

The Commonwealth of Massachusetts

Annual

**RETURN**

OF

**Pinehills Water Company, Inc.**

**WATER COMPANY**

TO THE

**DEPARTMENT OF PUBLIC UTILITIES**

OF MASSACHUSETTS

**For the Year Ended July 31, 2023**  
**(Company assets sold August 1, 2023)**

Name of Officer to whom correspondence  
should be addressed regarding this report:

Deborah E Sedares  
Clerk

Office Address:

33 Summerhouse Drive, Plymouth, MA 02360

**GENERAL INFORMATION  
PRINCIPAL AND SALARIED OFFICERS\***

Titles	Names	Addresses	Annual Salaries
President	Stephen R. Karp	3 Possum Road Weston, MA 02193	None
Treasurer	Steven S. Fischman	60 Colbert Road West Newton, MA 02465	None
Clerk	Deborah E. Sedares	16 Trotting Park Road, Unit 4 Falmouth, MA 02536	None

**DIRECTORS\***

Names	Addresses	Fees Paid During Year
Stephen R. Karp	3 Possum Road, Weston, MA 02193	None
Steven S. Fischman	60 Colbert Road, West Newton, MA 02465	None

\* By G.L. c. 164, § 83, each company must include on the Annual Return a "list of the names of all their salaried officers and the amount of the salary paid to each." In addition, by G.L. c. 164, § 77, the Department is required to include in its annual report "the names and addresses of the principal officers and the directors" of the companies subject to G.L. c. 164.

General Information - Continued

1. Full corporate title company, Pinehills Water Co, Inc. Telephone No. 508-209-9000
2. Location of principal business office, 33 Summerhouse Drive, Plymouth, MA 02360
3. Date of organization, March 22, 2001 4. Date of incorporation, March 22, 2001
5. Whether incorporated under general or special law, General Law
6. If under special law, give chapter and year of act, N/A
7. Give chapter and year of any subsequent special legislation affecting the Company  
N/A
  
8. Territory covered by charter rights, N/A
  
9. Capital stock authorized by charter \$2,000 (200,000 shares @ \$.01/share par value)
10. Capital stock issued prior to August 1, 1914 \$ None
11. Capital stock issued with approval of Board of Gas and Electric Light Commissioners or the Department of Public Utilities since August 1, 1914, None  
shares of par value of \$ each \$
12. If additional stock has been issued during the last fiscal period, give the date, amount, and price thereof, the date or dates on which the same was paid in, and the number of shares so sold and the amounts realized:  
D.P.U. No. None
  
13. Management Fees and Expenses during the Year  
List all individuals, associations, corporations or concerns with whom the company has any contract or agreement, covering management or supervision of its affairs such as accounting, financing, engineering, construction, purchasing, operation and show the total amount paid to each for the year.
 

1) Sarian Co =	\$	326,671.15
2) Horsley & Witten =	\$	84,350.57
3) TI-Sales =	\$	54,383.42
4) Pine Springs Realty =	\$	600,000.00
  
14. Date when Company first began to distribute and sell water August 13, 2001
15. Total number of stockholders, 1
16. Number of stockholders resident in Massachusetts, 1
17. Amount of stock held in Massachusetts, number of shares 1,000  
amount, \$ 2,000 (1,000 shares @ \$2/share)

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## COMPARATIVE GENERAL BALANCE SHEET

The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated.

Line No.	Balance at Beginning of Year (a)	Assets (b)	Balance at Close of Year (c)	Net Change During Year (d)
1		Investments		
2	12,856,292.46		20,874,820.58	8,018,528.12
3	-	114 - 119 General Equipment (p 202)	-	-
4	-	201 Unfinished Construction (p 202)	-	-
5	-	202 Miscellaneous Physical Property (p 203)	-	-
6	-	203 Other Investments (p 203)	-	-
7	12,856,292.46	Total Investments	20,874,820.58	8,018,528.12
8		Current Assets		
9	1,289,003.60	204 Cash	1,020,965.01	(268,038.59)
10	-	205 Special Deposits	-	-
11	-	206 Notes Receivable	-	-
12	237,142.19	207 Accounts Receivable	409,788.73	172,646.54
13	-	208 Interest and Dividends Receivable	-	-
14	-	209 Materials and Supplies	-	-
15	-	210 Other Current Assets	-	-
16	1,526,145.79	Total Current Assets	1,430,753.74	(95,392.05)
17		Reserve Funds		
18	-	211 Sinking Funds	-	-
19	-	212 Insurance and Other Funds	-	-
20	-	Total Reserve Funds	-	-
21		Prepaid Accounts		
22	4,955.50	213 Prepaid Insurance	7,942.00	2,986.50
23	-	214 Prepaid Interest	-	-
24	105,255.69	215 Other Prepayments	306,160.59	200,904.90
25	110,211.19	Total Prepaid Accounts	314,102.59	203,891.40
26		Unadjusted Debits		
27	-	216 Unamortized Dept Discount Exp (p 203)	-	-
28	-	217 Property Abandoned	-	-
29	-	218 Other Unadjusted Debits (p 203)	-	-
30	-	Total Unadjusted Debits	-	-
31				
32	14,492,649.44	Grand Total	22,619,676.91	8,127,027.47

\* At July 31, 2023 the company had a \$11,797,872 contributed plant balance, such contributions are made when relevant portions of the overall development has been completed, water services has been provided over the leased facilities and the contributed facilities. Final work on portions ("neighborhoods") of the Pinehills was completed in 2023. With that completion, certain additional contributions were made in 2023. Additional contributions will be forth coming as the Pinehills continues to build out. At the end of 2023 the company had \$9,076,949 in non contributed plant.

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COMPARATIVE GENERAL BALANCE SHEET				
The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated.				
Line No.	Balance at Beginning of Year (a)	Assets (b)	Balance at Close of Year (c)	Net Change During Year (d)
1		Capital Stock		
2				
3		301 Common Stock (p 204)		-
4	10.00	302 Preferred Stock (p 204)	10.00	-
5		303 Employees' Stock (p 204)		-
6	10.00	Total Capital Stock	10.00	-
7				
8	1,990.00	304 Premium on Capital Stock	1,990.00	-
9				
10		Bonds, Coupon, and Long Term Notes		
11				
12	-	305 Bonds (p 204)		-
13	-	306 Coupon and Long Term Notes (p 204)		-
14	-	Total Bonds, Coupons, and Long Term Notes	-	-
15		Current Liabilities		
16	148,000.00	307 Notes Payable (p 205)	8,023,630.54	7,875,630.54
17	2,360,984.00	308 Accounts Payable	2,278,645.96	(82,338.04)
18	-	309 Customers' Deposits	-	-
19	-	310 Matured Interest Unpaid	-	-
20	-	311 Dividends Declared	-	-
21	74,387.61	312 Other Current Liabilities	3,116.06	(71,271.55)
22	2,583,371.61	Total Current Liabilities	10,305,392.56	7,722,020.95
23		Accrued Liabilities		
24	-	313 Tax Liability	-	-
25	-	314 Interest Accrued	-	-
26	-	315 Other Accrued Liabilities	-	-
27	-	Total Accrued Liabilities	-	-
28		Unadjusted Credits		
29	-	316 Premium on Bonds (p 205)	-	-
30	-	317 Other Unadjusted Credits (p 205)	-	-
31	-	Total Unadjusted Credits	-	-
32		Reserves		
33	-	318 Insurance and Casualty Reserves	-	-
34	2,315,893.90	319 Depreciation Reserve (p 206)	2,979,252.09	663,358.19
35	-	320 Other Reserves	-	-
36	2,315,893.90	Total Reserves	2,979,252.09	663,358.19
37		Appropriated Surplus		
38	-	321 Sinking Fund Reserves	-	-
39	11,714,277.80	323 Contributions for Extensions	11,797,871.72	83,593.92
40	-	324 Surplus Invested in Plant	-	-
41	11,714,277.80	Total Appropriated Surplus	11,797,871.72	83,593.92
42	(2,122,893.87)	400 Profit and Loss Balance (p 301)	(2,464,839.46)	(341,945.59)
43	9,591,383.93	Total Corporate Surplus	9,333,032.26	(258,351.67)
44				
45	14,492,649.44	Grand Total	22,619,676.91	8,127,027.47

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## PLANT INVESTMENT ACCOUNTS

Show for all items of plant, classified in accordance with the prescribed Uniform System of Accounts, the particulars called for by the column headings.

Credits in column (d) for plant retired during the year should be fully explained in a footnote. Column (e), "Adjustments During Year" should be interpreted to mean modifications of entries made in prior accounting periods. When any adjusting entry is made in Column (e), the credit to the account should be shown in red; in case the amount is transferred to some other account in the same schedule, the debit amount should appear in the same column in black.

When the whole or any part of "Unfinished Construction" is transferred to the Plant accounts, the amounts transferred should appear in Column (e) in red and the amounts should appear in Column (c) in black.

Line No.	Name of Account (a)	Balance at Beginning of Year (b)	Additions During Year (c)	Plant Retired During Year (d)	Adjustments During Year (e)	Balance at Close of Year (f)
1	Intangible Property					
2	Organization	-	-	-	-	-
3	Misc Intangible Invest	-	-	-	-	-
4	Total Intangible Property	-	-	-	-	-
5	Tangible Property					
6	Land	-	55,655.00	-	-	55,655.00
7	Collecting & Impounding reserviors	-	769,336.30	-	-	769,336.30
8	Structures & improvements pumping	-	793,899.68	-	-	793,899.68
9	Wells & springs	75,273.00	362,448.31	-	-	437,721.31
10	Pumping Plant Equipment	565,698.56	550,687.00	-	(122,926.00)	993,459.56
11	Misc. Pumping Plant Equipment	-	341.25	-	69,603.00	69,944.25
12	Purification System	-	-	-	-	-
13	Transmission and Distribution Mains	7,750,693.48	5,303,458.84	-	-	13,054,152.32
14	Services	2,340,245.79	77,188.85	-	-	2,417,434.64
15	Consumers' Meters *	600,025.30	6,405.07	-	-	606,430.37
16	Comumers' Meter Installation ^	411,494.10	24,151.11	-	-	435,645.21
17	Hydrants	1,103,065.23	39,804.16	-	-	1,142,869.39
18	Fire Cisterns, Basins, Fountains	-	-	-	-	-
19	Water Rights	-	-	-	-	-
20	Miscellaneous Expenditures	9,797.00	-	-	35,152.55	44,949.55
21	Total Plant Investment	12,856,292.46	7,983,375.57	-	(18,170.45)	20,821,497.58
22	General Equipment					
23	Office Equipment	-	35,152.55	-	18,170.45	53,323.00
24	Shop Equipment	-	-	-	-	-
25	Stores Equipment	-	-	-	-	-
26	Transportation Equipment	-	-	-	-	-
27	Laboratory Equipment	-	-	-	-	-
28	Miscellaneous Equipment	-	-	-	-	-
29	Total General Equip	-	35,152.55	-	18,170.45	53,323.00
30	Unfinished Construction	-	-	-	-	-
31	Total Cost of All Property	12,856,292.46	8,018,528.12	-	0.00	20,874,820.58
32	Assessed Value of Real Estate	-	-	-	-	-
33	Assessed Value of Other Property	-	-	-	-	-
34	Total Assessed Value	-	-	-	-	-

\* Contributed in aid of Construction - Meters

^ Capital Expenditures - Meters

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<b>MISCELLANEOUS PHYSICAL PROPERTY</b>						
Give particulars of all investments of the respondent in physical property not devoted to utility operation.						
Line No.	Description and Location of Miscellaneous Physical Property Held End of Year (a)	Book Value at End of Year (b)	Revenue for the Year (c)	Expense for the Year (d)	Net Revenue for the Year (e)	
1	N/A					
2						
3						
4						
5		Totals	\$ -	\$ -	\$ -	\$ -
<b>OTHER INVESTMENTS</b>						
Give particulars of investments in stocks, bonds, etc., held by the respondent at end of year.						
	Description of Security held by Respondent (a)	Amount (b)				
6	N/A		\$			
7						
8						
9		TOTAL				
<b>UNAMORTIZED DEBT DISCOUNT AND EXPENSE</b>						
Give an analysis of the respondent's accodiscount and/or expense on bonds, coupon, or short term notes. If the account represents only the expense incurred in connection with the issue, the word "Discount" should be erased. Entries in Column (d) should be consistent with the returns made on page 301, Schedules of Income and Profit and Loss.						
Line No.	Name of Security (a)	Unextinguished Discount at Beginning of Year (b)	Discount on Bonds, etc. Issued During Year (c)	Discount Written Off During Year (d)	Unextinguished Discount at Close of Year (e)	
10	N/A				-	
11					-	
12					-	
13					-	
14					-	
15		Totals	\$ -	\$ -	\$ -	\$ -
<b>OTHER UNADJUSTED DEBITS</b>						
Give an analysis of the above-entitled account as close of year, showing in detail each item or subaccount amounting to \$500 or more. Items less than \$500 may be combined in a single entry "Minor Items.....in number, each less than \$500," giving the number of items thus combined.						
Line No.	Description and Character of Unadjusted Debits (a)	Balance at Beginning of Year (b)	Amount Added During Year (c)	Amount Written Off During Year (d)	Balance at Close of Year (e)	
16	N/A				-	
17					-	
18					-	
19					-	
20					-	
21					-	
	Totals	\$ -	\$ -	\$ -	\$ -	

CAPITAL STOCK

Give particulars of the various issues of capital stock of the respondent, as called for in the following schedule.

In stating the amount of Capital Stock authorized in Column (d) show only the amount authorized by the regulatory body.

Line No.	Description (a)	Number of Shares Authorized (b)	Par Value of One Share (c)	Amount of Capital Stock Authorized (d)	Amount Actually Outstanding at End of Year (e)	Total Premium at End of Year (f)
1	Capital Stock: Common,	200,000	\$ 0.01	\$ 2,000	\$ 10.00	\$ 1,990
2	Preferred,					
3	Premium,					
4	Treasury Stock					
5	TOTALS			\$ 2,000		\$ 1,990

AND LONG TERM NOTES.

Give particulars of various issues of bonds, coupon, and long term notes as called for in the following schedule, giving the names of any underlying issues that may have been assumed by the respondent. The total of Col (b) should be consistent with return made on page 301, Income Schedule (line 20).

Line No.	Name and Character of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Par Value Authorized (d)	Par Value Actually Outstanding at End of Year (e)	Interest Provisions		Interest Accrued During Year Charged to Income (h)	Interest Paid During Year (i)
						Rate Per Cent. (f)	Dates Due (g)		
6	Mortgage Bonds:								
7									
8	N/A								
9									
10	Total Bonds,								
11	Coupon and Long Term Notes:								
12									
13									
14	N/A								
15									
16									
17	Total Coupon and Long Term Notes			-		-			-
18	GRAND TOTAL						Totals		-



SUNDRY CURRENT LIABILITIES

NOTES PAYABLE						
Line No.	Name of Creditor (a)	Date of Issue (b)	Date of Maturity (c)	How Secured (d)	Rate of Interest (e)	Amount (f)
1	PS Water Services LLC	2001	Line of credit			\$ 103,000.00
2	PS Water Services LLC	2002	Line of credit			\$ 45,000.00
3	Pine Springs Realty	2023	Prom note			\$ 7,875,630.54
4						
5						
6						
7						
8				TOTAL		\$ 8,023,630.54

PREMIUM ON BONDS

Give an analysis of the respondent's accounts covering premium on bonds or other evidences of indebtedness. Entries in Column (d) should be consistent with the returns made on page 301, Schedules of Income and Profit and Loss.

	Name of Security (a)	Unextinguished Premium at Beginning of Year (b)	Premium on Bonds Issued During Year (c)	Premium Written Off During Year (d)	Unextinguished Premium at End of Year (e)
9	N/A	\$	\$	\$	\$
10					
11					
12	TOTALS				

OTHER UNADJUSTED CREDITS

Give the names in Column (a) and indicate the character, in Column (b) of the several subaccounts that appear as "Other Unadjusted Credits." For items less than \$1,000, a single entry may be made under the caption "Minor accounts.....in number, each less than \$1,000," stating the number.

	Name of Subaccount (a)	Character of Subaccount (b)	Amount (c)
13	N/A		\$
14			
15			
16			
17			
18		TOTAL	

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## DEPRECIATION RESERVE

Show below the amount credited during the year to Depreciation Reserve, and the amount charged to Depreciation Reserve on account of property retired. Also the balance in the account at the close of the year.

Line No.	(a)	Amount (b)
1	Balance at beginning of year	\$ (2,315,893.90)
2	Credits to Depreciation Reserve during year:	\$ 663,358.19
3	Acct. 610-10 Depreciation	
4	Other Accounts	
5		
6	TOTAL CREDITS DURING YEAR	\$ (2,979,252.09)
7	Net Charges for Plant Retired:	
8	Book Cost of Plant Retired	\$ -
9	Cost of Removal	
10	Salvage (credit in red)	
11		
12	NET CHARGES DURING YEAR	\$ -
13	Balance December 31	\$ (2,979,252.09)

## BASES OF DEPRECIATION CHARGES

Give in detail the rule and rates by which the respondent determined the amount charged to operating expenses and other accounts, and credited to Depreciation Reserve. Report also the depreciation taken for the year for federal income tax purposes.

14	Transmission & Distribution Mains	1.3%
15	Services	2.0%
16	Hydrants	2.0%
17	Meters	10.0%
18	Structures, reservoirs, & Standpipes	2.0%
19	Structure - Pump Station	2.0%
20	Structure - source of water - wells	2.0%
21	Pumping Plant Equipment	10.0%

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INCOME STATEMENT FOR THE YEAR				
Give the Income Account of the respondent for the year ended December 31, in accordance with the Uniform System of Accounts for Water Companies				
Line No.	Account No.	Item (a)	Amount (b)	Comparison with Previous Year (c)
1		Operating Income		
2	500	Operating Revenues (p 302)	1,300,167.59	(787,402.96)
3	600	Operating Expenses (p 302-303) (** SEE ATTACHMENT IV **)	1,391,090.89	(71,866.03)
4		Net Operating Revenues	(90,923.30)	(715,536.93)
5	550	Uncollectible Operating Revenues	-	-
6	551	Taxes (p 303)	19,505.90	(5,945.25)
7		Net Operating Income	(110,429.20)	(709,591.68)
8		Non-Operating Income		
9	560	Merchandising and Jobbing Revenue*	-	-
10	561	Rent from Appliances	-	-
11	562	Miscellaneous Rent Income	-	-
12	563	Interest and Dividend Income	-	(384.49)
13	564	Inc. from Sink. And Other Res. Funds	-	-
14	565	Amortization of Premium on Bonds (p. 204)	-	-
15	566	Miscellaneous Non-operating Income	-	-
16		Total Non-operating Income	-	(384.49)
17		Total Gross Income	(110,429.20)	(709,976.17)
18		Deductions From Gross Income		-
19	575	Miscellaneous Rents (** SEE ATTCHMENT IV **)	231,516.39	(649,219.57)
20	576	Interest on Bonds and Coupon Notes	-	-
21	577	Miscellaneous Interest Deductions	-	-
22	578	Amortization of Discount (p 203)	-	-
23	579	Miscellaneous Deductions from Income	-	-
24		Total Deductions from Gross Income	231,516.39	(649,219.57)
25		Income Balance Transferred to Profit and Loss	(341,945.59)	(60,756.60)

Profit and Loss Statement

Show hereunder the items of the Profit and Loss Account of the respondent, classified in accordance with the Uniform System of Accounts for Water Companies.

	Account Number	Item	Debits	Credits
26		Credits		
27	401	Credit Balance at Beginning of Fiscal Period (p 201)		(2,315,893.90)
28	402	Credit Balance transferred from Income Acct (p301)		(663,358.19)
29	403	Miscellaneous Credits (note)		
30		Debits		
31	411	Debit Balance at Beginning of Fiscal Period (p 201)		-
32	412	Debit Balance transferred from Income Acct (p 301)		
33	413	Surplus applied to Sinking Fund and Other Reserves		
34	414	Dividend Appropriations of Surplus (p 302)		
35	415	Appropriations of Surplus for Depreciation (p 204)		
36	416	Discn't on Bonds Extins'd through Surplus (p 203)		
37	417	Other Deductions from Surplus (note)		
38	418	Appropriations of Surplus for Construction		
39		Balance Carried Forward to Balance Sheet		
40		Totals	-	(2,979,252.09)

41 (Note) Explain below amounts entered as Other Deductions form Surplus or Miscellaneuous Credits:

42

43

N/A

44

45

\*In case the Merchandising and Jobbing business shows a loss, the amount should appear in red.

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**OPERATING REVENUES**

State the operating revenues of the respondent for the year ended December 31, classified in accordance with the Uniform System of Accounts.

Line No.	Class of Water Operating Revenue (a)	Amount of Revenue For Year (b)		Comparison with Revenue of Previous Year (c)
1	<b>REVENUES FROM SALE OF WATER</b>			
2	501 Metered Sales to General Consumers	693,098		(487,486)
3	502 Flat-rate Sales to General Consumers	-		-
4	503 Sales to Other Water Companies			-
5	504 Municipal Hydrants	20,227		(14,339)
6	505 Miscellaneous Municipal Revenues	-		-
7	Total Revenues from Water Operations	713,325	-	(501,825)
8	<b>MISCELLANEOUS REVENUES</b>			
9	506 Rent from Property Unused in Operation	-		-
10	507 Miscellaneous Operating Revenues	586,843		(285,578)
11	Total Revenues from Miscellaneous Operation	586,843	-	(285,578)
12	Total Operating Revenues	1,300,168	-	(787,403)

**DIVIDENDS DECLARED DURING THE YEAR**

Give particulars of dividends on each class of stock during the year, and charged to Profit and Loss. This schedule shall include only dividends that have been declared by the Board of Directors during the fiscal year.

Line No.	Name of Security on which Dividend was Declared (a)	Rate Per Cent		Amount of Capital Stock on which Dividend was Declared (d)	Amount of Dividend (e)	Date	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
13	N/A						
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24		TOTALS			TOTAL		

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OPERATING EXPENSES				
(For companies having average operating revenues of more than \$15,000.)				
State the operating expenses of the respondent for the year ended December 31, classifying them in accordance with the Uniform System of Accounts.				
Line No.	Account No.	Name of Operating Expense Account (a)	Amount of Operating Expense For Year (b)	Comparison with Previous Year (c)
1		Source of Water Supply Expenses		
2	601-1	Maintenance of Water Supply Buildings and Fixtures	53,438	(156,090)
3	601-2	Maintenance of Surface Source of Supply Facilities	-	-
4	601-3	Maintenance of Ground Source of Water Supply	-	(11,708)
5		Total Source of Water Supply Expenses	53,438	(167,798)
6	602	Water Purchased for Resale (** SEE ATTACHMENT IV **)		-
7		Pumping Expenses	53,438	(167,798)
8	603-1	Pumping Labor	66,456	(62,331)
9	603-2	Boiler Fuel	2,429	(3,262)
10	603-3	Water for Steam	-	-
11	603-4	Electric Power Purchased	57,151	(26,026)
12	603-5	Miscellaneous Pumping Station Supplies and Expenses	7,531	(1,520)
13	604-1	Maintenance of Power Pumping Buildings and Fixtures	858	(3,545)
14	604-2	Maintenance of Pumping Equipment	44,032	35,493
15	604-3	Maintenance of Miscellaneous Pumping Plant Equipment	-	(2,986)
16		Total Pumping Expenses	178,458	(64,178)
17		Purification Expenses		
18	605-1	Purification Labor	62,078	(62,350)
19	605-2	Purification Supplies and Expenses	27,571	(29,292)
20	606-1	Maintenance of Purification Buildings and Fixtures	-	-
21	606-2	Maintenance of Purification Equipment	19,540	16,216
22		Total Purification Expenses	109,190	(75,426)
23		Transmission and Distribution Expenses		
24	607	Inspecting Customers' Installations	13,835	(18,020)
25	608	Miscellaneous Trans and Dist Supplies and Expenses	-	-
26	609-1	Maintenance of Trans and Dist Buildings and Expenses	-	-
27	609-2	Maintenance of Trans and Dist Mains	29,237	(41,793)
28	609-3	Maintenance of Storage, Reservoirs, Tanks, and Standpipes	6,011	(16,253)
29	609-4	Maintenance of Services	2,092	(8,656)
30	609-5	Maintenance of Meters	5,179	(16,014)
31	609-6	Maintenance of Hydrants	18,226	(33,502)
32	609-7	Maintenance of Fountains and Troughs	-	-
33		Total Trans and Dist Expenses	74,580	(134,238)
34		General and Miscellaneous Expenses		
35	610-1	Salaries of General Officers and Clerks	211,681	(2,357)
36	610-2	General Office Supplies and Expenses	1,060	(4,569)
37	610-3	Law Expenses - General	-	(353)
38	610-4	Insurance	5,915	(1,206)
39	610-5	Accidents and Damages	-	-
40	610-6	Store Expenses	-	-
41	610-7	Transportation Expenses	-	-
42	610-8	Inventory Adjustments	-	-
43	610-9	Maintenance of General Structure	-	-
44	610-10	Depreciation	663,358	382,169
45	610-11	Miscellaneous General Expenses	93,412	(3,911)
46		Total General and Miscellaneous Expenses	975,425	369,774
47		Grand Total Operating Expenses	1,391,091	(71,866)

Page 303A				
OPERATING EXPENSES				
(For companies having average operating revenues not exceeding \$15,000)				
State the operating expenses of the respondent for the year ended December 31, classified in accordance with the Uniform System of Accounts.				
Line No.	Account No.	Name of Operating Expense Account (a)	Amount of Operating Expenses for Year (b)	Comparison with Previous Year (c)
25	601	Maintenance of Water Supply		-
26	602	Water Purchased for Resale		-
27	603	Pumping Labor, Supplies, and Expenses		
28	604	Maintenance of Pumping Plant		
29	605	Purification Labor, Supplies, and Expenses		
30	606	Maintenance of Purification Buildings and Equipment	-	-
31	607	Inspecting Customers' Installations		
32	608	Miscellaneous Trans and Dist Supplies and Expenses		
33	609	Maintenance of Trans and Dist System		
34	610-10	Depreciation		-
35	610-11	Miscellaneous General Expenses	-	-
36			-	-
37		Total Operating Expenses		

TAXES					
Line No.	Kind of Tax	Federal	State	Municipal	Total
48	Real Estate Tax			16,845	16,845
49	MA State Income Tax		757		757
50	Town Of Plymouth Personal Property Tax			1,903	1,903
51					-
52					-
53					-
54					-
55					-
56					-
57		-	757	18,749	19,506

Page 400			
REAL ESTATE INFORMATION			
1. Land owned by the Company.			
	Location		Use
A.	lot 11-706 MAP 78A 248 Old Sandwich Road Plymouth MA		
B.			
C.			
D.			
E.			
F.			
G.			
H.			
I.			
J.			
	Area	When Bought	Cost
A.	123,073 Square feet	7/31/2023	\$ 55,655.00
B.			
C.			
D.			
E.			
F.			
G.			
H.			
I.			
J.			
2. Buildings owned by Company.			
	Location		Use
A.	431 Beaver Dam road See Attachments I & II		Water Plant
B.			
C.			
D.			
E.			
F.			
G.			
H.			
I.			
J.			
	Material	When Built	Cost
A.	N/A	2002	\$ 2,193,537.00
B.			
C.			
D.			
E.			
F.			
G.			
H.			
I.			
J.			
Note: Cost means the original cost of installation, not book value.			

Page 401

SUPPLY INFORMATION

1. Give a full and complete description of the source or sources from which water is obtained. State whether these sources are owned or leased by the company. If they are leased, quote the terms of the leases. Give the date of the latest opinion of the Department of Public Health regarding each of these sources of supply.

\*\* See Attachment I \*\*

2. Watersheds owned by the Company.

Location	Area	When Bought	Cost
A.			
B.			
C.			
D.			
Total			

Remarks:

3. Give a full and complete description of any water supply rights that are owned by the Company and state when they were bought and what was paid for them.

Cost means the original cost of installation, not the book value.



Page 402

SUPPLY INFORMATION - Continued

4. Wells

Location	Inside Dimensions	Depth Below High Water	Covered or Uncovered	When Built	Cost
A. 431 Beaver Dam Rd	18"	32 feet below grade	Covered	2001	\$ 284,237.00
B. 431 Beaver Dam Rd	18"	32 feet below grade	Covered	2001	
C. 431 Beaver Dam Rd	18"	32 feet below grade	Covered	2001	
D.					
E.					
F.					

5. Give a full and complete description of the wells:

\*\* See Attachment I \*\*

6. Reservoirs

Location	Area at Surface When Full	Full Capacity In Gallons	When Built	Cost
A. 248 Old Sandwich Rd	10,680 sq ft	2 Million Gallons	2006	\$ 945,000.00
B.				
C.				
D.				
E.				
F.				

7. Describe the reservoirs, stating to what extent they are artificial; to what extent their bottoms were cleaned before being put into service; to what extent their slopes and bottoms are paved; what provisions have been made for raising the water level and increasing the capacity; and give the character of construction of any dams:

\*\* See Attachment I \*\*

Note: Cost means the original cost of installation, not the book value.

Page 403

PUMPING INFORMATION

1. Give a general description of the method employed for delivering the water to the consumers, stating whether gravity is utilized or not; whether the company owns a pumping station or not; and giving all other pertinent information:

\*\* See Attachment II \*\*

2. BOILERS [This Schedule is not presently used]

3. CHIMNEY [This Schedule is not presently used]

4. PUMPING ENGINES, STEAM-ACTUATED [This Schedule is not presently used]

5. PUMPS, DRIVEN BY CONNECTED POWER

Location		Type	Name of Builder	When Installed	Cost		
A.	431 Beaver Dam Road (A & B)	Vertical Turbine	Goulds	4/15/2000	\$ 86,700.00		
B.	431 Beaver Dam Road	Submersible	Goulds	4/25/2000			
C.	248 Old Sanwich Road	In-Line	Goulds	4/15/2000	\$ 49,537.00		
D.	248 Old Sanwich Road	In-Line	Goulds	9/25/2006			
E.	248 Old Sanwich Road	In-Line	Goulds	9/25/2006	\$ 57,800.00		
F.	248 Old Sanwich Road	In-Line	Goulds	9/25/2006			
G.			Goulds	9/25/2006			
H.							
I.							
J.					\$ 194,037.00		
	Number of Cyls.	Single or Double Acting	Rated Strokes Per Minute	Length of Stroke	Diameter of Pistons or Plungers	How Driven	Displacement Per 24 Hours
A.							
B.							
C.							
D.							
E.							
F.							
G.							
H.							
I.							
J.							

Note: Cost means the original cost of installation, not the book value.

Page 404							
PUMPING INFORMATION - Continued							
6. Gas producers		[This Schedule is not presently used]					
N/A							
7. Internal combustion engines.							
	Location		Name of Builder		When Installed	Type of Drive	Cost
A.							
B.							
C.							
	For Gas, Gasoline, or Oil	Number of Cyls.	Single or Double Acting	Dimensions of Cylinders		2 or 4 Stroke Cycle	Rated H.P.
				Diameter	Stroke		
A.							
B.							
C.							
8. ELECTRIC MOTORS, INCLUDING COST OF WIRING SWITCHES, ETC.							
	Location	Name of Builder		When Installed		Cost	
A.							
B.							
C.							
D.							
E.							
F.							
G.							
H.							
	A.C. or D.C.; If A.C., give Phase	Volts		Type of Drive		Rated H.P.	
A.							
B.							
C.							
D.							
E.							
F.							
G.							
H.							
Total Horsepower							
Note: Cost means the original cost of installation, not the book value.							

PUMPING INFORMATION - Continued

9. WATER WHEELS AND TURBINES

	Location		Name of Builder		When Installed	Cost
A. B. C. D.	N/A					
	Type of Machine	Diameter of Runner	Working Head	Speed	Type of Drive	Rated H.P.
A. B. C. D.	N/A					

10. Give a full and complete description of any water power rights that are owned by the Company, and say when they were bought and what was paid for them:

N/A

Note: Cost means the original cost of installation, not the book value.

PUMPING INFORMATION - Continued

11. Station Log

Year and Month	Kwhrs. Used	Pounds of Coal Burned	Gallons of Water Pumped	Hours of Pumping	Average Total Static Head	Average Total Dynamic Head
January						
February						
March						
April						
May						
June	N/A	N/A	N/A	N/A	N/A	N/A
July						
August						
September						
October						
November						
December						
TOTALS	-	-	-	-	-	-

12. Based upon the displacement of N/A gallons per revolution with  
N/A percent allowance for slip N/A
13. Average gallons pumped per day 458,454 gallons per day
14. Maximum gallons pumped in a day 1,208,258 gallons per day
15. Date of same June 2, 2023
16. Range of pressure in main 60 lbs. to 110 lbs.
17. Average pressure in mains 70 lbs. per sq. in

Page 408	
PUMPING INFORMATION - Concluded	
18. Kind of coal	N/A
19. Average price per net ton, delivered	N/A
20. Average price of wood per cord, delivered	N/A
21. Average price of gas per thousand cubic feet	N/A
22. Average price of gasoline per gallon, delivered	N/A
23. Average price of fuel oil per gallon, delivered	N/A
24. Average price of electric power per Kwhr	\$0.243 per KWHr
25. Wood consumed during the year	N/A Cords
26. Gas consumed during the year	N/A M. Cubic Feet
27. Gasoline consumed during the year	N/A Gals
28. Fuel oil consumed during the year	N/A Gals
29. Electric power used during the year	200,216 K.W. Hrs.

DISTRIBUTION INFORMATION

1. Mains.

Nominal Diameter, Inches	Kind of Pipe*	Weight per Foot**	Lengths in Feet				
			In Use at Beginning of Year	Taken Up Since	Abandoned But Not Taken Up	Laid Since	In Use at Close of Year
2"	Polyethylene 3408	0.6	1,452	0	0		1,452
4"	Ductile Iron Class 52	13.1	2,102	0	0		2,102
6"	Ductile Iron Class 52	20.3	13,983	0	0	165	14,148
8"	Ductile Iron Class 52	28.7	132,241	0	0	2,473	134,714
12"	Ductile Iron Class 52	47.2	65,555	0	0	-	65,555
16"	Ductile Iron Class 52	68.6	15,721	0	0		15,721
		Totals	231,054	-	-	2,638	233,692

2. Cost of repairs per mile of pipe, including valves

None

3. Number of leaks in mains, during the year

0

4. Number of leaks per mile

0 (No leaks were found and reported)

5. Length of mains less than 4 inches in diameter

1452 ft

\* if laid on surface of ground, mark \$.

\*\* if cast iron, give weight per lineal foot.

Page 410					
DISTRIBUTION INFORMATION - Continued					
6. Water towers or stand pipes					
	Location		Land		
			Area	When Bought	Cost
A.	N/A				
B.					
C.					
D.					
	Inside Diameter	Capacity In Gallons	When Built		Cost
A.	N/A				
B.					
C.					
D.					
7. Services					
Nominal Diameter In Inches	Kind of Pipe	Number Installed and In Use at Beginning of Year	Taken Up Since	Laid Since	Installed and In Use at Close of Year
1-inch	Polyethylene 3408	2,564	0	62	2,626
1 1/2 - inch	Polyethylene 3408	25	0	0	25
2-inch	Polyethylene 3408	21	0	6	27
Totals		2,610	-	68	2,678
8. Average length of service pipe 20 feet					
9. Average cost of service laid during the year, \$ 0 Paid by deveopers under development agreement					
10. Percentage of services that are metered, 100 %					
11. Percentage in income that is metered, 100 %					
12. Leaks in service during the year, 0					
13. Are service pipes paid for by consumers, in whole or in part and to what extent?					
Yes, consumers paid for service pipes in whole					
Note: Cost means the original cost of construction, not the book value.					



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DISTRIBUTION INFORMATION - Continued

14. Gates and valves

Nominal Diameter, Inches	Kind of Valve	Number in Use at Beginning of Year	Removed Since	Installed Since	Number in Use at Close of Year
16"	Buterfly Valve	39	-		39
12"	Gate Valve	228	-	(1)	227
8"	Gate Valve	526	-	7	533
6"	Gate Valve	506	-	8	514
4"	Gate Valve	27	-		27
2"	Gate Valve	6	-		6
TOTALS		1,332	-	14	1,346

The above list should include all valves that are installed in the mains, whether they are gate valves, blow-offs, check valves or otherwise.

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DISTRIBUTION INFORMATION - Continued

14. Hydrants, Public

Nominal Diameter, Inches	Hose Outlets	Number in Use at Beginning of Year	Removed Since	Installed Since	Number in Use at Close of Year
6 Inch	2.5 Inch	469	0	10	479
Totals		469	0	10	479

16. Were all of the above hydrants purchased and installed at the expense of the company?

No

17. If not, under what arrangements were they purchased and installed?

Hydrants located within neighborhoods are contributed to the Pinehills Water Co by builders. However, maintenance and replacement of hydrants are the Pinehills Water Company's responsibility

18. Hydrants, Private

Nominal Diameter, Inches	Hose Outlets	Number in Use at Beginning of Year	Removed Since	Installed Since	Number in Use at Close of Year
		N/A			
Totals					

19. Were the above hydrants purchsaed and installed at the expense of the company? N/A

20. If not, under what arrangements were they purchased and installed? N/A

DISTRIBUTION INFORMATION - Continued

21. Meters owned by company\*

Size, Inches	Number at Beginning of Year		Bought Since	Condemned Since and Removed	Number at Close of Year	
	In Use	On Hand**			In Use	On Hand**
3/4	2,515		60	-	2,575	-
1	49	-	2	-	51	-
1 1/2	25	-	-	-	25	-
2	17	-	3	-	20	-
3	4	-	2	-	6	-
4	-	-	1	-	1	-
Totals	2,610	-	68	-	2,678	-

22. Has the plant been debited with the first cost of installing the meters in use at close of year, above stated?

Yes

23. If so, was the cost the actual cost or some assumed or average cost?

Actual Cost

24. Are any of these meters paid for by consumers, and to what extent?

New meters are purchased by builders of residential and commercial properties for each water service and contributed to the water company when construction within the neighborhood or commercial building is completed.

Water meters are supplied and installed by Sarian Company, Inc.

Replacement of meters, not covered under manufacturers warranty, are replaced by the water company at the company's expense.

\* This tabulation should include only those meters that are for use in measuring the supply to consumers.

\*\* These meters should include those that are fit for use only.



CONSUMPTION INFORMATION

(The population is estimated by using 2.55 persons per household as reported on the 2017 Public Water Supply Annual Statistical Report)

1. Estimated total population of territory covered by franchise	7,802	
2. Estimated population reached by the distributing system	7,802	
3. Estimated population actually supplied	7,802	
4. Total consumption during the year	97,192,341 gals.	
5. Average daily consumption	458,454 gals. per day	
6. Day on which the greatest amount was pumped	June 2, 2023	
7. Gallons pumped on above day	1,208,258 gals.	
8. Week during which greatest amount was pumped	July 23, 2023 to July 29, 2023	
9. Gallons pumped during above week	6,254,108 gals.	
10. Gallons per day per service	171.19 gals.	
11. Consumption metered	97,192,341 gals.	
12. Consumption metered,	100 percent of total consumption	97,192,341 gals.

13. CUSTOMERS

Number Being Supplied at Beginning of Year	Discontinued Since	Connected Since	Number Being Supplied at Close of Year
2,610	0	68	2,678
Name of City, Town, or District		Number of Customers as of July 31	
Plymouth, MA		2,678	

CONSUMPTION INFORMATION - Concluded

Attach to the Return a printed copy of all schedules of rates and of the rules and regulations

14. Rates in Effect July 31, 2023

By meter

**\*\* See Attachment M.D.T.E NO. 2-A-Jan-Dec \*\***

Per faucet, per year	N/A
Per hose connection, per year	N/A
Per bath tub, per year	N/A
Per shower bath, per year	N/A
Per foot tub, per year	N/A
Per wash tub, per year	N/A
Per urinal, per year	N/A
Per water closet, per year	N/A
Per sink, per year	N/A
Per bowl, per year	N/A
Per private hydrant, per year	N/A
For sprinkler systems	N/A
For water motors	N/A
Per drinking fountain, per year	N/A
Per public hydrant, per year	<b>** See Attachment IV M.D.T.E NO. 2-A-Jan-Dec **</b>
For watering troughs	N/A

Minimum charge **\*\* See Attachment IV M.D.T.E NO. 2-A-Jan-Dec \*\***

Give any contact rates that are in force and state what discounts are allowed for prompt payment and what fines are charged for delayed payment  
None

Are payments required in advance?  
None

When are meters read and bills rendered?  
Meters are read monthly, at the end of each month. Bills are sent out on or about the 10th of each month following the read.

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THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

*Stephen R. Karp* \_\_\_\_\_ *President*

*Steven S. Fishman* \_\_\_\_\_ *Treasurer*

PLEASE SEE ATTACHED PDF DOCUMENT CONTAINING OFFICER SIGNATURES

\_\_\_\_\_  
*Directors*

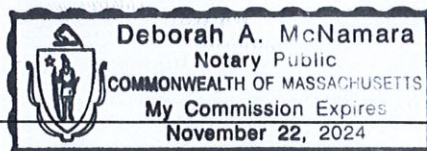
SIGNATURES OF ABOVE PARTIES AFFIXED OUTSIDE THE COMMONWEALTH OF MASSACHUSETTS  
MUST BE PROPERLY SWORN TO

*Plymouth* \_\_\_\_\_ SS. *March 5<sup>th</sup>* \_\_\_\_\_, 2024

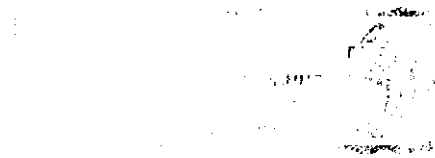
Then personally appeared

*Stephen R. Karp*  
*Steven S. Fishman*

and severally made oath to the truth of the foregoing statement by them subscribed according  
to their best knowledge and belief.



*Deborah A. McNamara*  
*Notary Public or*  
*Justice of the Peace*





**ATTACHMENT I****Supply Information (page 401)**

- 1. Give a full and complete description of the source from which water is obtained. State whether these sources are owned or leased by the Company. If they are leased, quote the terms of the leases. Give the date of the latest opinion of the Department of Public Health regarding each of these sources of supply.**

The Pinehills Water Company leases the pumping facility and is approved for withdrawal by Massachusetts Department of Environmental Protection. The withdrawal permit number is #9P4-4-21-239.04. The pumping station consists of three gravel packed wells within a 50 feet radius. Two primary wells, 18-inch in diameter, are located within the pumping station and one jockey well, 8-inch in diameter, is located outside the pumping station. As of July 31, 2023 The Pinehills Water Company acquired the leased facilities from Pine Springs Realty in anticipation of the sale to Aquarion Water Co of MA on August 1, 2023.

The total coliform test is conducted monthly. The last sampling for organic contaminants is included in the 2017 Annual Consumer Confidence Report; a copy of which is attached for your reference.

- 5. Give a full and complete description of the wells. (page 402)**

Two primary wells, 18-inch by 24-inch gravel packed wells, are located within the pumping station and one jockey well, 8-inch gravel packed well, is located outside of the pumping station. All three wells are 140 feet below grade including 30 feet of well screen. The water table is about 32 feet below grade.

- 7. Describe the reservoirs, stating to what extent they are artificial: to what extent their bottoms were cleaned before being put into service; to what extent their slopes and bottoms are paved; what provisions have been made for raising the water level and increasing the capacity; and give the character of construction of any dams. (page 402)**

The reservoir, which became operational in 2006, is a 2 million gallon concrete water storage tank with 116 ft 7 in as the inside diameter and 25 feet high of side wall. Ten feet of the water storage tank is buried. The tank floor is concrete surface. Prior to conducting the disinfection test, the contractor power washed and vacuumed the floor, the engineer and contractor inspected the floor and accepted the cleaning of the floor. Then a disinfection test was conducted and passed.

There is no plan to increase the water level in the reservoir because the overflow elevation determines the tank capacity.

**ATTACHMENT II****Pumping Information (page 403)**

- 1. Give a general description of the method employed for delivering the water to the consumers, stating whether gravity is utilized or not; whether the company owns a pumping station or not; and giving all other pertinent information.**

The Pinehills Water Company operates under lease one primary pumping station at 431 Beaver Dam Road, a booster pumping station and a 2-million gallon water storage tank at 248 Old Sandwich Road. The booster pumping station and the 2-million gallon water storage tank have been in service since October 4, 2006.

The primary pumping station consists of three gravel packed wells and two 12,000 gallon hydro-pneumatic tanks. Two of the three pumps are vertical turbine pumps capable of delivering 1,400 gallons per minute (gpm). The third pump, also called the jockey pump, is a submersible pump capable of delivering 550 gallons per minute (gpm). The delivery of water to consumers is by means of both electrical power and gravity feed to the distribution system.

Prior to using the new water storage tank on October 4, 2006, the pump operated and pressurized the hydro-pneumatic tanks with water until it reached the upper limit. Then the pump would shut off. The upper limit of the water level was the upper limit of the operating pressure (also known as the hydraulic grade line) for the distribution system. As the water level decreased to a lower limit, the pump would start to fill the hydro-pneumatic storage tank until the water level reached the upper limit. The hydro-pneumatic storage tanks were ready for the next cycle. If the jockey pump failed to meet the current water demand and water storage tank, a primary pump with a larger capacity would start to assist in meeting the water demands and fill the hydro-pneumatic storage tanks. The upper and lower limits were set points determined by the operator and they will vary throughout the season. The primary objective was to maintain a minimum system pressure of about 55 psi.

Since October 4, 2006, the control philosophy of the pumps has changed. The water level in the 2 million gallon water storage tank will control pump start and stop operations. The set points will be determined by the operator throughout the season. The primary objective is to fill the tank daily and to maintain a minimum system pressure of about 65 psi for homes in high service areas. The average system pressure is about 70 psi ranging from 60 psi to 110 psi. The pump will start when the water level reaches a lower set point and stop when the water reaches an upper level of the set point. As of July 31, 2023 The Pinehills Water Company acquired the leased facilities from Pine Springs Realty in anticipation of the sale to Aquarion Water Co of MA on August 1, 2023.

**Attachment III - 2023 Pumping Information**

	KWhrs. Used	Avg cost per KWhrs used	Gallons pf water pumped	Hours of pumping	Average total dynamic head
January	19,808	\$0.281	8,249,396	109.99	365
February	20,616	\$0.277	7,542,132	100.56	365
March	17,752	\$0.296	7,638,206	101.84	365
April	20,224	\$0.278	9,304,688	124.06	365
May	30,832	\$0.238	19,361,499	258.15	365
June	45,240	\$0.211	21,544,350	287.26	365
July	45,744	\$0.209	23,552,070	314.03	365
August					365
September					365
October					365
November					365
December					365
Total	200,216		97,192,341	1,295.90	
Average		\$0.243			365

**ATTACHMENT IV**

DPU 2023 Annual Return

OPERATING EXPENSES FOOT NOTE and MAXIMUM RENT SCHEDULE

Account No. 575 Miscellaneous Rent:Operating Lease.

As set forth in the initial investigation and decision of the Department of Telecommunications and Energy (predecessor to the current Department of Public Utilities and hereinafter referred to as “DPU” or the “Department”) D.T.E.01-42, the Department accepted the Pinehills Water Company (the “Company”) proposal to “lease a substantial portion of its water distribution assets under lease with Pine Springs Realty LLC including the right to use a maximum of \$11,256,000 present and planned water supply and distribution facilities” (D.T.E 01-42, page 8).

There were two components to the annual rent paid by the Company to Pine Springs Realty, basic rent which is a variable charge intended to cover the capital costs related of Pine Springs and additional rent which referred to any other charges imposed over and above the basic rent component, including repairs, late payment penalties and interest (D.T.E 01-42 page 9). If the Company lacks sufficient revenue in a billing period to pay its O&M expense, administrative and general expenses, and local taxes, the basic rent payment would be reduced to the Company’s collected revenues less expenses (net revenue) with any unpaid basic rent payment amount resulting in a deferred rent charge (the difference between the contracted basic rent and the basic rent actually paid) with a carrying charge equal to the Department’s approved rate of return (10.25%). (D.T.E 01-42 page 9) This deferred rent charge remains an obligation of the Company to be paid from future revenues.

The Department’s decision further stated that the Company defined the lease as an operating lease for financial accounting purposes in that an operating lease is a contract that does not result in an asset or liability being incorporated on the lessee’s balance sheets. With respect to the operating lease, the Department found that the lease provided a mechanism to ensure that customers who connected to the Company’s system in the early years of build-out did not subsidize customers added in later years, was consistent with the Department’s ratemaking practices and facilitated the tracking of the Company’s costs separate from the owner’s real estate interest there by reducing the risk of cross-subsidization by water ratepayers (D.T.E 01-42 Page 12).

The Department approved a rate of return of 10.25 % for the Company. As directed by the Department the operating lease (also referred to as the “Facilities Lease Agreement”) was revised to provide that the return on investment under the operating lease is equal to the overall rate of return as approved by the Department. (D.T.E. – 01-42 Page 13).

Account No 575 Miscellaneous Rent.

Consistent with the Company's initial filing, for the first three operating years of the Company, 2001 through 2003, no basic rent payments were made under the operating lease by the Company to Pine Springs Realty. As expected, due to the early build-out phase, the Company did not generate sufficient net revenues to allow for any basic rent payments during these initial years. This resulted in a cumulative deferred rent charge of \$2,241,072 for this period.

Beginning in FY 2004, the Company's gross revenues were sufficient to both pay its O&M Expense and other expenses and pay a portion of the annual basic rent charge due, resulting in an additional deferred rent charge which was added to the prior years' deferred rent charge balance. The "net" basic rent paid was reported by the Company as an operating expense on Line 602 Water Purchased for Resale in the annual return. The Company has consistently reported annual "net" basic rent paid in this manner. We have determined that this should be reported under Account 575, Miscellaneous Rent. Beginning with this 2019 Annual Return we will now report the amount of basic rent paid under this account and will continue to do so going forward. In addition, in prior year returns, the Company has not reported the annual cumulative deferred rent charges which are due from the Company to Pine Springs Realty under the operating lease. In order to provide a complete financial picture of the Company, we believe this information should be included as part of the Annual Return Filing and will be doing so on a going forward basis, beginning with the 2019 Annual Return.

Attached is the Maximum Rent Schedule which includes the cumulative deferred rent charges through July 31, 2023. This schedule shows the calculation of the Maximum Rent due from the Company to Pine Springs Realty through 7/31/2023 based on Schedule D of the operating lease. Based on the terms of the operating lease, the attached Maximum Rate Schedule shows the calculation of the current annual basic rent charge ("Actual Capital Cost") for 2023 of \$888,400 and the "Net Revenue" of \$231,516 which is the miscellaneous rent operating expense reported under Account 575 Miscellaneous Rent. The Maximum Rent Schedule also shows the total deferred rent charge of \$27,500,833 which is the cumulative deferred rent charges through July 31, 2023 including the allowed rate of return of 10.25%. This is the Maximum Rent due under the terms of the operating lease through July 31, 2023 .

Pine Springs Realty LLC  
Pinehills Water Co., Inc.

Update dates annually:

12/31/2023	Current Period
1/1/22-12/31/22	Preceding Period

**1/1/23-7/31/2023 Billing Period**

Rent for Period =	Net Revenue	(Misc Rent Paid	1/1/22-12/31/22)	231,516	from Pinehills Water Co Inc.
Maximum Rent =	ACC	Actual Capital Cost		888,400	(Basic Rent Due 1/1/22-12/31/22)

+ DC	Deferred Charge from prior billing period	26,612,434
= MR	Maximum Rent (cumulative)	27,500,833

**ACC = Actual Capital Cost:**

55,655	Land
11,256,000	+ Prop & equip
11,311,655	= Capital invested (as of 12/31/2022)
(3,780,694)	- Accumulated Deferred Income Taxes
7,530,960.60	= Accumulated Book Dep'n (Utility rates)
10.25%	= net capital invested
771,923	x Annual Return (10.25% currently)
116,476	=
888,400	+ Book Dep'n (Utility rates)
	+ Allow for income Taxes (highest individual Federal & State rates for MA residents)
	= <b>Actual Capital Cost</b>

\*\* Facilities are capped at \$11,256,000

**DC = Deferred Charge:**

25,018,998	Maximum Rent	(from billing period 1/1/22-12/31/22)
(880,736)	- Net Revenues	(from billing period 1/22-12/31/22)
24,138,262	= Shortfall (cumulative)	
10.25%	x 10.25% (Rate of Return)	
2,474,172	= Rate of Return on Cumulative Deferred Rent Charge	
26,612,434	= <b>Deferred Charge (total)</b>	

**Net Revenue:**

1,300,167.59	Revenues
1,068,651.20	- Operating Expenses
231,516.39	= Net Revenue (loss) (Misc Rent Paid 1/1/22-12/31/22)

RATES FOR METERED SERVICEAVAILABILITY

These rates are available to all customers located on the mains of the Company within The Pinehills community for all purposes except fire service, subject to the RULES AND REGULATIONS of the PINEHILLS WATER COMPANY.

MONTHLY METER RATES

In addition to the Basic Service quarterly charges as specified below and other charges set forth herein or in the Company's Rules and Regulations, the meter rates for all water sold will be:

Volumetric Rate	<u>Per 1000 gallons</u> \$7.31
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Quarterly Basic Service Charge Per Meter:

<u>Size of Meter (Inches)</u>	<u>Basic Service Charge Per Quarter</u>
5/8" or 3/4" meters	\$34.25
1" meters	86.10
1-1/2" meters	171.27
2" meters	274.04
3" meters	513.82
4" meters	856.37
6" meters	1,712.73
8" meters	2,740.37

CONTRACTORS RATE

Contractors requiring water service shall pay all costs of making a hydrant connection or other connections to the water system, including the cost of installing a water meter and will, in addition, pay for water at the established rates. The Company reserves the right to collect estimated connection costs and one month's Basic Service charge before turning on the water.

TERMS OF PAYMENT

Bills should be rendered monthly or quarterly at the option of the Company. The above rates are net and are due and payable within thirty (30) days of date of bill.

ISSUED: July 5, 2018

EFFECTIVE: July 1, 2018

ISSUED BY: Deborah Sedares, Counsel and  
Regulatory Permit Manager

PINEHILLS WATER COMPANY, INC.  
PLYMOUTH, MASSACHUSETTS

M.D.T.E. NO. 2-A  
Original Sheet 2

RATES FOR FIRE PROTECTION SERVICE

AVAILABILITY

The following rates shall be imposed quarterly on all customers of the Company, and in accordance with the RULES AND REGULATIONS of the PINEHILLS WATER COMPANY.

RATES

Per Quarter

Quarterly charge to all customers of the Company for Fire Protection Service

\$35.18

TERMS OF PAYMENT

Bills would be rendered quarterly and are due and payable within thirty (30) days of the date of the bill.

SPECIAL CHARGE

A charge of \$100.00 will be made for each unauthorized use of a public fire hydrant.

ISSUED: July 5, 2018

EFFECTIVE: July 1, 2018

ISSUED BY: Deborah Sedares, Counsel and  
Regulatory Permit Manager

PINEHILLS WATER COMPANY, INC.

M.D.T.E. NO. 2-A



PLYMOUTH, MASSACHUSETTSOriginal Sheet 3PRIVATE FIRE SERVICEAVAILABILITY

These rates are available to customers located on the mains of the Company within The Pinehills community, for Private Fire Service (Sprinkler Service and Private Hydrant Service) subject to the RULES AND REGULATIONS of the PINEHILLS WATER COMPANY. The total cost of installing fire service connections shall be borne by the customer.

RATESPer Quarter

For each service connection 4" or less	\$240.71
For each 6" service connection	546.22
For each 8" service connection	962.83
For each 10" service connection	1,509.05
For each 12" service connection	2,166.37
For each private hydrant connected to the mains of the Water Company	361.06

TERMS OF PAYMENT

Bills shall be rendered quarterly. The above rates are net and due and payable within thirty (30) days of the date of the bill.

SPECIAL PROVISIONS

- (a) All water shall be used for fire protection purposes only.
- (b) The Company reserves the right, if water is used in violation of (a) above, to install a meter on the connection at any time which will meet the requirements of the fire insurance companies. In the event a meter is installed, the established meter rates, including both water and minimum charges, will apply in addition to the above rates for Private Fire Protection.
- (c) A charge of \$100.00 will be made for each unauthorized use of private fire facilities.

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ISSUED: July 5, 2018

EFFECTIVE: July 1, 2018

ISSUED BY: Deborah Sedares, Counsel and  
Regulatory Permit Manager

PINEHILLS WATER COMPANY, INC.  
PLYMOUTH, MASSACHUSETTS

M.D.T.E. NO. 1-A  
Original Sheet 11

## ATTACHMENT A

Schedule of Charges1. New Connection Charge:

5/8" meter	(20 gallons per minute)	\$350.00
3/4" meter	(30 gallons per minute)	350.00
1" meter	(50 gallons per minute)	875.00
1 1/2" meter	(100 gallons per minute)	1,750.00
2" meter	(160 gallons per minute)	2,800.00*
3" meter	(320 gallons per minute)	5,250.00*
4" meter	(500 gallons per minute)	8,750.00*
6" meter	(1,000 gallons per minute)	17,500.00*
8" meter	(1,600 gallons per minute)	28,000.00*

\* Such charges may be paid over more than one billing period as may be agreed upon by the Customer and the Company.

2. Service Termination or Restoration Charge:

Between 9 AM and 4 PM	\$25.00
Between 4 PM and 9 AM or actual cost	165.00

3. Drought Conditions – Termination or Restoration Charge:

Between 9 AM and 4 PM	\$25.00
Between 4 PM and 9 AM or actual cost	165.00

4. Meter Testing:

The fee for testing such meter will be fifty dollars for meters one inch and smaller and seventy-five dollars for larger ones, payable in advance of the test. In the event that the meter so tested is found to have an error to the detriment of the customer in excess of two percent at any rate of flow within normal test flow limits, the fee advanced for testing will be refunded, and the current bill rendered based on the last reading of such meter shall be corrected accordingly.

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ISSUED: December 10, 2001

ISSUED BY: Deborah Sedares, Counsel and  
Regulatory Permit Manager  
PINEHILLS WATER COMPANY, INC.  
PLYMOUTH, MASSACHUSETTS

EFFECTIVE: November 29, 2001

for service rendered on or after  
January 1, 2002

M.D.T.E. NO. 1-A  
Original Sheet 12

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Schedule of Charges, Cont'd

5. <u>Frozen Meters</u>	Actual cost
6. <u>Return Check Fee</u>	\$25.00
7. <u>After Hours Call Out</u>	\$165.00
8. <u>Cross Connection-one device testing</u>	\$75.00 \$35.00

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ISSUED: December 10, 2001

ISSUED BY: Deborah Sedares, Counsel and  
Regulatory Permit Manager

EFFECTIVE: November 29, 2001

for service rendered on or after  
January 1, 2002

**PINEHILLS WATER COMPANY, INC.**

**Balance Sheet  
July 31, 2023**

	<u>2022</u>	<u>2023</u>	<u>Inc (Dec)</u>
<b>Investments:</b>			
101-113 Contributed Plant Investment	11,714,277.80	11,797,871.72	83,593.92
101-113 Plant Investment- Non-Contributed	1,142,014.66	9,076,948.86	7,934,934.20
<b>Assets:</b>			
204 CASH	1,289,003.60	1,020,965.01	<b>(268,038.59)</b>
205 CASH-REPLACEMENT RESERVE	-	-	-
207 ACCOUNTS RECEIVABLE	237,142.19	409,788.73	172,646.54
213 PREPAID INSURANCE	4,955.50	7,942.00	2,986.50
215 OTHER PREPAYMENTS	105,255.69	306,160.59	200,904.90
<b>Total assets</b>	<b>\$ 14,492,649.44</b>	<b>\$ 22,619,676.91</b>	<b>\$ 8,127,027.47</b>
<b>Liabilities &amp; Equity:</b>			
307 NOTES PAYABLE	148,000.00	8,023,630.54	7,875,630.54
308 ACCOUNTS PAYABLE	2,360,984.00	2,278,645.96	(82,338.04)
312 CURRENT LIABILITIES	74,387.61	3,116.06	<b>(71,271.55)</b>
315 OTHER ACCRUED LIABILITIES	-	-	\$0.00
319 DEPRECIATION RESERVE	2,315,893.90	2,979,252.09	663,358.19
320 REPLACEMENT RESERVE	-	-	\$0.00
301 COMMON STOCK	2,000.00	2,000.00	\$0.00
323 CONTRIBUTIONS FOR EXTENSIONS	11,714,277.80	11,797,871.72	83,593.92
400 PROFIT & LOSS	<b>(2,122,893.87)</b>	<b>(2,464,839.46)</b>	<b>(341,945.59)</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$ 14,492,649.44</b>	<b>\$ 22,619,676.91</b>	<b>\$8,127,027.47</b>
	\$ 0.00	\$ (0.00)	\$ (0.00)

**PINEHILLS WATER COMPANY, INC.**

**Income Statement  
July 31, 2023**

501 METERED SALES	1,180,583.47	693,097.85	<b>(487,485.62)</b>
502 FLAT RATE SALES	-	-	-
504 MUNICIPAL HYDRANTS	34,566.46	20,227.08	<b>(14,339.38)</b>
507 MISCELLANEOUS MUNICIPAL	872,420.62	586,842.66	<b>(285,577.96)</b>
550 UNCOLLECTIBLE OPERATING REVENUES	-	-	-
563 INTEREST INCOME	384.49	-	<b>(384.49)</b>
<b>Total Operating Revenues</b>	<b>2,087,955.04</b>	<b>1,300,167.59</b>	<b>(\$787,787.45)</b>
<b>Source of Water Supply</b>			
601-1 MAINT OF WATER SUPPLY BLDGS	209,528.42	53,438.18	<b>(156,090.24)</b>
601-3 MAINT OF GROUND SOURCE OF WATER SUPPLY	11,707.87	-	<b>(11,707.87)</b>
602 LEASE PAYMENT	-	-	\$0.00 **
<b>Pumping Expenses</b>			
603-1 PUMPING LABOR	128,786.55	66,455.67	<b>(62,330.88)</b>
603-2 BOILER FUEL	5,691.86	2,429.39	<b>(3,262.47)</b>
603-4 ELECTRIC POWER PURCHASE	83,177.00	57,151.08	<b>(26,025.92)</b>
603-5 MISC PUMPING STATION	9,051.57	7,531.28	<b>(1,520.29)</b>
604-1 MAINT OF POWER PUMPING BLDGS & FIXTRS	4,402.98	857.70	<b>(3,545.28)</b>
604-2 MAINT OF PUMPING EQUIPMENT	8,539.44	44,032.48	35,493.04
604-3 MAINT OF MISC PUMPING EQUIPMENT	2,986.33	-	<b>(2,986.33)</b>
<b>Purification Expenses</b>			
605-1 PURIFICATION LABOR	124,428.36	62,078.19	<b>(62,350.17)</b>
605-2 PURIFICATION SUPPLIES & EXPENSES	56,863.26	27,571.47	<b>(29,291.79)</b>
606-1 MAINT OF PURIFICATION BLDGS & FIXTURES	-	-	-
606-2 MAINT OF PURIFICATION EQUIPMENT	3,324.00	19,540.09	16,216.09
<b>Transmission &amp; Distributions Expenses</b>			
607-0 INSPECTING CUSTOMER'S INSTALLATIONS	31,855.00	13,834.70	<b>(18,020.30)</b>
608-0 MISC TRANS & DISTR SUPPLIES & EXPENSES	-	-	-
609-1 MAINT OF TRANS DISTR BLDGS	-	-	-
609-2 MAINT OF TRANS DISTR MAINS	71,030.13	29,237.34	<b>(41,792.79)</b>
609-3 MAINT OF STORAGE,RESERVOIRS,&TANKS	22,263.96	6,011.26	<b>(16,252.70)</b>
609-4 MAINTENANCE OF SERVICES	10,747.60	2,091.71	<b>(8,655.89)</b>
609-5 MAINTENANCE OF METERS	21,193.82	5,179.42	<b>(16,014.40)</b>
609-6 MAINTENANCE OF HYDRANTS	51,727.76	18,225.65	<b>(33,502.11)</b>
609-7 MAINT FOUNTAINS & TROUGHS	-	-	-
<b>General &amp; Misc expenses</b>			
610-1 SALARIES OF GENERAL EXPENSES	214,037.73	211,681.00	<b>(2,356.73)</b>
610-2 GENERAL OFFICE SUPPLIES & EXPENSES	5,628.10	1,059.59	<b>(4,568.51)</b>
610-3 LAW EXPENSE - GENERAL	353.29	-	<b>(353.29)</b>
610-4 INSURANCE	7,120.05	5,914.50	<b>(1,205.55)</b>
610-10 DEPRECIATION	281,188.99	663,358.19	382,169.19
610-11 MISCELLANEOUS GENERAL EXPENSES	97,322.85	93,412.00	<b>(3,910.85)</b>
<b>Total Operating Expenses</b>	<b>1,462,956.92</b>	<b>1,391,090.89</b>	<b>(71,866.04)</b>
<b>Net Operating Revenue</b>	<b>624,998.12</b>	<b>(90,923.30)</b>	<b>(\$715,921.41)</b>
MISCELLANEOUS RENT	880,735.96	231,516.39	<b>(649,219.57) **</b>
TAXES	25,451.15	19,505.90	<b>(5,945.25)</b>
<b>Income transferred to P&amp;L</b>	<b>(281,188.99)</b>	<b>(341,945.59)</b>	<b>(60,756.59)</b>

\*\* Change the GL coding of Lease Payment in FY2019