Connecticut Water Company

Statement of Operating Income
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amounts after Company Adjustments	OCC Adjustments	Amounts After OCC Adjustments	Pro Forma Change in Revenues	Amounts After Change in Revenues	
1	Operating Revenues	$ 134,458,794	$ -	$ 134,458,794	$ 344,968	$ 134,803,762	0.3%
2							
3	Operating Expenses						
4	Operating and Maintenance Expenses	51,878,496	(8,320,988)	43,557,508	1,643	43,559,151	
5	Depreciation and Amortization	25,307,416	(1,004,680)	24,302,736	-	24,302,736	
6	Operating Expenses Before Taxes	$ 77,185,912	$ (9,325,667)	$ 67,860,245	$ 1,643	$ 67,861,887	
7				-			
8	Total Operating Taxes						
9	Property Taxes	12,951,079	(626,532)	12,324,547	-	12,324,547	
10	Payroll Taxes	2,040,467	(320,931)	1,719,536	-	1,719,536	
11	Federal Income Tax	(4,710,053)	1,944,473	(2,765,580)	66,150	(2,699,430)	
12	State Income Tax	177,291	689,838	867,129	28,324	895,453	
13							
14	Utility Operating Income	$ 46,814,098	$ 7,638,819	$ 54,452,917	$ 248,851	$ 54,701,768	
15	Other Income & Expense	259,194	-	259,194		259,194	
16	Adjusted Utility Operating Income	$ 47,073,292		$ 54,712,111	$ 248,851	$ 54,960,962	
17							
18	Rate Base	$ 907,337,093		$ 862,538,635		$ 862,538,635	
19							
20	Rate of Return	5.16%		6.31%		6.37%	

Connecticut Water Company

Summary of Revenue Increase at Rate Counsel Rate of Return
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount	Source
1	Adjusted Rate Base		$ 862,538,634.6155410	Brief Schedule-2, Page 1.
2	Required Rate of Return		$ 0.0637200	Brief Schedule -38.
3				
4	Net Operating Income Required		$ 54,960,962	
5	Net Operating Income at Present Rates		$ 54,712,111	Brief Schedule-1, Page 1.
6				
7	Income Deficiency/(Surplus)		$ 248,851	
8	Revenue Multiplier		1.3862	
9				
10	Required Change in Company Revenue		$ 344,968	
11				
12	Proposed Revenue Change		$ 344,968	
13	Less: Uncollectibles	0.48%	$ 1,643	
14	Net of Uncollectibles		$ 343,325	
15	Less: CBT (State Tax)	8.25%	$ 28,324	
16	Net of CBT (State Tax)		$ 315,001	
17				
18				
19	Income Before Federal Taxes		$ 315,001	
20	Federal Income Tax @ 21.0%	21.00%	66,150	
21	Net Income (Surplus)/Deficiency		$ 248,851	

Revenue Multiplier		
Additional Revenue		100.00
Less: Uncollectibles	0.476%	0.476
Retention Factor		99.524
Uncollectibles Multiple		1.005
Less: CBT (State Tax)	8.25%	8.25
Income before federal income tax		91.274
Less: Federal Income Tax @ 21%	21%	19.168
Retention Factor		72.106
		1.000
		0.721
		1.3868

Late File Update

Revenue Muliplier		
Additional Revenue		100.0000
Less: Uncollectibles	0.476157%	0.47616
Retention Factor		99.52384
Uncollectibles Multipler		1.00478
Less: CBT (State Tax)	8.250000%	8.210717
Income before federal income tax		91.313126
Less: Federal Income Tax @ 21%	21%	19.17576
Retention Factor		72.13737
		1.0000
		0.7214
		1.3862

Connecticut Water Company

Summary of Rate Base
For the Twelve Months Ending January 31, 2028

Line No.	Description	Rate Year Average	OCC Adjustments	Amount After OCC Adjustments
1	Plant-In-Service	$ 1,416,975,915	$ (47,257,466)	1,369,718,450
2	Reserve for Accumulated Depreciation	(363,554,684)	17,549,539	(346,005,145)
3	Net Plant-In-Service	$ 1,053,421,232	$ (29,707,927)	$ 1,023,713,305
4	Add:			
5	Working Capital	8,067,098	(1,040,123)	7,026,975
6	Prepaid/Deferred Tax Assets	172,116,275	(11,217,709)	160,898,567
7		$ 1,233,604,605	$ (41,965,759)	$ 1,191,638,846
8	Less:			
9	Deferred Income Taxes	(200,528,708)	550,245	(199,978,463)
10	Other Rate Base Additions	(125,738,804)	(3,382,945)	(129,121,749)
11				
12	Total Rate Base	$ 907,337,093	$ (44,798,459)	$ 862,538,635
13				

Source: Company Schedule B-1.0 A.

Connecticut Water Company
Summary of Rate Base Adjustments
For the Twelve Months Ending January 31, 2028

Line No.	Description	Source		Amount
1	Rate Base per Company			$ 907,337,093
2				
3	Rate Counsel Adjustments:			
4	Late File Update	Brief Schedule-	4	(6,682,682)
5	Adjustment to Cash Working Capital	Brief Schedule-	5	(809,078)
6	Adjustment to Contributions in Aid of Construction	Brief Schedule-	6	
7	Adjustment to Customer Advances	Brief Schedule-	7	
8	Adjustment to Security Deposits	Brief Schedule-	8	
9	Adjustment to Accumulated Excess Deferred Taxes	Brief Schedule-	9	
10	Adjustment to 2026 Complete Plant	Brief Schedule-	10	(16,863,424)
11	Adjustment to Forecasted Plant	Brief Schedule-	11	(9,161,833)
12	Adjustment to Oracle CIS SAS	Brief Schedule-	12	(11,281,442)
13				
14				
15	Total Ratemaking Adjustments			$ (44,798,459)
16				
17	Adjusted Rate Base per Division			$ 862,538,635

Connecticut Water Company

Summary of Adjustments to Operating Income
For the Twelve Months Ending January 31, 2028

Line No.	Description	Operating Revenues	Operating and Maintenance Expenses	Depreciation and Amortization	Property Taxes	Payroll Taxes	State Income Tax	Federal Income Tax	Operating Income	Other Income & Expense	Adjusted Utility Operating Income
1	Amount per Company	$ 134,458,794	$ 51,878,496	$ 25,307,416	$ 12,951,079	$ 2,040,467	$ 177,291	$ (4,710,053)	$ 46,814,098	$ 259,194	$ 47,073,292
2											
3	OCC Adjustments										
4	Late File Update	-	(1,848,360)	(246,683)	(543,724)	(320,931)	332,895	611,835	2,014,968	-	2,014,968.09
5	Adjustment to Completed 2026 Plant Additions			(434,150)	(82,807)		42,649	99,605	374,703		374,702.77
6	Adjustment to Forecasted Plant			(323,848)			26,717	62,397	234,733		234,733.18
7	Adjustment to Oracle CIS SAS Project		(1,237,300)				102,077	238,397	896,826		896,825.75
8	Adjustment to Inflation		(509,435)				42,028	98,155	369,252		369,251.61
9	Adjustment to Industry Dues						-	-	-		-
10	Adjustment to Shareholder Expenses		(874,106)				72,114	168,418	633,574		633,574.26
11	Adjustment to Bad Debt						-	-	-		-
12	Adjustment to Entertainment Expenses		(33,778)				2,787	6,508	24,483		24,483.37
13	Adjustment to Rate Case Expense		(240,819)				19,868	46,400	174,551		174,551.39
14	Adjustment to Corporate Gifts		(29,167)				2,406	5,620	21,141		21,140.50
15	Adjustment to Board of Directors Fees		(396,486)				32,710	76,393	287,382		287,382.45
16	Adjustment to Executive Liability Expense		(106,628)				8,797	20,545	77,286		77,286.21
17	Adjustment to Non-Industry Dues		(18,524)				1,528	3,569	13,427		13,426.77
18	Adjustment to Economic Development		(1,709)				141	329	1,239		1,239.01
19	Adjustment to Employee Wellness Plan		(31,007)				2,558	5,974	22,475		22,474.65
20	Adjustment to Long Term Incentive Compensation		(226,157)				18,658	43,575	163,924		163,924.08
21	Adjustment to Short Term Incentive Compensation		(243,790)				20,113	46,972	176,705		176,705.18
22	Adjustment to Variable Pay Increase		(11,974)				988	2,307	8,679		8,679.37
23	Adjustment to Open Positions		(308,930)				25,487	59,523	223,920		223,919.96
24	Adjustment to Vacancy		(899,882)				74,240	173,385	652,257		652,257.15
25	Adjustment to Overtime		(467,386)				38,559	90,054	338,773		338,772.90
26	Adjustment to Medical and Dental Expense		(269,558)				22,239	51,937	195,382		195,382.47
27	Adjustment to 401k Expense		(109,416)				9,027	21,082	79,307		79,307.20
28	Adjustment to Payroll Taxes		(119,559)				9,864	23,036	86,660		86,659.53
29	Adjustment to Carbon Filters Expense						-	-	-		-
30	Adjustment to Investor Relations		(50,616)				4,176	9,752	36,688		36,688.18
31	Adjustment to Purchased Power		(286,401)				23,628	55,182	207,591		207,590.65
32	Interest Synchronization	-	-	-	-	-	(246,415)	(76,477)	$ 322,892	$ -	322,892
33											
34	Total OCC Adjustments	$ -	$ (8,320,988)	$ (1,004,680)	$ (626,532)	$ (320,931)	$ 689,838	$ 1,944,473	$ 7,638,819	$ -	$ 7,638,819
35											
36	Total Adjusted Income Before Income Taxes	$ 134,458,794	$ 43,557,508	$ 24,302,736	$ 12,324,547	$ 1,719,536	$ 867,129	$ (2,765,580)	$ 54,452,917	$ 259,194	$ 54,712,111

Connecticut Wa

Adjustment to Reflect t
For the Twelve Months En

Line No.	Description	Ra
1	Operating Revenues	
2	Operating and Maintenance Expenses	
3	Depreciation and Amortization	
4	Property Taxes	
5	Payroll Taxes	
6	Federal Income Tax	
7	State Income Tax	
8	Other Income & Expense	
9		
10		
11		
12	Plant-In-Service	
13	Reserve for Accumulated Depreciation	
14	Net Plant in Service	
15	Additions to Net Plant	
16	Working Capital	
17	Prepaid/Deferred Tax Assets	
18	Deferred Income Taxes	
19	Other Rate Base Additions	
20		
21	Subtotal	
22		

23 Total Rate Base

Source:

[1/] LFE-01 Attachment, Schedule C-1.0.

[2/] LFE-01 Attachment, Schedule B-1.0.

Docket No. 26-03-15
Brief Schedule 4

ter Company

he Late File Update
ding January 31, 2028

Company Initial Request	Company Late File Update [1/]	Adjustment
$ 134,458,794	$ 134,458,794	$ -
$ 51,878,496	$ 50,030,136	$ (1,848,360)
$ 25,307,416	$ 25,060,733	$ (246,683)
$ 12,951,079	$ 12,407,355	$ (543,724)
$ 2,040,467	$ 1,719,536	$ (320,931)
$ (4,710,053)	$ (4,098,218)	$ 611,835
$ 177,291	$ 510,186	$ 332,895
$ 259,194	$ 259,194	$ -

ate Base

Company Initial Request	Company Late File Update [2/]	Adjustment
$ 1,416,975,915	$ 1,410,087,319	$ (6,888,596)
$ (363,554,684)	$ (360,193,211)	$ 3,361,473
$ 1,053,421,232	$ 1,049,894,108	$ (3,527,124)
$ 8,067,098	$ 7,836,053	$ (231,045)
$ 172,116,275	$ 172,180,009	$ 63,733
$ (200,528,708)	$ (200,134,010)	$ 394,699
$ (125,738,804)	$ (129,121,749)	$ (3,382,945)
(146,084,138)	(149,239,696)	(3,155,558)

$ 907,337,093	$ 900,654,412	$ (6,682,682)

Connecticut Water Company

Adjustment to Cash Working Capital
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount
1	Company O&M Expense for Cash Working Capital	$	50,030,136 [1/]
2			
3	OCC Cash Working Capital O&M Expense Adjustment	$	(6,472,627) [2/]
4			
5	Total with OCC Adjustments	$	43,557,508
6			
7	Working Capital Percentage		12.5% [1/]
8			
9	Company Cash Working Capital Expense	$	6,253,767
10	OCC Cash Working Capital Expense	$	5,444,689
11			
12			
13	OCC Adjustment to Cash Working Capital	$	(809,078)

Note:
[1/] LFE-01 Attachment, Company Schedule B-4.0.
[2/] Brief Schedule-3.

Connecticut Water Company

Adjustment to Contributions in Aid of Construction (CIAC) Unamortized
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Issue resolved, as explained by OCC's Brief.	

Connecticut Water Company

Adjustment to Customer Advances
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Issue resolved, as explained by OCC's Brief.	

Docket No. 26-03-15
Brief Schedule - 8

Connecticut Water Company

Adjustment to Security Deposits
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Issue resolved, as explained by OCC's Brief.	

Docket No. 26-03-15
Brief Schedule - 9

Connecticut Water Company

Adjustment to Accumulated Excess Deferred Taxes
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Issue resolved, as explained by OCC's Brief.	

Connecticut Water Company

Adjustment to 2026 Complete Plant
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Plant in Service	$ (17,159,486)
2	Accumulated Depreciation	$ 217,075
3	Deferred Income Taxes	$ 78,988
4	Depreciation Expense	$ (434,150)
5	Property Taxes	$ (82,807)
6		
7	Adjustment to Rate Base	$ (16,863,424)
8	Adjustment to O&M Expenses	$ (516,957)

Note:
Source: OCC witness Larkin-Connolly

Connecticut Water Company

Adjustment to Forecasted Plant
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount
1	Plant in Service	$	(23,209,383)
2	Accumulated Depreciation	$	13,970,991
3	Deferred Income Taxes	$	76,559
4	Depreciation Expense	$	(323,848)
5			
6	Adjustment to Rate Base	$	(9,161,833)
7	Adjustment to O&M Expenses	$	(323,848)

Note:
Source: OCC witness Larkin-Connolly

Connecticut Water Company

Adjustment to Oracle CIS SAS Project
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Prepaid Deferred Tax Assets	$ (11,281,442)
2	CIS SAS Solution Amortization	$ 1,237,300
3		
4	Adjustment to Rate Base	$ (11,281,442)
5	Adjustment to O&M Expenses	$ (1,237,300)

Note:
Source OCC witness Larkin-Connolly

Docket No. 26-03-15
Brief Schedule - 13

Connecticut Water Company

Adjustment to Inflation Adjustment
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Company Proposed Inflation Adjustment	$ 509,435 [1/]
2		
3	Adjustment to O&M Expenses	$ (509,435)

Note:
[1/] LFE-01 Attachment, Company Schedule C-3.22, page 1.

Docket No. 26-03-15
Brief Schedule - 14

Connecticut Water Company

Adjustment to Industry Dues
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Issue resolved, as explained by OCC's Brief.	

Docket No. 26-03-15
Brief Schedule - 15

Connecticut Water Company

Adjustment to Shareholder Expenses
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Company Proposed Shareholder Expenses	$ 874,106 [1/]
2		
3	Adjustment to O&M Expenses	$ (874,106)

Note:
[1/] Company Response to OCC-54.

Connecticut Water Company

Adjustment to Bad Debt Expense
For the Twelve Months Ending January 31, 2028

Line No.	Description
1	Issue resolved, as explained by the Surrebuttal Testimony of OCC witness Grace N. Koenig

Docket No. 26-03-15
Brief Schedule - 17

Connecticut Water Company

Adjustment to Entertainment Expenses
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Company Proposed Entertainment Expenses	$ 33,778 [1/]
2		
3	Adjustment to O&M Expenses	$ (33,778)

Note:
[1/] Company Response to OCC-94.

Connecticut Water Company

Adjustment to Rate Case Expense
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount	
1	**Costs Associated with 2026 Rate Case (docket no. 26-03-15):**	1/		
2	Legal Fees		$	300,000
3	OCC Consultants			200,000
4	PURA Consultants			150,000
5	Cost of Capital Consultant			132,000
6	ACOSS Consultant			60,000
7	Postage, Printing (customer notices)			65,000
8	Miscellaneous			10,000
9				
10	Company Proposed Total Rate Case Costs		$	917,000
11	Company Proposed Amortization (Months)			36 1/
12	Company Pro Forma Rate Case Expense			305,667
13				
14	Rate Case Filing Dates	2/	Months Between Filing	
15	3/13/2026			
16	10/3/2023			29
17	1/15/2021			33
18	1/6/2010			132
19	Average of Last Three Rate Cases			65
20				
21	OCC Proposed Total Rate Case Costs		$	350,000
22	OCC Proposed Amortization (Months)			65
23	OCC Proposed Pro Forma Rate Case Expense		$	64,848
24				
25	Adjustment to O&M Expenses		$	(240,819)

Note:
1/ LFE-01 Attachment, Company Schedule C-3.18, page 2.
2/ Company Response to OCC-235.

Connecticut Water Company

Adjustment to Corporate Gifts
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Company Proposed Corporate Gifts	$ 29,167 [1/]
2		
3	Adjustment to O&M Expenses	$ (29,167)

Note:
[1/] Company Response to OCC-232.

Connecticut Water Company

Adjustment to Board of Director Fees Expense
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount	
1	Company Proposed Board of Directors Expense	$	507,440	1/
2				
3	Year		Amount	2/
4	2023	$	394,673	
5	2024		429,341	
6	2025		507,440	
7	Average	$	443,818	
8				
9	OCC Proposed Shareholders Percent Share of Expenses		75%	
10	OCC Proposed Ratepayers Percent Share of Expenses		25%	
11				
12	OCC Proposed Board of Directors Expense	$	110,955	
13				
14	Adjustment to O&M Expenses	$	(396,486)	

Note:
1/ Company Response to OCC-58. Expense is reflected prior to inflation adjustment. Inflation adjustment is addressed on Brief Schedule-13.

2/ Company Response to OCC-59.

Connecticut Water Company

Adjustment to Executive Liability Expense
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount
1	Company Proposed Executive Liability		$ 160,367 [1/]
2	Allocation to Capital	8.51%	13,647
3	Proforma Executive Liability		$ 146,720
4			
5	OCC Proposed Shareholders Percent Share of Expenses		75%
6	OCC Proposed Ratepayers Percent Share of Expenses		25%
7			
8	OCC Proposed Directors & Officers Liability Expense		$ 40,092
9			
10	Adjustment to O&M Expenses		$ (106,628)

Note:
[1/] Company Schedule C-3.13, page 2.

Connecticut Water Company

Adjustment to Non-Industry Dues
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Non-Industry Dues	
2	CT. Council of Small Towns (COST)	$ 795 [1/]
3	Chamber of Commerce for various towns	1,012 [1/]
4	Miscellaneous (6 items, average per item $292)	1,750 [1/]
5	Advance CT	14,000 [2/]
6	Middlesex Chamber of Commerce	967 [3/]
7	Total Company Proposed Non-Industry Dues	$ 18,524
8		
9	Adjustment to O&M	$ (18,524)

Note:
[1/] Company Schedule G-2.8.
[2/] Company Response to OCC-87.
[3/] Company Response to OCC-88.

Connecticut Water Company

Adjustment to Economic Development
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Company Proposed Economic Development Expense	$ 1,709 [1/]
2		
3	Adjustment to O&M Expenses	$ (1,709)

Note:
[1/] Company Response to OCC-89.

Connecticut Water Company

Adjustment to Employee Wellness Program
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Company Proposed Employee Wellness Program	$ 31,007 [1/]
2		
3	Adjustment to O&M Expenses	$ (31,007)

Note:
[1/] Company Response to OCC-112.

Connecticut Water Company

Adjustment to Long Term Incentive Plan
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Company Proposed Long Term Incentive Plan Expenses	$ 1,775,173 [1/]
2	Pecent Charged to Expense	63.70% [2/]
3	Expense Amount	$ 1,130,785
4	Financial Metric	20% [3/]
5	Financial Based Long Term Incentive Plan Expenses	$ 226,157
6		
7	Adjustment to O&M Expenses	$ (226,157)

Note:
[1/] LFE-01, Attachment 3.
[2/] LFE-01, Attachment 1, Schedule C-3.2, Page 2.
[3/] Company Response to OCC-115, Attachment 1.

Connecticut Water Company

Adjustment to Short Term Incentive Plan
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Company Proposed Short Term Incentive Plan Expenses	$ 1,913,578 [1/]
2	Pecent Charged to Expense	63.70% [2/]
3	Expense Amount	$ 1,218,949
4	Financial Metric	20% [3/]
5	Financial Based Short Term Incentive Plan Expenses	$ 243,790
6		
7	Adjustment to O&M Expenses	$ (243,790)

Note:
[1/] LFE-01, Attachment 3.
[2/] LFE-01, Attachment 1, Schedule C-3.2, Page 2.
[3/] Company Response to OCC-115, Attachment 1.

Connecticut Water Company

Adjustment to Variable Pay Increase
For the Twelve Months Ending January 31, 2028

Line No.	Description	Percent		Amount
1	OCC Adjustment to Variable Pay			(469,947) [1/]
2	Company Proposed Variable Pay Increase	4.0%	[2/] $	(18,798)
3	Amount Charged to Expense	63.7%	[2/] $	(11,974)
4				
5	Adjustment to O&M Expenses		$	(11,974)

Note:
[1/] Brief Schedule-25 and Brief Schedule-26.
[2/] Company Schedule C-3.2, page 2.

Connecticut Water Company

Adjustment to Overtime
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount	
1	Company Proposed Rate Year Overtime		$ 2,246,411	1/
2	Overtime Charged to Expense	63.7%	1,430,964	1/
3	Company Proposed Rate Year Overtime Increase	4%	$ 89,856	
4	Overtime Increase Charged to Expense	63.7%	57,239	
5				
6				
7				

8	Year	Total Overtime	2/	Percent Charged to Expense	1/	Estimated Overtime Charged to Expenses
9	2023	$ 1,348,961		63.70%		$ 859,288
10	2024	1,453,588		63.70%		925,936
11	2025	1,820,154		63.70%		1,159,438
12	Rate Year	2,336,267		63.70%		1,488,202
13	Average (2023-2025)	$ 1,540,901				$ 981,554
14						
15						

16	Description	Amount
17	Company Proposed Overtime Expense	$ 1,430,964
18	Company Proposed Overtime Expense Increase	57,239
19	OCC Proposed Overtime Expense	981,554
20	OCC Proposed Overtime Expense Increase	39,262
21	Adjustment to Overtime Expense	$ (467,386)
22		
23		
24	Adjustment to O&M Expenses	$ (467,386)

Note:
1/ LFE-01 Attachment, Company Schedule C-3.2, page 2, LF.
2/ Company Response to OCC-213.

)3-15
28

Connecticut Water Company

Adjustment to Vacancy Factor
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount	Amount
1		Base Pay [1/]	Variable Pay [1/]
2	Company Proposed Payroll Charged to Expense	$ 19,436,568	$ 2,694,942
3	Company Proposed Full Time Equivalent Positions	255	255
4	Company Proposed Vacancy (Positions)	(10)	(10)
5	Company Proposed Vacancy Adjustment	$ (761,633)	$ (105,603)
6			
7			
8	Quarter	Vacancy (Positions) [2/]	
9	Q1 2023	9	
10	Q2 2023	25	
11	Q3 2023	18	
12	Q4 2023	14	
13	Q1 2024	26	
14	Q2 2024	16	
15	Q3 2024	20	
16	Q4 2024	19	
17	Q1 2025	30	
18	Q2 2025	29	
19	Q3 2025	22	
20	Q4 2025	26	
21	Average	21	
22			
23	Description	Amount	Amount
24			
25		Base Pay	Variable Pay
26	OCC Proposed Payroll Charged to Expense	$ 18,660,252 [3/]	$ 2,456,811 [4/]
27	OCC Proposed Full Time Equivalent Positions	251 [5/]	251 [5/]
28	OCC Proposed Vacancy (Positions)	(21)	(21)
29	OCC Proposed Vacancy Adjustment	$ (1,561,527)	$ (205,591)
30			
31	Adjustment to O&M Expenses	$ (799,894)	$ (99,988)

Note:
[1/] LFE-01 Attachment, Company Schedule C-3.2, page 2.
[2/] Company Response to OCC-235.
[3/] Brief Schedule-28 and Brief Schedule-30.
[4/] Brief Schedule-25 , Brief Schedule-26, and Brief Schedule-27.
[5/] Brief Schedule-30.

Connecticut Water Company

Adjustment to 401k Expense
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount	
1	Companty Proposed Total Target Compensation	$	21,264,274	1/
2	Test Year 401k Factor		5.7%	1/
3	Company Proposed 401K Expense	$	1,215,377	
4				
5	OCC Proposed Total Target Compensation	$	19,349,944	2/
6	Test Year 401k Factor		5.7%	
7	OCC Proposed 401K Expense	$	1,105,961	
8				
9	Adjustment to O&M Expenses	$	(109,416)	

Note:
1/ LFE-01 Attachment, Company Schedule C-3.6, page 2.
2/ Brief Schedule-25, Brief Schedule-26, Brief Schedule-27, Brief Schedule-28, Brief Schedule-29, and Brief Schedule-30.

Connecticut Water Company

Adjustment to Medical and Dental Expense
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount	
1	Total Cost per Employee (Monthly)	$	2,313	1/
2	Company Proposed Employees		245	1/
3	Waiver Employees		(62)	1/
4	Percent Charged to Expense		63.7%	1/
5	Company Proposed Medical and Dental Expense	$	3,239,010	
6				
7	OCC Proposed Number of Employees		230	2/
8	Waiver Employees		(62)	1/
9	OCC Proposed Medical and Dental Costs	$	2,969,452	
10				
11	Adjustment to O&M Expenses	$	(269,558)	

Note:
1/ LFE-01, Attachment, Company Schedule C-3.3, page 2.
2/ Brief Schedule-29.

Connecticut Water Company

Adjustment to Payroll Taxes
For the Twelve Months Ending January 31, 2028

Line No.	Description	Base Cost	Full Time Equivalent Positions	Percent	Amount
1	Company Payroll Tax Calculation				
2	FICA	$ 26,343,463 [1/]		6.2% [1/]	$ 1,633,295 [1/]
3	Medicare	29,511,658 [1/]		1.45% [1/]	427,919 [1/]
4	FUTA	7,000 [1/]	245	6.0% [1/]	102,982 [1/]
5	SUTA	27,000 [1/]	245	1.9% [1/]	125,786 [1/]
6					2,289,982
7	Capitalized Payroll Taxes			36%	$ (831,263)
8					
9	Total Company Proposed Payroll Taxes				1,458,718
10					
11	OCC Adjustments to Payroll				
12	Long Term Incentive Compensation Expense				(226,157) [2/]
13	Short Term Incentive Compensation Expense				(243,790) [3/]
14	Variable Pay				(11,974) [4/]
15	Overtime				(467,386) [5/]
16	Vacancy				(899,882) [6/]
17	Open Positions				(308,930) [7/]
18	401k Expense				(109,416) [8/]
19					
20					
21	OCC Payroll Tax Calculation				
22	FICA	$ 24,075,927		6.2%	$ 1,492,708
23	Medicare	27,244,122		1.45%	395,040
24	FUTA	7,000	230 [9/]	6.0%	96,579
25	SUTA	27,000	230 [9/]	1.9%	117,964
26					2,102,291
27	Capitalized Payroll Taxes			36%	$ (763,131)
28					
29	Total Payroll Taxes				1,339,159
30					
31	Adjustment to Payroll taxes				$ (119,559)

Note:
[1/] LFE-01 Attachment, Schedule C-3.25, page 2.
[2/] Brief Schedule-25.
[3/] Brief Schedule-26.
[4/] Brief Schedule-27.
[5/] Brief Schedule-28.
[6/] Brief Schedule-29.
[7/] Brief Schedule-30.
[8/] Brief Schedule-31.
[9/] Brief Schedule-29.

Connecticut Water Company

Adjustment to Carbon Filters Expense
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	O&M adjustment resolved as explained by OCC's Brief; Compandy's proposed inclusion in Rate Base addressed by the Adjustment to Forecasted Plant shown on Brief Schedule 11.	
2		
3		

Connecticut Water Company

Adjustment to Investor Relations
For the Twelve Months Ending January 31, 2028

Line No.	Description	Amount
1	Company Proposed Investor Relations	$ 50,616
2		
3	Adjustment to O&M Expenses	$ (50,616)

Note:

[1/] Company Response to OCC-284. Expense is reflected prior to inflation adjustment. Inflation adjustment is addressed on Brief Schedule-13.

Connecticut Water Company

Adjustment to Purchased Power Expense
For the Twelve Months Ending January 31, 2028

Line No.							
1							
2	Constellation Supply Rate	Rate		kWh		Amount	
3	Company Proposed Supply Expense	$	0.1271	1/	17,997,436	1/	$ 2,287,654
4	OCC Recommended Supply Expense	$	0.1200		17,997,436	1/	$ 2,159,512
5	**Adjustment to Supply**		(0.00712)		17,997,436		$ (128,142)
6							
7	February-April Transmission Components						
8	Rate Component	CWC six-period average			OCC recommended		Difference
9	Combined Pub. Benefits	$	0.01447	1/	$ 0.00662		$ (0.00827)
10	FMCC Delivery Charge	$	0.02031	1/	$ (0.01684)		$ (0.03715)
11	RAM/RDM	$	0.00117	1/	$ 0.00011		$ (0.00106)
12	Total	$	0.03595		$ (0.01011)		$ (0.04606)
13							
14		Rate			kWh		Amount
15	**Adjustment to Februray through April Transmission Expense**	$	(0.04606)		4,464,660	2/	$ (205,642)
16							
17	February-July Demand						
18	Rate Compnent	CWC six-period average			OCC recommended		Difference
19	Transmission Demand	$	10.2217	1/	$ 12.8400		$ 2.6200
20	CTA Demand Charge	$	0.2700	1/	$ 1.4700		$ 1.2000
21	SubTotal	$	10.4917		$ 14.3100		$ 3.8200
22							
23		Rate			kW		Amount
24	**Adjustment To February-July Demand**	$	3.8200		12,404	2/	$ 47,383
25							
26							
27	**OCC Adjustment to Purchased Power Costs**	$	(286,401)				

Note:
1/ LFE-01 Purchase Power Update 2026-10-07.
2/ OCC Brief Exhibit X

Connecticut Water Company

Interest Synchronization Adjustment
For the Twelve Months Ending January 31, 2028

Line No.	Description		Amount	
1	Rate Base	$	862,538,635	1/
2	Weighted Cost of Debt		2.305%	2/
3	Adjusted Interest Deduction	$	19,883,241	
4	Interest Deduction Per Company	$	18,709,834	3/
5	Adjustment to Synchronize Interest Expense	$	1,173,407	
6	Effective State Income Tax Rate		21.00%	
7	Adjustment to State Income Taxes	$	(246,415)	
8	Federal Income Tax Base	$	926,992	
9	Federal Income Tax Rate		8.25%	
10	Adjustment to Federal Income Taxes	$	(76,477)	

Notes:
1/ Brief Schedule-2, Page 1.
2/ Brief Schedule-38.
3/ LFE-01 Attachment, Schedule C-3.27, page 2.

Connecticut Water Company

Calculation of Rate of Return
For the Twelve Months Ending January 31, 2028

Line No.	Description	Capitalization Ratio	Cost Rate	Weighted Cost
1	Long-Term Debt	51.00%	4.52%	2.31%
2	Common Stock Equity	49.00%	8.30%	4.07%
3				
4	Total	100.00%		6.37%

Source:
OCC witness Garrett

Connecticut Water Company
CONFIDENTIAL
Adjustment to Open Positions
For the Twelve Months Ending January 31, 2028

Line No.	Description			Amount
1	Company Proposed Open Positions	18.8		$ 1,726,974
2	Company Proposed Effective Increase	4%	1/	$ 69,079
3	Company Proposed Amount Charged to Expense	63.7%	1/	$ 1,144,086
4				
5				
6	Vacancies	Company Proposed Positions	1/	Company Proposed Salaries & Variable Pay 1/
7	[redacted]			
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28		18.77		$ 1,726,974
29				
30	Description			Amount
31	OCC Proposed Open Positions	14.52		$ 1,260,651
32	OCC Proposed Effective Increase	4%	1/	$ 50,426
33	OCC Proposed Amount Charged to Expense	63.7%	1/	$ 835,156
34				
35	Adjustment to Open Positions	(4.246)		$ (308,930)

OCC Proposed Positions	OCC Proposed Salaries & Variable Pay
14.5	$ 1,260,651

Note:
1/ LFE-01 Attachment Confidential, Company Schedule C-3.2, page 2.