS 106 (net of Def'd Tax)    | (550,189)         | (550,025)         | (549,862)         | (549,699)         | (549,535)         | (549,372)         | (549,209)         | (549,045)         | (548,882)         | (548,719)         | (548,555)         | (548,392)         | (548,229)         | (549,209)         |
| 12     | <b>Total Rate Base</b>                 | <b>16,557,674</b> | <b>16,686,120</b> | <b>16,629,533</b> | <b>16,630,243</b> | <b>16,698,153</b> | <b>16,773,948</b> | <b>16,697,496</b> | <b>16,803,356</b> | <b>16,887,942</b> | <b>16,870,458</b> | <b>17,036,709</b> | <b>16,985,520</b> | <b>17,011,590</b> | <b>16,789,903</b> |



SUEZ Water Rhode Island  
Rate Base Summary  
Year ended September 30, 2018 by month

| Line # |  | Sep-17            | Oct-17            | Nov-17            | Dec-17            | Jan-18            | Feb-18            | Mar-18            | Apr-18            | May-18            | Jun-18            | Jul-18            | Aug-18            | Sep-18            | Average           |
|--------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1      | Utility Plant In Service               | 31,373,738        | 31,124,979        | 31,185,667        | 31,411,215        | 31,444,664        | 31,513,827        | 31,580,157        | 31,674,127        | 31,746,934        | 31,859,405        | 35,045,878        | 34,968,648        | 35,111,465        | 32,310,823        |
| 2      | Accumulated Depreciation               | (8,100,486)       | (7,753,839)       | (7,804,838)       | (7,843,644)       | (7,832,934)       | (7,886,636)       | (7,939,566)       | (7,990,449)       | (8,044,001)       | (8,094,716)       | (8,073,483)       | (7,881,067)       | (7,939,996)       | (7,937,358)       |
| 3      | CIAC                                   | (3,355,575)       | (3,355,575)       | (3,360,575)       | (3,360,575)       | (3,360,575)       | (3,360,575)       | (3,360,825)       | (3,361,325)       | (3,392,325)       | (3,393,325)       | (3,469,325)       | (3,469,825)       | (3,532,075)       | (3,394,806)       |
| 4      | Def'd Income Tax                       | (2,809,678)       | (2,897,211)       | (2,905,931)       | (1,588,297)       | (1,593,316)       | (1,599,560)       | (1,605,823)       | (1,613,893)       | (1,620,669)       | (1,627,742)       | (1,798,141)       | (1,803,933)       | (1,811,339)       | (1,944,272)       |
| 5      | Regulatory Liability - Tax rate change | -                 | -                 | -                 | (1,550,538)       | (1,553,338)       | (1,554,738)       | (1,563,838)       | (1,574,898)       | (1,588,198)       | (1,611,718)       | (1,649,798)       | (1,669,118)       | (1,680,178)       | (1,230,489)       |
| 6      | Unamortized ITC                        | (73,919)          | (73,531)          | (73,142)          | (72,754)          | (72,365)          | (71,977)          | (71,588)          | (71,200)          | (70,811)          | (70,423)          | (70,034)          | (69,646)          | (69,257)          | (71,588)          |
| 7      | Materials and Supplies                 | 200,871           | 202,340           | 202,340           | 202,340           | 202,340           | 202,340           | 202,340           | 202,340           | 202,340           | 202,340           | 202,340           | 202,340           | 202,340           | 202,227           |
| 8      | Cash Working Capital (CWC)             | 227,456           | 227,467           | 227,467           | 227,467           | 227,467           | 227,467           | 227,467           | 227,467           | 227,467           | 227,467           | 227,467           | 227,467           | 227,467           | 227,467           |
| 9      | Def'd Tank Painting (net of Def'd Tax) | 95,038            | 74,253            | 71,892            | 69,531            | 81,637            | 78,767            | 75,897            | 73,027            | 71,723            | 70,419            | 69,115            | 67,811            | 66,507            | 74,278            |
| 10     | Def'd Rate Case (net of Def'd Tax)     | 2,373             | -                 | -                 | -                 | -                 | 139,018           | 135,046           | 131,074           | 127,102           | 123,130           | 119,158           | 115,186           | 111,214           | 77,177            |
| 11     | Unfunded FAS 106 (net of Def'd Tax)    | (548,229)         | (548,229)         | (548,229)         | (548,229)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (629,977)         |
| 12     | <b>Total Rate Base</b>                 | <b>17,011,590</b> | <b>17,000,654</b> | <b>16,994,651</b> | <b>16,946,517</b> | <b>16,877,270</b> | <b>17,021,624</b> | <b>17,012,958</b> | <b>17,029,961</b> | <b>16,993,254</b> | <b>17,018,528</b> | <b>19,936,868</b> | <b>20,021,553</b> | <b>20,019,838</b> | <b>17,683,482</b> |

SUEZ Water Rhode Island  
Rate Base Summary  
Year ended September 30, 2019 by month

| Line # |  | Sep-18            | Oct-18            | Nov-18            | Dec-18            | Jan-19            | Feb-19            | Mar-19            | Apr-19            | May-19            | Jun-19            | Jul-19            | Aug-19            | Sep-19            | Average           |
|--------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1      | Utility Plant In Service               | 35,111,465        | 35,220,377        | 35,596,519        | 35,720,936        | 35,751,172        | 35,802,465        | 35,859,525        | 35,989,371        | 36,096,793        | 36,206,258        | 36,920,136        | 37,022,541        | 37,657,480        | 36,073,465        |
| 2      | Accumulated Depreciation               | (7,939,996)       | (8,009,661)       | (8,077,258)       | (8,148,322)       | (8,220,283)       | (8,292,010)       | (8,363,174)       | (8,434,260)       | (8,504,544)       | (8,575,647)       | (8,644,222)       | (8,716,920)       | (8,787,170)       | (8,362,574)       |
| 3      | CIAC                                   | (3,532,075)       | (3,532,575)       | (3,532,575)       | (3,532,575)       | (3,532,575)       | (3,532,575)       | (3,532,825)       | (3,583,325)       | (3,584,325)       | (3,585,325)       | (3,586,325)       | (3,586,825)       | (3,637,075)       | (3,560,845)       |
| 4      | Def'd Income Tax                       | (1,811,339)       | (1,816,783)       | (1,836,076)       | (1,842,917)       | (1,846,503)       | (1,850,859)       | (1,855,912)       | (1,863,615)       | (1,871,192)       | (1,878,131)       | (1,915,141)       | (1,920,706)       | (1,953,862)       | (1,866,387)       |
| 5      | Regulatory Liability - Tax rate change | (1,680,178)       | (1,677,378)       | (1,674,578)       | (1,671,777)       | (1,668,977)       | (1,666,177)       | (1,663,377)       | (1,660,576)       | (1,657,776)       | (1,654,976)       | (1,652,175)       | (1,649,375)       | (1,646,575)       | (1,663,377)       |
| 6      | Unamortized ITC                        | (69,257)          | (68,869)          | (68,480)          | (68,092)          | (67,703)          | (67,315)          | (66,926)          | (66,538)          | (66,149)          | (65,761)          | (65,372)          | (64,984)          | (64,595)          | (66,926)          |
| 7      | Materials and Supplies                 | 202,340           | 202,227           | 202,227           | 202,227           | 202,227           | 202,227           | 202,227           | 202,227           | 202,227           | 202,227           | 202,227           | 202,227           | 202,227           | 202,236           |
| 8      | Cash Working Capital (CWC)             | 227,467           | 313,813           | 313,813           | 313,813           | 313,813           | 313,813           | 313,813           | 313,813           | 313,813           | 313,813           | 313,813           | 313,813           | 313,813           | 307,171           |
| 9      | Def'd Tank Painting (net of Def'd Tax) | 66,507            | 65,203            | 63,899            | 62,594            | 61,290            | 59,986            | 58,682            | 57,378            | 56,074            | 54,770            | 53,466            | 52,162            | 50,857            | 58,682            |
| 10     | Def'd Rate Case (net of Def'd Tax)     | 111,214           | 107,243           | 103,271           | 99,299            | 95,327            | 91,355            | 87,383            | 83,411            | 79,439            | 75,467            | 71,495            | 67,523            | 63,551            | 87,383            |
| 11     | Unfunded FAS 106 (net of Def'd Tax)    | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         | (666,309)         |
| 12     | <b>Total Rate Base</b>                 | <b>20,019,838</b> | <b>20,137,287</b> | <b>20,424,452</b> | <b>20,468,876</b> | <b>20,421,478</b> | <b>20,394,601</b> | <b>20,373,107</b> | <b>20,371,578</b> | <b>20,398,051</b> | <b>20,426,388</b> | <b>21,031,592</b> | <b>21,053,148</b> | <b>21,532,342</b> | <b>20,542,518</b> |

| Line No. | Account Number | Account Description                  | Balance September 30, 2017 | Additions Oct17-Sep18 | Retirements Oct17-Sep18 | Balance September 30, 2018 | Additions Oct18- Sep19 | Retirements Oct18- Sep19 | Balance September 30, 2019 |
|----------|----------------|--------------------------------------|----------------------------|-----------------------|-------------------------|----------------------------|------------------------|--------------------------|----------------------------|
| 1        |                | <b>INTANGIBLE PLANT</b>              |                            |                       |                         |                            |                        |                          |                            |
| 2        | 301            | Organization                         | 51,107                     | -                     | -                       | 51,107                     | -                      | -                        | 51,107                     |
| 3        | 302            | Franchises and Consents              |                            |                       |                         |                            |                        |                          |                            |
| 4        | 303            | Misc. Intangible Plant               | 231,444                    | -                     | (137,649)               | 93,794                     | -                      | -                        | 93,794                     |
| 5        |                | Total Intangible Plant               | 282,551                    | -                     | (137,649)               | 144,901                    | -                      | -                        | 144,901                    |
| 6        |                |                                      |                            |                       |                         |                            |                        |                          |                            |
| 7        |                | <b>SOURCE OF SUPPLY PLANT</b>        |                            |                       |                         |                            |                        |                          |                            |
| 8        | 310            | Land and Land Rights                 | 27,717                     | -                     | -                       | 27,717                     | -                      | -                        | 27,717                     |
| 9        | 311            | Structures and Improvements          | 105,260                    | -                     | -                       | 105,260                    | -                      | -                        | 105,260                    |
| 10       | 314            | Wells and Springs                    | 567,394                    | -                     | -                       | 567,394                    | -                      | -                        | 567,394                    |
| 11       | 316            | Supply Mains                         | 58,771                     | -                     | -                       | 58,771                     | -                      | -                        | 58,771                     |
| 12       | 317            | Other Source of Supply               | 1,601                      | -                     | -                       | 1,601                      | -                      | -                        | 1,601                      |
| 13       |                | Total Source of Supply Plant         | 760,743                    | -                     | -                       | 760,743                    | -                      | -                        | 760,743                    |
| 14       |                |                                      |                            |                       |                         |                            |                        |                          |                            |
| 15       |                | <b>PUMPING PLANT</b>                 |                            |                       |                         |                            |                        |                          |                            |
| 16       | 320            | Power Generation Equipment           | 5,601                      | -                     | -                       | 5,601                      | -                      | -                        | 5,601                      |
| 17       | 321            | Structures and Improvements          | 679,636                    | 31,000                | (18,377)                | 692,259                    | 41,010                 | -                        | 733,269                    |
| 18       | 323            | Other Power Production Equipment     |                            |                       |                         |                            |                        |                          |                            |
| 19       | 325            | Electric Pumping Equipment           | 1,611,761                  | 73,500                | (139,822)               | 1,545,439                  | 97,781                 | (2,933)                  | 1,640,287                  |
| 20       | 326            | Diesel Pumping Equipment             |                            |                       |                         |                            |                        |                          |                            |
| 21       | 328            | Other Pumping Equipment              | 108,877                    | -                     | (7,364)                 | 101,513                    | -                      | -                        | 101,513                    |
| 22       |                | Total Pumping Plant                  | 2,405,875                  | 104,500               | (165,563)               | 2,344,812                  | 138,791                | (2,933)                  | 2,480,670                  |
| 23       |                |                                      |                            |                       |                         |                            |                        |                          |                            |
| 24       |                | <b>WATER TREATMENT PLANT</b>         |                            |                       |                         |                            |                        |                          |                            |
| 25       | 330            | Land and Land Rights                 |                            |                       |                         |                            |                        |                          |                            |
| 26       | 331            | Structures and Improvements          | 18,475                     | -                     | (9,038)                 | 9,437                      | -                      | -                        | 9,437                      |
| 27       | 332            | Water Treatment Equipment            | 543,625                    | 6,184                 | (60,117)                | 489,692                    | 6,420                  | -                        | 496,112                    |
| 28       |                | Total Water Treatment Plant          | 562,100                    | 6,184                 | (69,155)                | 499,129                    | 6,420                  | -                        | 505,549                    |
| 29       |                |                                      |                            |                       |                         |                            |                        |                          |                            |
| 30       |                | <b>TRANS AND DISTRIB. PLANT</b>      |                            |                       |                         |                            |                        |                          |                            |
| 31       | 340            | Land and Land Rights                 | 1,862                      | -                     | -                       | 1,862                      | -                      | -                        | 1,862                      |
| 32       | 341            | Structures and Improvements          | 139,985                    | -                     | -                       | 139,985                    | -                      | -                        | 139,985                    |
| 33       | 342            | Dist. Standpipe and Reserv.          | 4,323,023                  | 3,222,500             | -                       | 7,545,523                  | -                      | -                        | 7,545,523                  |
| 34       | 343            | Trans. and Distrib.Mains             | 12,986,532                 | 257,333               | (251,624)               | 12,992,241                 | 1,772,719              | (10,541)                 | 14,754,419                 |
| 35       | 345            | Services                             | 4,019,094                  | 177,648               | (1,636)                 | 4,195,106                  | 169,664                | (827)                    | 4,363,943                  |
| 36       | 346            | Meters and Meter Installations       | 3,017,840                  | 320,630               | (11,000)                | 3,327,470                  | 375,902                | (21,000)                 | 3,682,372                  |
| 37       | 348            | Hydrants                             | 1,094,287                  | 23,022                | (578)                   | 1,116,730                  | 27,271                 | (692)                    | 1,143,309                  |
| 38       | 349            | Other Trans & Dist Plant             |                            |                       |                         |                            |                        |                          |                            |
| 39       |                | Total T&D Plant                      | 25,582,622                 | 4,001,132             | (264,838)               | 29,318,917                 | 2,345,556              | (33,060)                 | 31,631,413                 |
| 40       |                |                                      |                            |                       |                         |                            |                        |                          |                            |
| 41       |                | <b>GENERAL PLANT</b>                 |                            |                       |                         |                            |                        |                          |                            |
| 42       | 389            | Land and Land Rights                 |                            |                       |                         |                            |                        |                          |                            |
| 43       | 390            | Structures and Improvements          | 237,438                    | -                     | (44,166)                | 193,272                    | -                      | -                        | 193,272                    |
| 44       | 390L           | Leasehold improvements               | -                          | 210,000               | -                       | 210,000                    | -                      | -                        | 210,000                    |
| 45       | 391            | General Plant-Office Furni           | 62,632                     | 35,000                | (41,480)                | 56,152                     | 11,657                 | -                        | 67,809                     |
| 46       | 391H           | General Plant-Computer Har           | 103,713                    | -                     | -                       | 103,713                    | -                      | -                        | 103,713                    |
| 47       | 391S           | General Plant-Computer Sof           | 304,063                    | 109,200               | (210)                   | 413,053                    | 32,100                 | -                        | 445,153                    |
| 48       | 391CB          | General Plant-Computer Soft Lighthou | 552,856                    | -                     | -                       | 552,856                    | -                      | -                        | 552,856                    |
| 49       | 392            | Transportation Equipment             | 3,451                      | -                     | -                       | 3,451                      | -                      | -                        | 3,451                      |
| 50       | 394            | Tools,Shop and Garage Equip.         | 89,648                     | 11,250                | (16,478)                | 84,420                     | 5,300                  | (159)                    | 89,561                     |
| 51       | 395            | Laboratory Equipment                 |                            |                       |                         |                            |                        |                          |                            |
| 52       | 396            | Power Operated Equipment             | 15,685                     | -                     | -                       | 15,685                     | -                      | -                        | 15,685                     |
| 53       | 397            | Communication Equipment              | 330,683                    | -                     | -                       | 330,683                    | 42,500                 | (158)                    | 373,025                    |
| 54       | 398            | Miscellaneous Equipment              | 79,677                     | -                     | -                       | 79,677                     | -                      | -                        | 79,677                     |
| 55       | 399            | Other Tangible Property              |                            |                       |                         |                            |                        |                          |                            |
| 56       |                | Total General Plant                  | 1,779,847                  | 365,450               | (102,335)               | 2,042,963                  | 91,557                 | (317)                    | 2,134,204                  |
| 57       |                |                                      |                            |                       |                         |                            |                        |                          |                            |
| 58       |                | <b>Total Utility Plant</b>           | <b>31,373,738</b>          | <b>4,477,266</b>      | <b>(739,539)</b>        | <b>35,111,465</b>          | <b>2,582,325</b>       | <b>(36,310)</b>          | <b>37,657,480</b>          |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Oct-17         |                  |                |                      |                      |                   | Nov-17        |                |                |                      |                      |                   |        |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|----------------|------------------|----------------|----------------------|----------------------|-------------------|---------------|----------------|----------------|----------------------|----------------------|-------------------|--------|
|               |                                     |                  |                    |                            |                        | Additions      | Retirements      | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       | Additions     | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       |        |
|               |                                     |                  |                    |                            |                        |                |                  |                |                      |                      |                   |               |                |                |                      |                      |                   |        |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -              | -                | -              | -                    | -                    | 51,107            | -             | -              | -              | -                    | -                    | -                 | 51,107 |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -              | -                | -              | (137,649)            | -                    | 93,794            | -             | -              | -              | -                    | (137,649)            | -                 | 93,794 |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -              | -                | -              | -                    | -                    | 27,717            | -             | -              | -              | -                    | -                    | -                 | 27,717 |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -              | -                | 175            | 23,882               | 105,260              | -                 | -             | -              | -              | 175                  | 24,058               | 105,260           |        |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -              | -                | 946            | 137,187              | 567,394              | -                 | -             | -              | 946            | 138,133              | 567,394              |                   |        |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -              | -                | 61             | 17,481               | 58,771               | -                 | -             | -              | 61             | 17,542               | 58,771               |                   |        |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | -                      | -              | -                | -              | (192)                | 1,601                | -                 | -             | -              | -              | (192)                | 1,601                |                   |        |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -              | -                | -              | -                    | 5,601                | -                 | -             | -              | -              | -                    | -                    | 5,601             |        |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | -              | -                | 1,133          | 179,519              | 663,454              | 10,000            | -             | -              | -              | 1,106                | 180,625              | 673,454           |        |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | -              | -                | 5,373          | 1,116,962            | 1,532,032            | -                 | -             | -              | 5,107          | 1,122,068            | 1,532,032            |                   |        |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -              | -                | 363            | 57,898               | 101,513              | -                 | -             | -              | 338            | 58,237               | 101,513              |                   |        |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -              | -                | 31             | 3,053                | 9,845                | -                 | -             | -              | 16             | 3,069                | 9,845                |                   |        |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | -              | -                | 2,265          | 315,065              | 485,956              | -                 | -             | -              | 2,025          | 317,090              | 485,956              |                   |        |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -              | -                | -              | -                    | 1,862                | -                 | -             | -              | -              | -                    | -                    | 1,862             |        |
| 341           | 341-T&D Plant-Stuctures And Irr     | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -              | -                | 350            | 43,998               | 139,985              | -                 | -             | -              | 350            | 44,348               | 139,985              |                   |        |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -              | -                | 4,791          | 299,391              | 4,323,023            | -                 | -             | -              | 4,791          | 304,182              | 4,323,023            |                   |        |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 107,280        | (300)            | (3,221)        | 13,528               | 3,426,840            | 13,093,512        | 18,000        | (150)          | (300)          | 13,639               | 3,440,029            | 13,111,362        |        |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 35,373         | (1,000)          | (1,177)        | 6,698                | 1,278,037            | 4,053,467         | 13,918        | (80)           | (320)          | 6,756                | 1,284,392            | 4,067,305         |        |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 1,167          | -                | (332)          | 7,545                | 939,871              | 3,019,007         | 20,000        | (1,000)        | (800)          | 7,548                | 945,619              | 3,038,007         |        |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 3,745          | -                | (191)          | 1,824                | 437,420              | 1,098,032         | -             | -              | -              | 1,830                | 439,250              | 1,098,032         |        |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -              | -                | -              | 989                  | 56,020               | 193,272           | -             | -              | -              | 805                  | 56,826               | 193,272           |        |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -              | -                | -              | -                    | -                    | -                 | -             | -              | -              | -                    | -                    | -                 |        |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,051)              | -              | -                | -              | 522                  | (168,520)            | 31,652            | -             | -              | -              | 264                  | (168,256)            | 31,652            |        |
| 391H          | 391-General Plant-Computer Hardw    | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -              | -                | -              | 864                  | 49,044               | 103,713           | -             | -              | -              | 864                  | 49,909               | 103,713           |        |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -              | -                | -              | 2,534                | 15,086               | 304,063           | -             | -              | -              | 2,534                | 17,620               | 304,063           |        |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -              | -                | -              | 5,759                | 413,269              | 552,856           | -             | -              | -              | 5,759                | 419,028              | 552,856           |        |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -              | -                | -              | 7                    | 532                  | 3,451             | -             | -              | -              | 7                    | 539                  | 3,451             |        |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -              | -                | -              | 747                  | 55,261               | 76,994            | -             | -              | -              | 642                  | 55,902               | 76,994            |        |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -              | -                | -              | 131                  | 12,418               | 15,685            | -             | -              | -              | 131                  | 12,548               | 15,685            |        |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | -              | -                | -              | 1,378                | 82,482               | 330,683           | -             | -              | -              | 1,378                | 83,860               | 330,683           |        |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -              | -                | -              | 133                  | 18,209               | 79,677            | -             | -              | -              | 133                  | 18,341               | 79,677            |        |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -              | -                | -              | (3,547)              | (918,724)            | -                 | -             | -              | -              | (3,556)              | (922,280)            | -                 |        |
|               |                                     |                  |                    | <b>31,373,738</b>          | <b>8,100,486</b>       | <b>147,565</b> | <b>(396,324)</b> | <b>(4,922)</b> | <b>54,599</b>        | <b>7,753,839</b>     | <b>31,124,979</b> | <b>61,918</b> | <b>(1,230)</b> | <b>(1,420)</b> | <b>53,649</b>        | <b>7,804,838</b>     | <b>31,185,667</b> |        |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Dec-17    |             |         |                      |                      |             | Jan-18    |             |         |                      |                      |             |           |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|-----------|-------------|---------|----------------------|----------------------|-------------|-----------|-------------|---------|----------------------|----------------------|-------------|-----------|
|               |                                     |                  |                    |                            |                        | Additions | Retirements | COR     | Depreciation Expense | Accum Deprec Balance | PIS Balance | Additions | Retirements | COR     | Depreciation Expense | Accum Deprec Balance | PIS Balance |           |
|               |                                     |                  |                    |                            |                        |           |             |         |                      |                      |             |           |             |         |                      |                      |             |           |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -         | -           | -       | -                    | -                    | 51,107      | -         | -           | -       | -                    | -                    | -           | 51,107    |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -         | -           | -       | (137,649)            | -                    | 93,794      | -         | -           | -       | -                    | -                    | (137,649)   | 93,794    |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -         | -           | -       | -                    | -                    | 27,717      | -         | -           | -       | -                    | -                    | -           | 27,717    |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -         | -           | 175     | 24,233               | 105,260              | -           | -         | -           | 175     | 24,408               | -                    | -           | 105,260   |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -         | -           | 946     | 139,079              | 567,394              | -           | -         | -           | 946     | 140,024              | -                    | -           | 567,394   |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -         | -           | 61      | 17,603               | 58,771               | -           | -         | -           | 61      | 17,665               | -                    | -           | 58,771    |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -         | -           | -       | (192)                | 1,601                | -           | -         | -           | -       | (192)                | -                    | -           | 1,601     |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -         | -           | -       | -                    | 5,601                | -           | -         | -           | -       | -                    | -                    | -           | 5,601     |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | -         | -           | 1,122   | 181,748              | 673,454              | -           | (2,195)   | -           | 1,122   | 180,675              | -                    | -           | 671,259   |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | -         | -           | 5,107   | 1,127,175            | 1,532,032            | -           | (56,093)  | -           | 5,107   | 1,076,190            | -                    | -           | 1,475,939 |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -         | -           | 338     | 58,575               | 101,513              | -           | -         | -           | 338     | 58,914               | -                    | -           | 101,513   |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -         | -           | 16      | 3,086                | 9,845                | -           | (408)     | -           | 16      | 2,694                | -                    | -           | 9,437     |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | -         | -           | 2,025   | 319,114              | 485,956              | -           | (2,447)   | -           | 2,025   | 318,692              | -                    | -           | 483,509   |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -         | -           | -       | -                    | 1,862                | -           | -         | -           | -       | -                    | -                    | -           | 1,862     |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -         | -           | 350     | 44,698               | 139,985              | -           | -         | -           | 350     | 45,048               | -                    | -           | 139,985   |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -         | -           | 4,791   | 308,973              | 4,323,023            | -           | -         | -           | 4,791   | 313,765              | -                    | -           | 4,323,023 |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 19,548    | (171)       | (342)   | 13,658               | 3,453,174            | 13,130,739  | 4,670     | (44)        | (87)    | 13,678               | 3,466,721            | 13,135,366  |           |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 14,091    | (97)        | (387)   | 6,779                | 1,290,687            | 4,081,299   | 9,165     | (42)        | (167)   | 6,802                | 1,297,281            | 4,090,422   |           |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 45,989    | (1,000)     | (1,840) | 7,595                | 950,374              | 3,082,996   | 13,925    | (1,000)     | (538)   | 7,707                | 956,544              | 3,095,922   |           |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 2,255     | (68)        | (45)    | 1,830                | 440,967              | 1,100,219   | 1,805     | (54)        | (36)    | 1,834                | 442,710              | 1,101,970   |           |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -         | -           | -       | 805                  | 57,631               | -           | -         | -           | 805     | 58,436               | -                    | -           | 193,272   |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | 150,000   | -           | -       | -                    | 150,000              | 30,000      | -         | -           | -       | 1,563                | -                    | -           | 180,000   |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -         | -           | -       | 264                  | (178,492)            | 21,152      | -         | -           | -       | 176                  | (178,316)            | -           | 56,152    |
| 391H          | 391-General Plant-Computer Hardw    | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -         | -           | -       | 864                  | 50,773               | 103,713     | -         | -           | -       | 864                  | 51,637               | -           | 103,713   |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -         | -           | -       | 2,534                | 20,154               | 304,063     | 4,200     | (210)       | -       | 2,534                | 22,478               | -           | 308,053   |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -         | -           | -       | 5,759                | 424,787              | 552,856     | -         | -           | -       | 5,759                | 430,546              | -           | 552,856   |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -         | -           | -       | 7                    | 546                  | -           | -         | -           | 7       | 554                  | -                    | -           | 3,451     |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | 6,000     | (500)       | -       | 642                  | 56,044               | 82,494      | -         | (2,824)     | -       | 687                  | 53,907               | -           | 79,670    |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -         | -           | -       | 131                  | 12,679               | 15,685      | -         | -           | -       | 131                  | 12,810               | -           | 15,685    |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | -         | -           | -       | 1,378                | 85,238               | 330,683     | -         | -           | -       | 1,378                | 86,615               | -           | 330,683   |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -         | -           | -       | 133                  | 18,474               | 79,677      | -         | -           | -       | 133                  | 18,607               | -           | 79,677    |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -         | -           | -       | (3,556)              | (925,836)            | -           | -         | -           | (3,556) | (929,391)            | -                    | -           | -         |
|               |                                     |                  |                    | 31,373,738                 | 8,100,486              | 237,883   | (12,335)    | (2,614) | 53,755               | 7,843,644            | 31,411,215  | 98,765    | (65,317)    | (828)   | 55,435               | 7,832,934            | 31,444,564  |           |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Feb-18    |             |       |                      |                      |             | Mar-18    |             |         |                      |                      |             |            |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|-----------|-------------|-------|----------------------|----------------------|-------------|-----------|-------------|---------|----------------------|----------------------|-------------|------------|
|               |                                     |                  |                    |                            |                        | Additions | Retirements | COR   | Depreciation Expense | Accum Deprec Balance | PIS Balance | Additions | Retirements | COR     | Depreciation Expense | Accum Deprec Balance | PIS Balance |            |
|               |                                     |                  |                    |                            |                        |           |             |       |                      |                      |             |           |             |         |                      |                      |             |            |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -         | -           | -     | -                    | -                    | 51,107      | -         | -           | -       | -                    | -                    | -           | 51,107     |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -         | -           | -     | (137,649)            | -                    | 93,794      | -         | -           | -       | (137,649)            | -                    | -           | 93,794     |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -         | -           | -     | -                    | -                    | 27,717      | -         | -           | -       | -                    | -                    | -           | 27,717     |
| 311           | 311-Source Of Supply-Structures     | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -         | -           | -     | 175                  | 24,584               | 105,260     | -         | -           | -       | 175                  | 24,759               | -           | 105,260    |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -         | -           | -     | 946                  | 140,970              | 567,394     | -         | -           | -       | 946                  | 141,916              | -           | 567,394    |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -         | -           | -     | 61                   | 17,726               | 58,771      | -         | -           | -       | 61                   | 17,787               | -           | 58,771     |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -         | -           | -     | -                    | (192)                | 1,601       | -         | -           | -       | -                    | (192)                | -           | 1,601      |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -         | -           | -     | -                    | -                    | 5,601       | -         | -           | -       | -                    | -                    | -           | 5,601      |
| 321           | 321-Pumping Plant-Structures An     | 2.00%            | 2.20%              | 679,636                    | 194,569                | -         | -           | -     | 1,119                | 181,794              | 671,259     | 10,500    | -           | -       | 1,119                | 182,912              | -           | 681,759    |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | -         | -           | -     | 4,920                | 1,081,109            | 1,475,939   | -         | -           | -       | 4,920                | 1,086,029            | -           | 1,475,939  |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -         | -           | -     | 338                  | 59,252               | 101,513     | -         | -           | -       | 338                  | 59,590               | -           | 101,513    |
| 331           | 331-Water Treat Plant-Structure     | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -         | -           | -     | 16                   | 2,710                | 9,437       | -         | -           | -       | 16                   | 2,725                | -           | 9,437      |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | -         | -           | -     | 2,015                | 320,706              | 483,509     | -         | -           | -       | 2,015                | 322,721              | -           | 483,509    |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -         | -           | -     | -                    | -                    | 1,862       | -         | -           | -       | -                    | -                    | -           | 1,862      |
| 341           | 341-T&D Plant-Structures And Irr    | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -         | -           | -     | 350                  | 45,398               | 139,985     | -         | -           | -       | 350                  | 45,748               | -           | 139,985    |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -         | -           | -     | 4,791                | 318,556              | 4,323,023   | -         | -           | -       | 4,791                | 323,347              | -           | 4,323,023  |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 17,613    | (165)       | (329) | 13,683               | 3,479,909            | 13,152,814  | 11,202    | (105)       | (210)   | 13,701               | 3,493,296            | 13,163,912  | 13,163,912 |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 11,503    | (54)        | (215) | 6,817                | 1,303,830            | 4,101,871   | 10,344    | (59)        | (237)   | 6,836                | 1,310,370            | 4,112,156   | 4,112,156  |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 9,511     | (1,000)     | (347) | 7,740                | 962,936              | 3,104,432   | 29,010    | (1,000)     | (1,148) | 7,761                | 968,549              | 3,132,442   | 3,132,442  |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 1,808     | (54)        | (36)  | 1,837                | 444,457              | 1,103,724   | 1,740     | (52)        | (35)    | 1,840                | 446,209              | 1,105,412   | 1,105,412  |
| 390           | 390-General Plant-Structures An     | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -         | -           | -     | 805                  | 59,242               | 193,272     | -         | -           | -       | 805                  | 60,047               | -           | 193,272    |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | 30,000    | -           | -     | 1,875                | 3,438                | 210,000     | -         | -           | -       | 2,188                | 5,625                | -           | 210,000    |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -         | -           | -     | 468                  | (177,848)            | 56,152      | -         | -           | -       | 468                  | (177,380)            | -           | 56,152     |
| 391H          | 391-General Plant-Computer Hardwre  | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -         | -           | -     | 864                  | 52,501               | 103,713     | -         | -           | -       | 864                  | 53,366               | -           | 103,713    |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -         | -           | -     | 2,567                | 25,045               | 308,053     | -         | -           | -       | 2,567                | 27,612               | -           | 308,053    |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -         | -           | -     | 5,759                | 436,305              | 552,856     | -         | -           | -       | 5,759                | 442,064              | -           | 552,856    |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -         | -           | -     | 7                    | 561                  | 3,451       | -         | -           | -       | 7                    | 568                  | -           | 3,451      |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -         | -           | -     | 664                  | 54,571               | 79,670      | 5,250     | (500)       | -       | 664                  | 54,735               | -           | 84,420     |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -         | -           | -     | 131                  | 12,940               | 15,685      | -         | -           | -       | 131                  | 13,071               | -           | 15,685     |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | -         | -           | -     | 1,378                | 87,993               | 330,683     | -         | -           | -       | 1,378                | 89,371               | -           | 330,683    |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -         | -           | -     | 133                  | 18,740               | 79,677      | -         | -           | -       | 133                  | 18,873               | -           | 79,677     |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -         | -           | -     | (3,556)              | (932,947)            | -           | -         | -           | -       | (3,556)              | (936,503)            | -           | -          |
|               |                                     |                  |                    | 31,373,738                 | 8,100,486              | 70,436    | (1,273)     | (928) | 55,903               | 7,886,636            | 31,513,827  | 68,046    | (1,716)     | (1,629) | 56,276               | 7,939,566            | 31,580,157  | 31,580,157 |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Apr-18        |                |                |                      |                      |                   | May-18        |                |                |                      |                      |                   |        |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|---------------|----------------|----------------|----------------------|----------------------|-------------------|---------------|----------------|----------------|----------------------|----------------------|-------------------|--------|
|               |                                     |                  |                    |                            |                        | Additions     | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       | Additions     | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       |        |
|               |                                     |                  |                    |                            |                        |               |                |                |                      |                      |                   |               |                |                |                      |                      |                   |        |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -             | -              | -              | -                    | -                    | 51,107            | -             | -              | -              | -                    | -                    | -                 | 51,107 |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -             | -              | -              | (137,649)            | -                    | 93,794            | -             | -              | -              | (137,649)            | -                    | -                 | 93,794 |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -             | -              | -              | -                    | -                    | 27,717            | -             | -              | -              | -                    | -                    | -                 | 27,717 |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -             | -              | -              | 175                  | 24,935               | 105,260           | -             | -              | -              | 175                  | 25,110               | 105,260           |        |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -             | -              | -              | 946                  | 142,861              | 567,394           | -             | -              | -              | 946                  | 143,807              | 567,394           |        |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -             | -              | -              | 61                   | 17,848               | 58,771            | -             | -              | -              | 61                   | 17,909               | 58,771            |        |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -             | -              | -              | -                    | (192)                | 1,601             | -             | -              | -              | -                    | (192)                | 1,601             |        |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -             | -              | -              | -                    | -                    | 5,601             | -             | -              | -              | -                    | -                    | 5,601             |        |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | -             | -              | -              | 1,136                | 184,049              | 681,759           | 10,500        | -              | -              | 1,136                | 185,185              | 692,259           |        |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | 36,750        | (2,000)        | (735)          | 4,920                | 1,088,214            | 1,510,689         | -             | -              | -              | 5,036                | 1,093,250            | 1,510,689         |        |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -             | -              | -              | 338                  | 59,929               | 101,513           | -             | -              | -              | 338                  | 60,267               | 101,513           |        |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -             | -              | -              | 16                   | 2,741                | 9,437             | -             | -              | -              | 16                   | 2,757                | 9,437             |        |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | 3,092         | -              | -              | 2,015                | 324,736              | 486,601           | 3,092         | -              | -              | 2,028                | 326,763              | 489,692           |        |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -             | -              | -              | -                    | -                    | 1,862             | -             | -              | -              | -                    | -                    | 1,862             |        |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -             | -              | -              | 350                  | 46,098               | 139,985           | -             | -              | -              | 350                  | 46,448               | 139,985           |        |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -             | -              | -              | 4,791                | 328,139              | 4,323,023         | -             | -              | -              | 4,791                | 332,930              | 4,323,023         |        |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 9,113         | (85)           | (170)          | 13,712               | 3,506,752            | 13,172,940        | 20,050        | (188)          | (375)          | 13,722               | 3,519,912            | 13,192,803        |        |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 12,499        | (25)           | (99)           | 6,854                | 1,317,101            | 4,124,630         | 8,406         | (50)           | (200)          | 6,874                | 1,323,725            | 4,132,986         |        |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 33,904        | (1,000)        | (1,348)        | 7,831                | 974,032              | 3,165,346         | 30,148        | (1,000)        | (1,186)        | 7,913                | 979,759              | 3,194,494         |        |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 1,776         | (53)           | (36)           | 1,842                | 447,963              | 1,107,135         | 1,906         | (57)           | (38)           | 1,845                | 449,713              | 1,108,983         |        |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -             | -              | -              | 805                  | 60,852               | 193,272           | -             | -              | -              | 805                  | 61,657               | 193,272           |        |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -             | -              | -              | 2,188                | 7,813                | 210,000           | -             | -              | -              | 2,188                | 10,000               | 210,000           |        |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -             | -              | -              | 468                  | (176,912)            | 56,152            | -             | -              | -              | 468                  | (176,444)            | 56,152            |        |
| 391H          | 391-General Plant-Computer Hardwre  | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -             | -              | -              | 864                  | 54,230               | 103,713           | -             | -              | -              | 864                  | 55,094               | 103,713           |        |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -             | -              | -              | 2,567                | 30,179               | 308,053           | -             | -              | -              | 2,567                | 32,747               | 308,053           |        |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -             | -              | -              | 5,759                | 447,823              | 552,856           | -             | -              | -              | 5,759                | 453,582              | 552,856           |        |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -             | -              | -              | 7                    | 575                  | 3,451             | -             | -              | -              | 7                    | 582                  | 3,451             |        |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -             | -              | -              | 703                  | 55,438               | 84,420            | -             | -              | -              | 703                  | 56,142               | 84,420            |        |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -             | -              | -              | 131                  | 13,202               | 15,685            | -             | -              | -              | 131                  | 13,333               | 15,685            |        |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | -             | -              | -              | 1,378                | 90,749               | 330,683           | -             | -              | -              | 1,378                | 92,127               | 330,683           |        |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -             | -              | -              | 133                  | 19,005               | 79,677            | -             | -              | -              | 133                  | 19,138               | 79,677            |        |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -             | -              | -              | (3,557)              | (940,060)            | -                 | -             | -              | -              | (3,590)              | (943,650)            | -                 |        |
|               |                                     |                  |                    | <b>31,373,738</b>          | <b>8,100,486</b>       | <b>97,133</b> | <b>(3,163)</b> | <b>(2,388)</b> | <b>56,434</b>        | <b>7,990,449</b>     | <b>31,674,127</b> | <b>74,102</b> | <b>(1,295)</b> | <b>(1,799)</b> | <b>56,645</b>        | <b>8,044,001</b>     | <b>31,746,934</b> |        |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprac 9/30/2017 | Jun-18         |                |                |                      |                      |                   | Jul-18           |                |                 |                      |                      |                   |            |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|----------------|----------------|----------------|----------------------|----------------------|-------------------|------------------|----------------|-----------------|----------------------|----------------------|-------------------|------------|
|               |                                     |                  |                    |                            |                        | Additions      | Retirements    | COR            | Depreciation Expense | Accum Deprac Balance | PIS Balance       | Additions        | Retirements    | COR             | Depreciation Expense | Accum Deprac Balance | PIS Balance       |            |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -              | -              | -              | -                    | -                    | 51,107            | -                | -              | -               | -                    | -                    | -                 | 51,107     |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -              | -              | -              | -                    | (137,649)            | 93,794            | -                | -              | -               | -                    | -                    | (137,649)         | 93,794     |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -              | -              | -              | -                    | -                    | 27,717            | -                | -              | -               | -                    | -                    | -                 | 27,717     |
| 311           | 311-Source Of Supply-Structures     | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -              | -              | -              | 175                  | 25,286               | 105,260           | -                | -              | -               | -                    | -                    | -                 | 105,260    |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -              | -              | -              | 946                  | 144,753              | 567,394           | -                | -              | -               | 175                  | 25,461               | 145,698           | 567,394    |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -              | -              | -              | 61                   | 17,971               | 58,771            | -                | -              | -               | 61                   | 18,032               | 58,771            | 58,771     |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -              | -              | -              | -                    | (192)                | 1,601             | -                | -              | -               | -                    | (192)                | 1,601             | 1,601      |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -              | -              | -              | -                    | -                    | 5,601             | -                | -              | -               | -                    | -                    | -                 | 5,601      |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | -              | -              | -              | 1,154                | 186,339              | 692,259           | -                | -              | -               | 1,154                | 187,493              | 692,259           | 692,259    |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | 36,750         | (2,000)        | (735)          | 5,036                | 1,095,550            | 1,545,439         | -                | -              | -               | 5,151                | 1,100,702            | 1,545,439         | 1,545,439  |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -              | -              | -              | 338                  | 60,605               | 101,513           | -                | -              | -               | 338                  | 60,944               | 101,513           | 101,513    |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -              | -              | -              | 16                   | 2,773                | 9,437             | -                | -              | -               | 16                   | 2,788                | 9,437             | 9,437      |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | -              | -              | -              | 2,040                | 328,803              | 489,692           | -                | -              | -               | 2,040                | 330,844              | 489,692           | 489,692    |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -              | -              | -              | -                    | -                    | 1,862             | -                | -              | -               | -                    | -                    | -                 | 1,862      |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -              | -              | -              | 350                  | 46,798               | 139,985           | -                | -              | -               | 350                  | 47,148               | 139,985           | 139,985    |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -              | -              | -              | 4,791                | 337,721              | 4,323,023         | 3,122,500        | -              | (75,000)        | 4,791                | 267,513              | 7,445,523         | 7,445,523  |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 29,983         | (280)          | (561)          | 13,743               | 3,532,813            | 13,222,505        | 5,121            | (48)           | (96)            | 13,773               | 3,546,443            | 13,227,578        | 13,227,578 |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 18,724         | (61)           | (245)          | 6,888                | 1,330,307            | 4,151,648         | 13,733           | (44)           | (177)           | 6,919                | 1,337,005            | 4,165,338         | 4,165,338  |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 27,755         | (1,000)        | (1,052)        | 7,986                | 985,694              | 3,221,249         | 45,192           | (1,000)        | (1,770)         | 8,053                | 990,977              | 3,265,441         | 3,265,441  |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,084,287                  | 435,787                | 2,682          | (80)           | (54)           | 1,848                | 451,427              | 1,111,584         | 1,049            | (31)           | (21)            | 1,853                | 453,227              | 1,112,602         | 1,112,602  |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -              | -              | -              | 805                  | 62,463               | 193,272           | -                | -              | -               | 805                  | 63,268               | 193,272           | 193,272    |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -              | -              | -              | 2,188                | 12,188               | 210,000           | -                | -              | -               | 2,188                | 14,375               | 210,000           | 210,000    |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -              | -              | -              | 468                  | (175,976)            | 56,152            | -                | -              | -               | 468                  | (175,508)            | 56,152            | 56,152     |
| 391H          | 391-General Plant-Computer Hardwa   | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -              | -              | -              | 864                  | 55,958               | 103,713           | -                | -              | -               | 864                  | 56,823               | 103,713           | 103,713    |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -              | -              | -              | 2,567                | 35,314               | 308,053           | -                | -              | -               | 2,567                | 37,881               | 308,053           | 308,053    |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -              | -              | -              | 5,759                | 459,341              | 552,856           | -                | -              | -               | 5,759                | 465,100              | 552,856           | 552,856    |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -              | -              | -              | 7                    | 590                  | 3,451             | -                | -              | -               | 7                    | 597                  | 3,451             | 3,451      |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -              | -              | -              | 703                  | 56,845               | 84,420            | -                | -              | -               | 703                  | 57,549               | 84,420            | 84,420     |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -              | -              | -              | 131                  | 13,463               | 15,685            | -                | -              | -               | 131                  | 13,594               | 15,685            | 15,685     |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | -              | -              | -              | 1,378                | 93,505               | 330,683           | -                | -              | -               | 1,378                | 94,883               | 330,683           | 330,683    |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -              | -              | -              | 133                  | 19,271               | 79,677            | -                | -              | -               | 133                  | 19,404               | 79,677            | 79,677     |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -              | -              | -              | (3,592)              | (947,242)            | -                 | -                | -              | -               | (3,671)              | (950,913)            | -                 | -          |
|               |                                     |                  |                    | <b>31,373,738</b>          | <b>8,100,486</b>       | <b>115,893</b> | <b>(3,422)</b> | <b>(2,647)</b> | <b>56,784</b>        | <b>8,094,716</b>     | <b>31,859,405</b> | <b>3,187,596</b> | <b>(1,124)</b> | <b>(77,064)</b> | <b>56,954</b>        | <b>8,073,483</b>     | <b>35,045,878</b> |            |



| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Aug-18         |                  |                |                      |                      |                   | Sep-18         |                |                |                      |                      |                   |           |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|----------------|------------------|----------------|----------------------|----------------------|-------------------|----------------|----------------|----------------|----------------------|----------------------|-------------------|-----------|
|               |                                     |                  |                    |                            |                        | Additions      | Retirements      | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       | Additions      | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       |           |
|               |                                     |                  |                    |                            |                        |                |                  |                |                      |                      |                   |                |                |                |                      |                      |                   |           |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -              | -                | -              | -                    | -                    | 51,107            | -              | -              | -              | -                    | -                    | -                 | 51,107    |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -              | -                | -              | (137,649)            | 93,794               | -                 | -              | -              | -              | -                    | -                    | (137,649)         | 93,794    |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -              | -                | -              | -                    | 27,717               | -                 | -              | -              | -              | -                    | -                    | -                 | 27,717    |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -              | -                | 175            | 25,636               | 105,260              | -                 | -              | -              | -              | -                    | -                    | 175               | 25,812    |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -              | -                | 946            | 146,644              | 567,394              | -                 | -              | -              | -              | -                    | -                    | 946               | 147,590   |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -              | -                | 61             | 18,093               | 58,771               | -                 | -              | -              | -              | -                    | -                    | 61                | 18,154    |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -              | -                | -              | (192)                | 1,601                | -                 | -              | -              | -              | -                    | -                    | -                 | (192)     |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -              | -                | -              | -                    | 5,601                | -                 | -              | -              | -              | -                    | -                    | -                 | 5,601     |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | -              | -                | 1,154          | 188,646              | 692,259              | -                 | -              | -              | -              | -                    | -                    | 1,154             | 189,800   |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | -              | -                | 5,151          | 1,105,853            | 1,545,439            | -                 | -              | -              | -              | -                    | -                    | 5,151             | 1,111,005 |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -              | -                | 338            | 61,282               | 101,513              | -                 | -              | -              | -              | -                    | -                    | 338               | 61,621    |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -              | -                | 16             | 2,804                | 9,437                | -                 | -              | -              | -              | -                    | -                    | 16                | 2,820     |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | -              | -                | 2,040          | 332,884              | 489,692              | -                 | -              | -              | -              | -                    | -                    | 2,040             | 334,925   |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -              | -                | -              | -                    | 1,862                | -                 | -              | -              | -              | -                    | -                    | -                 | 1,862     |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -              | -                | 350            | 47,498               | 139,985              | -                 | -              | -              | -              | -                    | -                    | 350               | 47,847    |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -              | -                | 8,252          | 275,765              | 7,445,523            | 100,000           | -              | -              | -              | -                    | -                    | 8,252             | 284,017   |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 11,189         | (250,056)        | (111)          | 13,779               | 3,310,055            | 12,988,712        | 3,563          | (33)           | (67)           | 13,530               | 3,323,485            | 12,992,241        |           |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 21,964         | (90)             | (361)          | 6,942                | 1,343,496            | 4,187,211         | 7,929          | (34)           | (136)          | 6,979                | 1,350,304            | 4,195,106         |           |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 33,022         | (1,000)          | (1,209)        | 8,164                | 996,931              | 3,297,464         | 31,006         | (1,000)        | (965)          | 8,244                | 1,003,209            | 3,327,470         |           |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 2,825          | (85)             | (57)           | 1,854                | 454,940              | 1,115,343         | 1,430          | (43)           | (29)           | 1,859                | 456,728              | 1,116,730         |           |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -              | -                | -              | 805                  | 64,073               | 193,272           | -              | -              | -              | -                    | -                    | 805               | 64,879    |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -              | -                | -              | 2,188                | 16,563               | 210,000           | -              | -              | -              | -                    | -                    | 2,188             | 18,750    |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -              | -                | -              | 468                  | (175,040)            | 56,152            | -              | -              | -              | -                    | -                    | 468               | (174,572) |
| 391H          | 391-General Plant-Computer Hardwa   | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -              | -                | -              | 864                  | 57,687               | 103,713           | -              | -              | -              | -                    | -                    | 864               | 58,551    |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | 105,000        | -                | -              | 2,567                | 40,448               | 413,053           | -              | -              | -              | -                    | -                    | 3,442             | 43,890    |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -              | -                | -              | 5,759                | 470,859              | 552,856           | -              | -              | -              | -                    | -                    | 5,759             | 476,617   |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -              | -                | -              | 7                    | 604                  | 3,451             | -              | -              | -              | -                    | -                    | 7                 | 611       |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -              | -                | -              | 703                  | 58,252               | 84,420            | -              | -              | -              | -                    | -                    | 703               | 58,956    |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -              | -                | -              | 131                  | 13,725               | 15,685            | -              | -              | -              | -                    | -                    | 131               | 13,855    |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | -              | -                | -              | 1,378                | 96,260               | 330,683           | -              | -              | -              | -                    | -                    | 1,378             | 97,638    |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -              | -                | -              | 133                  | 19,537               | 79,677            | -              | -              | -              | -                    | -                    | 133               | 19,669    |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -              | -                | -              | (3,672)              | (954,586)            | -                 | -              | -              | -              | -                    | -                    | (3,737)           | (958,323) |
|               |                                     |                  |                    | <b>31,373,738</b>          | <b>8,100,486</b>       | <b>174,001</b> | <b>(251,231)</b> | <b>(1,738)</b> | <b>60,554</b>        | <b>7,881,067</b>     | <b>34,968,648</b> | <b>143,928</b> | <b>(1,110)</b> | <b>(1,197)</b> | <b>61,236</b>        | <b>7,939,996</b>     | <b>35,111,465</b> |           |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant in Service 9/30/2017 | Accum Deprec 9/30/2017 | Oct-18         |                |                |                      |                      |                   | Nov-18         |                |                |                      |                      |                   |            |        |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|----------------|----------------|----------------|----------------------|----------------------|-------------------|----------------|----------------|----------------|----------------------|----------------------|-------------------|------------|--------|
|               |                                     |                  |                    |                            |                        | Additions      | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       | Additions      | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       |            |        |
|               |                                     |                  |                    |                            |                        |                |                |                |                      |                      |                   |                |                |                |                      |                      |                   |            |        |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -              | -              | -              | -                    | -                    | 51,107            | -              | -              | -              | -                    | -                    | -                 | -          | 51,107 |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -              | -              | 675            | (136,975)            | 93,794               | -                 | -              | -              | 675            | (136,300)            | 93,794               | -                 | 93,794     |        |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -              | -              | -              | -                    | 27,717               | -                 | -              | -              | -              | -                    | -                    | -                 | 27,717     |        |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -              | -              | 193            | 26,005               | 105,260              | -                 | -              | -              | 193            | 26,198               | 105,260              | -                 | 105,260    |        |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -              | -              | 1,882          | 149,471              | 567,394              | -                 | -              | -              | 1,882          | 151,353              | 567,394              | -                 | 567,394    |        |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -              | -              | 141            | 18,295               | 58,771               | -                 | -              | -              | 141            | 18,435               | 58,771               | -                 | 58,771     |        |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -              | -              | 3              | (190)                | 1,601                | -                 | -              | -              | 3              | (187)                | 1,601                | -                 | 1,601      |        |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -              | -              | -              | -                    | 5,601                | -                 | -              | -              | -              | -                    | 5,601                | -                 | 5,601      |        |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | -              | -              | 1,269          | 191,069              | 692,259              | -                 | -              | -              | 1,269          | 192,338              | 692,259              | -                 | 692,259    |        |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | 25,778         | (773)          | (258)          | 2,447                | 1,112,420            | 1,570,443         | 25,778         | (773)          | (258)          | 2,487                | 1,113,876            | 1,595,447         | 1,595,447  |        |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -              | -              | -              | 173                  | 61,794               | 101,513           | -              | -              | -              | 173                  | 61,967               | 101,513           | 101,513    |        |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -              | -              | -              | 18                   | 2,838                | 9,437             | -              | -              | -              | 18                   | 2,856                | 9,437             | 9,437      |        |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | -              | -              | -              | 849                  | 489,692              | 489,692           | -              | -              | -              | 849                  | 336,622              | 489,692           | 489,692    |        |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -              | -              | -              | -                    | 1,862                | -                 | -              | -              | -              | -                    | 1,862                | -                 | 1,862      |        |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -              | -              | -              | 194                  | 48,041               | 139,985           | -              | -              | -              | 194                  | 48,235               | 139,985           | 139,985    |        |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -              | -              | -              | 18,424               | 302,441              | 7,545,523         | -              | -              | -              | 18,424               | 320,864              | 7,545,523         | 7,545,523  |        |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 18,214         | (170)          | (341)          | 13,967               | 3,336,940            | 13,010,285        | 313,556        | (3,110)        | (221)          | 13,986               | 3,347,595            | 13,320,731        | 13,320,731 |        |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 18,434         | (116)          | (464)          | 6,153                | 1,355,877            | 4,213,424         | 15,733         | (93)           | (372)          | 6,180                | 1,361,591            | 4,229,064         | 4,229,064  |        |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 26,989         | (1,000)        | (1,064)        | 7,099                | 1,008,244            | 3,353,459         | 24,584         | (1,000)        | (881)          | 7,154                | 1,013,517            | 3,377,042         | 3,377,042  |        |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 6,019          | (55)           | (36)           | 1,610                | 458,247              | 1,122,695         | 1,513          | (45)           | (30)           | 1,619                | 459,789              | 1,124,163         | 1,124,163  |        |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -              | -              | -              | 234                  | 65,112               | 193,272           | -              | -              | -              | 234                  | 65,346               | 193,272           | 193,272    |        |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -              | -              | -              | 2,188                | 20,938               | 210,000           | -              | -              | -              | 2,188                | 23,125               | 210,000           | 210,000    |        |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -              | -              | -              | 589                  | (173,984)            | 56,152            | -              | -              | -              | 589                  | (173,395)            | 56,152            | 56,152     |        |
| 391H          | 391-General Plant-Computer Hardwa   | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -              | -              | -              | 1,730                | 60,282               | 103,713           | -              | -              | -              | 1,730                | 62,012               | 103,713           | 103,713    |        |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -              | -              | -              | 8,832                | 52,722               | 413,053           | -              | -              | -              | 8,832                | 61,555               | 413,053           | 413,053    |        |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -              | -              | -              | 5,759                | 482,376              | 552,856           | -              | -              | -              | 5,759                | 488,135              | 552,856           | 552,856    |        |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -              | -              | -              | 37                   | 648                  | 3,451             | -              | -              | -              | 37                   | 685                  | 3,451             | 3,451      |        |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -              | -              | -              | 164                  | 59,120               | 84,420            | -              | -              | -              | 164                  | 59,284               | 84,420            | 84,420     |        |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -              | -              | -              | 57                   | 13,912               | 15,685            | -              | -              | -              | 57                   | 13,969               | 15,685            | 15,685     |        |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | 15,750         | (158)          | -              | 2,769                | 100,250              | 346,275           | -              | -              | -              | 2,900                | 103,150              | 346,275           | 346,275    |        |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -              | -              | -              | 385                  | 20,054               | 79,677            | -              | -              | -              | 385                  | 20,440               | 79,677            | 79,677     |        |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -              | -              | -              | (3,738)              | (962,061)            | -                 | -              | -              | (3,738)        | (965,799)            | -                    | -                 | -          |        |
|               |                                     |                  |                    | <b>31,373,738</b>          | <b>8,100,486</b>       | <b>111,184</b> | <b>(2,272)</b> | <b>(2,163)</b> | <b>74,100</b>        | <b>8,009,661</b>     | <b>35,220,377</b> | <b>381,164</b> | <b>(5,022)</b> | <b>(1,762)</b> | <b>74,380</b>        | <b>8,077,258</b>     | <b>35,596,519</b> |            |        |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Dec-18         |                |                |                      |                      |                   | Jan-19        |                |              |                      |                      |                   |           |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|----------------|----------------|----------------|----------------------|----------------------|-------------------|---------------|----------------|--------------|----------------------|----------------------|-------------------|-----------|
|               |                                     |                  |                    |                            |                        | Additions      | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       | Additions     | Retirements    | COR          | Depreciation Expense | Accum Deprec Balance | PIS Balance       |           |
|               |                                     |                  |                    |                            |                        |                |                |                |                      |                      |                   |               |                |              |                      |                      |                   |           |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -              | -              | -              | -                    | 51,107               | -                 | -             | -              | -            | -                    | -                    | -                 | 51,107    |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -              | -              | 675            | (135,626)            | 93,794               | -                 | -             | -              | 675          | (134,951)            | -                    | -                 | 93,794    |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -              | -              | -              | -                    | 27,717               | -                 | -             | -              | -            | -                    | -                    | -                 | 27,717    |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -              | -              | 193            | 26,391               | 105,260              | -                 | -             | -              | 193          | 26,584               | -                    | -                 | 105,260   |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -              | -              | 1,882          | 153,235              | 567,394              | -                 | -             | -              | 1,882        | 155,117              | -                    | -                 | 567,394   |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -              | -              | 141            | 18,576               | 58,771               | -                 | -             | -              | 141          | 18,717               | -                    | -                 | 58,771    |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -              | -              | 3              | (185)                | 1,601                | -                 | -             | -              | 3            | (182)                | -                    | -                 | 1,601     |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -              | -              | -              | -                    | 5,601                | -                 | -             | -              | -            | -                    | -                    | -                 | 5,601     |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | -              | -              | 1,269          | 193,608              | 692,259              | -                 | -             | -              | 1,269        | 194,877              | -                    | -                 | 692,259   |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | -              | -              | 2,526          | 1,116,402            | 1,595,447            | -                 | -             | -              | 2,526        | 1,118,928            | -                    | -                 | 1,595,447 |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -              | -              | 173            | 62,141               | 101,513              | -                 | -             | -              | 173          | 62,314               | -                    | -                 | 101,513   |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -              | -              | 18             | 2,874                | 9,437                | -                 | -             | -              | 18           | 2,892                | -                    | -                 | 9,437     |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | -              | -              | 849            | 337,471              | 489,692              | -                 | -             | -              | 849          | 338,320              | -                    | -                 | 489,692   |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -              | -              | -              | -                    | 1,862                | -                 | -             | -              | -            | -                    | -                    | -                 | 1,862     |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -              | -              | 194            | 48,428               | 139,985              | -                 | -             | -              | 194          | 48,622               | -                    | -                 | 139,985   |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -              | -              | 18,424         | 339,288              | 7,545,523            | -                 | -             | -              | 18,424       | 357,712              | -                    | -                 | 7,545,523 |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 58,675         | (81)           | (162)          | 14,320               | 3,361,672            | 13,379,324        | 5,444         | (51)           | (103)        | 14,383               | 3,375,900            | 13,384,717        |           |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 15,603         | (119)          | (477)          | 6,203                | 1,367,198            | 4,244,548         | 9,950         | (45)           | (181)        | 6,225                | 1,373,197            | 4,254,452         |           |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 49,019         | (1,000)        | (1,805)        | 7,204                | 1,017,917            | 3,425,061         | 15,155        | (2,000)        | (587)        | 7,307                | 1,022,636            | 3,438,216         |           |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 2,393          | (72)           | (48)           | 1,621                | 461,290              | 1,126,484         | 1,840         | (55)           | (37)         | 1,624                | 462,823              | 1,128,268         |           |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -              | -              | -              | 234                  | 65,579               | 193,272           | -             | -              | -            | 234                  | 65,813               | 193,272           |           |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -              | -              | 2,188          | 25,313               | 210,000              | -                 | -             | -              | 2,188        | 27,500               | -                    | -                 | 210,000   |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -              | -              | -              | 589                  | (172,806)            | 56,152            | -             | -              | -            | 589                  | (172,218)            | 56,152            |           |
| 391H          | 391-General Plant-Computer Hardwre  | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -              | -              | -              | 1,730                | 63,742               | 103,713           | -             | -              | -            | 1,730                | 65,472               | 103,713           |           |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -              | -              | -              | 8,832                | 70,387               | 413,053           | -             | -              | -            | 8,832                | 79,220               | 413,053           |           |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -              | -              | -              | 5,759                | 493,894              | 552,856           | -             | -              | -            | 5,759                | 499,653              | 552,856           |           |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -              | -              | -              | 37                   | 722                  | 3,451             | -             | -              | -            | 37                   | 759                  | 3,451             |           |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -              | -              | -              | 164                  | 59,448               | 84,420            | -             | -              | -            | 164                  | 59,612               | 84,420            |           |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -              | -              | -              | 57                   | 15,685               | 14,025            | -             | -              | -            | 57                   | 14,082               | 15,685            |           |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | -              | -              | -              | 2,900                | 106,050              | 346,275           | -             | -              | -            | 2,900                | 108,950              | 346,275           |           |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -              | -              | -              | 385                  | 20,825               | 79,677            | -             | -              | -            | 385                  | 21,210               | 79,677            |           |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -              | -              | -              | (3,738)              | (969,537)            | -                 | -             | -              | (3,738)      | (973,275)            | -                    | -                 | -         |
|               |                                     |                  |                    | <b>31,373,738</b>          | <b>8,100,486</b>       | <b>125,689</b> | <b>(1,272)</b> | <b>(2,492)</b> | <b>74,829</b>        | <b>8,148,322</b>     | <b>35,720,936</b> | <b>32,388</b> | <b>(2,152)</b> | <b>(908)</b> | <b>75,020</b>        | <b>8,220,283</b>     | <b>35,751,172</b> |           |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprac 9/30/2017 | Feb-19    |             |         |                      |                      |             | Mar-19    |             |           |                      |                      |             |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|-----------|-------------|---------|----------------------|----------------------|-------------|-----------|-------------|-----------|----------------------|----------------------|-------------|
|               |                                     |                  |                    |                            |                        | Additions | Retirements | COR     | Depreciation Expense | Accum Deprac Balance | PIS Balance | Additions | Retirements | COR       | Depreciation Expense | Accum Deprac Balance | PIS Balance |
|               |                                     |                  |                    |                            |                        |           |             |         |                      |                      |             |           |             |           |                      |                      |             |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -         | -           | -       | -                    | 51,107               | -           | -         | -           | -         | -                    | -                    | 51,107      |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -         | -           | 675     | (134,277)            | 93,794               | -           | -         | -           | 675       | (133,602)            | -                    | 93,794      |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -         | -           | -       | -                    | 27,717               | -           | -         | -           | -         | -                    | -                    | 27,717      |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -         | -           | 193     | 26,777               | 105,260              | -           | -         | -           | 193       | 26,970               | -                    | 105,260     |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -         | -           | 1,882   | 156,999              | 567,394              | -           | -         | -           | 1,882     | 158,881              | -                    | 567,394     |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -         | -           | 141     | 18,857               | 58,771               | -           | -         | -           | 141       | 18,998               | -                    | 58,771      |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -         | -           | 3       | (179)                | 1,601                | -           | -         | -           | 3         | (177)                | -                    | 1,601       |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -         | -           | -       | -                    | 5,601                | -           | -         | -           | -         | -                    | -                    | 5,601       |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | -         | -           | 1,269   | 196,146              | 692,259              | -           | -         | -           | 1,269     | 197,415              | -                    | 692,259     |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | -         | -           | 2,526   | 1,121,454            | 1,595,447            | -           | -         | -           | 2,526     | 1,123,980            | -                    | 1,595,447   |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -         | -           | 173     | 62,488               | 101,513              | -           | -         | -           | 173       | 62,661               | -                    | 101,513     |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -         | -           | 18      | 2,910                | 9,437                | -           | -         | -           | 18        | 2,928                | -                    | 9,437       |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | 1,605     | -           | 849     | 339,169              | 491,297              | 1,605       | -         | -           | 852       | 340,020              | -                    | 492,902     |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -         | -           | -       | -                    | 1,862                | -           | -         | -           | -         | -                    | -                    | 1,862       |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -         | -           | 194     | 48,816               | 139,985              | -           | -         | -           | 194       | 49,009               | -                    | 139,985     |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -         | -           | 18,424  | 376,135              | 7,545,523            | -           | -         | -           | 18,424    | 394,559              | -                    | 7,545,523   |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 20,531    | (194)       | 14,389  | 3,389,708            | 13,405,054           | 13,058      | (123)     | (246)       | 14,410    | 3,403,749            | 13,417,990           |             |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 13,489    | (58)        | 6,240   | 1,379,145            | 4,267,883            | 11,230      | (64)      | (257)       | 6,260     | 1,385,083            | 4,279,049            |             |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 10,304    | (2,000)     | (379)   | 7,335                | 1,027,592            | 3,446,519   | 31,633    | (2,000)     | (1,253)   | 7,353                | 1,031,691            | 3,476,152   |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 1,843     | (55)        | (37)    | 1,627                | 464,357              | 1,130,056   | 1,773     | (53)        | (35)      | 1,629                | 465,897              | 1,131,776   |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -         | -           | 234     | 66,046               | 193,272              | -           | -         | -           | 234       | 66,280               | -                    | 193,272     |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -         | -           | 2,188   | 29,688               | 210,000              | -           | -         | -           | 2,188     | 31,875               | -                    | 210,000     |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | 5,829     | -           | -       | 589                  | (171,629)            | 61,981      | -         | -           | 650       | (170,979)            | -                    | 61,981      |
| 391H          | 391-General Plant-Computer Hardwre  | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -         | -           | 1,730   | 67,203               | 103,713              | -           | -         | -           | 1,730     | 68,933               | -                    | 103,713     |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -         | -           | 8,832   | 88,052               | 413,053              | -           | -         | -           | 8,832     | 96,885               | -                    | 413,053     |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -         | -           | 5,759   | 505,412              | 552,856              | -           | -         | -           | 5,759     | 511,171              | -                    | 552,856     |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -         | -           | 37      | 796                  | 3,451                | -           | -         | -           | 37        | 833                  | -                    | 3,451       |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -         | -           | 164     | 59,776               | 84,420               | -           | -         | -           | 164       | 59,939               | -                    | 84,420      |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -         | -           | 57      | 14,138               | 15,685               | -           | -         | -           | 57        | 14,195               | -                    | 15,685      |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | -         | -           | 2,900   | 111,850              | 346,275              | -           | -         | -           | 2,900     | 114,750              | -                    | 346,275     |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -         | -           | 385     | 21,595               | 79,677               | -           | -         | -           | 385       | 21,980               | -                    | 79,677      |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -         | -           | (3,738) | (977,013)            | -                    | -           | -         | (3,738)     | (980,751) | -                    | -                    | -           |
|               |                                     |                  |                    | 31,373,738                 | 8,100,486              | 53,601    | (2,307)     | (1,037) | 75,071               | 8,292,010            | 35,802,465  | 59,300    | (2,241)     | (1,792)   | 75,197               | 8,363,174            | 35,859,525  |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Apr-19    |             |         |                      |                      |             | May-19    |             |         |                      |                      |             |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|-----------|-------------|---------|----------------------|----------------------|-------------|-----------|-------------|---------|----------------------|----------------------|-------------|
|               |                                     |                  |                    |                            |                        | Additions | Retirements | COR     | Depreciation Expense | Accum Deprec Balance | PIS Balance | Additions | Retirements | COR     | Depreciation Expense | Accum Deprec Balance | PIS Balance |
|               |                                     |                  |                    |                            |                        |           |             |         |                      |                      |             |           |             |         |                      |                      |             |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -         | -           | -       | -                    | 51,107               | -           | -         | -           | -       | -                    | -                    | 51,107      |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -         | -           | 675     | (132,928)            | 93,794               | -           | -         | -           | 675     | (132,253)            | -                    | 93,794      |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -         | -           | -       | -                    | 27,717               | -           | -         | -           | -       | -                    | -                    | 27,717      |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -         | -           | 193     | 27,163               | 105,260              | -           | -         | -           | 193     | 27,356               | -                    | 105,260     |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -         | -           | 1,882   | 160,763              | 567,394              | -           | -         | -           | 1,882   | 162,644              | -                    | 567,394     |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -         | -           | 141     | 19,138               | 58,771               | -           | -         | -           | 141     | 19,279               | -                    | 58,771      |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -         | -           | 3       | (174)                | 1,601                | -           | -         | -           | 3       | (172)                | -                    | 1,601       |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -         | -           | -       | -                    | 5,601                | -           | -         | -           | -       | -                    | -                    | 5,601       |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | 10,486    | -           | 1,269   | 198,684              | 702,745              | 20,038      | -         | -           | 1,288   | 199,972              | -                    | 722,783     |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | -         | -           | 2,526   | 1,126,506            | 1,595,447            | 23,113      | (693)     | (231)       | 2,526   | 1,128,108            | -                    | 1,617,867   |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -         | -           | 173     | 62,834               | 101,513              | -           | -         | -           | 173     | 63,008               | -                    | 101,513     |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -         | -           | 18      | 2,946                | 9,437                | -           | -         | -           | 18      | 2,964                | -                    | 9,437       |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | -         | -           | 854     | 340,875              | 492,902              | -           | -         | -           | 854     | 341,729              | -                    | 492,902     |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -         | -           | -       | -                    | 1,862                | -           | -         | -           | -       | -                    | -                    | 1,862       |
| 341           | 341-T&D Plant-Stuctures And Irr     | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -         | -           | 194     | 49,203               | 139,985              | -           | -         | -           | 194     | 49,397               | -                    | 139,985     |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -         | -           | 18,424  | 412,983              | 7,545,523            | -           | -         | -           | 18,424  | 431,406              | -                    | 7,545,523   |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 50,748    | (100)       | (200)   | 14,424               | 3,417,872            | 13,468,638  | 23,372    | (220)       | (441)   | 14,479               | 3,431,690            | 13,491,789  |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 13,484    | (27)        | (107)   | 6,276                | 1,391,225            | 4,292,507   | 9,127     | (54)        | (217)   | 6,296                | 1,397,250            | 4,301,579   |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 36,984    | (2,000)     | (1,471) | 7,416                | 1,035,635            | 3,511,136   | 32,857    | (2,000)     | (1,294) | 7,490                | 1,039,832            | 3,541,993   |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 1,810     | (54)        | (36)    | 1,632                | 467,439              | 1,133,531   | 1,942     | (58)        | (39)    | 1,634                | 468,976              | 1,135,414   |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -         | -           | -       | 234                  | 66,513               | 193,272     | -         | -           | -       | 234                  | 66,747               | 193,272     |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -         | -           | 2,188   | 34,063               | 210,000              | -           | -         | -           | 2,188   | 36,250               | -                    | 210,000     |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -         | -           | -       | 650                  | (170,330)            | 61,981      | -         | -           | -       | 650                  | (169,680)            | 61,981      |
| 391H          | 391-General Plant-Computer Hardwa   | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -         | -           | -       | 1,730                | 70,663               | 103,713     | -         | -           | -       | 1,730                | 72,394               | 103,713     |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -         | -           | -       | 8,832                | 105,717              | 413,053     | -         | -           | -       | 8,832                | 114,550              | 413,053     |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -         | -           | -       | 5,759                | 516,930              | 552,856     | -         | -           | -       | 5,759                | 522,689              | 552,856     |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -         | -           | -       | 37                   | 870                  | -           | -         | -           | 37      | 907                  | -                    | 3,451       |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | 5,300     | (159)       | -       | 164                  | 59,944               | 89,561      | -         | -           | -       | 174                  | 60,118               | 89,561      |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -         | -           | -       | 57                   | 14,252               | 15,685      | -         | -           | -       | 57                   | 14,308               | 15,685      |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | 13,375    | -           | -       | 2,900                | 117,651              | 359,650     | -         | -           | -       | 3,012                | 120,663              | 359,650     |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -         | -           | -       | 385                  | 22,365               | 79,677      | -         | -           | -       | 385                  | 22,750               | 79,677      |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -         | -           | -       | (3,793)              | (984,544)            | -           | -         | -           | (3,794) | (988,338)            | -                    | -           |
|               |                                     |                  |                    | 31,373,738                 | 8,100,486              | 132,187   | (2,340)     | (1,815) | 75,241               | 8,434,260            | 35,989,371  | 110,448   | (3,026)     | (2,222) | 75,532               | 8,504,544            | 36,096,793  |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Jun-19          |                |                |                      |                      |                   | Jul-19         |                |                |                      |                      |                   |        |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|-----------------|----------------|----------------|----------------------|----------------------|-------------------|----------------|----------------|----------------|----------------------|----------------------|-------------------|--------|
|               |                                     |                  |                    |                            |                        | Additions       | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       | Additions      | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       |        |
|               |                                     |                  |                    |                            |                        |                 |                |                |                      |                      |                   |                |                |                |                      |                      |                   |        |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -               | -              | -              | -                    | -                    | 51,107            | -              | -              | -              | -                    | -                    | -                 | 51,107 |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -               | -              | 675            | (131,578)            | 93,794               | -                 | -              | -              | 675            | (130,904)            | -                    | 93,794            |        |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -               | -              | -              | -                    | 27,717               | -                 | -              | -              | -              | -                    | -                    | 27,717            |        |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -               | -              | 193            | 27,549               | 105,260              | -                 | -              | -              | 193            | 27,742               | -                    | 105,260           |        |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -               | -              | 1,882          | 164,526              | 567,394              | -                 | -              | -              | 1,882          | 166,408              | -                    | 567,394           |        |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -               | -              | 141            | 19,419               | 58,771               | -                 | -              | -              | 141            | 19,560               | -                    | 58,771            |        |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -               | -              | 3              | (169)                | 1,601                | -                 | -              | -              | 3              | (166)                | -                    | 1,601             |        |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -               | -              | -              | -                    | 5,601                | -                 | -              | -              | -              | -                    | -                    | 5,601             |        |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | 10,486          | -              | 1,325          | 201,298              | 733,269              | -                 | -              | -              | 1,344          | 202,642              | -                    | 733,269           |        |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | -               | -              | 2,562          | 1,130,670            | 1,617,867            | -                 | -              | -              | 2,562          | 1,133,231            | -                    | 1,617,867         |        |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -               | -              | 173            | 63,181               | 101,513              | -                 | -              | -              | 173            | 63,355               | -                    | 101,513           |        |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -               | -              | 18             | 2,963                | 9,437                | -                 | -              | -              | 18             | 3,001                | -                    | 9,437             |        |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | -               | -              | 854            | 342,583              | 492,902              | -                 | -              | -              | 854            | 343,438              | -                    | 492,902           |        |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -               | -              | -              | -                    | 1,862                | -                 | -              | -              | -              | -                    | -                    | 1,862             |        |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -               | -              | 194            | 49,590               | 139,985              | -                 | -              | -              | 194            | 49,784               | -                    | 139,985           |        |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -               | -              | 18,424         | 449,830              | 7,545,523            | -                 | -              | -              | 18,424         | 468,254              | -                    | 7,545,523         |        |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 34,950          | (330)          | (659)          | 14,504               | 3,445,204            | 13,526,409        | 647,970        | (3,056)        | (113)          | 14,541               | 3,456,576            | 14,171,323        |        |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 20,243          | (67)           | (266)          | 6,309                | 1,403,226            | 4,321,756         | 14,911         | (48)           | (192)          | 6,339                | 1,409,324            | 4,336,618         |        |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 30,157          | (2,000)        | (1,148)        | 7,556                | 1,044,240            | 3,570,150         | 49,236         | (2,000)        | (1,932)        | 7,616                | 1,047,924            | 3,617,385         |        |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,084,287                  | 435,787                | 2,733           | (82)           | (59)           | 1,637                | 470,476              | 1,138,065         | 1,069          | (32)           | (21)           | 1,641                | 472,063              | 1,139,103         |        |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -               | -              | -              | 234                  | 66,980               | 193,272           | -              | -              | -              | 234                  | 67,214               | 193,272           |        |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -               | -              | 2,188          | 38,438               | 210,000              | -                 | -              | -              | 2,188          | 40,625               | -                    | 210,000           |        |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -               | -              | 650            | (169,030)            | 61,981               | 5,829             | -              | -              | 650            | (168,380)            | -                    | 67,809            |        |
| 391H          | 391-General Plant-Computer Hardwa   | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -               | -              | 1,730          | 74,124               | 103,713              | -                 | -              | -              | 1,730          | 75,854               | -                    | 103,713           |        |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | -               | -              | 8,832          | 123,382              | 413,053              | -                 | -              | -              | 8,832          | 132,214              | -                    | 413,053           |        |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -               | -              | 5,759          | 528,448              | 552,856              | -                 | -              | -              | 5,759          | 534,207              | -                    | 552,856           |        |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -               | -              | 37             | 944                  | 3,451                | -                 | -              | -              | 37             | 981                  | -                    | 3,451             |        |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -               | -              | 174            | 60,292               | 89,561               | -                 | -              | -              | 174            | 80,466               | -                    | 89,561            |        |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -               | -              | 57             | 14,365               | 15,685               | -                 | -              | -              | 57             | 14,421               | -                    | 15,685            |        |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | 13,375          | -              | 3,012          | 123,675              | 373,025              | -                 | -              | -              | 3,124          | 126,799              | -                    | 373,025           |        |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -               | -              | 385            | 23,135               | 79,677               | -                 | -              | -              | 385            | 23,520               | -                    | 79,677            |        |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -               | -              | (3,796)        | (992,134)            | -                    | -                 | -              | -              | (3,797)        | (995,931)            | -                    | -                 |        |
|               |                                     |                  |                    | <b>31,373,738</b>          | <b>8,100,486</b>       | <b>111,943*</b> | <b>(2,478)</b> | <b>(2,128)</b> | <b>75,710</b>        | <b>8,575,647</b>     | <b>36,206,258</b> | <b>719,014</b> | <b>(5,136)</b> | <b>(2,258)</b> | <b>75,970</b>        | <b>8,644,222</b>     | <b>36,920,136</b> |        |

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Aug-19         |                |                |                      |                      | Sep-19            |                |                |                |                      |                      |                   |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|----------------|----------------|----------------|----------------------|----------------------|-------------------|----------------|----------------|----------------|----------------------|----------------------|-------------------|
|               |                                     |                  |                    |                            |                        | Additions      | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       | Additions      | Retirements    | COR            | Depreciation Expense | Accum Deprec Balance | PIS Balance       |
|               |                                     |                  |                    |                            |                        |                |                |                |                      |                      |                   |                |                |                |                      |                      |                   |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | -              | -              | -              | -                    | 51,107               | -                 | -              | -              | -              | -                    | -                    | 51,107            |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | -              | -              | 675            | (130,229)            | 93,794               | -                 | -              | -              | 675            | (129,555)            | -                    | 93,794            |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | -              | -              | -              | -                    | 27,717               | -                 | -              | -              | -              | -                    | -                    | 27,717            |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | -              | -              | 193            | 27,935               | 105,260              | -                 | -              | -              | 193            | 28,128               | -                    | 105,260           |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | -              | -              | 1,882          | 168,290              | 567,394              | -                 | -              | -              | 1,882          | 170,172              | -                    | 567,394           |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | -              | -              | 141            | 19,700               | 58,771               | -                 | -              | -              | 141            | 19,841               | -                    | 58,771            |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | -              | -              | 3              | (164)                | 1,601                | -                 | -              | -              | 3              | (161)                | -                    | 1,601             |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | -              | -              | -              | -                    | 5,601                | -                 | -              | -              | -              | -                    | -                    | 5,601             |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | -              | -              | 1,344          | 203,986              | 733,269              | -                 | -              | -              | 1,344          | 205,331              | -                    | 733,269           |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | -              | -              | 2,562          | 1,135,793            | 1,617,867            | 23,113            | (693)          | (231)          | 2,562          | 1,137,430            | 1,640,287            | 1,640,287         |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | -              | -              | 173            | 63,528               | 101,513              | -                 | -              | -              | 173            | 63,702               | 101,513              | 101,513           |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | -              | -              | 18             | 3,019                | 9,437                | -                 | -              | -              | 18             | 3,037                | 9,437                | 9,437             |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | 3,210          | -              | 854            | 344,292              | 496,112              | -                 | -              | -              | 860            | 345,152              | 496,112              | 496,112           |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | -              | -              | -              | -                    | 1,862                | -                 | -              | -              | -              | -                    | -                    | 1,862             |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | -              | -              | 194            | 49,978               | 139,985              | -                 | -              | -              | 194            | 50,171               | 139,985              | 139,985           |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | -              | -              | 18,424         | 486,677              | 7,545,523            | -                 | -              | -              | 18,424         | 505,101              | 7,545,523            | 7,545,523         |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 6,923          | (65)           | (131)          | 15,234               | 3,471,614            | 14,178,180        | 579,278        | (3,039)        | (78)           | 15,242               | 3,483,738            | 14,754,419        |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 23,761         | (98)           | (392)          | 6,360                | 1,415,194            | 4,360,281         | 3,699          | (37)           | (148)          | 6,395                | 1,421,404            | 4,363,943         |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 35,782         | (2,000)        | (1,320)        | 7,717                | 1,052,322            | 3,651,168         | 33,204         | (2,000)        | (1,054)        | 7,789                | 1,057,057            | 3,682,372         |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 2,879          | (86)           | (58)           | 1,642                | 473,561              | 1,141,895         | 1,458          | (44)           | (29)           | 1,646                | 475,135              | 1,143,309         |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | -              | -              | -              | 234                  | 67,448               | 193,272           | -              | -              | -              | 234                  | 67,681               | 193,272           |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | -              | -              | -              | 2,188                | 42,813               | 210,000           | -              | -              | -              | 2,188                | 45,000               | 210,000           |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | -              | -              | -              | 711                  | (167,669)            | 67,809            | -              | -              | -              | 711                  | (166,959)            | 67,809            |
| 391H          | 391-General Plant-Computer Hardwe   | 10.00%           | 20.02%             | 103,713                    | 48,180                 | -              | -              | -              | 1,730                | 77,584               | 103,713           | -              | -              | -              | 1,730                | 79,315               | 103,713           |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | 32,100         | -              | -              | 8,832                | 141,047              | 445,153           | -              | -              | -              | 9,519                | 150,566              | 445,153           |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | -              | -              | -              | 5,759                | 539,966              | 552,856           | -              | -              | -              | 5,759                | 545,724              | 552,856           |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | -              | -              | -              | 37                   | 1,018                | 3,451             | -              | -              | -              | 37                   | 1,055                | 3,451             |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | -              | -              | -              | 174                  | 60,640               | 89,561            | -              | -              | -              | 174                  | 60,814               | 89,561            |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | -              | -              | -              | 57                   | 14,478               | 15,685            | -              | -              | -              | 57                   | 14,535               | 15,685            |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | -              | -              | -              | 3,124                | 129,923              | 373,025           | -              | -              | -              | 3,124                | 133,047              | 373,025           |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | -              | -              | -              | 385                  | 23,905               | 79,677            | -              | -              | -              | 385                  | 24,291               | 79,677            |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -              | -              | -              | (3,798)              | (999,729)            | -                 | -              | -              | (3,852)        | (1,003,581)          | -                    | -                 |
|               |                                     |                  |                    | <b>31,373,738</b>          | <b>8,100,486</b>       | <b>104,655</b> | <b>(2,250)</b> | <b>(1,901)</b> | <b>76,848</b>        | <b>8,716,920</b>     | <b>37,022,541</b> | <b>640,751</b> | <b>(5,813)</b> | <b>(1,540)</b> | <b>77,604</b>        | <b>8,787,170</b>     | <b>37,657,480</b> |

SUMMARY BY YEAR

| Plant Account | Account Description                 | Depr Rate Actual | Depr Rate Proposed | Plant In Service 9/30/2017 | Accum Deprec 9/30/2017 | Rate Year Average 13m |                          | Rate Year 12m        | 12m Sep 2018 Additions | 12M Sep 2018 Retirements | 12m Sep 2019 Additions | 12M Sep 2019 Retirements | Total Additions  | Total Retirements |
|---------------|-------------------------------------|------------------|--------------------|----------------------------|------------------------|-----------------------|--------------------------|----------------------|------------------------|--------------------------|------------------------|--------------------------|------------------|-------------------|
|               |                                     |                  |                    |                            |                        | Plant In Service      | Accumulated Depreciation | Depreciation Expense |                        |                          |                        |                          |                  |                   |
| 301           | 301-Intangible Plant-Organizat      | 0.00%            |                    | 51,107                     | -                      | 51,107                | -                        | -                    | -                      | -                        | -                      | -                        | -                | -                 |
| 303           | 303-Intangible Plant-Miscellan      | 0.00%            | 8.63%              | 231,444                    | -                      | 93,794                | (133,602)                | 8,094                | -                      | (137,649)                | -                      | -                        | -                | (137,649)         |
| 310           | 310-Source Of Supply-Land And       | 0.00%            |                    | 27,717                     | -                      | 27,717                | -                        | -                    | -                      | -                        | -                      | -                        | -                | -                 |
| 311           | 311-Source Of Supply-Stuctures      | 2.00%            | 2.20%              | 105,260                    | 23,707                 | 105,260               | 26,970                   | 2,316                | -                      | -                        | -                      | -                        | -                | -                 |
| 314           | 314-Source Of Supply-Wells And      | 2.00%            | 3.98%              | 567,394                    | 136,242                | 567,394               | 158,881                  | 22,582               | -                      | -                        | -                      | -                        | -                | -                 |
| 316           | 316-Source Of Supply-Supply Ma      | 1.25%            | 2.87%              | 58,771                     | 17,420                 | 58,771                | 18,998                   | 1,687                | -                      | -                        | -                      | -                        | -                | -                 |
| 317           | 317-Source Of Supply-Other Wat      | 0.00%            | 1.94%              | 1,601                      | (192)                  | 1,601                 | (177)                    | 31                   | -                      | -                        | -                      | -                        | -                | -                 |
| 320           | 320-Pumping Plant-Land And Lan      | 0.00%            |                    | 5,601                      | -                      | 5,601                 | -                        | -                    | -                      | -                        | -                      | -                        | -                | -                 |
| 321           | 321-Pumping Plant-Stuctures An      | 2.00%            | 2.20%              | 679,636                    | 194,569                | 708,032               | 197,474                  | 15,530               | 31,000                 | (18,377)                 | 41,010                 | 15,530                   | 72,010           | (18,377)          |
| 325           | 325-Pumping Plant-Electric Pum      | 4.00%            | 1.90%              | 1,611,761                  | 1,191,318              | 1,600,025             | 1,123,831                | 30,337               | 73,500                 | (139,822)                | 97,781                 | (2,933)                  | 171,281          | (142,755)         |
| 328           | 328-Pumping Plant-Other Pumpin      | 4.00%            | 2.05%              | 108,877                    | 64,900                 | 101,513               | 62,661                   | 2,081                | -                      | (7,364)                  | -                      | -                        | -                | (7,364)           |
| 331           | 331-Water Treat Plant-Stucture      | 2.00%            | 2.30%              | 18,475                     | 11,652                 | 9,437                 | 2,928                    | 217                  | -                      | (9,038)                  | -                      | -                        | -                | (9,038)           |
| 332           | 332-Water Treat Plant-Water Tr      | 5.00%            | 2.08%              | 543,625                    | 370,469                | 492,038               | 340,028                  | 10,227               | 6,184                  | (60,117)                 | 6,420                  | -                        | 12,604           | (60,117)          |
| 340           | 340-T&D Plant-Land And Land Ri      | 0.00%            |                    | 1,862                      | -                      | 1,862                 | -                        | -                    | -                      | -                        | -                      | -                        | -                | -                 |
| 341           | 341-T&D Plant-Stuctures And Im      | 3.00%            | 1.66%              | 139,985                    | 43,648                 | 139,985               | 49,009                   | 2,324                | -                      | -                        | -                      | -                        | -                | -                 |
| 342           | 342-T&D Plant-Distr Reservoirs      | 1.33%            | 2.93%              | 4,323,023                  | 294,599                | 7,545,523             | 394,559                  | 221,084              | 3,222,500              | -                        | -                      | -                        | 3,222,500        | -                 |
| 343           | 343-T&D Plant-Transmission And      | 1.25%            | 1.29%              | 12,986,532                 | 3,416,833              | 13,577,008            | 3,403,519                | 173,878              | 257,333                | (251,624)                | 1,772,719              | (10,541)                 | 2,030,052        | (262,165)         |
| 345           | 345-T&D Plant-Services              | 2.00%            | 1.76%              | 4,019,094                  | 1,273,515              | 4,281,555             | 1,385,386                | 75,235               | 177,648                | (1,636)                  | 169,664                | (827)                    | 347,312          | (2,463)           |
| 346           | 346-T&D Plant-Meters                | 3.00%            | 2.56%              | 3,017,840                  | 932,659                | 3,493,702             | 1,030,909                | 89,036               | 320,630                | (11,000)                 | 375,902                | (21,000)                 | 696,532          | (32,000)          |
| 348           | 348-T&D Plant-Hydrants              | 2.00%            | 1.73%              | 1,094,287                  | 435,787                | 1,131,653             | 465,906                  | 19,561               | 23,022                 | (578)                    | 27,271                 | (692)                    | 50,293           | (1,270)           |
| 390           | 390-General Plant-Stuctures An      | 5.00%            | 1.45%              | 237,438                    | 99,197                 | 193,272               | 66,280                   | 2,802                | -                      | (44,166)                 | -                      | -                        | -                | (44,166)          |
| 390L          | 390-General Plant-Leasehold improv  | 12.50%           | 12.50%             | -                          | -                      | 210,000               | 31,875                   | 26,250               | 210,000                | -                        | -                      | -                        | 210,000          | -                 |
| 391           | 391-General Plant-Office Furni      | 10.00%           | 12.58%             | 62,632                     | (138,061)              | 61,084                | (170,895)                | 7,614                | 35,000                 | (41,480)                 | 11,657                 | -                        | 46,657           | (41,480)          |
| 391H          | 391-General Plant-Computer Hardw    | 10.00%           | 20.02%             | 103,713                    | 48,180                 | 103,713               | 68,933                   | 20,763               | -                      | -                        | -                      | -                        | -                | -                 |
| 391S          | 391-General Plant-Computer Softwar  | 10.00%           | 25.66%             | 304,063                    | 12,553                 | 417,991               | 96,937                   | 106,676              | 109,200                | (210)                    | 32,100                 | -                        | 141,300          | (210)             |
| 391CB         | 391-General Plant-Computer Soft Lig | 12.50%           | 12.50%             | 552,856                    | 407,511                | 552,856               | 511,171                  | 69,107               | -                      | -                        | -                      | -                        | -                | -                 |
| 392           | 392-General Plant-Transportati      | 2.50%            | 12.87%             | 3,451                      | 525                    | 3,451                 | 833                      | 444                  | -                      | -                        | -                      | -                        | -                | -                 |
| 394           | 394-General Plant-Tools, Shop       | 10.00%           | 2.33%              | 89,648                     | 67,167                 | 86,792                | 59,878                   | 2,017                | 11,250                 | (16,478)                 | 5,300                  | (159)                    | 16,550           | (16,637)          |
| 396           | 396-General Plant-Power Operat      | 10.00%           | 4.33%              | 15,685                     | 12,287                 | 15,685                | 14,195                   | 679                  | -                      | -                        | -                      | -                        | -                | -                 |
| 397           | 397-General Plant-Communicatio      | 5.00%            | 10.05%             | 330,683                    | 81,104                 | 355,365               | 114,954                  | 35,566               | -                      | -                        | 42,500                 | (158)                    | 42,500           | (158)             |
| 398           | 398-General Plant-Miscellaneous     | 2.00%            | 5.80%              | 79,677                     | 18,076                 | 79,677                | 21,980                   | 4,621                | -                      | -                        | -                      | -                        | -                | -                 |
|               | Accumulated Amortization of CIAC    |                  |                    |                            | (915,177)              | -                     | (980,847)                | (45,258)             | -                      | -                        | -                      | -                        | -                | -                 |
|               |                                     |                  |                    | <b>31,373,738</b>          | <b>8,100,486</b>       | <b>36,073,465</b>     | <b>8,362,574</b>         | <b>905,502</b>       | <b>4,477,266</b>       | <b>(739,539)</b>         | <b>2,582,325</b>       | <b>(36,310)</b>          | <b>7,059,591</b> | <b>(775,850)</b>  |



SUEZ Water Rhode Island  
Contributions in Aid of Construction

| Line # | Sep-17      | Oct-17      | Nov-17      | Dec-17      | Jan-18      | Feb-18      | Mar-18      | Apr-18      | May-18      | Jun-18      | Jul-18      | Aug-18      | Sep-18      |
|--------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1      |             | -           | -           | -           | -           | -           | -           | -           | (30,000)    | -           | (75,000)    | -           | (62,000)    |
| 2      |             | -           | -           | -           | -           | -           | -           | -           | (31)        | -           | (78)        | -           | (65)        |
| 3      |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 4      |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 5      |             | -           | (5,000)     | -           | -           | -           | (250)       | (500)       | (1,000)     | (1,000)     | (1,000)     | (500)       | (250)       |
| 6      |             | -           | (8)         | -           | -           | -           | (0)         | (1)         | (2)         | (2)         | (2)         | (1)         | (0)         |
| 7      |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 8      |             | -           | (8)         | -           | -           | -           | (0)         | (1)         | (33)        | (2)         | (80)        | (1)         | (65)        |
| 9      |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 10     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 11     |             | (3,547)     |             |             |             |             |             |             |             |             |             |             |             |
| 12     |             | (3,547)     | (3,556)     | (3,556)     | (3,556)     | (3,556)     | (3,556)     | (3,557)     | (3,590)     | (3,592)     | (3,671)     | (3,672)     | (3,737)     |
| 13     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 14     | (915,177)   |             |             |             |             |             |             |             |             |             |             |             |             |
| 15     |             | (918,724)   | (922,280)   | (925,836)   | (929,391)   | (932,947)   | (936,503)   | (940,060)   | (943,650)   | (947,242)   | (950,913)   | (954,586)   | (958,323)   |
| 16     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 17     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 18     | (3,355,575) |             |             |             |             |             |             |             |             |             |             |             |             |
| 19     |             | (3,355,575) | (3,360,575) | (3,360,575) | (3,360,575) | (3,360,575) | (3,360,825) | (3,361,325) | (3,392,325) | (3,393,325) | (3,469,325) | (3,469,825) | (3,532,075) |

| Line # | Oct-18      | Nov-18      | Dec-18      | Jan-19      | Feb-19      | Mar-19      | Apr-19      | May-19      | Jun-19      | Jul-19      | Aug-19      | Sep-19      |
|--------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1      | -           | -           | -           | -           | -           | -           | (50,000)    | -           | -           | -           | -           | (50,000)    |
| 2      | -           | -           | -           | -           | -           | -           | (54)        | -           | -           | -           | -           | (54)        |
| 3      |             |             |             |             |             |             |             |             |             |             |             |             |
| 4      |             |             |             |             |             |             |             |             |             |             |             |             |
| 5      | (500)       | -           | -           | -           | -           | (250)       | (500)       | (1,000)     | (1,000)     | (1,000)     | (500)       | (250)       |
| 6      | (1)         | -           | -           | -           | -           | (0)         | (1)         | (1)         | (1)         | (1)         | (1)         | (0)         |
| 7      |             |             |             |             |             |             |             |             |             |             |             |             |
| 8      | (1)         | -           | -           | -           | -           | (0)         | (54)        | (1)         | (1)         | (1)         | (1)         | (54)        |
| 9      |             |             |             |             |             |             |             |             |             |             |             |             |
| 10     |             |             |             |             |             |             |             |             |             |             |             |             |
| 11     |             |             |             |             |             |             |             |             |             |             |             |             |
| 12     | (3,738)     | (3,738)     | (3,738)     | (3,738)     | (3,738)     | (3,738)     | (3,793)     | (3,794)     | (3,796)     | (3,797)     | (3,798)     | (3,852)     |
| 13     |             |             |             |             |             |             |             |             |             |             |             |             |
| 14     |             |             |             |             |             |             |             |             |             |             |             |             |
| 15     | (962,061)   | (965,799)   | (969,537)   | (973,275)   | (977,013)   | (980,751)   | (984,544)   | (988,338)   | (992,134)   | (995,931)   | (999,729)   | (1,003,581) |
| 16     |             |             |             |             |             |             |             |             |             |             |             |             |
| 17     |             |             |             |             |             |             |             |             |             |             |             |             |
| 18     |             |             |             |             |             |             |             |             |             |             |             |             |
| 19     | (3,532,575) | (3,532,575) | (3,532,575) | (3,532,575) | (3,532,575) | (3,532,825) | (3,583,325) | (3,584,325) | (3,585,325) | (3,586,325) | (3,586,825) | (3,637,075) |

|                 | Sep-17           | Oct-17           | Nov-17           | Dec-17           | Jan-18           | Feb-18           | Mar-18           | Apr-18           | May-18           | Jun-18           | Jul-18           | Aug-18           | Sep-18           |
|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| MACRS           | 2,754,694        | 2,769,241        | 2,777,130        | 1,832,709        | 1,837,171        | 1,842,081        | 1,848,015        | 1,855,596        | 1,862,006        | 1,870,433        | 2,029,252        | 2,035,204        | 2,044,681        |
| AFUDC Equity    | 79,554           | 79,776           | 80,110           | 48,157           | 49,128           | 50,561           | 52,459           | 54,768           | 57,550           | 60,579           | 63,973           | 67,506           | 67,506           |
| Cost of Removal | 46,472           | 48,195           | 48,692           | 33,044           | 33,218           | 33,413           | 33,755           | 34,257           | 34,635           | 35,190           | 51,374           | 51,739           | 51,990           |
| Reg Liab - DIT  |                  |                  |                  | (325,613)        | (326,201)        | (326,495)        | (328,406)        | (330,729)        | (333,522)        | (338,461)        | (346,458)        | (350,515)        | (352,837)        |
|                 | <b>2,880,720</b> | <b>2,897,211</b> | <b>2,905,931</b> | <b>1,588,297</b> | <b>1,593,316</b> | <b>1,599,560</b> | <b>1,605,823</b> | <b>1,613,893</b> | <b>1,620,669</b> | <b>1,627,742</b> | <b>1,798,141</b> | <b>1,803,933</b> | <b>1,811,339</b> |

  

|                 | Oct-18           | Nov-18           | Dec-18           | Jan-19           | Feb-19           | Mar-19           | Apr-19           | May-19           | Jun-19           | Jul-19           | Aug-19           | Sep-19           |
|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| MACRS           | 2,049,082        | 2,067,418        | 2,073,147        | 2,075,955        | 2,079,505        | 2,083,593        | 2,090,327        | 2,096,849        | 2,102,753        | 2,138,701        | 2,143,279        | 2,175,523        |
| AFUDC Equity    | 67,506           | 67,506           | 67,506           | 67,506           | 67,506           | 67,506           | 67,506           | 67,506           | 67,506           | 67,506           | 67,506           | 67,506           |
| Cost of Removal | 52,444           | 52,814           | 53,338           | 53,528           | 53,746           | 54,122           | 54,504           | 54,970           | 55,417           | 55,891           | 56,290           | 56,614           |
| Reg Liab - DIT  | (352,249)        | (351,661)        | (351,073)        | (350,485)        | (349,897)        | (349,309)        | (348,721)        | (348,133)        | (347,545)        | (346,957)        | (346,369)        | (345,781)        |
|                 | <b>1,816,783</b> | <b>1,836,076</b> | <b>1,842,917</b> | <b>1,846,503</b> | <b>1,850,859</b> | <b>1,855,912</b> | <b>1,863,615</b> | <b>1,871,192</b> | <b>1,878,131</b> | <b>1,915,141</b> | <b>1,920,706</b> | <b>1,953,862</b> |

**SUEZ Water Rhode Island  
Deferred MACRS Tax Calculation  
September 2017 - September 2019**

**Exhibit 4 (Cagle)  
Schedule 5B  
Page 1 of 1**

|                                |            | <b>Def. FIT-<br/>MACRS</b> | <b>Tax Depreciation</b> | <b>Book<br/>Depreciation</b> | <b>Difference</b> | <b>Deferred Tax</b> | <b>Accumulated<br/>Deferred Tax</b> |
|--------------------------------|------------|----------------------------|-------------------------|------------------------------|-------------------|---------------------|-------------------------------------|
| Balance @                      | 09/30/2017 | 2,754,694                  |                         |                              |                   |                     |                                     |
| Balance @                      | 10/31/2017 | 2,769,241                  | \$ 96,161               | \$ 54,599                    | \$ 41,562         | \$ 14,547           | \$ 14,547                           |
| Balance @                      | 11/30/2017 | 2,777,130                  | 76,188                  | 53,649                       | 22,539            | 7,889               | 22,436                              |
| Balance @                      | 12/31/2017 | <u>1,832,709</u>           | 81,004                  | 53,755                       | 27,250            | 9,537               | 31,973                              |
| Balance @                      | 01/31/2018 | 1,837,171                  | 76,685                  | 55,435                       | 21,250            | 4,463               | 36,436                              |
| Balance @                      | 02/28/2018 | 1,842,081                  | 79,284                  | 55,903                       | 23,382            | 4,910               | 41,346                              |
| Balance @                      | 03/31/2018 | 1,848,015                  | 84,530                  | 56,276                       | 28,254            | 5,933               | 47,279                              |
| Balance @                      | 04/30/2018 | 1,855,596                  | 92,537                  | 56,434                       | 36,103            | 7,582               | 54,861                              |
| Balance @                      | 05/31/2018 | 1,862,006                  | 87,167                  | 56,645                       | 30,522            | 6,410               | 61,271                              |
| Balance @                      | 06/30/2018 | 1,870,433                  | 96,912                  | 56,784                       | 40,128            | 8,427               | 69,697                              |
| Balance @                      | 07/31/2018 | 2,029,252                  | 813,235                 | 56,954                       | 756,282           | 158,819             | 228,517                             |
| Balance @                      | 08/31/2018 | 2,035,204                  | 88,894                  | 60,554                       | 28,340            | 5,951               | 234,468                             |
| Balance @                      | 09/30/2018 | 2,044,681                  | 106,367                 | 61,236                       | 45,131            | 9,477               | 243,946                             |
| Balance @                      | 10/31/2018 | 2,049,082                  | 95,058                  | 74,100                       | 20,958            | 4,401               | 248,347                             |
| Balance @                      | 11/30/2018 | 2,067,418                  | 161,691                 | 74,380                       | 87,311            | 18,335              | 266,682                             |
| Balance @                      | 12/31/2018 | 2,073,147                  | 102,114                 | 74,829                       | 27,285            | 5,730               | 272,412                             |
| Balance @                      | 01/31/2019 | 2,075,955                  | 88,389                  | 75,020                       | 13,368            | 2,807               | 275,219                             |
| Balance @                      | 02/28/2019 | 2,079,505                  | 91,976                  | 75,071                       | 16,904            | 3,550               | 278,769                             |
| Balance @                      | 03/31/2019 | 2,083,593                  | 94,665                  | 75,197                       | 19,468            | 4,088               | 282,857                             |
| Balance @                      | 04/30/2019 | 2,090,327                  | 107,307                 | 75,241                       | 32,066            | 6,734               | 289,591                             |
| Balance @                      | 05/31/2019 | 2,096,849                  | 106,593                 | 75,532                       | 31,060            | 6,523               | 296,114                             |
| Balance @                      | 06/30/2019 | 2,102,753                  | 103,822                 | 75,710                       | 28,112            | 5,904               | 302,017                             |
| Balance @                      | 07/31/2019 | 2,138,701                  | 247,151                 | 75,970                       | 171,180           | 35,948              | 337,965                             |
| Balance @                      | 08/31/2019 | 2,143,279                  | 98,647                  | 76,848                       | 21,799            | 4,578               | 342,543                             |
| Balance @                      | 09/30/2019 | 2,175,523                  | <u>231,151</u>          | <u>77,604</u>                | <u>153,547</u>    | <u>32,245</u>       | <u>374,788</u>                      |
|                                |            |                            | \$ 3,307,528            | \$ 1,583,724                 | \$ 1,723,804      | \$ 374,788          |                                     |
| <b>Rate Year 12m 9/30/2019</b> |            |                            | <b>\$ 1,528,561</b>     | <b>\$ 905,502</b>            | <b>\$ 623,059</b> |                     |                                     |

|  | Oct-17 | Nov-17 | Dec-17      | Jan-18      | Feb-18      | Mar-18      | Apr-18      | May-18      | Jun-18      | Jul-18      | Aug-18      | Sep-18      |
|--|--------|--------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Estimated Income before Income Taxes [1] |        |        |             | 20,000      | 10,000      | 65,000      | 79,000      | 95,000      | 168,000     | 272,000     | 138,000     | 79,000      |
| Times Income Tax Rate Differential       |        |        |             | 14%         | 14%         | 14%         | 14%         | 14%         | 14%         | 14%         | 14%         | 14%         |
| Projected additional liability           |        |        |             | 2800        | 1400        | 9100        | 11060       | 13300       | 23520       | 38080       | 19320       | 11060       |
| Regulatory liability - Tax Rate Change   |        |        | (1,550,538) | (1,553,338) | (1,554,738) | (1,563,838) | (1,574,898) | (1,588,198) | (1,611,718) | (1,649,798) | (1,669,118) | (1,680,178) |

  

|                                       | Oct-18      | Nov-18      | Dec-18      | Jan-19      | Feb-19      | Mar-19      | Apr-19      | May-19      | Jun-19      | Jul-19      | Aug-19      | Sep-19      |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Amortization of 9/30/2018 Balance [2] | 2,800       | 2,800       | 2,800       | 2,800       | 2,800       | 2,800       | 2,800       | 2,800       | 2,800       | 2,800       | 2,800       | 2,800       |
|                                       | (1,677,378) | (1,674,578) | (1,671,777) | (1,668,977) | (1,666,177) | (1,663,377) | (1,660,576) | (1,657,776) | (1,654,976) | (1,652,175) | (1,649,375) | (1,646,575) |

[1] Actual 2017 Income before Income taxes was utilized for this estimate rounded to the nearest '000.

[2] Utilizing RSGM, the period of amortization is currently estimated to be 50 years.

| Project              | AFUDC GROSS-UP AMOUNT FROM CAPITAL PLAN - NEW PROJECTS ACCRUING AFUDC FROM SEPTEMBER 2017 - SEPTEMBER 2019 |            |              |            |              |              |              |              |              |              |              |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
|----------------------|--|------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|                      | Sep-17   | Oct-17     | Nov-17       | Dec-17     | Jan-18       | Feb-18       | Mar-18       | Apr-18       | May-18       | Jun-18       | Jul-18       | Aug-18 | Sep-18 | Oct-18 | Nov-18 | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 |
| Sherman Tank         |  | 222        | 334          | 1,002      | 971          | 1,433        | 1,898        | 2,310        | 2,781        | 3,030        | 3,393        | 3,533  | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      |
|                      | <b>222</b>   | <b>334</b> | <b>1,002</b> | <b>971</b> | <b>1,433</b> | <b>1,898</b> | <b>2,310</b> | <b>2,781</b> | <b>3,030</b> | <b>3,393</b> | <b>3,533</b> | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      | -      |        |
| Cumulative Def'd Tax | 79,554   | 79,776     | 80,110       | 48,157     | 49,128       | 50,561       | 52,459       | 54,768       | 57,550       | 60,579       | 63,973       | 67,506 | 67,506 | 67,506 | 67,506 | 67,506 | 67,506 | 67,506 | 67,506 | 67,506 | 67,506 | 67,506 | 67,506 | 67,506 |        |

| Project              | COST OF REMOVAL RELATED TO RETIREMENTS |              |              |              |            |            |              |              |              |              |               |              |              |              |              |              |            |              |              |              |              |              |              |              |              |
|----------------------|--|--------------|--------------|--------------|------------|------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                      | Sep-17                                 | Oct-17       | Nov-17       | Dec-17       | Jan-18     | Feb-18     | Mar-18       | Apr-18       | May-18       | Jun-18       | Jul-18        | Aug-18       | Sep-18       | Oct-18       | Nov-18       | Dec-18       | Jan-19     | Feb-19       | Mar-19       | Apr-19       | May-19       | Jun-19       | Jul-19       | Aug-19       | Sep-19       |
| Sherman Tank         |  |              |              |              |            |            |              |              |              |              | 75,000        |              |              |              |              |              |            |              |              |              |              |              |              |              |              |
| Various Projects     |  | 4,922        | 1,420        | 2,614        | 828        | 928        | 1,629        | 2,388        | 1,799        | 2,647        | 2,064         | 1,738        | 1,197        | 2,163        | 1,762        | 2,492        | 908        | 1,037        | 1,792        | 1,815        | 2,222        | 2,128        | 2,258        | 1,901        | 1,540        |
|                      |  | <b>4,922</b> | <b>1,420</b> | <b>2,614</b> | <b>828</b> | <b>928</b> | <b>1,629</b> | <b>2,388</b> | <b>1,799</b> | <b>2,647</b> | <b>77,064</b> | <b>1,738</b> | <b>1,197</b> | <b>2,163</b> | <b>1,762</b> | <b>2,492</b> | <b>908</b> | <b>1,037</b> | <b>1,792</b> | <b>1,815</b> | <b>2,222</b> | <b>2,128</b> | <b>2,258</b> | <b>1,901</b> | <b>1,540</b> |
| Deferred Tax         |  | 1,723        | 497          | 915          | 174        | 195        | 342          | 501          | 378          | 556          | 16,183        | 365          | 251          | 454          | 370          | 523          | 191        | 218          | 376          | 381          | 487          | 447          | 474          | 399          | 323          |
| Cumulative Def'd Tax | 46,472                                 | 48,195       | 48,692       | 33,044       | 33,218     | 33,413     | 33,765       | 34,257       | 34,635       | 35,190       | 51,374        | 51,739       | 51,990       | 52,444       | 52,814       | 53,338       | 53,528     | 53,746       | 54,122       | 54,504       | 54,970       | 55,417       | 55,891       | 56,290       | 56,614       |

|                          | Begin Amtz | End Amtz | Cost           | Monthly Amtz |
|--------------------------|------------|----------|----------------|--------------|
| Howland Aerator Tank (a) | 05/01/08   | 04/30/18 | 94,924         | 791          |
| Sherman Tank (b)         | 05/01/08   | 04/30/18 | 140,919        | 1,191        |
| Boston Neck Tank (c)     | 01/01/13   | 12/31/22 | 199,472        | 1,651        |
|                          |            |          | <u>435,315</u> | <u>3,633</u> |

|  | Sep-17        | Oct-17        | Nov-17        | Dec-17        | Jan-18        | Feb-18        | Mar-18        | Apr-18        | May-18        | Jun-18        | Jul-18        | Aug-18        | Sep-18        |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Deferred Tank Painting Expense               | 435,315       | 435,315       | 435,315       | 435,315       | 435,315       | 435,315       | 435,315       | 435,315       | 199,472       | 199,472       | 199,472       | 199,472       | 199,472       |
| Amortization                                 |               | (3,633)       | (3,633)       | (3,633)       | (3,633)       | (3,633)       | (3,633)       | (3,633)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       |
| Accumulated Amortization                     | (317,447)     | (321,080)     | (324,712)     | (328,345)     | (331,978)     | (335,610)     | (339,243)     | (342,876)     | (108,683)     | (110,334)     | (111,985)     | (113,636)     | (115,286)     |
| Unamortized Balance                          | 117,868       | 114,236       | 110,603       | 106,970       | 103,338       | 99,705        | 96,072        | 92,440        | 90,789        | 89,138        | 87,487        | 85,837        | 84,186        |
| Deferred Tax                                 | (22,830)      | (39,982)      | (38,711)      | (37,440)      | (21,701)      | (20,938)      | (20,175)      | (19,412)      | (19,066)      | (18,719)      | (18,372)      | (18,026)      | (17,679)      |
| Unamortized Tank Painting (net of Def'd Tax) | <u>95,038</u> | <u>74,253</u> | <u>71,892</u> | <u>69,531</u> | <u>81,637</u> | <u>78,767</u> | <u>75,897</u> | <u>73,027</u> | <u>71,723</u> | <u>70,419</u> | <u>69,115</u> | <u>67,811</u> | <u>66,507</u> |

|  | Oct-18        | Nov-18        | Dec-18        | Jan-19        | Feb-19        | Mar-19        | Apr-19        | May-19        | Jun-19        | Jul-19        | Aug-19        | Sep-19        |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Deferred Tank Painting Expense               | 199,472       | 199,472       | 199,472       | 199,472       | 199,472       | 199,472       | 199,472       | 199,472       | 199,472       | 199,472       | 199,472       | 199,472       |
| Amortization                                 | (1,651)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       | (1,651)       |
| Accumulated Amortization                     | (116,937)     | (118,588)     | (120,239)     | (121,889)     | (123,540)     | (125,191)     | (126,842)     | (128,493)     | (130,143)     | (131,794)     | (133,445)     | (135,096)     |
| Unamortized Balance                          | 82,535        | 80,884        | 79,233        | 77,583        | 75,932        | 74,281        | 72,630        | 70,980        | 69,329        | 67,678        | 66,027        | 64,377        |
| Deferred Tax                                 | (17,332)      | (16,986)      | (16,639)      | (16,292)      | (15,946)      | (15,599)      | (15,252)      | (14,906)      | (14,559)      | (14,212)      | (13,866)      | (13,519)      |
| Unamortized Tank Painting (net of Def'd Tax) | <u>65,203</u> | <u>63,899</u> | <u>62,594</u> | <u>61,290</u> | <u>59,986</u> | <u>58,682</u> | <u>57,378</u> | <u>56,074</u> | <u>54,770</u> | <u>53,466</u> | <u>52,162</u> | <u>50,857</u> |

Notes:

- (a) Howland Aerator tank painted in 2008.
- (b) Sherman tank painted in 2008.
- (c) Boston Neck tank painted in 2012.

|  | Cost    | Monthly Amtz |
|--|---------|--------------|
| Docket 4434 - Amortization ended July 2016 | 183,426 | 7,643        |
| Current Case Cost (Estimate)               | 181,000 | 5,028        |

|   | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18   | Mar-18   | Apr-18   | May-18   | Jun-18   | Jul-18   | Aug-18   | Sep-18   |
|---|--------|--------|--------|--------|--------|----------|----------|----------|----------|----------|----------|----------|----------|
| Amortize current case cost over 3 years   |        |        |        |        | 5,028  | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    |
| Unamortized Balance                       |        |        |        |        |        | 175,972  | 170,944  | 165,917  | 160,889  | 155,861  | 150,833  | 145,806  | 140,778  |
| Deferred Tax                              |        |        |        |        |        | (36,954) | (35,898) | (34,843) | (33,787) | (32,731) | (31,675) | (30,619) | (29,563) |
| Unamortized Balance net of Deferred Taxes | -      | -      | -      | -      | -      | 139,018  | 135,046  | 131,074  | 127,102  | 123,130  | 119,158  | 115,186  | 111,214  |

|   | Oct-18   | Nov-18   | Dec-18   | Jan-19   | Feb-19   | Mar-19   | Apr-19   | May-19   | Jun-19   | Jul-19   | Aug-19   | Sep-19   |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Amortize current case cost over 3 years   |          |          |          |          |          |          |          |          |          |          |          |          |
| Unamortized Balance                       |          |          |          |          |          |          |          |          |          |          |          |          |
| Deferred Tax                              | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    | 5,028    |
| Unamortized Balance net of Deferred Taxes | 135,750  | 130,722  | 125,694  | 120,667  | 115,639  | 110,611  | 105,583  | 100,556  | 95,528   | 90,500   | 85,472   | 80,444   |
|   | (28,508) | (27,452) | (26,396) | (25,340) | (24,284) | (23,228) | (22,173) | (21,117) | (20,061) | (19,005) | (17,949) | (16,893) |
|   | 107,243  | 103,271  | 99,299   | 95,327   | 91,355   | 87,383   | 83,411   | 79,439   | 75,467   | 71,495   | 67,523   | 63,551   |

Notes:

Amortization over 3 years                      181,000 /36 =                      \$    5,028

SUEZ Water Rhode Island

| Year         | Total NPPBC Full Year | One Time Charge 2002-ESP I/2003-ESP I, ERP I&II | One Time Charge 2003-ESP II, ERP III | Amortization of Deferred Amounts | Actual Payments   | Admin Fees Minus Retirees Contributions | Additional VEBA Contribution | Excess VEBA Contribution | Total Funding Paid | Actual Costs to Fund | Difference of Funding & Costs |
|--------------|-----------------------|---|--------------------------------------|----------------------------------|-------------------|---|------------------------------|--------------------------|--------------------|----------------------|-------------------------------|
| 1993         |                       |   |                                      |                                  |                   |   |                              |                          |                    |                      |                               |
| 1994         |                       |   |                                      |                                  |                   |   |                              |                          |                    |                      |                               |
| 1995         |                       |   |                                      |                                  |                   |   |                              |                          |                    |                      |                               |
| 1996         | \$ 35,577             | \$ -  | \$ -                                 | \$ -                             | \$ 832            | \$ -                                    | \$ 11,448                    | \$ -                     | \$ 12,280          | \$ 35,577            | \$ (23,297)                   |
| 1997         | \$ 32,215             | \$ -  | \$ -                                 | \$ -                             | \$ 1,598          | \$ -                                    | \$ 11,074                    | \$ -                     | \$ 12,672          | \$ 32,215            | \$ (19,543)                   |
| 1998         | \$ 44,786             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ 9,537                     | \$ -                     | \$ 9,537           | \$ 49,899            | \$ (40,362)                   |
| 1999         | \$ 55,043             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ 6,432                     | \$ -                     | \$ 6,432           | \$ 60,156            | \$ (53,724)                   |
| 2000         | \$ 58,351             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ 8,884                     | \$ -                     | \$ 8,884           | \$ 63,464            | \$ (54,580)                   |
| 2001         | \$ 71,060             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ 13,841                    | \$ -                     | \$ 13,841          | \$ 76,173            | \$ (62,332)                   |
| 2002         | \$ 71,672             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ 20,027                    | \$ -                     | \$ 20,027          | \$ 76,785            | \$ (56,758)                   |
| 2003         | \$ 73,153             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ 21,223                    | \$ -                     | \$ 21,223          | \$ 78,266            | \$ (57,043)                   |
| 2004         | \$ 60,692             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ -                         | \$ -                     | \$ -               | \$ 65,805            | \$ (65,805)                   |
| 2005         | \$ 58,745             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ 15,858                    | \$ -                     | \$ 15,858          | \$ 63,858            | \$ (48,000)                   |
| 2006         | \$ 55,500             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ 5,101                     | \$ -                     | \$ 5,101           | \$ 60,613            | \$ (55,512)                   |
| 2007         | \$ 52,077             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ -                         | \$ -                     | \$ -               | \$ 57,190            | \$ (57,190)                   |
| 2008         | \$ 61,781             | \$ -  | \$ -                                 | \$ 5,113                         | \$ -              | \$ -                                    | \$ 5,179                     | \$ -                     | \$ 5,179           | \$ 66,894            | \$ (61,715)                   |
| 2009         | \$ 59,624             | \$ -  | \$ -                                 | \$ 5,113                         | \$ 3,997          | \$ -                                    | \$ 21,897                    | \$ -                     | \$ 25,894          | \$ 64,737            | \$ (38,843)                   |
| 2010         | \$ 57,004             | \$ -  | \$ -                                 | \$ 5,113                         | \$ 7,583          | \$ -                                    | \$ 32,747                    | \$ -                     | \$ 40,330          | \$ 62,117            | \$ (21,787)                   |
| 2011         | \$ 52,397             | \$ -  | \$ -                                 | \$ 5,113                         | \$ 8,162          | \$ -                                    | \$ 14,808                    | \$ -                     | \$ 22,970          | \$ 57,510            | \$ (34,540)                   |
| 2012         | \$ 51,823             | \$ -  | \$ -                                 | \$ -                             | \$ 9,275          | \$ (634)                                | \$ 2,749                     | \$ -                     | \$ 11,390          | \$ 51,823            | \$ (40,433)                   |
| 2013         | \$ 67,257             | \$ -  | \$ -                                 | \$ -                             | \$ 19,771         | \$ -                                    | \$ -                         | \$ -                     | \$ 19,771          | \$ 67,257            | \$ (47,486)                   |
| 2014         | \$ 68,397             | \$ -  | \$ -                                 | \$ -                             | \$ 53,879         | \$ -                                    | \$ -                         | \$ -                     | \$ 53,879          | \$ 68,397            | \$ (14,518)                   |
| 2015         | \$ 42,448             | \$ -  | \$ -                                 | \$ -                             | \$ 38,496         | \$ -                                    | \$ -                         | \$ -                     | \$ 38,496          | \$ 42,448            | \$ (3,952)                    |
| 2016         | \$ (10,976)           | \$ -  | \$ -                                 | \$ -                             | \$ -              | \$ -                                    | \$ -                         | \$ -                     | \$ -               | \$ (10,976)          | \$ 10,976                     |
| 2017 [1]     | \$ (3,015)            | \$ -  | \$ -                                 | \$ -                             | \$ -              | \$ -                                    | \$ -                         | \$ -                     | \$ -               | \$ (3,015)           | \$ 3,015                      |
| <b>Total</b> | <b>\$ 1,115,611</b>   | <b>\$ -</b>                                     | <b>\$ -</b>                          | <b>\$ 71,582</b>                 | <b>\$ 143,593</b> | <b>\$ (634)</b>                         | <b>\$ 200,805</b>            | <b>\$ -</b>              | <b>\$ 343,764</b>  | <b>\$ 1,187,193</b>  | <b>\$ (843,429)</b>           |

[1] updated Sep 2017

|                             |                  |
|-----------------------------|------------------|
| Funded Percentage           | 29.0%            |
| Unfunded Percentage         | 71.0%            |
| 2018 PEBOP Forecast         | (948)            |
| Def'd Amortization          | 0                |
| Total PEBOP Forecast        | (948)            |
| <b>Unfunded 2018 Amount</b> | <b>0</b>         |
| net of Deferred Tax         | <b>(548,229)</b> |
| 2019 PEBOP Forecast         | (948)            |
| Def'd Amortization          | 0                |
| Total PEBOP Forecast        | (948)            |
| <b>Unfunded 2019 Amount</b> | <b>0</b>         |
| net of Deferred Tax         | <b>(548,229)</b> |





| Year         | Book Life | Amort. Expense 2015 | 2015 Recapture of Prior Year ITC | ITC Earned Recorded 2015 | Unamortized Balance 2015 | Amort. Expense 2016 | 2016 Recapture of Prior Year ITC | ITC Earned Recorded 2016 | Unamortized Balance 2016 | Amort. Expense 2017 | 2017 Recapture of Prior Year ITC | ITC Earned Recorded 2017 | Unamortized Balance 2017 | Amort. Expense 2018 | 2018 Recapture of Prior Year ITC | ITC Earned Recorded 2018 | Unamortized Balance 2018 | Amort. Expense 2019 | 2019 Recapture of Prior Year ITC | ITC Earned Recorded 2019 | Unamortized Balance 2019 |
|--------------|-----------|---------------------|----------------------------------|--------------------------|--------------------------|---------------------|----------------------------------|--------------------------|--------------------------|---------------------|----------------------------------|--------------------------|--------------------------|---------------------|----------------------------------|--------------------------|--------------------------|---------------------|----------------------------------|--------------------------|--------------------------|
| 1971         | 50 Years  | 14                  |                                  |                          | 101                      | 14                  |                                  |                          | 87                       | 14                  |                                  |                          | 73                       | 14                  |                                  |                          | 59                       | 14                  |                                  |                          | 45                       |
| 1972         | 50 Years  | 46                  |                                  |                          | 276                      | 46                  |                                  |                          | 230                      | 46                  |                                  |                          | 184                      | 46                  |                                  |                          | 138                      | 46                  |                                  |                          | 92                       |
| 1973         | 50 Years  | 35                  |                                  |                          | 245                      | 35                  |                                  |                          | 210                      | 35                  |                                  |                          | 175                      | 35                  |                                  |                          | 140                      | 35                  |                                  |                          | 105                      |
| 1974         | 50 Years  | 2                   |                                  |                          | 16                       | 2                   |                                  |                          | 14                       | 2                   |                                  |                          | 12                       | 2                   |                                  |                          | 10                       | 2                   |                                  |                          | 8                        |
| 1975         | 50 Years  | 136                 |                                  |                          | 1,224                    | 136                 |                                  |                          | 1,088                    | 136                 |                                  |                          | 952                      | 136                 |                                  |                          | 816                      | 136                 |                                  |                          | 680                      |
| 1976         | 50 Years  | 159                 |                                  |                          | 1,590                    | 159                 |                                  |                          | 1,431                    | 159                 |                                  |                          | 1,272                    | 159                 |                                  |                          | 1,113                    | 159                 |                                  |                          | 954                      |
| 1977         | 50 Years  | 244                 |                                  |                          | 2,688                    | 244                 |                                  |                          | 2,444                    | 244                 |                                  |                          | 2,200                    | 244                 |                                  |                          | 1,956                    | 244                 |                                  |                          | 1,712                    |
| 1978         | 50 Years  | 505                 |                                  |                          | 6,060                    | 505                 |                                  |                          | 5,555                    | 505                 |                                  |                          | 5,050                    | 505                 |                                  |                          | 4,545                    | 505                 |                                  |                          | 4,040                    |
| 1979         | 50 Years  | 226                 |                                  |                          | 2,938                    | 226                 |                                  |                          | 2,712                    | 226                 |                                  |                          | 2,486                    | 226                 |                                  |                          | 2,260                    | 226                 |                                  |                          | 2,034                    |
| 1980         | 50 Years  | 339                 |                                  |                          | 4,746                    | 339                 |                                  |                          | 4,407                    | 339                 |                                  |                          | 4,068                    | 339                 |                                  |                          | 3,729                    | 339                 |                                  |                          | 3,390                    |
| 1981         | 50 Years  | 317                 |                                  |                          | 4,755                    | 317                 |                                  |                          | 4,438                    | 317                 |                                  |                          | 4,121                    | 317                 |                                  |                          | 3,804                    | 317                 |                                  |                          | 3,487                    |
| 1982         | 50 Years  | 340                 |                                  |                          | 5,440                    | 340                 |                                  |                          | 5,100                    | 340                 |                                  |                          | 4,760                    | 340                 |                                  |                          | 4,420                    | 340                 |                                  |                          | 4,080                    |
| 1983         | 50 Years  | 198                 |                                  |                          | 3,377                    | 198                 |                                  |                          | 3,179                    | 198                 |                                  |                          | 2,981                    | 198                 |                                  |                          | 2,783                    | 198                 |                                  |                          | 2,585                    |
| 1984         | 50 Years  | 262                 |                                  |                          | 4,716                    | 262                 |                                  |                          | 4,454                    | 262                 |                                  |                          | 4,192                    | 262                 |                                  |                          | 3,930                    | 262                 |                                  |                          | 3,668                    |
| 1985         | 50 Years  | 1,472               |                                  |                          | 30,753                   | 1,472               |                                  |                          | 29,281                   | 1,472               |                                  |                          | 27,809                   | 1,472               |                                  |                          | 26,337                   | 1,472               |                                  |                          | 24,865                   |
| 1986         | 50 Years  | 75                  |                                  |                          | 6,793                    | 75                  |                                  |                          | 6,718                    | 75                  |                                  |                          | 6,643                    | 75                  |                                  |                          | 6,568                    | 75                  |                                  |                          | 6,493                    |
| 1987         | 50 Years  | 114                 |                                  |                          | 2,356                    | 114                 |                                  |                          | 2,242                    | 114                 |                                  |                          | 2,128                    | 114                 |                                  |                          | 2,014                    | 114                 |                                  |                          | 1,900                    |
| 1988         | 50 Years  | 98                  |                                  |                          | 2,121                    | 98                  |                                  |                          | 2,023                    | 98                  |                                  |                          | 1,925                    | 98                  |                                  |                          | 1,827                    | 98                  |                                  |                          | 1,729                    |
| 1989         | 50 Years  | 43                  |                                  |                          | 979                      | 43                  |                                  |                          | 936                      | 43                  |                                  |                          | 893                      | 43                  |                                  |                          | 850                      | 43                  |                                  |                          | 807                      |
| 1990         | 50 Years  | 9                   |                                  |                          | 199                      | 9                   |                                  |                          | 190                      | 9                   |                                  |                          | 181                      | 9                   |                                  |                          | 172                      | 9                   |                                  |                          | 163                      |
| 1991         | 50 Years  | 12                  |                                  |                          | 304                      | 12                  |                                  |                          | 292                      | 12                  |                                  |                          | 280                      | 12                  |                                  |                          | 268                      | 12                  |                                  |                          | 256                      |
| 1992         | 50 Years  | 10                  |                                  |                          | 248                      | 10                  |                                  |                          | 238                      | 10                  |                                  |                          | 228                      | 10                  |                                  |                          | 218                      | 10                  |                                  |                          | 208                      |
| 1993         | 50 Years  | 0                   |                                  |                          | 0                        | 0                   |                                  |                          | 0                        | 0                   |                                  |                          | 0                        | 0                   |                                  |                          | 0                        | 0                   |                                  |                          | 0                        |
| 1994         | 50 Years  | 6                   |                                  |                          | 182                      | 6                   |                                  |                          | 176                      | 6                   |                                  |                          | 170                      | 6                   |                                  |                          | 164                      | 6                   |                                  |                          | 158                      |
| <b>TOTAL</b> |           | <b>4,662</b>        | <b>0</b>                         | <b>0</b>                 | <b>82,106</b>            | <b>4,662</b>        | <b>0</b>                         | <b>0</b>                 | <b>77,444</b>            | <b>4,662</b>        | <b>0</b>                         | <b>0</b>                 | <b>72,782</b>            | <b>4,662</b>        | <b>0</b>                         | <b>0</b>                 | <b>68,120</b>            | <b>4,662</b>        | <b>0</b>                         | <b>0</b>                 | <b>63,458</b>            |
|              |           | <b>389</b>          |                                  |                          |                          | <b>389</b>          |                                  |                          |                          | <b>389</b>          |                                  |                          |                          | <b>389</b>          |                                  |                          |                          | <b>389</b>          |                                  |                          |                          |

**SUEZ Water Rhode Island  
Capital Projects**

| Project ID  | Description   | plant account | Amount             |
|-------------|---|---------------|--------------------|
| C18C501_061 | Replace Well Pump & Motor                                 | 325           | \$ 97.78           |
| C17D602_061 | Sherman Tank Pipeline Replacement                         | 343           | \$ 3.81            |
| C17E501_061 | New Elevated Tank .75 MG @ Sherman Tank                   | 342           | \$ 3,222.50        |
| C17K101_061 | New & Rep. Tools & Work Equipment                         | 394           | \$ 14.55           |
| C17K102_061 | Repl Office Equipment                                     | 394           | \$ 2.00            |
| C17K103_061 | Safety/Security Improvements                              | 321           | \$ 10.00           |
| CYYD001_061 | New Fire Hydrants   | 348           | \$ 4.20            |
| CYYD002_061 | New Short Mains & Valves                                  | 343           | \$ 27.54           |
| CYYD501_061 | Replacement Fire Hydrants                                 | 348           | \$ 46.09           |
| CYYD502_061 | Replacement Short Mains & Valves                          | 343           | \$ 384.45          |
| CYYF001_061 | New Domestic Services - non contributed portion           | 345           | \$ 14.00           |
| CYYF501_061 | Replacement Domestic Services                             | 345           | \$ 154.71          |
| CYYF501_061 | Replacement Domestic Services                             | 345           | \$ 178.60          |
| CYYG001_061 | New Customer Meters                                       | 346           | \$ 35.55           |
| CYYG501_061 | Replacement Customer Meters                               | 346           | \$ 660.98          |
| C17k104_061 | leasehold improvements                                    | 390           | \$ 210.00          |
| C17501_061  | Furniture   | 391           | \$ 35.00           |
| C18B501_061 | Rep. Chemical Feeders                                     | 332           | \$ 6.30            |
| C18B502_061 | Rep. Chemical Instrumentation                             | 332           | \$ 6.30            |
| C18C502_061 | SCADA Upgrade   | 397           | \$ 42.50           |
| C18C503_061 | Well No. 1-6 Suction/Discharge Valving                    | 321           | \$ 19.84           |
| C18C504_061 | Well Blow-off   | 321           | \$ 21.20           |
| C18C505_061 | Rehabilitate Well   | 325           | \$ 73.50           |
| C18D101_061 | New Mains, Company Funded                                 | 343           | \$ 5.25            |
| C18D601_061 | River St Main Replacement                                 | 343           | \$ 351.75          |
| C18K101_061 | New & Rep. Tools & Work Equipment                         | 394           | \$ -               |
| C18K102_061 | Repl Office Equipment                                     | 391           | \$ 11.66           |
| C18K103_061 | Safety/Security Improvements                              | 321           | \$ 20.97           |
| C18J101_061 | Infor- Underground Asset Management                       | 391S          | \$ 137.10          |
| C18J501_061 | replace router & POE switch                               | 391S          | \$ 4.20            |
| C19K101_061 | Facility Improvements                                     | 343           | \$ 80.25           |
| C19D601_061 | Pond St/Winchester Dr Main Replacement                    | 343           | \$ 535.00          |
| C19D602_061 | Ocean Road Main Replacement including Westmoreland tie-in | 343           | \$ 642.00          |
|             |   |               |                    |
|             | <b>TOTAL</b>  |               | <b>\$ 7,059.59</b> |