

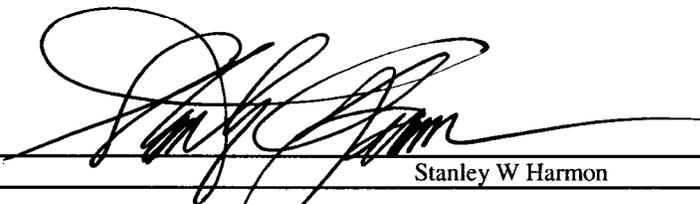
**ANNUAL REPORT**  
For Water Utilities  
**OF**

*Name* Town of Bar Harbor - Water Division

*Address* 93 Cottage Street  
Bar Harbor, ME 04609

**TO THE**  
**PUBLIC UTILITIES COMMISSION**  
**OF THE**  
**STATE OF MAINE**  
**FOR THE**  
**YEAR ENDED DECEMBER 31,2013**

Signature of Person  
responsible for report



---

Stanley W Harmon

TITLE Finance Director, Treasurer  
TELEPHONE 207-288-5096

E\_MAIL [treasurer@barharbormaine.gov](mailto:treasurer@barharbormaine.gov)

# STATE OF MAINE

## Extracts from Title 35A Revised Statutes

Section 102: The term "commission" when used in this chapter, means the Public Utilities Commission.

The term "corporation" when used in this chapter, includes municipal and quasi-municipal corporations.

The term "person" when used in this chapter, includes an individual, a co-partnership and a voluntary association.

The term "water works" when used in this chapter, includes all reservoirs, tunnels, shafts, dams, dikes, headgates, pipes, gates, pipes, flumes, canals, structures and appliances, and all other real estate, fixtures and personal property, owned, controlled, operated or managed in connection with or to facilitate the diversion, development, storage, supply, distribution, sale, furnishing, carriage, apportionment or measurement of water for municipal and domestic use.

The term "water company" when used in this chapter, includes every corporation or person, their lessees, trustees, receivers or trustees appointed by any court whatsoever, owning, controlling, operating or managing any waterworks for compensation within this state.

Sec. 504. Accounts closed December 31st; balance sheet filed. The accounts of all public utilities shall be closed annually on the 31st day of December unless a different date is fixed by the commission, and a balance sheet of that date so fixed, promptly taken therefrom. Within 3 months after said date, or the date so fixed, such balance sheet together with such other information as the commission shall prescribe, verified by an officer or owner of public utility, shall be filed with the commission. Said commission may for good and sufficient cause extend said time for any public utility not exceeding 1 month and may, in its discretion, excuse any public utility from filing such returns when the gross revenue of such utility does not exceed the sum of \$50,000.

### § 1508-A - Administrative penalty

1. Penalty. Unless otherwise specified in law, the commission may, in an adjudicatory proceeding, impose an administrative penalty as specified in this section.

A. For willful violations of this Title, a commission rule or a commission order by a public utility or a competitive electricity provider, the commission may impose an administrative penalty for each violation in an amount that does not exceed \$5,000 or .25% of the annual gross revenue that the public utility or the competitive electricity provider received from sales in the State, whichever amount is lower. Each day a violation continues constitutes a separate offense. The maximum administrative penalty for any related series of violations may not exceed \$500,000 or 5% of the annual gross revenue that the public utility or the competitive electricity provider received from sales in the State, whichever amount is lower. [2003, c. 505, §23 (new).]

B. For a violation in which a public utility or a competitive electricity provider was explicitly notified by the commission that it was not in compliance with the requirements of this Title, a commission rule or a commission order and that failure to comply could result in the imposition of administrative penalties, the commission may impose an administrative penalty that does not exceed \$500,000. [2003, c. 505, §23 (new).]

C. The commission may impose an administrative penalty in an amount that does not exceed \$1,000 on any person that is not a public utility or a competitive electricity provider and that violates this Title, a commission rule or a commission order. Each day a violation continues constitutes a separate offense. The administrative penalty may not exceed \$25,000 for any related series of violations. [2003, c. 505, §23 (new).]

D. In addition to the administrative penalties authorized by this subsection, the commission may require disgorgement of profits or revenues realized as a result of a violation of this Title, a commission rule or a commission order. [2003, c. 505, §23 (new).]

2. Considerations. In determining the amount of an administrative penalty under this section, the commission shall take into account:

A. The severity of the violation, including the intent of the violator and the nature, circumstances, extent and gravity of the prohibited act; [2003, c. 505, §23 (new).]

B. The reasonableness of the violator's belief that the violator's action or lack of action was in conformance with this Title, a commission

C. The violator's history of previous violations; [2003, c. 505, §23 (new).]

D. The amount necessary to deter future violations; [2003, c. 505, §23 (new).]

E. The violator's good faith attempts to comply after notification of a violation; and [2003, c. 505, §23 (new).]

F. Such other matters as justice requires. [2003, c. 505, §23 (new).]

Section History: PL 2003, Ch. 505, §23 (NEW).

## GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners Uniform System of Accounting for Water Utilities as modified by the Maine Public Utilities Commission pursuant to Chapter 610.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA).
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar.
7. Complete this report by means which result in a permanent record, such as by typewriter or permanent black ink. Money items (except averages) throughout the report should be shown in units of dollars adjusted to accord with footings.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. **The report must be completed and filed with the Commission using CMS by April 1 of the year following the date of report. Paper copies do not need to be filed.**
  
10. Water utilities with less than \$50,000 of annual operating revenues are not required to complete the shaded areas of the report form but must notify the Commission by letter that the revenues were less than \$50,000.

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# **EXECUTIVE SUMMARY**

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State of Maine  
Hancock  
County of \_\_\_\_\_

} SS

I, the undersigned, Stanley W. Harmon Treasurer  
(Name of owner or officer) (Title)

of Town of Bar Harbor - Water Division  
(Full Name of Respondent)

do make oath that the foregoing return has been prepared, under my direction, from the original books, papers, and records of said Company; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said Company in respect to each and every matter and thing therein set forth; and I further say that no deductions were made before stating the operating revenues herein set forth, except those shown in the foregoing accounts; and that the accounts and figures contained in the foregoing return embrace all of the financial operations of said Company during the period for which said return is made, to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
(Owner or Officer)

SUBSCRIBED AND SWORN TO before me

this sixth day of March 2014  
(month, year)

Patricia A. Gray  
PATRICIA A. GRAY  
NOTARY PUBLIC  
State of Maine  
My Commission Expires  
January 7, 2020

THIS FORM SHOULD BE COMPLETED USING "/S/ NAME" in place of a hard copy signature.

Line Number	HISTORY OF RESPONDENT
1	
2	1. Exact name of Utility filing this report <span style="float: right;">Town of Bar Harbor - Water Division</span>
3	
4	2. Location of main office <span style="float: right;">93 Cottage Street, Bar Harbor, ME 04609</span>
5	
6	3. Is this respondent an individual, partnership, association, corporation or municipality? If partnership, give date of
7	partnership and names and addresses of partners.
8	Municipal Corporation
9	
10	
11	
12	
13	
14	4. Give date when the utility commenced to serve the public.
15	Approximately 1875
16	
17	5. If a corporation, give date of organization and government of state under which organized. If organized under legislative
18	charter, state year, chapter and all amendments.
19	SP 159 of the Maine Laws of 2001
20	
21	
22	
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24	
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31	6. If consolidation or merger, give names of all constituent and merged companies with reference to charters and general laws
32	under which each was organized, and authority for consolidation or merger.
33	
34	not applicable
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44	7. If a reorganized company, give name of original corporation, and date, authority, and cause of re-organization.
45	Bar Harbor Water Company, February 10, 1874; Chapter 449 of the laws of 1874
46	Entity purchased by Town of Bar Harbor Municipality, October 4, 2001; PUC #2001-528
47	Bar Harbor Water Company corporate entity was dissolved in June, 2003
48	
49	
50	8. If in hands of receiver, give name of receiver date of appointment, and court having jurisdiction.
51	
52	not applicable

Line Number	HISTORY OF RESPONDENT		
1			
2	9. State fully the territory you are authorized to serve.		
3			
4	Any territory within the confines of the Town of Bar Harbor		
5			
6			
7			
8			
9			
10	10. Territory actually being served.		
11	Serving the major part of the population base of the Town, consisting of the Town, including the		
12	territory located principally within the villages of Bar Harbor, Hulls Cove and Salisbury Cove.		
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22	11. State fully what business, if any, is being conducted other than that of a water utility.		
23	None		
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25			
26	12. State date of annual meeting, number of shares of stock represented at last annual meeting, and voting power of several		
27	classes of stock.		
28	Not Applicable / Municipal Corporation		
29			
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32			
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35	13. Give names, addresses and holdings of the ten largest stockholders.		
	<i>Name</i>	<i>Address</i>	<i>Common Shares held</i>
36			<i>Preferred shares held</i>
37	Not Applicable / Municipal Corporation		
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Line Number	
1	1. Exact name of Utility <u>Town of Bar Harbor - Water Division</u>
2	2. Name and address of person to whom correspondence concerning this report should be addressed
3	<u>Stanley W Harmon, Treasurer</u>
4	<u>Town of Bar Harbor - Water Division</u>
5	<u>93 Cottage Street</u>
6	<u>Bar Harbor, ME 04609</u>
7	3. Telephone <u>207-288-5096</u> 3a. E-mail address: <u>treasurer@barharbormaine.gov</u>
8	4. List below the address of where the utility's books and records are located
9	<u>93 Cottage Street</u>
10	<u>Bar Harbor, ME 04609</u>
11	
12	5. Telephone <u>207-288-5096</u>
13	6. List below any audit groups reviewing records and operations:
14	<u>James W. Wadman, CPA</u>
15	<u>PO Box 889</u>
16	<u>Ellsworth, ME 04605</u>
17	
18	7. Date of original organization of the utility <u>February 10, 1874, Town purchased stock Octoer 4, 2001</u>
19	8. List below the names, titles and telephone numbers of each:

**OFFICERS**

	<i>Name</i>	<i>Title</i>	<i>Number</i>
20	Dana J Reed	Town Manager	288-4098
21	Chip R. Reeves	Public Works Director	288-1026
22	Stanley W Harmon, Treasurer	Treasurer	288-5096
23	Patricia A Gray	Town Clerk	288-4098
24			
25	Lee Bragg	Town Attorney	623-1596
26		Bernstein, Shur	
27			
28			

**DIRECTORS**

	<i>Name</i>	<i>Title</i>	<i>Number</i>
29	Ms. Ruth Eveland	Council Chair	288-4245 W
30	Mr. Gary Friedmann	Council Vice Chair	288-5323 H
31	Mr. Robert Garland	Councilor	288-4230 H
32	Mr. Paul Paradis	Councilor	288-4995 W
33	Mr. David Bowden	Councilor	288-3491 W
34	Mr. Peter St. Germain	Councilor	288-3924 H
35	Mr. Christopher Walsh	Councilor	288-8484 H
36			
37			

## COMPANY PROFILE

Provide to the extent available a brief narrative company profile which covers the following areas:

- A. Brief company history
- B. Public services rendered
- C. Major goals and objectives
- D. Major operating divisions and functions
- E. Current and projected growth patterns
- F. Major transactions having material effect on operations

A. On October 4, 2001, 100% of the Bar Harbor Water Company's stock was acquired by the Town of Bar Harbor. This action was approved by PUC Docket #2001-528. The corporation was subsequently dissolved on June 25, 2003 and the utility since has operated as a division of the Town's Public Works Department but still supported 100% by user fees.

The Town continues to update annually a long term (5 years) capital improvement plan that incorporates regulatory, infrastructure and operational improvements to the system. There is a history of the Water Company available to the public on the Town's web site at [www.barharbormaine.gov](http://www.barharbormaine.gov). This extensive history was commissioned by the National Park Service and contains historical data and activity from 1873 to 2004.

B. The public services rendered are focused on delivering high quality water at the best possible pricing for the consumer as well as maintaining adequate public and private fire hydrant pressures throughout the system.

C. One of the primary goals are the savings realized by combining and coordinating the needed water main upgrades with other critical upgrades of the Town infrastructure (sewer main replacements, road reconstruction, sidewalk reconstruction, etc.). Another major goal is to continue to maintain the water utility's filtration waiver on its surface supply which saves the ratepayers considerable monies in cost avoidance if the capital costs of a new filtration plant were otherwise factored into the rate structure. The cooperative effort by the Water Division employees along with Acadia National Park staff on the conservation land surrounding the surface water supply all contribute to the protection of its water resource. An emphasis on reducing water loss through locating leaks and replacing old pipes is ongoing, including an active main and service replacement program that is funded on an annual basis.

D. There is one division of six employees who cross train and share duties; five are licensed operators. The Town also employs a general manager, a construction manager, a technology consultant and a fiscal manager to oversee those aspects of the operations.

E. The adopted Comprehensive Plan (June 2008) encourages future growth in areas serviced by Town water. A primary goal of the Comprehensive Plan is to support the expansion of the Town's water distribution system into designated growth areas to support planned compact development patterns. This also helps limit the strain on private well water resources. The Town is now working with the State DOT on a five mile Rte#3 upgrade in 2015/2016 and will include the Water Division having the opportunity to upgrade portions of its Route#3 line to a larger size and possible elimination of a small aging standpipe.

F. Gross capital investments in 2013 were \$1,602,925; primarily for the mandated implementation of the Long Term Enhanced Surface Water Treatment Rules and Stage 2 Disinfection By-Products Rule. Final costs were \$2.9 million. The project replaced 75 year old pumps/pumping system; added a primary UV system for water treatment; and upgraded all the other treatment systems within a fully renovated pump/treatment building.

New water rates were placed into effect on January 1, 2013. *PUC Docket #2012-0499* allowed for an overall 18.4% increase in rates; primarily to fund the added debt service for the capital projects. In 2012 a *Cost of Service Study* was completed that examined the existing rate blocks, rate steps, minimum charges, seasonal rates, etc. to ensure that the rates are equitable for all rate/size classifications as well as for seasonal/annual customers and for private/public fire protection customers. At the time of this PUC filing, hearings have been held on the report by *La Capra Associates, Inc.*, but a final consensus as to implementation strategy has not been reached by the Town's Councilors. With pending PUC recommendations for some level of de-regulation before the State Legislature any further action on the Cost of Service Study will be postponed until it is determined how the State laws on utility regulation may change.

In 2014, the Town anticipates completing a new Public Works Facility complex and intends to lease space to the Water Division. It will sell a garage property and move out of another leased facility that it utilizes for office and work space. One of the real estate assets owned by the utility (337 Main St.) was sold in 2013 (net gain of \$387,280) and the cash proceeds was used to both improve its working capital position as well as to fully fund and close out the old pension fund at a cost of \$395,994.

**COMPENSATION OF OFFICERS**

Line Number	Name	Title	Officer's Salary (\$)
1	The Town charges a management fee for management and fiscal services that is charged to A/C#634 on W-2; \$67,807  Composed of 50% salaries and 50% for all benefits and admin. overhead costs  The fee covers time spent by the Town Manager, Public Works Director, Finance Director, Technology Administrator, as well as expenses, benefits and the time of the finance staff, office space and equipment. A formula for these fees and overhead based upon actual estimated experience is adjusted annually by approval of the Town Council and the annual Town Meeting.  None of the personnel above receive any compensation directly from any Water Division revenues.		
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**COMPENSATION OF DIRECTORS/TRUSTEES**

For each director lister on page E-4 list the number or director/meetings attended by each director/trustee and the compensation received as a director/trustee from the respondent.

Line Number	Name	Title	Number of Meetings Attended	Officer's Salary (\$)
23	Not applicable			
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**AFFILIATION OF OFFICERS AND DIRECTORS**

For each of the officials listed on page E-4, list the principal occupation or business affiliation if other than listed on page E-4, and all affiliations or connections with any other business or financial organization, firms, or partnerships. For purposes of this part, official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Line Number	Name	Principal Occupation or Business Affiliation	Affiliation or Connection	Name and Address of Affiliation or Connection
1	Not applicable			
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**FINANCIAL  
SECTION**

**COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS**

Line Number	ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR END (d)	PREVIOUS YEAR END (e)
1		<b>UTILITY PLANT</b>			
2					
3	101-105	Utility Plant	F-6	9,261,035	8,005,039
4	108-110	Less: Accumulated Depreciation and Amortization	F-7	2,081,261	2,238,389
5					
6		Net Plant		7,179,774	5,766,650
7	114-115	Utility Plant Acquisition Adjustments (Net)	F-6	1,718,033	1,788,157
8		Other Plant Adj. (Specify)			
9					
10					
11		<b>Total Net Utility Plant</b>		<b>8,897,807</b>	<b>7,554,807</b>
12					
13		<b>OTHER PROPERTY AND INVESTMENTS</b>			
14					
15	121	Nonutility Property	F-8	0	0
16	122	Less: Accumulated Depreciation and Amortization			
17					
18		Net Nonutility Property		0	0
19					
20	123	Investment In Associated Companies	F-9	0	
21	124	Utility Investments	F-9	0	
22	125	Other Investments	F-9	0	
23	127	Other Special Funds	F-9a	0	0
24					
25		<b>Total Other Property &amp; Investments</b>		<b>0</b>	<b>0</b>
26					
27		<b>CURRENT AND ACCRUED ASSETS</b>			
28					
29	131	Cash		17,640	6,581
30	132	Special Deposits	F-8	0	
31	134	Working Funds			
32	135	Temporary Cash Investments		121,419	80,704
33	141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-10	137,326	13,152
34					
35	145	Accounts Receivable from Associated Companies	F-11	0	
36	146	Notes Receivable from Associated Companies	F-11	0	
37	151	Material and Supplies	F-12	142,468	135,100
38	162	Prepayments	F-13	6,341	5,791
39	171	Accrued Interest and Dividends Receivable			
40	174	Misc. Current and Accrued Assets	F-12	97,629	26,268
41					
42		<b>Total Current and Accrued Assets</b>		<b>522,823</b>	<b>267,596</b>
43					
44	181-190	<b>DEFERRED DEBITS</b>	F-13		69,591
45			& F-14		
46		<b>TOTAL ASSETS AND OTHER DEBITS</b>		<b>9,420,630</b>	<b>7,891,994</b>

**COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES**

Line Number	ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR END (d)	PREVIOUS YEAR END (e)
1		<b>EQUITY CAPITAL</b>			
2	201	Common Stock Issued	F-16		
3	204	Preferred Stock Issued	F-16		
4	211	Other Paid-In Capital			
5	212	Discount on Capital Stock			
6	213	Capital Stock Expense			
7	214	Appropriated Retained Earnings			
8	215	Unappropriated Retained Earnings	F-5	2,528,959	1,820,028
9	216	Reacquired Capital Stock			
10	218	Proprietary Capital (Proprietorship and Partnership Only)			
11		<b>Total Equity Capital</b>		2,528,959	1,820,028
12		<b>LONG-TERM DEBT</b>			
13	221	Bonds	F-17	6,414,605	4,715,400
14	223	Advances from Associated Companies	F-17		
15	224	Other Long-Term Debt	F-17		
16		<b>Total Long-Term Debt</b>		6,414,605	4,715,400
17		<b>CURRENT AND ACCRUED LIABILITIES</b>			
18	231	Accounts Payable		74,367	237,129
19	232	Notes Payable	F-15	0	
20	233	Accounts Payable to Associated Companies	F-15	15,995	583,964
21	234	Notes Payable to Associated Companies	F-15	0	
22	235	Customer Deposits			
23	236	Accrued Taxes	F-18		
24	237	Accrued Interest	F-19	17,492	18,556
25	238	Accrued Dividends			
26	239	Matured Long-Term Debt			
27	240	Matured Interest			
28	241	Miscellaneous Current and Accrued Liabilities	F-20	29,374	22,598
29		<b>Total Current and Accrued Liabilities</b>		137,228	862,247
30		<b>DEFERRED CREDITS</b>			
31	251	Unamortized Premium on Debt	F-14		
32	252	Advances for Construction	F-20	165,000	165,000
33	253	Other Deferred Credits			
34	255	Accumulated Deferred Investment Tax Credits			
35		<b>Total Deferred Credits</b>		165,000	165,000
36	261-265	<b>OPERATING RESERVES</b>	F-21	0	166,505
37		<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
38	271	Contributions In Aid Of Construction	F-21	363,971	342,770
39	272	Accumulated Amortization of Contrib. In Aid of Construction.	F-21	189,133	179,956
40		<b>Total Net C.I.A.C</b>	F-21	174,838	162,814
41		<b>ACCUMULATED DEFERRED INCOME TAXES</b>			
42	281	Accumulated Deferred Income Taxes-Accelerated Depreciation			
43	282	Accumulated Deferred Income Taxes-Liberalized Depreciation			
44	283	Accumulated Deferred Income Taxes-Other			
45		<b>Total Accumulated Deferred Income Taxes</b>		0	0
46					
47		<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>		9,420,630	7,891,994

**NOTES TO THE BALANCE SHEET**

The space below is provided for important notes regarding the balance sheet.

Acct#114-115 Original acquisition costs for the purchase of the Water Company in 2001 totaled \$2,454,335. It is amortized over a period of 35 years, starting on 7/1/2003, following dissolution of the Company on June 25, 2003. This amortization schedule represents the average life of all the net depreciable assets on July 1, 2003. The annual amortization costs of the acquisition costs were not to be included for rate making purposes, as stipulated in the 1/1/2004 rate case (Docket #2003-759).

Acct #272 Accumulated Amortization of Contributions In Aid of Construction (CIAC). The statements for 2013 include 12 months credit amortization of \$9,177 through December for CIAC that was included in Acct #407 within the total expense amount of \$5,151 on Schedule F-4. This amount (-\$9,177) offsets the depreciation taken on those same depreciable assets shown on Schedule F-4 in Acct# 403.

GAAP Reconciliation - New Contributions in Aid of Construction (#271) are run through the income statement for reporting purposes on the annual audit as of June 30th each year on the Nonutility Income line, but are shown as "increases" to the Contribution In Aid of Construction (CIAC) account on the PUC report as well as in the Town's internal reporting. The amount of CIAC for CY2013 is \$21,201 and is shown in further detail on schedule F-21.

Acct #263 Operating Reserves. The Pension reserve of \$166,505 was closed out during 2013 as the participants in the utility's old pension plan were paid in either lump sum or by purchased annuity contracts totalling \$395,994. \$166,505 was already accrued @ 12/31/12, the balance of funds either being in the segregated pension asset fund or expensed directly during CY2013 and reflected in Benefits. Acct #604, W-2. The employees have participated in the Maine State Retirement System since 2002 when this pension plan was frozen (as to accruing more benefits). Approximate expenses reflected in #604, W-2 in CY2013 were \$112,650 that will not be an expense in 2014 or in future years.

**F-4 Operating Statement**

Revenues Acct #414 - Gain from Sale of Property. The utility's old office building was sold in September of 2013 for a gain of \$387,280 and is reflected in this account. Losses of \$48,419 on disposal of old equipment retired at the new Duckbrook pump station reduced the net gain shown in this acct #414 to \$338,861. The cash proceeds from the sale of this building (337 Main St.) were used to close out the pension plan (see the note to Acct #263 above).

**OPERATING STATEMENT-WATER**

Line Number	ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR END (d)	PREVIOUS YEAR END (e)
1		<b>UTILITY OPERATING INCOME</b>			
2	400	<b>Operating Revenues</b> (should equal W-3 line 28)	W-3	1,772,632	1,505,906
3	401	Operating Expenses	W-2	1,019,940	901,266
4	403	Depreciation Expense	W-4	139,882	122,199
5	406	Amortization of Utility Plant Acquisition Adjustment	F-6	70,124	70,124
6	407	Amortization Expense		5,151	5,367
7	408.1	Taxes Other Than Income	F-18	31,134	28,253
8	409.1	Income Taxes	F-18		
9	410.1	Deferred Federal Income Taxes	F-18		
10	411.1	Provision for Deferred Income Taxes-Credit	F-18		
11	412.1	Investment Tax Credits Deferred to Future Periods	F-18		
12	412.11	Investment Tax Credits Restored to Operating Income Utility Operating Expense	F-18		
13		<b>Total Utility Operating Expenses</b>		1,266,231	1,127,209
14		<b>Utility Operating Income</b>		506,401	378,697
15	413	Income From Utility Plant Leased to Others			
16	414	Gains (Losses) From Disposition of Utility Property		338,861	
17		<b>Total Utility Operating Income</b>		845,262	378,697
18		<b>OTHER INCOME AND DEDUCTIONS</b>			
19	415	Revenues From Merchandising, Jobbing and Contract Work		12,627	11,878
20	416	Costs and Expenses of Merchandising, Jobbing and Contract Work		9,350	7,387
21					
22	419	Interest and Dividend Income		1,179	2,685
23	420	Allowance for Funds Used During Construction			
24	421	Nonutility Income			
25	426	Miscellaneous Nonutility Expenses			
26		<b>Total Other Income and Deductions</b>		4,456	7,176
27		<b>TAXES APPLICABLE TO OTHER INCOME</b>			
28	408.2	Taxes Other Than Income	F-18		
29	409.2	Income Taxes	F-18		
30	410.2	Provision for Deferred Income Taxes	F-18		
31	411.2	Provision for Deferred Income Taxes - Credit	F-18		
32	412.2	Investment Tax Credits - Net	F-18		
33	412.3	Investment Tax Credits Restored to Nonoperating Income	F-18		
34		<b>Total Taxes Applicable To Other Income</b>		0	0
35		<b>INTEREST EXPENSE</b>			
36	427	Interest Expense	F-19	140,028	119,782
37	428	Amortization of Debt Discount & Expense	F-14	759	758
38	429	Amortization of Premium on Debt	F-14		
39		<b>Total Interest Expense</b>		140,787	120,540
40		<b>EXTRAORDINARY ITEMS</b>			
41	433	Extraordinary Income			
42	434	Extraordinary Deductions			
43	409.3	Income Taxes, Extraordinary Items	F-18		
44		<b>Total Extraordinary Items</b>		0	0
45					
46		<b>NET INCOME</b>		708,931	265,333

OPERATING STATEMENT-WATER

Line Number	ACCT. NO. (a)	(b)	AMOUNTS (c)			
1	215	Unappropriated Retained Earnings, 1/01/13 Beginning Balance			1,820,028	
2						
3		Changes to account:				
4	439	Adjustments to Retained Earnings (requires Commission approval prior to use):				
5		Credits				
6						
7		Total Credits			0	
8		Debits				
9						
10		Total Debits			0	
11						
12	435	Balance Transferred from Income (Page F-4, line 46)			708,931	
13						
14	436	Appropriation of Retained Earnings:				
15						
16						
17		Contractual Appropriation of Income (also defined as debt repayment -- if you have made principal payments on bonds this should be reflected here)				
18		Other				
19		Total Appropriation of Income			0	
20						
21		Dividends Declared:				
22	437	Preferred Stock Dividends Declared				
23						
24	438	Common Stock Dividends Declared				
25						
26		Total Dividends Declared			0	
27						
28	215	Unappropriated Retained Earnings, 12/31/13 Ending Balance			2,528,959	
29						
30	214	Appropriated Retained Earnings 1/01/13 Beginning Balance				
31		(state amount and purpose for each appropriation)				
32		Additions to Appropriated Retained Earnings:				
33						
34		Sinking Fund Reserve				
35		Funded Debt Retired thru Surplus				
36						
37						
38	214	Appropriated Retained Earnings 12/31/13 Ending Balance			0	
	ACCT. NO.	TITLE	BEGINNING BALANCE	ADDITIONS	WITHDRAWALS	ENDING BALANCE
39						
40	214.2	Sinking Fund Reserve				0
41	214.3	Funded Debt Retired thru Surplus				0
42	214.4	Other				0
43						0
44		Total	0	0	0	0
44						

UTILITY PLANTS (ACCOUNTS 101-105)					
Line Number	ACCT. NO. (a)	(b)	WATER (c)	OTHER (d)	TOTAL (e)
1		<b>PLANT ACCOUNTS</b>			
2	101	Utility Plant In Service	9,261,035		9,261,035
3	102	Utility Plant Leased to Others			0
4	103	Property Held for Future Use			0
5	104	Utility Plant Purchased or Sold			0
6	105	Construction Work in Progress			0
7					
8		Total Utility Plant	9,261,035	0	9,261,035

**UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114-115)**

Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.

Line Number	(a)	WATER (b)	OTHER (c)	TOTAL (d)
9	Acquisition Adjustment (114):			
10				
11	Stock purchased - 2781 shares @ \$873 = \$2,400,003	2,454,334		2,454,334
12	Unfunded pension reserve = \$ 144,988			
13	All other costs & adjustments = \$ (90,657)			
14				
15				
16	Total Plant Acquisition Adjustments	2,454,334	0	2,454,334
17				
18	Accumulated Amortization (115):			
19				
20	Amortize over 35 years from date of liquidation of the Bar Harbor Water Company			0
21	corporate entity on 6/25/2003 (avg. life of all assets) - Beg. Bal 1/1/2012	666,177		666,177
22	Plus: 2013 amortization	70,124		70,124
23				0
24				
25	Total Accumulated Amortization	736,301	0	736,301
26				
27	Net Acquisition Adjustments	1,718,033	0	1,718,033

**ACCUMULATED DEPRECIATION (ACCOUNT 108)**

Line Number	(a)	WATER (b)	OTHER (c)	TOTAL (d)
1	<b>BALANCE FIRST OF YEAR</b>			
2		2,238,389		2,238,389
3	<b>Credit during year:</b>			
4	Accruals charged to Account 108	139,882		139,882
5	Accruals charged other accounts (specify)			0
6				0
7	Salvage			0
8	Other credits (specify)			0
9	Total credits	139,882	0	139,882
10				
11	<b>Debits during year:</b>			
12	Book cost of plant retired	297,010		297,010
13	Cost of removal			0
14	Other debits (specify)			0
15				0
16	Total debits	297,010	0	297,010
17				
18	<b>BALANCE END OF YEAR</b>	2,081,261	0	2,081,261

**ACCUMULATED AMORTIZATION (ACCOUNT 110)**

Line Number	(a)	WATER (b)	OTHER (c)	TOTAL (d)
19	<b>BALANCE FIRST OF YEAR</b>			0
20	<b>Credits during year:</b>			
21	Accruals charged to Account 110			0
22	Other credits (specify)			0
23				0
24				0
25	Total credits	0	0	0
26				
27	<b>Debits during year:</b>			
28	Book cost of plant retired			0
29	Other debits (specify)			0
30				0
31	Total debits	0	0	0
32				
33	<b>BALANCE END OF YEAR</b>	0	0	0





**INVESTMENTS AND SPECIAL FUNDS (Accts. 123-127) continued.**

**OTHER SPECIAL FUNDS (Acct. 127)**

Line Number	Purpose of Fund (a)	Name of Securities in Fund (b)	Trustee of Fund (c)	(d)	Balance in fund beginning of period (e)	Additions to Fund during Period		Withdrawals from fund (h)	Balance close
						Cash Appropriation Fund (f)	Income from Investment of Fund (g)		
1	Sinking Funds								
2		None							
3									
4									
5									
6									
7	Totals				0	0	0	0	0

**ACCOUNTS AND NOTES RECEIVABLE - NET (Accts 141-144)**

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually.

Line Number	Description (a)	TOTAL (b)
1	<b>ACCOUNTS RECEIVABLE:</b>	
2		
3	Customer Accounts Receivable (Acct. 141):	
4	Water	35,413
5	Other	3,673
6		
7	Total Customer Accounts Receivable	39,086
8		
9	<b>OTHER ACCOUNTS RECEIVABLE (Acct. 142):</b>	
10		
11		
12		
13		
14		
15	Total Other Accounts Receivable	0
16		
17	<b>NOTES RECEIVABLE (Acct. 144):</b>	
18		
19		
20	Bond Receivable (from State SRF Fund)	102,540
21		
22		
23		
24	Total Notes Receivable	102,540
25		
26	Total Accounts and Notes Receivable	141,626
27		
28	<b>ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Acct. 143):</b>	
29		
30	Balance first of year	3,800
31	Add: Provision for uncollectibles for current year	
32	Collections of accounts previously written off	
33	Utility accounts	500
34	Others	
35		
36	Total Additions	500
37	Deduct accounts written off during year:	
38	Utility Accounts	
39	Other	
40		
41		
42	Total accounts written off	0
43		
44	Balance end of year	4,300
45		
46	Total Accounts and Notes Receivable - Net	137,326



**MATERIALS AND SUPPLIES**

Line Number	ITEMS (a)	WATER (b)	OTHER DEPARTMENTS (c)	TOTAL (d)
1	Materials for Operations	142,468		142,468
2				
3	Materials for Construction Purposes			0
4				
5	Appliances (Held for Sale)			0
6				
7				
8				
9				
10				
11				
12	Totals	142,468	0	142,468

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS (Acct. 174)**

Line Number	DESCRIPTION OF ASSET (a)	AMOUNT (B)
13	Accrued Utility Revenues	
14	Other:	
15		
16	Leaschold Improvements - 49 Park Street lease	
17	(5 year lease Nov. 2009 to Nov. 2014 - amortized/expensed over 5 years)	
18	Beginning Balance 1/1/2013	26,268
19	2013 Amortization (exp in acct #407 F-4)	14,328
20	Ending Blance 12/31/2013	11,940
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42	Total	11,940

**PREPAYMENTS (Acct. 162)**

Line Number	(a)	WATER (b)	OTHER (c)	TOTAL (d)
1	Prepaid Insurance			
2	Prepaid Rents			0
3	Prepaid Interest			0
4	Prepaid Taxes			0
5	Other Prepayments (Specify): Assessment/Dues	6,341		6,341
6				0
7				0
8				0
9	Total Prepayments	6,341	0	6,341

**MISCELLANEOUS DEFERRED DEBITS (Acct. 186)**

Line Number	Description (a)	Amt. Credited to utility property (b)	Cost of Removal (c)	Salvage Credited (c)	Balance at end of year (d)
10	Miscellaneous Deferred Debits (Acct. 186):				
11					
12	Deferred Rate Case Expense (Acct. 186.6)				4,900
13	Other Deferred Debits				
14	Retirement Work in Progress				
15					
16	Tank Painting Maintenance--Prepaid Amortization (Jax Lab)				74,718
17					
18					
19					
20					
21					
22					
23					
24					
25	Total Miscellaneous Deferred Debits				79,618

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Acct. 181)**

Line Number	Name of Debt to which discount and expense relate (a)	Original amount of discount and expense (b)	Amortization Period		Balance in account at beginning of year (e)	Charges to account during year (f)	Discount extinguished during year (g)	Balance in account at close of year (h)
			From (year) (c)	To (year) (d)				
1								0
2	GO SRF Bond	15,179	2002	2022	6,830		759	6,071
3	Duckbrook Tank							
4	2/15/2002							
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15	Totals	15,179			6,830	0	759	6,071

**UNAMORTIZED PREMIUM ON DEBT (Acct. 251)**

Line Number	Name of Debt to which premium relates (a)	Total premium to close of year (b)	Amortization Period		Balance in account at beginning of year (e)	Credits to account during year (f)	Premium extinguished during year (g)	Balance in account at close of year (h)
			From (year) (c)	To (year) (d)				
1								0
2								0
3	None							0
4								0
5								0
6								0
7								0
8								0
9								0
10								0
11								0
12								0
13								0
14								0
15	Totals	0			0	0	0	0

**EXTRAORDINARY PROPERTY LOSSES (Acct. 182)**

Report each item separately.

Line Number	DESCRIPTION (a)	TOTAL (b)
31	Extraordinary Property Losses (Acct. 182):	
32	None	
33		
34		
35		
36	Total Extraordinary Property Losses	0

**NOTES PAYABLE (Accts. 232 and 234)**

**OTHER SPECIAL FUNDS (Acct. 127)**

Line Number		Nominal Date of Issue	Date of Maturity	INTEREST		Principle Amount per Balance Sheet
				Rate	Frequency of Payment	
	(a)	(b)	(c)	(d)	(e)	(f)
1	Account 232-Notes Payable					
2						
3						
4						
5						
6						
7						
8						
9	Totals Account 232					0
10	Account 234-Notes Payable to					
11	Associated Companies					
12						
13						
14						
15						
16						
17						
18						
19	Totals Account 234					0

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (Acct. 233)**

Report each account payable separately.

Line Number	Description	Total
	(a)	(b)
20		
21	Temporary payable to Town of Bar Harbor - General Fund: (\$583,964 in CY2012)	15,995
22	(Water Division short of working capital at year end due to prior capital investments made)	
23	Nominal interest @ 1% charged to Water Division for use of funds.	
24		
25		
26		
27		
28		
29		
30		
31	Total	15,995

**CAPITAL STOCK (Acct. 201 & 204)**

**A.-With Par Value**

For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent under such circumstances as require them to be considered as held alive, and not canceled or retired, they are considered to be nominally outstanding.

Line No.	Class of Stock (a)	No. of shares specified in Articles of Incorporation (b)	Par value per share (c)	Authorized by P.U.C.		Par value issued actually outstanding at close of year (f)	Cash received as consideration for issue (g)	Cash value of other property acquired or services received as consideration for issue (h)	Amount nominally outstanding at close of year (i)
				No. of shares (d)	Par value (e)				
1									
2	Common								
3		Not applicable							
4									
5	Total Common								0
6	Preferred								
7									
8									
9	Total Preferred								0
10	Receipts outstanding								
11	for installments paid								
12	Total								0

**B.-Without Par Value**

Line No.	Class of Stock (j)	No. of Shares specified in Articles of Incorporation (k)	No. of shares authorized by P.U.C. (l)	Stock Actually Outstanding		Cash Value of other property aquired or services received as consideration for issue (o)	No. of shares nominally outstanding at close of year (p)
				Shares (m)	Cash consideration (n)		
13							
14	Common						
15		Not applicable					
16							
17							
18							
19	Preferred						
20							
21							
22							
23							
24	Receipts outstanding						
25	for installments paid						
26	Total						

ACCRUED TAXES (Acct. 236)

Line Number	(a)	WATER (b)	OTHER (c)	TOTAL (d)
1	Balance First of Year	0		0
2				
3	Accruals Charged:			
4	Utility Regulatory Assessment Fees	8,096		8,096
5	Property Taxes			0
6	Payroll Taxes	23,038		23,038
7	Other Taxes & Licenses			0
8	Federal Income Taxes			0
9	State Income Taxes			0
10	Deferred F.I.T			0
11	Deferred S.I.T			0
12	Deferred Income Taxes - Credit			0
13	ITC Deferred To Future Periods			0
14	ITC Restored To Operating Income			0
15	Taxes Applicable to Other Income			0
16	(Accts. 408.2, 409.2 & .3, 410.2, 411.2			
17	412.2 & .3)			
18				
19	Total Taxes Accrued	31,134	0	31,134
20				
21	Taxes Paid During Year:			
22	Utility Regulatory Assessment Fees	8,096		8,096
23	Property Taxes			0
24	Payroll Taxes	23,038		23,038
25	Other Taxes & Licenses			0
26	Federal Income Taxes			0
27	State Income Taxes			0
28	Deferred F.I.T			0
29	Deferred S.I.T			0
30	Deferred Income Taxes - Credit			0
31	ITC Deferred To Future Periods			0
32	ITC Restored To Operating Income			0
33	Taxes Applicable to Other Income			0
34	(Accts. 408.2, 409.2 & .3, 410.2,			
35	411.2, 412.2 & .3)			
36				
37	Total Taxes Paid	31,134	0	31,134
38				
39	Balance End of Year	0	0	0

**ACCRUED INTEREST (Acct. 237)**

Line Number	(a)	Balance at Beginning of Year (b)	INTEREST Accrued during Year		Interest Paid During Year (e)	Balance End of Year (f)
			Acct. Debit (c)	Amount (d)		
1	Account No. 237.1 -					
2	Accrued Interest on					
3	Long Term Debt:					
4	2/15/02 GO SRF	2,121	427	10,183	10,394	1,910
5	5/1/10 GO	2,885	427	16,924	17,025	2,784
6	9/15/11 GO	6,560	427	78,133	78,568	6,125
7	10/1/12 GO SRF	6,990	427	33,691	34,008	6,673
8						
9	Total Account No. 237.1	18,556		138,931	139,995	17,492
10						
11	Account No. 237.2 -					
12	Accrued Interest on					
13	Other Liabilities:					
14	General Fund Borrowing			1,097	1,097	
15						
16						
17						
18						
19	Total Account No. 237.2	0		1,097	1,097	0
20						
21	Total Account No. 237	18,556		140,028	141,092	17,492

**REGULATORY COMMISSION EXPENSE--NORMALIZATION OF RATE CASE EXPENSE (Accts. 666 and 667)**

Line Number	Description of Case (Docket No.) (a)	Expense Incurred During Year (b)	Amount Transferred to Acct. No. 186.6 (c)	Charged Off During Year	
				Acct. (d)	Amount (e)
22					
23	Docket 2012-499; effective 1/1/2013				
24	amortize 1/1/2013 - 12/31/2014	0		666	4,900
25					
26					
27					
28					
29					
30					
31					
32	Total	0	0		4,900

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Acct. 241)**

Line Number	Description (a)	Balance End of Year (b)
1	Advance Billing and Payments	
2	Other:	
3	241.1 Accrued Vacation Wages	9,702
4	241.2 Accrued Wages Worked	16,796
5	241.3 Security Deposits	2,876
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	Total Miscellaneous Current and Accrued Liabilities	29,374

**ADVANCES FOR CONSTRUCTION (Acct. 252)**

Line Number	Name of Payor (a)	Balance Beginning of Year (b)	Debits		Credits (e)	Balance End of Year (f)
			Acct. Debit (c)	Amount (d)		
1	Birch Bay Retirement Village	165,000				165,000
2	Crooked Rd Main Extension					
3						
4	(refundable 10 year contract from					
5	7/14/2006)					
6						
7	Expires to CIA (#271) @ 7/14/2016					
8	& amortize over 64 years (mains)					
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36	Total	165,000		0	0	165,000

**OPERATING RESERVES (Acct. 261-265)**

Line Number	Describe hereunder the several reserves carried in this account submitting balances in each reserve. (a)	Credit Balance at Start of Year (b)	Additions (c)	Withdrawals (d)	Credit Balance at close of year (e)
1	Acct. 261-Property Insurance Reserve				0
2	Acct. 262-Injuries & Damages Reserve				0
3	Acct. 263-Pensions & Benefits Reserve	166,505		166,505	0
4	Acct. 265-Miscellaneous Operating Reserves				0
5	Other				0
6					
7					
8					
9					
10	Total	166,505	0	166,505	0

**CONTRIBUTIONS IN AID OF CONSTRUCTION (Acct. 271)**

Line Number	(a)	YEAR END BOOK COST (b)
1	Balance first of year	342,770
2	Add credits during year:	
3	Contributions received from System Development, Main Extension and Customer Connection Charges (see below)	21,201
4		
5		
6	Total Credits	21,201
7	Deduct refunds during year	
8	Balance end of year	363,971
9	Less Accumulated Amortization	189,133
10		
11	Net CIAC	174,838

**ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM SYSTEM DEVELOPMENT CHARGES AND MAIN EXTENSION CHARGES RECEIVED DURING THE YEAR**

Line Number	Description of Charge	Number of Connections	Water
12			
13	UV Equipment - SRF forgiveness		16,193
14	New/renew services	7	5,008
15			
16			
17			
18			
19			
20			
21			
22			
23	Total Credits from System Development, Main Extension Charges		21,201

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES  
(Utility Operations)**

1. The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.

2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among group members.

Line Number	(a)	Ref. (b)	Amount (c)
1	Net income for the year		
2	Reconciling items for the year:		
3	Taxable income not reported on books:		
4			
5	Not Applicable		
6			
7			
8			
9			
10	Deductions recorded on books not deducted for return:		
11			
12			
13			
14			
15			
16			
17	Income recorded on books not included in return:		
18			
19			
20			
21			
22			
23			
24	Deduction on return not charged against book income:		
25			
26			
27			
28			
29			
30			
31	Federal tax net income		
32			
33	Computation of tax:		

**POLITICAL ACTIVITIES, INSTITUTIONAL ADVERTISING, PROMOTIONAL ADVERTISING AND PROMOTIONAL ALLOWANCES**

Report by item the account number, nature, payee and amounts for such activities, advertising, and allowances recorded in separate subdivisions of the non operating account no. 426, "Miscellaneous Nonutility Expenses." Report in an attachment a description of the methods used by the utility to collect and account for such information and methods used to inform its employees and agents of the requirement of Chapter 83 of the Public Utilities Commission's rules and regulations and how to report such information to the utility for inclusion in the report required by Section 2 and the accounts required by Section 3 of this rule. IF NONE, SO STATE.

**REMARKS:**

Item	Amount
None	



**WATER OPERATION  
SECTION**

**WATER UTILITY PLANT ACCOUNTS**

Line Number	ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
1	301	Organization	3,593			3,593
2	302	Franchises				
3	303	Land and Land Rights	136,950		667	136,283
4	304	Structures and Improvements	149,511	1,742,209	58,237	1,833,483
5	305	Collecting and Impounding Reservoirs	21,831			21,831
6	306	Lake, River and Other Intakes	129,361			129,361
7	307	Wells and Springs				
8	308	Infiltration Galleries and Tunnels				
9	309	Supply Mains				
10	310	Power Generation Equipment		74,000		74,000
11	311	Pumping Equipment	103,512	265,000	58,090	310,422
12	320	Water Treatment Equipment	262,171	513,000	92,601	682,570
13	330	Distribution Reservoirs and Standpipes	824,347	30,329		854,676
14	331	Transmission and Distribution Mains	3,159,788	419,180	53,935	3,525,033
15	333	Services	614,463	68,485	5,890	677,058
16	334	Meters and Meter Installations	338,150		3,710	334,440
17	335	Hydrants	241,635	15,357	2,367	254,625
18	339	Other Plant and Miscellaneous Equipment				
19	340	Office Furniture and Equipment	19,767		8,222	11,545
20	341	Transportation	192,051		7,000	185,051
21	342	Stores Equipment				
22	343	Tools, Shop and Garage Equipment	51,184		4,619	46,565
23	344	Laboratory Equipment				
24	345	Power Operated Equipment				
25	346	Communication Equipment	78,708	45,218	9,240	114,686
26	347	Miscellaneous Equipment	83,666	24,498	42,351	65,813
27	348	Other Tangible Plant				
28						
29		Total Water Plant	6,410,688	3,197,276	346,929	9,261,035



**WATER OPERATING REVENUES (Acct. 400)**

1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.
2. If increases and decreases are not derived from previously reported figures explain any inconsistencies.
3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts except that where separate meter readings are added for billing purposes one customer shall be counted for each group of meters so added. If the customer count in the residential service classification includes customers counted more than once because of special services, such as air conditioning, etc. indicate in a footnote the number of such duplicate customers included in the classification.
4. Unmetered sales should be included below.

Line No.	ACCT NO.	Account Name	Operating Revenues		Thousand Gallons Sold*		Number of Customers for Year
			Amount for Year	Increase or decrease from preceding year	Amount for year	Increase or decrease from preceding year	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1		OPERATING REVENUES					
2		SALES OF WATER					
3	460	Unmetered Sales to Gen. Customers					
4							
5							
6							
7							
8	460	Total	0	0	0	0	0
9	461	Metered Sales to Gen. Customers					
10	461.1	Residential	484,620	58,374	65,318	-6,252	1,246
11	461.2	Commercial	494,752	73,641	103,634	1,434	420
12	461.3	Industrial - Jackson Lab	138,761	22,243	60,116	2,196	41
13	461.4	Public Authorities	56,710	9,709	10,170	265	44
14		Total	1,174,843	163,967	239,238	-2,357	1,751
15	462.1	Public Fire-Protection Service	480,468	77,500			1
16	462.2	Private Fire-Protection Service	106,563	17,389			80
17	464	Other Sales to Public Authorities					
18	466	Sales for Resale					
19	467	Interdepartmental Sales					
20		Total Sales of Water	1,761,874	258,856	239,238	-2,357	1,832
21		OTHER OPERATING REVENUES					
22	470	Forfeited Discounts					
23	471	Miscellaneous Service Revenues	10,758	7,870			
24	472	Rents from Water Property					
25	473	Interdepartmental Rents					
26	474	Other Water Revenues					
27		Total Other Operating Revenues	10,758	7,870	0	0	0
28		Total Operating Revenues	1,772,632	266,726	239,238	-2,357	1,832

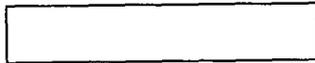
\*Where water meters record cubic feet, multiply cubic feet by 7.48 to obtain number of gallons.

W-3

**WATER OPERATING REVENUES SUBJECT TO PUC/OPA ASSESSMENT**

Using the information reported on page W-3, calculate the revenues subject to Commission Assessment per 35-A M.R.S.A. §116. This section defines revenues as follows: "For the purpose of this section, 'intrastate gross operating revenues' mean intrastate revenues derived from filed rates, except revenues derived from sales for resale." Therefore, Sales for Resale should be excluded when calculating the revenues subject to assessment.

Line	Description	Annual Revenues	Amount Subject to Assessment
1	Total Water Revenues (from W-3 line 28, Column c)	\$1,772,632	
2	Total Sales for Resale - Account 444 (from W-3 line 18, Column c)		\$0
3	Net Subject to Assessment (Line 1 minus Line 2)		\$1,772,632



**BASIS FOR WATER DEPRECIATION CHARGES**

Line Number	ACCT. NO. (a)	ACCOUNT NAME (b)	Total Investment (c)	Depreciation Base (d)	Depreciation Rate (e)	Annual Depreciation (f)
1	304	Structures and Improvements	1,833,483	1,826,551	20-40 yrs	9,603
2	305	Collecting and Impounding Reservoirs	21,831	21,312	75 yrs	144
3	306	Lake, River and Other Intakes	129,361	129,361	67 yrs	1,942
4	307	Wells and Springs				
5	308	Infiltration Galleries and Tunnels				
6	309	Supply Mains				
7	310	Power Generation Equipment	74,000	74,000	20 yrs	650
8	311	Pumping Equipment	310,422	298,238	20-25 yrs	4,044
9	320	Water Treatment Equipment	682,569	558,678	12-20 yrs	9,304
10	330	Distribution Reservoirs and Standpipes	854,676	785,295	50 yrs	16,363
11	331	Transmission and Distribution Mains	3,525,033	3,519,747	33-76 yrs	45,613
12	333	Services	677,058	597,427	33-40 yrs	15,825
13	334	Meters and Meter Installations	334,440	255,110	13-25 yrs	9,810
14	335	Hydrants	254,625	241,393	50 yrs	4,539
15	339	Other Plant and Miscellaneous Equipment				
16	340	Office Furniture and Equipment	11,545	9,859	6-20 yrs	764
17	341	Transportation Equipment	185,051	57,114	5-12 yrs	11,422
18	342	Stores Equipment				
19	343	Tools, Shop and Garage Equipment	46,565	5,238	10 yrs	522
20	344	Laboratory Equipment				
21	345	Power Operated Equipment				
22	346	Communication Equipment	114,687	114,687	10-25 yrs	7,669
23	347	Miscellaneous Equipment	65,813	39,916	10-20 yrs	1,668
24	348	Other Tangible Plant				
25		Total Depreciable Water				
26		Plant In Service	9,121,159	8,533,926		139,882



**ANALYSIS OF ENTRIES IN WATER DEPRECIATION RESERVE (continued)**

Line Number	PLANT RETIRED CHARGED TO RESERVE (g)	ASSOCIATED SALVAGE & INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES TO RESERVE (j)	TOTAL CHARGES TO RESERVE (add columns g, h, i, j) (k)	RESERVE BALANCE AT END OF YEAR (columns c + f - column k) (l)
1	58,237				58,237	58,821
2						
3						19,736
4						32,882
5						
6						
7						
8						
9						650
10	57,126				57,126	29,954
11	84,508				84,508	143,560
12						
13						366,219
14						
15	15,235				15,235	688,275
16	5,890				5,890	226,678
17						
18	3,710				3,710	183,917
19	1,169				1,169	45,973
20						
21						
22	8,222				8,222	11,121
23	7,000				7,000	154,990
24						
25	4,619				4,619	44,623
26						
27						
28	9,240				9,240	44,979
29	42,054				42,054	28,883
30						
31						
32	297,010	0	0	0	297,010	2,081,261
33						

**EMPLOYEES AND COMPENSATION**

Line Number	NATURE OF OCCUPATION (a)	Number of Employees Dec 31 (b)	Total Compensation for year (c)	Water Dept. (d)	Other Depts. (e)
1	Superintendents	1	72,885		
2	Source of Supply Employees				
3	Purification System Employees				
4	Pumping System Employees				
5	Transmission Employees				
6	Distribution Employees- Includes Overtime	4	199,147		
7	Other Outside Employees				
8					
9					
10	Store House Employees				
11					
12	Shop Employees				
13					
14					
15	Customers Accounting Dept.				
16	Meter Readers				
17	Collectors				
18	Other Employees - Office Mgr	1	40,528		
19					
20	General Office Employees				
21	Accounting Dept				
22	Treasury Dept				
23	Legal Dept				
24	Engineering Dept				
25	Purchasing Dept				
26	Other General Office Employees				
27					
28					
29	General Officers				
30					
31	Total Officers and Employees	6	312,560	0	0

Where compensation is apportioned by companies operating two or more utilities or departments, describe the basis of apportionment. Indicate what departments are covered by returns in column (e).

Blank area for providing details on compensation apportionment and department coverage.

**CLASSIFICATION OF CUSTOMERS**

Line No.	CLASSIFICATION (a)	NUMBER OF CUSTOMERS		
		Metered (b)	Unmetered (c)	Total (d)
1	Residential	1,246	1	1,247
2	Commercial	420	70	490
3	Industrial	41	2	43
4	Governmental	44	8	52
5	Affiliated Distributors			
6	Other Distributors			
7	Grand Total	1,751	81	1,832

**SOURCE OF SURFACE WATER SUPPLY**

Line No.	Name and Location of Reservoir (a)	Area of Watershed Sq. MI (b)	Storage Capacity in Thousand Gal. (c)	Est. Daily Yield in Dry Year in Thousand Gal. (d)	Draft During Year	
					Av. Daily in Thousand Gal. (e)	Max. Daily in Thousand Gal. (f)
1						
2	Eagle Lake, Bar Harbor	3.6	580,000	250,000	991	2187
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

**SOURCE OF GROUNDWATER SUPPLY**

Line Number	Description of Source (a)	Open or Covered	Depth* (b)	Diameter (c)	Yield in Gallons per day (d)	Pumping Method** (e)
1	Springs					
2					None	
3						
4						
5						
6	Shallow Wells (100 feet or less)					
7					None	
8						
9						
10						
11						
12	Deep Wells (over 100 feet, specify if artesian)					
13					None	
14						
15						
16						
17						
18	Infiltration Galleries or collecting walls					
19					None	
20						
21						
22						
23						

\*For infiltration galleries, state length in feet instead of depth, under column (b)

\*\* Direct suction, air-lift or deepwell pump

**DISTRIBUTION RESERVOIRS, STANDPIPES AND TANKS**

- Show the requested information concerning structures employed for storage of water in connection with the distribution system.
- In column (f) indicate whether zone is high pressure, low pressure or other characteristics.

Line Number	Location (city, village or town) (a)	Classification (earth, steel, concrete, etc.) (b)	Open or Covered (c)	Capacity in thousand gallons (d)	Maximum Number of Day's Supply (e)	Service Zone Supplied (f)
1	Salisbury Cove, Bar Harbor-1928	Riveted Steel	Covered	50	1	Salisbury Cove
2	DuckBrook, Bar Harbor-1936	Riveted Steel	Covered	528	1	100% coverage
3	Jackson Lab, Bar Harbor-1968	Welded Steel	Covered	500	1	100% coverage
4	Duckbrook, Bar Harbor-2001	Concrete	Covered	500	0.5	100% coverage
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						

**WATER TREATMENT**

FOR EACH SUPPLY, CHECK AND/OR SPECIFY THE TYPE OF TREATMENT USED

Line Number	Name of Source	Chlorination	Fluoridation	Flocculation/Coagulation	Sedimentation	Filtration	Iron/Manganese Removal	Lead/Copper	Other Treatment (specify)
1			1964					lime, CO2	
2	Eagle Lake (surface supply)	x	x					x	Ultraviolet (2013)
3								(ph. corrosion control)	
4									
5									
6									
7									
8									
9									
10									
11									
12									

**FEET OF TRANSMISSION AND DISTRIBUTION MAINS**

Explain any important items included in column (f)

Line Number	Kind of Pipe (Galvanized, Cast Iron, Ductile, etc) (a)	Diameter in inches (b)	In Use First of Year (c)	Added During Year (d)	Retirements during Yr (e)	Adjustments Dr. (or Cr.) during Yr (f)	In Use End of Year (g)
1	Transmission	24	1,280				1,280
2		20	9,770				9,770
3		16	7,880	525	175		8,230
4		14	2,660				2,660
5		12	5,819				5,819
6							
7							
8							
9	Total Transmission		27,409	525	175	27,759	27,759
10	Distribution	1.5	1,202		20		1,182
11		2	24,922	154	280		24,796
12		2.5	450				450
13		3	17,749		1,528		16,221
14		4	7,710	1,950			9,660
15		6	42,208	1,079	1,079		42,208
16		8	34,814				34,814
17		10	17,541				17,541
18		12	8,352				8,352
19							
20							
21							
22							
23	Total Distribution		154,948	3,183	2,907		155,224

**FIRE HYDRANTS**

1. Show the requested information concerning fire hydrants used in furnishing water for public and private fire protection

2. If respondent gives fire protection without direct charge, the hydrants used for such purpose should be so designated by appropriate footnotes.

Line Number	Location (a)	Size of Hydrant (valve opening) inches (b)	Diameter of Plugs to Main inches (c)	Number of Hydrants in Service					
				At Beginning of Year		Added during year (f)	Retired during year (g)	At End of Year	
				Company Owned (d)	Not Co. Owned (e)			Company Owned (h)	Not Co. Owned (i)
1	Public Hydrants	6	6	108		3	3	108	
2	Private Hydrants-7 accnts	6	6		25				25
3									
4	Sprinklers	1			2				2
5		1.5			11				11
6		2		1	16			1	16
7		3			3				3
8		4		1	11	1		1	12
9		6		4	59	1		4	60
10		8			2				2
11									
12	Total Sprinklers			6	104	2		6	106

**SERVICE PIPES**

1. Show the requested information concerning the service pipes used in the delivery of water from the distribution mains.

2. State in a footnote upon what basis, if any, consumers are charged for the installation of services.

3. If the respondent owns the services from the main to the curb or property line, classify such services as "owned by respondent."

Line Number	Diameter, in. (a)	Number at Beginning of Year (b)	Added During Year (c)	Retired During Year (d)	Number at End of Year		
					Total (e)	Active (f)	Inactive (g)
1	Owned by Respondent						
2	3/4"	1233		26	1207	1198	9
3	1"	396	58	25	429	419	10
4	1.5"	64			64	62	2
5	2"	95	2		97	95	2
6	3"	3			3	3	0
7	4"	37			37	36	1
8	6"	10			10	9	1
9							
10							
11							
12							
13							
14	Total	1838	60	51	1847	1822	25
15	Owned by Consumers						
16							
17							
18							
19							
20	Total						

**CONSUMER'S METERS**

1. Show the requested information concerning consumers' meters in service or in stock during the year.

Line Number	Size, in. (a)	Number of Meters in Service				Number in Stock at End of Year (f)	Number Purchased During Year (g)	Number Condemned or Sold during Year (h)
		Beginning Year (b)	Installed During Year (c)	Removed During Year (d)	End of Year (e)			
1	<b>Owned by Respondent</b>							
2	5/8"	1252	38	36	1254	114	24	32
3	3/4"	272	15	10	277	18	4	7
4	1"	130	3	3	130	11		3
5	1.5"	46	2	2	46	5	7	2
6	2"	48	3	2	49	6	9	1
7	3"	18			18			
8	4"	4			4			
9	6"	2			2			
10								
11								
12								
13								
14								
15								
16								
17	<b>Total</b>	1772	61	53	1780	154	44	45
18	<b>Owned by Consumers</b>							
19								
20								
21								
22								
23								
24								
25								
26								
27	<b>Total</b>							

**WATER PRODUCTION AND CONSUMPTION**

1. Show quantities of water produced and purchased and the quantities delivered to consumers and lost or unaccounted for during the year. Where estimates are used, the basis thereof should be set forth in a footnote.

Line Number	Month (a)	Thousand Gallons Delivered to Mains				
		Purchased (b)	Groundwater		Surface Water	
			By Pumping (c)	By Gravity (d)	By Pumping (e)	By Gravity (f)
1	January				21,967	
2	February				20,994	
3	March				17,841	
4	April				21,792	
5	May				28,964	
6	June				34,850	
7	July				49,375	
8	August				52,675	
9	September				33,562	
10	October				29,188	
11	November				17,970	
12	December				17,526	
13	Totals	0	0	0	346,704	
14						THOUSAND GALLONS
15	Total PRODUCTION WATER					346,704
16						
17	Total REVENUE WATER (Page W-3, line 20, col. e) or					239,238
18						
19	Balance as NON-REVENUE WATER					107,466
20	State Percentage: 31.00%					
21	<b>Description and estimated consumption of Non-Revenue Water</b>					
22	Utility Usage-at source/treatment plants					3,000
23	Utility Usage-flushing hydrants Number flushed: 250					8,000
24	Utility Usage-bleeders Number in use: 3 winter, 2 annual					8,000
25	Utility Usage-meter bench Number meters tested:					
26	Utility Usage-other purposes (specify):					
27	Summer line(s) filling, flushing & draining					5,000
28	Standpipe maintenance					5,000
29						
30	Fire Protection Number of hydrant-using fires: 2					500
31	Main Breaks Number of breaks: 4					15,000
32	Service Line losses before meters Number of cases: 1					11,000
33	Other Non-Revenue uses/losses (specify):					
34	Jackson Lab Tank overflow (altitude valve failure)					6,000
35						
36	Total Accounted for Non-Revenue Water (Lines 22 through Lines 35)					61,500
37	Unaccounted for Water 13.3%					45,966
38	Total Non-Revenue Water (Lines 36 plus Line 37)					107,466
39						
40	<b>System DEMAND Data</b>					
41	Average Daily Demand: 0.991					
42	Maximum Day Demand: 2,187 8/20/2013					
43	Peak Hour Demand: 3.888 8/20/2013					

Remarks Note: Non-revenue water is water that was produced and used but did not produce water revenues; unaccounted for water is a subset of this.

Prior years-line 37 Unaccounted for Water: (000) gallons  
 CY2012 - 51,336 or 14.7%  
 CY2011 - 58,879 or 15.6%  
 CY2010 - 60,862 or 15.9%

# **SYSTEM INFRASTRUCTURE ASSESSMENT SECTION**

**INFRASTRUTURE SURCHARGE REVENUE SUMMARY**

1. This page must be filled out by any water utility that are charging an Infrastructure Surcharge

Line No.	Rate Class (a)	Amount Collected from Surcharge (b)	Expected Surcharge Collection (c)	\$ Difference (d)	% Difference (if difference exceeds 20%, provide explanation below) (e)
1					
2	Public Fire Protection		Not Applicable	#VALUE!	#VALUE!
3	Private Fire Protection			0	#DIV/0!
4	Residential			0	#DIV/0!
5	Commercial			0	#DIV/0!
6	Industrial			0	#DIV/0!
7	Public Authorities			0	#DIV/0!
8	Other			0	#DIV/0!
9	Total	0	0	#VALUE!	#VALUE!
10					
11	Explanation of Differences Greater than 20%				
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					

W-3

**Capital Reserve Account Summary**

1. This page must be filled out by any water utility that have placed rates into effect that include funding for a Capital Reserve

Line No.	Beginning Balance (a)	Additions to Account (b)	Deduction from Account (c)	Ending Balance (g)
1				
2		Not Applicable		
3				
4				
5				

**Detail of Deductions from Account**

	Project Description (should match description in SIA filed with the Commission)	Amount Spent from Reserve Account
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20	Total (Must equal total deductions from above)	

**SYSTEM INFRASTRUCTURE ASSESSEMENT REPORT - UPDATE**

1. This page must be filled out by any water utility that have placed rates into effect that include either a Capital Reserve Account or Intrastructure Surcharge pursuant to Chapter 675.

Line No.	Project Name (a)	Total Cost from Previous Year (b)	% Complete (c)	Actual Cost (d)	Cost Index (most recent update) (e)	Percent Increase/Decrease (f)	Revised Cost to Complete (g)	Revised Total Cost (h)	Number of Customers for Year (g)
1									
2									
3		Not Applicable							
4									
5									
6									
7									
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