SANSOUCY
ASSOCIATES

Complex Utility and Property Valuations, and Regulatory Consulting

APPRAISAL REPORT
OF THE
PROPERTIES OWNED BY:

AT&T
COMCAST CORPORATION
CONSOLIDATED COMMUNICATIONS
LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.
NEW ENGLAND POWER COMPANY
NEW ENGLAND HYDRO TRANSMISSION CORPORATION
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY
TENNESSEE GAS PIPELINE

IN THE MUNICIPALITY OF:
HUDSON, NEW HAMPSHIRE

VALUATION AS OF:
APRIL 1, 2022

Prepared for:
The Municipality of Hudson, New Hampshire

Prepared by:
George E. Sansoucy, P.E., LLC d/b/a
Sansoucy Associates
148 Main Street
Lancaster, NH 03584

December 2022

SANSOUCY
ASSOCIATES
Complex Utility and Property Valuations, and Regulatory Consulting

December 29, 2022

Town Selectboard
Town of Hudson
12 School Street
Hudson, NH 03051

Mr. Jim Michaud, CNHA
Assistant Assessor
12 School Street
Hudson, NH 03051

RE: Appraisal Report as of April 1, 2022 for the properties in the Municipality of Hudson, New Hampshire owned by:

AT&T

Comcast Corporation

Consolidated Communications

Liberty Utilities (EnergyNorth Natural Gas) Corp.

New England Power Company

New England Hydro Transmission Corporation

Public Service Company of New Hampshire d/b/a Eversource Energy

Tennessee Gas Pipeline

Dear Selectboard and Mr. Michaud:

Pursuant to your request, please find attached an appraisal report setting forth the "as is" retrospective market value of the properties owned by the above listed owners in the Municipality. This report is intended to comply with the purpose and reporting requirements set forth by the 2020-2021 Edition of the *Uniform Standards of Professional Appraisal Practice* (USPAP) (extended to December 31, 2023) for an appraisal report. Therefore, this report presents only a summary discussion of data, reasoning, and analyses that were considered and utilized in the appraisal process to develop the conclusions of values. Additional documentation and information has been retained in our work files. This appraisal was prepared to express the "as is" retrospective opinion of market value for the properties in this report.

Sansoucy Associates
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101 Gulliver Street, Fountain Inn, SC 29644 Tel: 864.408.7988 msansoucy@sansoucy.com
Remittance Address: 86 Reed Road, Lancaster, NH 03584

The enclosed report describes the properties that are the subject of this report, the data gathered, and the valuation approaches used in the preparation of this appraisal. As a result of our investigation and analysis of the information gathered, the estimated "as is" retrospective market values of the properties owned by the above listed owners in the Municipality, as of April 1, 2022, are:

	A	B	C
Row	Utility / Owner	Map / Lot	Reconciled Market Value
1	AT&T	100/019	$13,100
2	Comcast Corporation	100/011	$872,900
3	Consolidated Communications	100/010	$3,304,000
4	Liberty Utilities (EnergyNorth Natural Gas) Corp.	100/006	$23,825,800
5	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/029	$135,400
6	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/030	$129,400
7	New England Power Company	100/005	$11,715,300
8	New England Hydro Transmission Corporation	100/009	$15,176,000
9	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/001	$49,926,100
10	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/002	$359,600
11	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008	$77,397,400
12	Public Service Company of New Hampshire d/b/a Eversource Energy	107/003/001	$29,700
13	Public Service Company of New Hampshire d/b/a Eversource Energy	107/030/000	$86,700
14	Public Service Company of New Hampshire d/b/a Eversource Energy	135/002	$90,200
15	Public Service Company of New Hampshire d/b/a Eversource Energy	135/007	$53,900
16	Public Service Company of New Hampshire d/b/a Eversource Energy	138/036	$92,600
17	Public Service Company of New Hampshire d/b/a Eversource Energy	138/056	$99,800
18	Public Service Company of New Hampshire d/b/a Eversource Energy	138/086	$23,900
19	Public Service Company of New Hampshire d/b/a Eversource Energy	144/008	$988,700
20	Public Service Company of New Hampshire d/b/a Eversource Energy	162/016	$62,300
21	Public Service Company of New Hampshire d/b/a Eversource Energy	162/080	$172,600
22	Public Service Company of New Hampshire d/b/a Eversource Energy	167/009	$1,282,600
23	Public Service Company of New Hampshire d/b/a Eversource Energy	171/030	$129,800
24	Public Service Company of New Hampshire d/b/a Eversource Energy	171/031	$111,700
25	Public Service Company of New Hampshire d/b/a Eversource Energy	171/046	$41,200
26	Public Service Company of New Hampshire d/b/a Eversource Energy	175/006	$130,800
27	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153	$106,100
28	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153/002	$123,000
29	Public Service Company of New Hampshire d/b/a Eversource Energy	179/011	$86,900
30	Public Service Company of New Hampshire d/b/a Eversource Energy	179/031	$84,400
31	Public Service Company of New Hampshire d/b/a Eversource Energy	182/181	$90,000
32	Public Service Company of New Hampshire d/b/a Eversource Energy	190/192	$546,700
33	Public Service Company of New Hampshire d/b/a Eversource Energy	195/005	$133,400
34	Public Service Company of New Hampshire d/b/a Eversource Energy	208/011	$80,500
35	Tennessee Gas Pipeline	100/007	$2,881,200

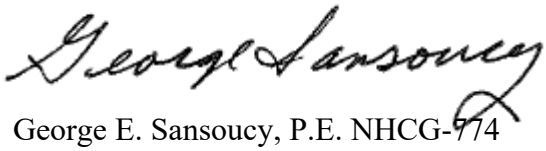
This transmittal letter is intended to be relied upon only if it is accompanied by the attached report. The reconciled values indicated above provide our opinion of fair market value by tax parcel number, but to understand the process of developing and reconciling these value opinions, it is necessary to read and understand the report and its supporting documentation, if any is provided.

Pursuant to USPAP's record keeping requirement, we have retained all of our work papers, calculations, research, cost trends, costing work sheets, comparable sales data, income approach worksheets, etc. in our files at 148 Main Street Lancaster, New Hampshire.

We hereby certify that we have taken into consideration all of the factors which are felt to be pertinent to the final value estimate, and that we have not knowingly or intentionally omitted any important data. Should you have any questions regarding these values, please do not hesitate to contact our office.

Very truly yours,

SANSOUCY ASSOCIATES



George E. Sansoucy, P.E. NHCG-774

GES/ec
Enclosures

cc: New Hampshire Department of Revenue Administration

Instructions for the Application of Utility and Non-Utility Property Tax Rates

Utilities Subject to RSA 83-F Utility Property Tax

The concluded values developed in this report for the various subject properties are considered to be the fair market value of the taxable portions of those properties. Some of the subject properties are considered, under RSA 83-F, to be "Utility" properties. RSA 83-F requires utilities to pay a state-wide utility tax under RSA 76:3, which is based on the New Hampshire DRA's state-wide valuation of the utility. Utilities that are subject to the RSA 83-F provisions are not subject to the state education tax at the local level (RSA 83-F:9).

Utilities that are subject to the RSA 83-F tax are listed annually in the NH DRA' s Municipal and Property Division Utility Town Allocation Summary Report.[1]

The excerpt provided below for your Municipality is derived from the 2021 DRA Allocation Report.

Hudson 83-F Utilities

HUDSON	LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CO
	NEW ENGLAND HYDRO TRANSMISSION CORP
	NEW ENGLAND POWER COMPANY
	PSNH DBA EVERSOURCE ENERGY
	TENNESSEE GAS PIPELINE COMPANY

The taxpayers listed above are the taxpayers in your community that are subject to the RSA 83-F utility tax and are therefore not subject to the state education tax at the community level. These utilities must be listed in your MS-1 filing in the "utilities" sections of the MS-1 form.

Telecommunications Assets

Telecommunications assets in New Hampshire are not considered to be utilities and do not fall under RSA 83-F. Therefore, telecommunication assets are required to be indicated in your MS-1 filing as commercial/industrial properties and are subject to all the components of the municipal property tax rate including the state education tax at the local level.

Please contact our office with any questions or concerns on this topic.

[1] https://www.revenue.nh.gov/mun-prop/property/documents/2021-cert-values-by-town.pdf

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13th Edition	The Appraisal of Real Estate, 13th Edition
14th Edition	The Appraisal of Real Estate, 14th Edition
A&G	Administrative and General
AFDUC	Allowance for Funds During Construction
BTLA	Board of Tax and Land Appeals
CAMA	Computer Assistance Mass Appraisal
CapEx	Capital Expense
CEII	Critical Energy Infrastructure Information
CIAC	Contribution in Aid of Construction
CPI	Consumer Price Index
CPR	Continuing Property Records
Craftsman	Craftsman Cost Estimating Guidebooks
CWIP	Construction Work in Progress
EBITDA	Earnings Before Interest Taxes Depreciation and Amortization
EIA	Energy Information Administration
FERC	Federal Energy Regulatory Commission
GAAP	Generally Accepted Accounting Practices
GES	George E. Sansoucy, P.E., LLC d/b/a Sansoucy Associates
GW	Gigawatt
HWI	Handy-Whitman Index of Public Utility Construction Costs
IDC	Interest During Construction
IOU	Investor-Owned Utility
ISO	Independent System Operator
ISO-NE	Independent System Operator of New England
kW	Kilowatt
kWh	Kilowatt-hour
kWh-yr.	Kilowatt-hour per Year
kV	Kilovolt
kVa	Kilovolt Amp
LLC	Limited Liability Company
MACC	Mid-Atlantic Area Council
MAIN	Mid-American Interconnected Network
MVS	Marshall Valuation Services
MW	Megawatt
NARUC	National Association of Regulatory Utility Commissioners
NHPUC	New Hampshire Public Utilities Commission
NPCC	Northeast Power Coordinating Council
NPV	Net Present Value
O&M	Operating & Maintenance
PA-28	Inventory of Taxable Property - As required by RSA 74
PPA	Power Purchase Agreement
P-ROW	Public Use of Right of Way
PUC	Public Utilities Commission
PV	Present Value
RCN	Reproduction/Replacement Cost New

RCNLD	Reproduction/Replacement Cost New Less Depreciation
REC	Renewable Energy Certificate
RFP	Request for Proposal
ROE	Return on Equity
ROW	Right of Way
RPS	Regional Portfolio Standards
RS Means	The R.S. Means Historical Cost Index
RTM	Real-Time Market
SBA	Small Business Administration
SEC	Securities and Exchange Commission
SEDAR	Canadian System for Electronic Document Analysis and Retrieval
SMD	Standard Market Design
SNCR	Selective Non-Catalytic Reduction
T&D	Transmission and Distribution
USBR	U.S. Bureau of Reclamation Cost Index
USGS	United States Geological Service
USPAP	*Uniform Standard of Professional Appraisal Practice*
WACC	Weighted Average Cost of Capital

ASSIGNMENT AND USPAP ELEMENTS

Client(s):	Town of Hudson, NH
Intended User(s):	Hudson Selectboard and Mr. Jim Michaud
Type of Report:	Appraisal Report
Intended Use and Purpose of Assignment:	Estimate "as is" retrospective market value for *ad valorem* tax purposes. The purpose of the assignment is to express an "as is" retrospective opinion of market value for the subject properties as of April 1, 2022.
Problem Identification:	The problem to be solved is the estimation of an "as is" retrospective opinion of market value for the fee simple interest in the subject properties based on market conditions that existed on the valuation date of April 1, 2022, which can be used by the intended user(s) of this report for the previously stated purpose.
Property Identification:	AT&T, Comcast Corporation, Consolidated Communications, Liberty Utilities (EnergyNorth) Corp., New England Power Company, New England Hydro Transmission Corporation, Public Service Company of New Hampshire d/b/a Eversource Energy, Tennessee Gas Pipeline
Interest Appraised:	Fee Simple Interest
Definition of Market Value	See Report
Appraisal Process	See Report
Date of Value:	April 1, 2022
Date of Appraisal:	December 29, 2022
Scope of Appraisal and Work	See Report
Extent of Investigation	See Report
Exposure Marketing Time	1-3 Years
Special Purpose Property	Yes
Competency Statement	We have experience in valuing properties of similar size, type, complexity, and geographic location. Therefore, no professional assistance or steps were required to meet the competency rules of USPAP.
Appraisal Compliance	See Report
Existing Use of Real Estate as of Effective Date of Appraisal:	Utility
Existing Use of Real Estate in Appraisal:	Utility
Highest and Best Use:	Utility
Extraordinary Assumptions:	Fair market value of certain parcels of land owned in fee by the owners of the subject properties, are those values set by the Town's assessor using the Town's CAMA system. For this report, we make the extraordinary assumption that the CAMA system values developed by the Town, for the land represents the fair market value of these properties Information and inventories provided by the property owners is current, and accurately reflects all of its property located in the Town. All property in the Town has been installed using standard industry practices.
Hypothetical Conditions:	Hypothetical conditions were not employed in the valuation of the subject.
Jurisdictional Exceptions:	Yes -NH RSA-72:8-d & NH RSA-72:8-c
Certification	See Report
Assumptions and Limiting Conditions:	See Report
Summary of Appraisal Model:	See Report
Summary of Data Collection:	See Report
Summary of Any Calibration Method:	See Report
Appraisal Performance Test:	Not Applicable
Mass Appraisal Reconciliation:	Not Applicable

AT&T

Owner(s) of Record:	AT&T
Date of Inspection:	August 9, 2022
Date of Report:	December 29, 2022
Update of Prior Appraisals:	n/a
Property Type:	Telecommunication Poles and Conduit, PROW
Property Description:	See Report
Sale of the Subject:	To our knowledge the property has not been listed for sale in the last three years.
Tax Parcel(s):	100/019
Value Type:	
Cost Approach (RSA 72:8-d)	n/a
Cost Approach	$13,100
Sales Comparison Approach	Considered
Income Approach	Considered
Estimated Market Value Improvements	$13,100
Estimated Market Value Land & Land Rights	n/a
Estimated Market Value Land Rights (Easements)	n/a
Estimated Value of Use of Public Rights-of-Way	n/a
Total Estimated Reconciled Value:	**$13,100**

Comcast Corporation (Comcast)

Owner(s) of Record:	Comcast Corporation
Date of Inspection:	August 9, 2022
Date of Report:	December 29, 2022
Update of Prior Appraisals:	n/a
Property Type:	Public Use of the Right-of-Way
Property Description:	See Report
Sale of the Subject:	To our knowledge the property has not been listed for sale in the last three years.
Tax Parcel(s):	100/011
Value Type:	
Cost Approach (RSA 72:8-d)	n/a
Cost Approach	n/a
Sales Comparison Approach	Considered
Income Approach	Considered
Estimated Market Value Improvements	n/a
Estimated Market Value Land & Land Rights	n/a
Estimated Market Value Land Rights (Easements)	n/a
Estimated Value of Use of Public Rights-of-Way	$872,900
Total Estimated Reconciled Value:	**$872,900**

Consolidated Communications (Consolidated)

Owner(s) of Record:	Consolidated Communications
Date of Inspection:	August 9, 2022
Date of Report:	December 29, 2022
Update of Prior Appraisals:	n/a
Property Type:	Telecommunication Poles and Conduit
Property Description:	See Report
Sale of the Subject:	To our knowledge the property has not been listed for sale in the last three years.
Tax Parcel(s):	100/010
Value Type:	
Cost Approach (RSA 72:8-d)	n/a
Cost Approach	$2,431,100
Sales Comparison Approach	Considered
Income Approach	Considered
Estimated Market Value Improvements	$2,431,100
Estimated Market Value Land & Land Rights	n/a
Estimated Market Value Land Rights (Easements)	n/a
Estimated Value of Use of Public Rights-of-Way	$872,900
Total Estimated Reconciled Value:	**$3,304,000**

Liberty Utilities (EnergyNorth Natural Gas) Corp. (EnergyNorth)

Owner(s) of Record:	Liberty Utilities (EnergyNorth Natural Gas) Corp.
Date of Inspection:	August 9, 2022
Date of Report:	December 29, 2022
Update of Prior Appraisals:	n/a
Property Type:	Gas Distribution
Property Description:	See Report
Sale of the Subject:	To our knowledge the property has not been listed for sale in the last three years.
Tax Parcel(s):	100/006, 167/029, 167/030
Value Type:	
Cost Approach (RSA 72:8-d)	$23,825,800
Cost Approach	$15,200
Sales Comparison Approach	Considered
Income Approach	Considered
Estimated Market Value Improvements	$23,841,000
Estimated Market Value Land & Land Rights	$249,600
Estimated Market Value Land Rights (Easements)	n/a
Estimated Value of Use of Public Rights-of-Way	n/a
Total Estimated Reconciled Value:	**$24,090,600**

New England Power Company (NEPC)

Owner(s) of Record:	New England Power Company
Date of Inspection:	August 9, 2022
Date of Report:	December 29, 2022
Update of Prior Appraisals:	n/a
Property Type:	Electric Transmission
Property Description:	See Report
Sale of the Subject:	To our knowledge the property has not been listed for sale in the last three years.
Tax Parcel(s):	100/005
Value Type:	
Cost Approach (RSA 72:8-d)	n/a
Cost Approach	$10,267,700
Sales Comparison Approach	Considered
Income Approach	Considered
Estimated Market Value Improvements	$10,267,700
Estimated Market Value Land & Land Rights	n/a
Estimated Market Value Land Rights (Easements)	$1,447,600
Estimated Value of Use of Public Rights-of-Way	n/a
Total Estimated Reconciled Value:	**$11,715,300**

New England Hydro Transmission Corporation (NEHT)

Owner(s) of Record:	New England Hydro Transmission Corporation
Date of Inspection:	August 9, 2022
Date of Report:	December 29, 2022
Update of Prior Appraisals:	n/a
Property Type:	Electric Transmission
Property Description:	See Report
Sale of the Subject:	To our knowledge the property has not been listed for sale in the last three years.
Tax Parcel(s):	100/009
Value Type:	
Cost Approach (RSA 72:8-d)	n/a
Cost Approach	$15,176,000
Sales Comparison Approach	Considered
Income Approach	Considered
Estimated Market Value Improvements	$15,176,000
Estimated Market Value Land & Land Rights	n/a
Estimated Market Value Land Rights (Easements)	n/a
Estimated Value of Use of Public Rights-of-Way	n/a
Total Estimated Reconciled Value:	**$15,176,000**

Public Service Company of New Hampshire d/b/a Eversource Energy (PSNH)

Owner(s) of Record:	Public Service Company of New Hampshire d/b/a Eversource Energy
Date of Inspection:	August 9, 2022
Date of Report:	December 29, 2022
Update of Prior Appraisals:	n/a
Property Type:	Electric Transmission & Distribution
Property Description:	See Report
Sale of the Subject:	To our knowledge the property has not been listed for sale in the last three years.
Tax Parcel(s):	100/008/001, 100/008/002, 100/008, 107/003/001, 107/030/000, 135/002, 135/007, 138/036, 138/086, 144/008, 162/016, 162/080, 167/009, 171/030, 171/031, 171/046, 175/006, 175/153, 175/153/002, 179/011, 179/031, 182/181, 190/192, 195/005, 208/011
Value Type:	
Cost Approach (RSA 72:8-d)	$49,926,100
Cost Approach	$69,034,000
Sales Comparison Approach	Considered
Income Approach	Considered
Estimated Market Value Improvements	$118,960,100
Estimated Market Value Land & Land Rights	$4,309,300
Estimated Market Value Land Rights (Easements)	$9,061,200
Estimated Value of Use of Public Rights-of-Way	n/a
Total Estimated Reconciled Value:	**$132,330,600**

Tennessee Gas Pipeline (TGP)

Owner(s) of Record:	Tennessee Gas Pipeline
Date of Inspection:	August 9, 2022
Date of Report:	December 29, 2022
Update of Prior Appraisals:	n/a
Property Type:	Gas Transmission
Property Description:	See Report
Sale of the Subject:	To our knowledge the property has not been listed for sale in the last three years.
Tax Parcel(s):	100/007
Value Type:	
Cost Approach (RSA 72:8-d)	n/a
Cost Approach	$1,904,800
Sales Comparison Approach	Considered
Income Approach	Considered
Estimated Market Value Improvements	$1,904,800
Estimated Market Value Land & Land Rights	n/a
Estimated Market Value Land Rights (Easements)	$976,400
Estimated Value of Use of Public Rights-of-Way	n/a
Total Estimated Reconciled Value:	**$2,881,200**

USPAP ASSIGNMENT ELEMENTS

Definition of Market Value:

The definition of market value used is derived from NH RSA 75:1, which defines market value as:

> *"Market value means the property's full and true value as the same would be appraised in payment of a just debt due from a solvent debtor."*

Our conclusions of market value as provided herein conform to NH DRA REV 601.32, which defines market value as follows:

(a) Is the most probable price, not the highest, lowest, or average price;
(b) Is expressed in terms of money;
(c) Implies a reasonable time for exposure to the market;
(d) Implies that both buyer and seller are informed of the uses to which the property may be put;
(e) Assumes an arm's length transaction in the open market;
(f) Assumes a willing buyer and a willing seller, with no advantage being taken by either buyer or seller; and
(g) Recognizes both the present use and the potential use of the property. The term includes "full and true value."

Scope of Appraisal and Work:

The scope of our services in this assignment included the research and analyses necessary to identify the appraisal problem to be solved and undertake the research and analyses necessary to develop credible assignment results. The following provides a summary of our problem identification, research, and analyses of the physical and economic characteristics of the subject properties, and the standard appraisal techniques employed to arrive at our opinion.

Extent of Investigation:

In preparing this appraisal and providing our estimates of value, we employed commonly accepted appraisal techniques and procedures. These included a review of facts and data associated with the subject properties and past inspection(s) of the properties, which were generally performed by George E. Sansoucy, P.E. The New England markets were analyzed to determine the supply and demand for similar types of property. In addition, the following factors were considered with respect to the subject properties:

- History and nature of the utility industries including potential expansions in the region;
- PSNH, NEPC, NEHT, and TGP reports to FERC, the Federal Government, the State of New Hampshire, and the Town;
- Information available in the public domain;
- Physical characteristics, condition, and utility of the property;
- Historic, existing, and future use of the property;
- Analysis of the property's capacity and utilization;
- Replacement cost new less allowances for depreciation and obsolescence including losses in value arising from condition, utility, and/or obsolescence;
- General economic and market conditions for the property;
- Comparable sales of similar property;
- Income derived from, and expenses for, the property;
- Growth of income;
- Subscription services, i.e., Handy Whitman, Craftsman, RS Means;
- Independent reports prepared by GES; and
- Other lesser factors.

The information gathered and analyzed in estimating the market value of the subject(s) included information collected by our office as well as information provided by the owners and which is in the public domain. This information is cited herein where necessary to allow the intended user(s) to understand the source and relevance of this information.

We have retained any supporting documents and work papers that were developed and/or relied upon for this appraisal in our files at 148 Main Street, Lancaster, New Hampshire.

Appraisal Process:

In developing this appraisal and estimate of value, all three traditional approaches to value were considered. These are the core methods for the five New Hampshire approaches to value, which include the cost, sales comparison, income capitalization approaches, alternative facilities, and historic cost less depreciation. The applicability and development of each approach is set forth in this report along with the reconciliation to a single value estimate for the subject properties. In most cases, we have not developed an independent estimate of value for the subject sites and have relied upon the Municipality's assessment information to determine the value of the land site. We provide a description of our valuation methodology herein in the event that we provide an independent opinion of value for a particular parcel of land.

Certification

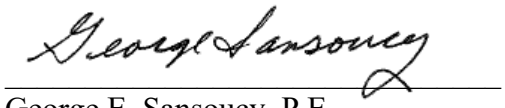
I certify that, to the best of my knowledge and belief;

- The statements of fact contained in this report are true and correct.
- My reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the properties that are the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- I have performed services (listed below), as an appraiser regarding the properties that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.

	A	B
Row	**Utility / Owner**	**Number of Previous Appraisals**
1	AT&T	1
2	Comcast Corporation	3
3	Consolidated Communications	3
4	Liberty Utilities (EnergyNorth Natural Gas) Corp.	3
5	New England Power Company	3
6	New England Hydro Transmission Corporation	3
7	Public Service Company of New Hampshire d/b/a Eversource Energy	3
8	Tennessee Gas Pipeline	3

- I have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice.*

- A visual inspection was made by Austin Sansoucy of the properties that are the subject of this report.
- Austin Sansoucy and Matthew Sansoucy provided technical support, and report preparation assistance to the person signing this report.
- As of the date of this report, George E. Sansoucy, P.E., has completed the Standards and Ethics Education requirement of the Appraisal Institute for Associate Members.
- My opinion of the total fair market value, pursuant to RSA 75:1, and the New Hampshire Department of Revenue, Property Appraisal Division "600" Rules, Rev. 601.14, for the assessed properties identified in the report, as of April 1, 2022, is stated in the transmittal letter.



George E. Sansoucy, P.E.
NHCG – 774
NH DRA Certified Property Assessor Supervisor

Assumptions and Limiting Conditions

1) Acceptance and/or use of this report constitutes full acceptance of the Assumptions and Limiting Conditions and special assumptions set forth in this report. It is the responsibility of the client or its designees to read in full, comprehend, and thus become aware of the Assumptions and Limiting Conditions. We assume no responsibility for any situation arising out of a failure to become familiar with and understand the report.

2) Unless otherwise specifically noted in the body of the report, it is assumed that title to the subject property or properties appraised is clear and marketable and that there are no matters or exceptions to title, either recorded or unrecorded, that would adversely affect marketability or market value of the subject property. We are not aware of, nor have we been advised of, any title defects other than those defects that are specifically described in the report. We have not examined title and makes no representations relative to the condition thereof. Additionally, other than those specifically noted in the report, we have not reviewed documents regarding liens, encumbrances, easements, deed restrictions, and other conditions that may affect the quality of title. Insurance against financial loss resulting in claims that may arise out of defects in the subject property's title should be sought from a qualified title company that issues or insures title to real property.

3) Unless otherwise specifically noted in the body of this report, it is assumed: that the existing improvements on the subject property or properties are structurally sound, seismically safe and code conforming; that all building systems

(mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the structures/improvements have been engineered in such a manner that they, as currently constituted, conform to all applicable local, state, and federal building codes and ordinances. We have not been retained, in connection with this appraisal assignment, as an independent structural, mechanical, electrical, or civil engineer to perform engineering analyses on the condition of the subject property above and beyond our observations, data analysis, and experience regarding the relative condition of the improvements, which are necessary to develop an opinion of value for the appraisal. Unless otherwise specifically noted in the body of the report, no problems, either physical or functional, were brought to our attention by our client, the intended users of this report, the subject property's ownership or management, etc. It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems. Structural problems and/or building system problems may not be visually detectable. If engineering reports exist, or are developed in the future, which indicate, negative factors relative to the condition of improvements/structures such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if negative findings are reported, we reserve the right to amend our appraisal conclusions.

4) Unless otherwise specifically stated in this report, we have not observed, and we have no knowledge of the existence of hazardous material, which may or may not be present on, or in, the property. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on, or in, the property that would cause a loss in value. If the client desires, or requires, an expert opinion as to the existence of hazardous materials on, or in, the subject property, the client is urged to retain an expert in this field. We are not hazardous materials experts, and we assume no responsibility for identifying, quantifying, or providing any advice to the client or any other party as to the existence of hazardous materials that may or may not be associated with the subject property.

5) Unless otherwise specifically stated in this report, no intangible property such as cash, receivables, working capital, prepaid expenses, royalties, patents, workforce valuation, trademarks or goodwill, which are not typically considered as real property, has been considered in the report. To the extent that personal property, as defined by individual states, and real property as defined by individual states, or any combination thereof, is specifically included in this report as tangible property for valuation based on the laws and regulations in effect as of the appraisal date.

6) Unless otherwise specifically stated in this report, it is assumed that all data furnished by the client, property owner, owner's representative, or persons designated by the

client or owner to supply said data are accurate and correct. Any material error, which may be present in data or information provided to us could have a substantial impact on our assignment results and conclusions. Thus, if we are made aware of any such error, we reserve the right to amend our assignment results and conclusions reported in the report.

7) Unless otherwise noted in the body of the report, it is assumed that there are no mineral deposit or subsurface rights of value involved in this appraisal, whether they be gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.

8) Unless otherwise specifically stated in this report, we are not aware of any contemplated public initiatives, governmental development controls, or additional regulatory controls that would significantly affect the value of the subject.

9) The estimate of market value, which may be stated within the body of this report, is subject to change with market fluctuations over time. Market value is highly related to exposure, time promotion, effort, terms, motivation, and conclusions surrounding the offering. The value estimate(s) considers the productivity and relative attractiveness of the property, both physically and economically, on the open market.

10) Projections of income, expenses, and economic conditions utilized in this report are not predictions of the future, but rather they are estimates of current market expectations for future income and expenses. The achievement of the financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein.

11) Unless otherwise specifically stated in this report, it is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, national government, or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based.

12) We have identified our client and any intended users of this report in the body of the report. No other party, other than the client, is a party to the appraiser-client relationship for this assignment. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to our client, does not become an intended user of the report unless the client had specifically identified them at the time we accepted the assignment.

13) We have identified the intended use of this appraisal in the body of the report. The scope of work for this assignment is based, in part, on the intended use of the appraisal, therefore any use of this report for any other purpose will invalidate its results.

14) This appraisal report, its attachments, and/or addenda may not be duplicated in whole or in part without the specific written consent of the appraiser nor may this report or copies hereof be transmitted to third parties without said consent, which consent the appraiser reserves the right to deny. Exempt from this restriction is duplication for the internal use of the client and its designees. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without the express written consent of the appraiser, which consent the appraiser reserves the right to deny.

    This report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a "sale" or "offer for sale" of any "security", as such terms are defined and used in the Securities Act of 1933, as amended. Any third party, not covered by the exemptions herein, who may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. The appraiser shall have no accountability or responsibility to any such third party.

15) Any value estimate provided in the report applies to the subject property as described, and any pro ration or division of the title of that property into fractional interests will invalidate the value estimate, unless such pro ration or division of interests has been set forth in the report.

16) Any allocation of the total valuation in this report between land and improvements applies only under the highest and best use as identified in the report. Component values for land and/or buildings are not intended to be used in conjunction with any other property or appraisal and are invalid if so used.

17) The maps, plats, sketches, graphs, photographs, and exhibits included in this report are for illustration purposes only and are to be utilized only to assist in visualizing matters discussed within this report. Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable.

18) It is assumed that the subject property is, or will be, under prudent and competent management and ownership, and is neither inefficient nor super-efficient.

19) It is assumed that the subject property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

20) No survey of the boundaries of the subject property was undertaken. All acreage, areas measurements and dimensions furnished are presumed to be correct.

21) The Americans with Disabilities Act (ADA) became effective January 26, 1992. Notwithstanding any discussion of possible readily achievable barrier removal construction items in this report, the appraiser has not made a specific compliance survey and analysis of this property to determine whether it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative effect on the value estimated herein. Since the appraiser has no specific information relating to this issue, the effect of any possible non-compliance with the requirements of the ADA was not considered in estimating the value of the subject property.

Area Description

Hudson is located in Hillsborough County, New Hampshire which has a current population of approximately 417,025 people.[2] Hillsborough County is located in the south area of the state. Generally, Hillsborough County is a residential county with most of its inhabitants working in larger towns and cities, such as Manchester and Nashua. Interstate 93 traverses the county north and south. The Merrimack River bisects the county providing fishing and other recreation to residents and visitors.

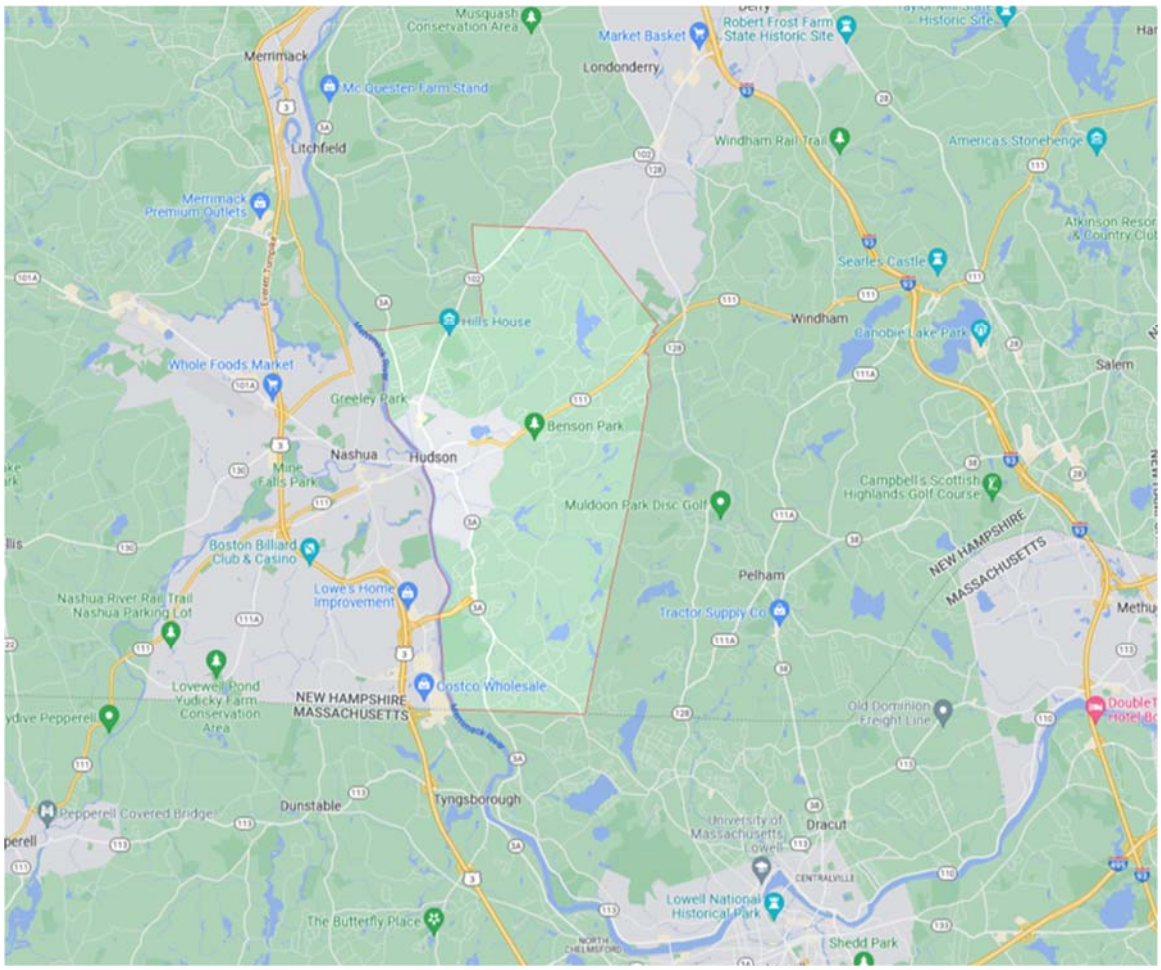


Figure 1
Location Map

[2] Economic & Labor Market Information Bureau, NH Employment Security, 2020.

Municipality Description

Hudson is home to approximately 25,619 people, 47.1% of whom are employed in neighboring towns and cities. The Town is bordered to the south by Massachusetts, to the east by Pelham, to the north by Londonderry, and to the west by Nashua. The largest employer in Hudson is BAE Systems, employing approximately 678 people followed by Hudson School District with 571[3] employees. Hudson children attend kindergarten through grade twelve at SAU 81 district schools.[4] Hudson hosts both NEPC and NEHT electric transmission companies, Eversource an electric transmission and distribution company, TGP which is a natural gas transmission company, and ENERGYNORTH which is a natural gas distribution company.

Zoning Data

The subject properties are typically located in all zones within the Municipality.

[3] Economic & Labor Market Information Bureau, NH Employment Security, Community Response Received 8/10/2020.
[4] Economic & Labor Market Information Bureau, NH Employment Security, Community Response Received 8/10/2020.

Property Description

Cable Television
(COMCAST)

With the exception of any land or land rights, or any structures, and any other non-exempt property, the cable assets are generally exempt from property taxation. For the purpose of this report, we have considered only the use of the public right-of-way as described elsewhere in this report. We identify in this report where COMCAST owns land, other land rights, structures, and/or other taxable properties. A portion of cable television property is exempt under the telecommunication exemption in New Hampshire. Exempt property generally includes wires, switching equipment, antennas, filters, etc. The taxable portion of cable television property is the land and land rights including the use of the public right-of-way, any structures, buildings, land improvements, and non-exempt property. Non-exempt property are poles that the company installed and own directly, and any conduit. In the Town of Hudson cable television buildings and land are valued by the CAMA system of the town. They are considered industrial property, and not a utility. This report values use of the public rights-of-way, any poles, and any conduit of COMCAST cable that it reports to the Town. Companies subject to cable television valuation in this report are COMCAST Cable.

Electric Transmission& Distribution Property
(Eversource, NEHT, & NEPC)

Distribution

The distribution property of the electric company in every community is defined as that property which is franchised and dedicated to the delivery of electricity to the retail customer. The system, as constructed in the Town, is primarily situated within the municipal and state road rights-of-way. The distribution plant is of relatively low voltage and intended to serve individual customers. The power is transmitted through conductors either in underground conduits or by using above ground poles. The property consists of step-down transformers, guys and anchors, service drops, metering systems, circuit protection, regulation and isolation devices, and other miscellaneous properties which are necessary to insure the adequate, reliable, and safe delivery of electricity are present. It is generally in a voltage class of 34,500 volts or less, and is not used or intended to be for inter-regional transmission between sections of the State. The property is generally comprised of wood poles with aluminum conductor wires, cross arms, insulators, lightning protectors, underground conduits with underground wire inserted in the conduits, transformers mounted on top of poles or on the ground, various reclosures, voltage regulators, capacitors, etc. Lives of the property generally range from 40 to 75 years for distribution property, and the property is maintained to a high condition standard so it is safe, reliable, and ready to serve at all times.

The age of the property generally varies from the 1930s to the present, with the majority constructed from the 1960s to the 2000s. Older sections of electric service are constantly being replaced or upgraded to meet the new demands of growth and reliability necessary to serve the customers.

Electric distribution companies in many communities in New Hampshire share ownership of utility poles with the local telephone provider.

Distribution property is valued using NH RSA 72:8-d.

Transmission

The transmission property, if any, in a community is used for the bulk movement of power from one location to another. This is not a wholesale system, but rather the method to transport bulk power from generating facilities to substations and distribution systems. There are four separate voltage classes of transmission property in New England communities, constructed between the late 1920s to the present. The first is 115,000 volts, which is used statewide to supply the distribution systems that serve retail customers. This voltage class is required for intra-regional transmission and used for transmission from one part of the state to another. The second and third are high voltage 230,000-volt and 345,000-volt transmission systems which are used as a transporter of bulk power around New England, Canada, and New York. The last is 450,000-volt DC which is used to bring Hydro Quebec power into New England. Lives of transmission facilities are generally 60 to greater than 100 years. Electric transmission lines are not valued by RSA 72:8-d, but are based on fair market value.

Land and Land Rights

Included as part of its transmission and distribution system are various land rights, easements, fee land, and rights-of-way. Where taxable, these are valued and included in the appraisal.

The electric company(s) in the Town are: Eversource NEHT, and NEPC.

Gas Distribution Property
(EnergyNorth)

Gas distribution pipelines and systems are used for the local distribution of low-pressure natural gas to homes and businesses in the community for various heating, cooking, and industrial processes within the community. Low pressure gas distribution facilities include pipes, service connections, laterals, meters, valves, regulators, and gas storage facilities. The overwhelming majority of retail gas distribution pipeline systems are located underground in the streets and rights-of-way in the community to serve the various properties in the community. Distribution of gas pipeline systems are generally constructed of coated or wrapped steel, plastic, cast iron, and uncoated steel, the latter used in some of

the older systems in the region. Gas distribution property has lives that range between 30 and 90 years, depending on the type of property and is maintained to a high degree of reliability and safety for those elements that are above ground and capable of maintenance. The property, once buried, may be subject to cathodic protection underground in certain parts of the service territories and not in other parts, but goes essentially unmaintained until it is repaired or replaced.

The services consist of those pipes which connect the street main to the consumer's property. Individual meters that measure usage are located in or on the customer premises. Gas companies customarily own the service pipe to the street property line, valves, fittings, and meters. Service lines range in size between 1 inch to 4 inches in diameter and are either steel, copper, or plastic. Each service includes a shut-off valve located at the property line and a riser at the building which connects to the meter.

The distribution system is physically located within the public street rights-of-way or upon the customer's premises. The gas company has the right to use the public rights-of-way and stays a property tax unit. Gas distribution systems are valued by RSA 72:8-d.

The gas company in the Town of Hudson is EnergyNorth

Gas Transmission Property
(TGP)

Natural gas transmission property includes the high-pressure natural gas mains which distribute wholesale gas throughout parts of North America to the regional gas markets, retail distribution companies, or large industrial high-pressure gas consumers, such as large electric generating plants. High pressure natural gas pipelines are generally constructed of steel, operate at pressures greater than 500 PSI, and are generally buried in company-owned rights-of-way and not in community streets. The pipelines are generally protected by cathodic protection and significant coating systems to assure that they do not rupture due to rust or corrosion. High pressure gas pipelines are generally subject to internal inspections from time to time through the use of smart pigs, which are intelligent instruments that monitor the wall thickness, ovality, internal and external condition of the pipe, store the data, and allow for downloading of the pipe condition by the maintenance engineers of the pipeline company. Lives of high-pressure natural gas pipeline systems are generally between 60 and 100 years or more. The pipelines are maintained to the highest possible standards for reliability, safety, and functionality.

Over recent years TGP has provided the Town with various records and data that relate to its assets in Hudson. For example, in 2009 the Company reported that it owned only 8-inch pipe in Hudson that was installed in 1982. However, in 2016 the Company provided data showing that it owned 3-inch, 4-inch, and 8-inch pipe with installation dates between 1952 and 2002. In 2017 the Company provided two sets of data, one indicating all 8.625-inch pipe and the other indicating various size pipes. James Lemons confirmed by email that the actual pipes in Hudson are 8.625-inches in diameter and were installed in 2002.

Gas transmission lines are not valued by RSA 72:8-d.

Telecommunication Property
(AT&T & Consolidated)

The taxable telecommunication property that is the subject of this report is comprised of the telecommunication company's interest in its poles (usually 100% or co-owned with the electric utility) and any buried or above-ground conduits that are located in the community. These assets are generally located in the public rights-of-way, which are valued and taxed.

New Hampshire RSA 72:8-c establishes a procedure for developing the cost new, depreciation, and the deprecation floor for telecommunication poles and conduit in New Hampshire. This legislation is in conflict with USPAP in that it specifies a single modified method of value, which is not fair market value. Therefore, we take a Jurisdictional Exception to USPAP for the valuation of telecommunication poles and conduit for this report valued under New Hampshire RSA-72:8-c.

Telecommunication property is not valued under RSA 72:8-d.

The telecommunication company(s) in the Town of Hudson are AT&T and Consolidated Communications.

Assessment Data

The owners of the subject properties may or may not own multiple tax parcels within the Municipality. Table 1, Column C provides the total assessed value for all the tax parcels owned by that owner in the Municipality.[5] Column B contains the map and lot number if the company owns a single parcel and if the company owns multiple parcels, Column B will indicate "multiple".

The assessed values for the subject properties are identified in Table 1 as of April 1, 2021.

[5] The tax parcel ID used in column B represents the map and lot # for the assets that we value in the Town. If the company owns other parcels that we are not responsible for valuing, those parcels are not included in this report, although they may have the same tax parcel ID.

Table 1
Assessment Data as of April 1, 2021

	A	B	C
Row	Utility / Owner	Map / Lot	2021 Assessment
1	AT&T	100/019	n/a
2	Comcast Corporation	100/011	$899,000
3	Consolidated Communications	100/010	$2,450,400
4	Liberty Utilities (EnergyNorth Natural Gas) Corp.	100/006	$19,616,500
5		167/029	$107,600
6		167/030	$87,700
7	New England Power Company	100/005	$8,231,800
8	New England Hydro Transmission Corporation	100/009	$11,163,900
9	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/001	$43,065,800
10		100/008/002	$285,600
11		100/008	$51,814,000
12		107/003/001	$29,700
13		107/030/000	$86,700
14		135/002	$60,200
15		135/007	$38,900
16		138/036	$63,400
17		138/056	$70,900
18		138/086	$16,600
19		144/008	$668,600
20		162/016	$136,300
21		162/080	$112,600
22		167/009	$1,083,800
23		171/030	$84,800
24		171/031	$73,800
25		171/046	$42,900
26		175/006	$79,700
27		175/153	$76,100
28		175/153/002	$84,600
29		179/011	$56,900
30		179/031	$87,400
31		182/181	$60,000
32		190/192	$374,400
33		195/005	$133,400
34		208/011	$65,500
35	Tennessee Gas Pipeline	100/007	$2,169,000

Physical and Economic Property Characteristics

AT&T
Consolidated Communications

AT&T and Consolidated operate systems of telephone property which includes poles, pole attachments which hold the pole up, wires, outside plant supporting property such as filters, splice boxes, slicks, and other outside plant devices, inside plant equipment such as communications equipment, digital switch gear, radio frequency equipment, land, buildings, building systems, underground conduit in road rights-of-way, and underground wire, both in conduit and direct buried. Wire consists of both traditional copper and fiber optic trunk lines. The companies also own and operate equipment for Digital Subscriber

Line (DSL) services used to provide internet, data, and voice communication services. The overwhelming majority of the property is located in either the public rights-of-way or within buildings on land owned by the companies. The companies also own property located on private easements, namely poles, which serve private homes off of the public right-of-way, or remote switching equipment located on easements either adjacent to or in the public right-of-way or off the public right-of-way. The property being valued in this report is a distinct subset of the entire property owned by the company, and is limited to the poles and attachments to hold the poles up, conduits only, and the use of the public right-of-way. The poles and conduit values are prescribed under State Law (RSA 72:8-c) on an annual basis. These values are applied to the inventory of poles and conduits sought after from the company and provided to us for valuation. The use of the public right-of-way is independently valued by us for the Town. These comprise the three taxable components of telephone property under the law in New Hampshire. Telephone property is not considered a public utility and is therefore carried in the industrial category of property for the Town of Hudson's MS-1 value and all four tax rates are applied to it.

In the valuation of telephone property in New Hampshire, it is important to recognize that telephone property has a tax exemption from property taxes for all of its property except any poles, conduits, and real estate such as buildings, land, and rights-of-way. Furthermore, the method of value and the actual unit cost used to value the remaining taxable property are dictated by State Law RSA 72:8-c. Therefore, for a USPAP fair market appraisal in New Hampshire a Jurisdictional Exception is required.

Comcast Corporation

COMCAST is the incumbent cable television company in the Town. Its assets are primarily located in the public rights-of-way, and generally, the company has a franchise from the Town that allows it to serve its customers. COMCAST leases space from the local incumbent telephone provider and/or the local electric service provider in the public right-of-way to attach its cables onto their poles. Alternatively, or additionally, COMCAST will construct its own buried cable in conduit for new installations as required by the Town. COMCAST has various elements of property including service connections, cable boxes, coaxial cable, splitters, filters, amplifiers, etc., all necessary for the operation of a cable television system in the Town. Comcast Cable's taxable property includes the use of the public rights-of-way, any poles that it installs, any conduit that it installs, and any buildings and structures that are owned within the Town. Its wires, equipment, antennas, and services are not taxable as part of the telecommunication's exemption. Comcast reports taxable property in the Town of Hudson, and reports 157.2 number of miles of the use of the public rights-of-way. We have therefore estimated the fair market value of COMCAST's use of the public rights-of way in the Town. If COMCAST owns any buildings and land in the Town, they should be valued using the CAMA system and the land schedules as ordinary small industrial buildings. None of Comcast Cable's values should be included on the MS-1 form under utility property, but should be included in the industrial section of the Town's total property listing and MS-1.

Liberty Utilities (EnergyNorth Natural Gas) Corp.

EnergyNorth is the incumbent natural gas distribution company that operates in the Town. EnergyNorth is owned by Liberty Energy Utilities which in turn is owned by the Canada-based Algonquin Power and Utilities Corp. EnergyNorth operates natural gas pipelines, meters, services, gates, valves, regulators, and more primarily in the public rights-of-way to serve retail natural gas to the homes and businesses within the Town.

EnergyNorth is a regulated public utility and all of its property is taxable including its use of the public rights-of-way. Its fair market value is included in the utility section of the MS-1 and is subject to three of the four tax rates including the town tax, the county tax, and the local school tax, but not the state school tax. Liberty Utilities is valued in this report in accordance with State Law RSA 72:8-d as of April 1, 2022.

New England Hydro Transmission Corporation (NEHT)

NEHT, along with New England Electric Transmission (NEET) represent two segments of the 450± DC volt power line that begins in Canada and traverses Vermont and New Hampshire and terminates in Massachusetts. There are four separate FERC reporting entities that comprise the overall system. These entities are Vermont Electric Transmission Company (VETC), NEET, NEHT, and New England Hydro-Transmission Electric Company (NEHTEC) (located in Massachusetts).

The New Hampshire portion of Phase I/II HVDC Transmission Facilities (NEHT is Phase II) were constructed in two phases, Phase I and Phase II, respectively, and include those facilities described below physically located in the United States. The Nominal Transfer Capability of the Phase I/II HVDC Transmission Facilities is 2,000 MW. Hydro Quebec Phase II is the 450,000-volt DC powerline from Canada. It starts in Monroe, New Hampshire at the substation location and switchyard by the Comerford Hydroelectric Plant and travels due south through the State of New Hampshire all the way through to Hudson, New Hampshire where it then enters Massachusetts in the Town of Tewksbury and the electricity is converted from direct current (DC) to alternating current (AC) and reinserted into the high voltage transmission lines of New England. Phase II is a mirror of Phase I and is a 2,000 MW DC electric transmission facility bringing down hydroelectric power from Northern Quebec. This is the largest single contingency in New England as stated by the New England ISO and must, itself, have a backup capability in the reserve margins for New England. This line is not a distribution line, this is a federally regulated electric transmission line and is not subject to valuation by RSA 72:8-d. This line is valued at its full fair market value and will go in the utility category on the MS-1, and is subject to three of the four town tax rates. The line is built on steel towers and follows a New England Power Company owned right-of-way that already houses two 230,000-volt electric transmission lines that transmit hydroelectric power from the Connecticut River to Massachusetts.

New England Power Company (NEPC)

NEPC is a subsidiary of New England Electric Systems (NEES). NEES is owned by National Grid of England and is a sister company to Mass Electric Company, Narragansett Electric Company in Rhode Island, and Niagara Mohawk Power Company in the State of New York. NEPC is a federally regulated transmission only region wide electric company that has numerous electric transmission facilities in the State of New Hampshire. The two most prominent New England Power Company lines, other than its share ownership of Hydro Quebec Phase I/II, are the two 230,000-volt high voltage power lines that traverse the state from Moore Dam in Littleton through the Town of Pelham to Massachusetts to serve the general Boston area. These lines were constructed to drain the hydroelectric power from the Comerford Dam in Monroe, and the Moore Dam in Littleton to Massachusetts and were commissioned and operating in 1930. These lines travel on a 350-foot-wide right-of-way owned in fee by the Company, the same right-of-way that the company has allowed Hydro Quebec Phase I/II to be constructed in the center between these two lines.

The only substations that are on the New Hampshire portion of the 230,000-volt lines are in Monroe and Littleton, which convert the hydroelectric power generated to high voltage for transmission. There is a switch station in the Town of Dunbarton that connects the Merrimack coal-fired generating station to the New England wide grid through the 230,000-volt line owned by NEPC. NEPC also owns other transmission lines starting in Lebanon, New Hampshire travelling south and pick up the Wilder Dam in Lebanon on the Connecticut River, adding to it the Bellows Falls Dam in Rockingham, Vermont, and the Vernon Dam in Hinsdale. The 215,000-volt lines are an older class built primarily on wood with some steel on a narrower right-of-way. Both of these lines are federally regulated by FERC, and are not valued using RSA 72:8-d. They are valued at their full fair market value and put on the MS-1 form under public utilities. They are subject to three of the four tax rates in the community.

Public Service Company of New Hampshire d/b/a Eversource Energy

EVERSOURCE, a regulated electric public utility in the State of New Hampshire, is the electric retail franchisee that serves the Town. In many towns and cities, the company also owns high voltage transmission power lines, substations, easements, and other transmission property, commercial buildings, and parcels of land owned in fee. We have not developed separate values for the commercial buildings or the land, but have instead relied on the values developed by the Town's assessor based on the Town's CAMA system.

The retail distribution system owned by EVERSOURCE is generally comprised of poles, wires, transformers, switch gear, regulators, residential, commercial and industrial services, meters, capacitor banks, reclosures and other miscellaneous equipment necessary for the retail distribution of electricity in a community. The distribution facilities owned by EVERSOURCE are found primarily along the Town's roads and rights-of-way. The majority of the distribution poles are jointly owned with the local telephone company,

whereby each company owns half the pole, the pole's structural supports and the associated installation costs. Typically, poles are supported with diagonal bracing in the form of other poles (push pole) or guy wires to a solid object such as a rock anchor, tree, adjacent poles, etc. The individual companies, namely Consolidated Communications (or others) and EVERSOURCE, then own their respective wires, crossarms, transformers, filters, switching, etc., that are located and placed on each pole. When the distribution system is underground, the companies generally do not share jointly owned facilities.

Eversource's distribution poles and wires are subject to tax under State Law RSA 72:8-d, locally called House Bill 700, and are valued in accordance with State Law in this report. The Company's distribution property is regulated property and is found on the MS-1 form under utilities subject to the three of the four tax rates.

In addition to its retail distribution system which is located in the Town, EVERSOURCE also owns transmission facilities and rights-of-way for the transmission of power. Generally, the transmission improvements are found in rights-of-way that are either owned as easements over the land of others, or in fee simple. EVERSOURCE's transmission system in New Hampshire is comprised of transmission structures, either steel or wood, conductors, insulators, foundations, roads, and other equipment necessary for the support of the high-voltage conductors through both urban and rural settings. A transmission system also includes transmission substations, which include circuit breakers, switches, transformers, grounding systems, control buildings, foundations, fences, and other equipment necessary for converting electricity from one voltage to another.

EVERSOURCE also owns transmission substations around the state. Specifically, the company owns 20 transmission substations that have no distribution equipment associated with them and an additional 54 substations that have a combination of T&D equipment with a primary voltage of 115 MVa or greater.[6] A majority of all of the substations sit on land that is owned in fee by EVERSOURCE.

Eversource's transmission facilities are regulated property at the federal level by the FERC and are not subject to state valuation law and RSA 72:8-d. Eversource's transmission facilities are valued at their full and true fair market value, including the use of the easements. The values are placed in the utility section of the MS-1 form and subject to three of the four tax rates including easements land and land rights subject to transmission use.

Tennessee Gas Pipeline (TGP)

TGP is a trunk line pipeline system that starts in Louisiana gathering gas from the Gulf of Mexico and transports it northeast all the way to New Hampshire. TGP enters the state in Windham and is the wholesale supply high-pressure large diameter pipeline that serves EnergyNorth, Granite State Gas Transmission, and travels on the east side of the

[6] Public Service Company of New Hampshire. FERC Form 1, 2018/Q4, Pages 426 – 426.2.

Merrimack River through the communities to Concord, with taps off for EnergyNorth along its way in Nashua, Manchester, Concord and the EnergyNorth lateral, which serves Laconia. TGP is a large diameter high-pressure natural gas pipeline with corrosion protection, cathodic protection, regulating valves, specialty construction such as river crossings, road crossings, etc. and metering buildings and take stations for pipeline connections to retail pipeline systems that also deliver gas. TGP owns no distribution assets. In New Hampshire, the company owns approximately 80 miles of pipelines that provide natural gas to gas distribution companies including EnergyNorth, which provides gas to retail distribution systems in the Merrimack Valley portion of the state, and high-pressure gas transmission to the Granite Ridge electric generating plant located in Londonderry. In general, TGP assets are comprised of buried steel pipe, bends, welds, trenches, bedding material, valves, metering stations, etc. The company is regulated by FERC and not the State of New Hampshire. TGP is not subject to valuation by RSA 72:8-d. It is valued at its full fair market value. The TGP value is inserted on the MS-1 in the other utility section and it is subject to three of the four tax rates in the community.

Introduction

The distribution utilities in the Town, which are EnergyNorth and Eversource, are subject to RSA 72:8-d, which codifies under New Hampshire law, the calculations and method of value to be used. That method of value is technically the cost approach because it utilizes the original cost of the property and the depreciated original cost of the property for book purposes and a ratio between the two. This report conforms with state law, values the property in accordance with RSA 72:8-d for the above-named utilities, presents those calculations, and takes a jurisdictional exception. The customary and usual cost approach methodologies are used for the non-RSA-72:8-d properties, which include the following utilities in the community: Eversource, NEPC, NEHT, and TGP transmission. These properties, and the development of the cost approach for the valuation of these properties are described below.

The cost approach starts with a market-based estimate of the cost to replace or reproduce the improvements associated with the property and deducts the appropriate deterioration and obsolescence to arrive at the market value of the improvements. The cost new and the estimates of depreciation are market-based and account for physical deterioration as well as functional and external obsolescence.

AT&T & CONSOLIDATED– Cost Approach

The development of the cost approach for telecommunications properties is determined by New Hampshire Law. RSA 72:8-c provides for the method of costing and calculations of depreciation, and a depreciation floor. Refer to USPAP and Jurisdictional Exceptions sections for details.

EVERSOURCE, NEHT & NEPC - Trended Original Costs for Improvements

Regulated utilities like EVERSOURCE, NEHT, and NEPC are required to maintain a property record of both the direct and indirect costs of construction consistent with the FERC Uniform System of Accounts. This system provides for the classification of property grouped by similar characteristics and expected useful lives. The original cost records were provided by EVERSOURCE with account numbers that correspond with the code of accounts from FERC and are retained in our files.

EVERSOURCE, NEHT, and NEPC are required to report costs in accordance with the standards for regulated utilities. The amount reported in each account is a record of what the utility spent for the construction of the surviving property. If property has been retired from service or replaced, the new cost will be shown in the year of replacement and the old cost deleted from the records, hence the term surviving original costs. The value of any property that may have been received as a contribution in aid of construction (CIAC), or for which EVERSOURCE, NEHT, or NEPC was reimbursed for the cost of construction,

is not included as part of the plant accounts. EVERSOURCE, NEHT, and NEPC records only include that property which it currently owns and paid for. The conclusion of value is dependent upon a complete understanding of the ownership of the property and a detailed list of CIAC property, if any. We have specifically requested information regarding any CIAC property owned by EVERSOURCE, NEHT and NEPC that may be physically located in the community. RSA 72:8-d requires CIAC reporting, under the Law, for the distribution property. The transmission utilities are not required to report.

TGP – Cost Approach

The cost approach for the property owned by TGP was developed using the comparative unit method, which was developed for the 8-inch pipeline.

Method of Cost New Estimating

The trended original cost method to estimate the reproduction cost new of the property was used. Trended original cost is developed by adjusting the historic original cost with a current multiplier factor derived from a construction cost index similar to a Consumer Price Index (CPI), but specific to utility property. This represents the change in the cost of construction between the date of installation and the date of value. The nationally recognized trend index used in this report is the Handy-Whitman Cost Index (HWI).

This report uses December 31 of the previous year as the reporting date for property by the utility. This is because the utility closes its books and records for the year on December 31 and is able to report those by April 1 of the following year. This is a generally accepted convention. As an example, to trend the value of a substation structure (FERC account 353) whose original cost is reported December 31, 1980 to the valuation date (target date) of April 1, 2007, the July 1, 2007 HWI index number of *705* is divided by the January 1, 1981 HWI index number of *217* to produce the trend factor of *3.25* (rounded). The original cost is then multiplied by the trend factor to determine an estimate of reproduction cost new. The total of all surviving vintage original costs, adjusted by the respective trend factors, results in the estimated reproduction cost new of the property as of a given assessment date.

Table 2 Summary of Cost New

Table 2 provides information regarding the Cost New of the properties owned by the owners shown in Column A. Column C, "Original Cost" contains the owners' reported Original Cost of its property in the Municipality. When the Original Cost is reported, we generally trend that Original Cost to a "Trended Cost New" which is shown in Column E.

Column D contains our "Estimated Cost New" which indicates that we have developed a cost new through either a quantity survey, or the unit-in-place method based on national costing manuals such as RS Means or Marshall and Swift. For some properties, such as natural gas and oil pipelines, we utilize our own internal studies of the Replacement, or

Reproduction Costs New, and the results of that Reproduction Cost New analysis is shown in Column D.

In some cases, where we have considered the cost approach but determined that it was not appropriate for this appraisal, and instead relied upon either the sales approach or the income approach as a primary method of valuation, the cells in Columns C, D, and E will be indicated with "n/a". Likewise, if the property being valued is land only we will indicate "n/a" in Columns C, D, and E.

The values shown in Column D and Column E are the values to which depreciation is applied in Table 2.

Table 2 summarizes the estimates of cost new for each of the subject properties as of April 1, 2022.

Table 2
Cost New as of April 1, 2022

	A	B	C	D	E
Row	Utility / Owner	Map / Lot	Original Cost	Estimated Cost New (Rounded)	Trended Cost New (Rounded)
1	AT&T	100/019	n/a	$50,200	n/a
2	Comcast Corporation	100/011	n/a	n/a	n/a
3	Consolidated Communications	100/010	n/a	$6,259,100	n/a
4	Liberty Utilities (EnergyNorth Natural Gas) Corp.	100/006	n/a	n/a	n/a
5	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/029	$16,609	n/a	$23,800
6	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/030	No Improvements		
7	New England Power Company	100/005	$8,726,463	n/a	$13,512,800
8	New England Hydro Transmission Corporation	100/009	$10,557,904	n/a	$25,449,500
9	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/001	n/a	n/a	n/a
10	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/002	$225,000	n/a	$497,300
11	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008	$61,210,696	n/a	$82,778,900
12	Public Service Company of New Hampshire d/b/a Eversource Energy	107/003/001	No Improvements		
13	Public Service Company of New Hampshire d/b/a Eversource Energy	107/030/000	No Improvements		
14	Public Service Company of New Hampshire d/b/a Eversource Energy	135/002	No Improvements		
15	Public Service Company of New Hampshire d/b/a Eversource Energy	135/007	No Improvements		
16	Public Service Company of New Hampshire d/b/a Eversource Energy	138/036	No Improvements		
17	Public Service Company of New Hampshire d/b/a Eversource Energy	138/056	No Improvements		
18	Public Service Company of New Hampshire d/b/a Eversource Energy	138/086	No Improvements		
19	Public Service Company of New Hampshire d/b/a Eversource Energy	144/008	No Improvements		
20	Public Service Company of New Hampshire d/b/a Eversource Energy	162/016	No Improvements		
21	Public Service Company of New Hampshire d/b/a Eversource Energy	162/080	No Improvements		
22	Public Service Company of New Hampshire d/b/a Eversource Energy	167/009	n/a	n/a	n/a
23	Public Service Company of New Hampshire d/b/a Eversource Energy	171/030	No Improvements		
24	Public Service Company of New Hampshire d/b/a Eversource Energy	171/031	No Improvements		
25	Public Service Company of New Hampshire d/b/a Eversource Energy	171/046	No Improvements		
26	Public Service Company of New Hampshire d/b/a Eversource Energy	175/006	No Improvements		
27	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153	No Improvements		
28	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153/002	No Improvements		
29	Public Service Company of New Hampshire d/b/a Eversource Energy	179/011	No Improvements		
30	Public Service Company of New Hampshire d/b/a Eversource Energy	179/031	No Improvements		
31	Public Service Company of New Hampshire d/b/a Eversource Energy	182/181	No Improvements		
32	Public Service Company of New Hampshire d/b/a Eversource Energy	190/192	No Improvements		
33	Public Service Company of New Hampshire d/b/a Eversource Energy	195/005	No Improvements		
34	Public Service Company of New Hampshire d/b/a Eversource Energy	208/011	No Improvements		
35	Tennessee Gas Pipeline	100/007	n/a	$5,462,600	n/a

Depreciation and Obsolescence

The depreciation and obsolescence associated with the properties in this report is calculated by the breakdown method using age-life techniques to measure all forms of depreciation. The age-life method is calculated as follows:

AGE ÷ LIFE = DEPRECIATION PERCENTAGE

For example, FERC account number 353 corresponds to station equipment. We estimate an average useful life to be 65 years based on our research and observation. When the age-life method is applied to this example, if the equipment were 20 years old, the depreciation before economic obsolescence, if any, would be expressed as follows:

20 (AGE) ÷ 65 (LIFE) = 31% (PHYSICAL AND FUNCTIONAL DEPRECIATION)

Depreciation for each component of property in this report is estimated the same way and summed to determine a total depreciation. These calculations are voluminous and retained in our files but available to the intended users upon request. The aggregate physical and functional depreciation is found in Table 6. This depreciation encompasses the functional obsolescence because the property's basic function has not changed for many decades. If any other special functional obsolescence is present, it will be measured and deducted.

Economic obsolescence is depreciation that accrues after the property is built. It generally develops based on a change in markets, demand, demographics, or alternative technologies that affects the value of the property as a whole. Regulation can or may also create economic obsolescence. Economic obsolescence is classically measured in appraisal theory by income valuation and market sales. The amount of economic obsolescence may be measured in reconciliation of the three methods of value. Non-RSA 72:8-d utilities are generally federally regulated and operate on a certificate of need basis where they must be required, needed, and necessary in order to be approved for construction by FERC. They are then tariffed to assure a return of and on the investment. As a general rule, they do not exhibit significant economic obsolescence. The income and market sales approaches to value are considered next in this report to determine if significant economic obsolescence may exist.

Table 3 provides the estimated lives developed by us for electric property and depreciation. These lives are developed through observation, analysis, research, opinion, and consensus. Depreciation is subtracted in the property to a maximum of 70% leaving a minimum floor of 30% to the good until the property is removed from service.

RSA 72:8-d legally dictates the method of value for the regulated distribution property in this report. In that method of value, the depreciation is established by weighting the book value, which uses regulatory depreciation, 30% and original cost 70%. No further depreciation for functional or economic is allowed in the law. Therefore, no further depreciation is added to the value determined by RSA 72:8-d in this report.

Table 3
GES Useful Lives

	A		B
Row	Electric Plant		GES Estimated Useful Physical Life
	FERC Acct.	Description	
1	311	352 - Structures & Improvements	90
2	353	Station Equipment	65
3	354	Towers & Fixtures (Steel)	90
4	355	Poles & Fixtures (Wood)	75
5	356	Overhead Conductors & Devices	75
6	311	359 - Roads & Trails	90
7	316	397 - Communication Equipment	30
8	311	361 - Structures & Improvements	90
9	362	Station Equipment	65
10	364	Poles, Towers & Fixtures	60
11	365	Overhead Conductors & Devices	60
12	366	Underground Conduit	60
13	367	Underground Conductors & Devices	60
14	368	Line Transformers	50
15	369	Services - Overhead	50
16	369.1	Service - Underground	50
17	370	Meters Installed	30
18	373	371 - Installations on Customers' Premises	40
19	373	Street Lighting and Signal Systems	40
20	316	397 - Communication Equipment	30

Land Value Estimate

There are four types of high-voltage transmission (HVT) land and land rights owned by utilities that may exist in a town or city. These types are:

- High-Voltage Transmission corridor land (right-of-way) owned as an easement over land owned by others.
- High-Voltage Transmission rights-of-way corridor land owned in fee simple.
- Individual land parcels owned in fee simple and held or used for various functions, including substation locations where applicable.
- Use of another easement owned by others, or the use of the public right-of-way which is very uncommon for transmission.

Transmission Rights of Way (ROW)

We base our estimates of market value of the ROWs on the Town's CAMA system's rear acre/back acre values. This method develops a so-called "across-the-fence" (ATF)[7] valuation of the ROW's underlying land and when the appropriate permitting, surveying, engineering, removal costs are added, the resulting value becomes a proxy for the market value.

The cost approach develops the value of the improvements. The land is added, and the total is summarized in Table 6.

Use of Public Rights-of-Way Values

Electric distribution poles and wires, gas distribution pipelines, and water mains occupy a portion of various public rights-of-way in New Hampshire. The use by the company of portions of these public rights-of-way is subject to valuation and *ad valorem* taxation in New Hampshire as an interest in real estate.

In the case of the public ROW, the public/municipality and/or the State effectively owns the underlying land because the roadway's occupation of the ROW almost completely encumbers it by creating an impedance to any further development by the underlying landowner. The encumbrance by the utility is on the municipality's ROW, not that of the original underlying landowner, which has been fully encumbered by the public's use of the land.

The value of the use of the public right-of-way for water mains, gas mains, and electric systems has been codified by the State of New Hampshire in RSA 72:8-d and in accordance

[7] The Dictionary of Real Estate Appraisal: Across the Fence Value defined as *"In the valuation of real estate corridors, the value concluded based on a comparison with adjacent lands before the consideration of any other adjustment factors."*

with the law, we value the use of the public right-of-way at 3% addition to the value of the improvements as found by RSA 72:8-d valuation methodology.

Other non-RSA 72:8-d users of the public right-of-way such as telephone companies, telecommunication companies, cable television companies, etc. that either have poles and conduits and use of occupancy of the right-of-way, or are attachers onto poles and in conduits that have occupancy and use of the right-of-way is performed based on a calculation of the acres used by the telecommunication utility and the valuation of those acres. Table 4 through Table 5 provides the calculation sheets developed by us and used to value the right-of-way.

Table 4
Comcast's Public Use of the Right-of-Way Calculations

ELECTRONIC FORMAT

Real Property Valuation Use of The Public Right of Way © 2005 GES

Owned by

I **COMCAST**

Located in

II **HUDSON, NH**

			Acres	Value
III	Residential Land	(From MS 1 Line 1F)	7,665	$ 717,859,494
IV	Commercial/Industrial Land - NOT utility Land	(From MS 1 Line 1G)	2,638	$ 220,539,503
V	Miles Roadway in Community	(From Company)		157.22
VI	Equalization Rate	(From NH Department of Revenue Administration)		100.00%

	A	B	C	D
Line	**Item**		**Number of Acres**	**Assessed Value**
1	Residential Land	(From MS 1 Line 1F)	7,665	$ 717,859,494
2	Commercial/Industrial Land - NOT utility Land	(From MS 1 Line 1G)	2,638	$ 220,539,503
3	Total	(Line 1 + Line 2)	10,303	$ 938,398,997
4	**Calculation of Land Value**			
5	Average Value Per Acre	(Line 3D ÷ 3C)		$ 91,084
6	Assessed Value Assemblage Costs Per Acre	**$510 x EQ Rate (GES Supplied Value)**	100.00%	$ 510
7	Assessed Value Per Acre of ROW	(Line 5 + Line 6)		$ 91,594
8	Miles Roadway in Community	(From Company)	157.22	
9	Utility ROW Width	**GES Supplied Value**	1	
10	Acreage In Community Dedicated to ROW	(Line 8 x Line 9)	19.06	
11	**Assessed Value of ROW Land**	(Line 7D x Line 10C)		**$ 1,745,782**
12	**Private Use of ROW x 50% (Encumbrance Factor)**	(Line 11F x 50%)		$ 872,891
13	**FINAL VALUE OF ROW (Rounded)**			**$ 872,900**

Table 5
Consolidated's Public Use of the Right-of-Way Calculations

ELECTRONIC FORMAT

Real Property Valuation Use of The Public Right of Way © 2005 GES

Owned by

I **CONSOLIDATED COMMUNICATIONS**

Located in

II **HUDSON, NH**

			Acres	Value
III	Residential Land	(From MS 1 Line 1F)	7,665	$ 717,859,494
IV	Commercial/Industrial Land - NOT utility Land	(From MS 1 Line 1G)	2,638	$ 220,539,503
V	Miles Roadway in Community	(NH DOT Mileage by Town and Legislative Class I, II, & V)		157.22
VI	Equalization Rate	(From NH Department of Revenue Administration)		100.00%

	A	B	C	D
Line	Item		Number of Acres	Assessed Value
1	Residential Land	(From MS 1 Line 1F)	7,665	$ 717,859,494
2	Commercial/Industrial Land - NOT utility Land	(From MS 1 Line 1G)	2,638	$ 220,539,503
3	Total	(Line 1 + Line 2)	10,303	$ 938,398,997
4	**Calculation of Land Value**			
5	Average Value Per Acre	(Line 3D ÷ 3C)		$ 91,084
6	Assessed Value Assemblage Costs Per Acre	**$510 x EQ Rate (GES Supplied Value)**	100.00%	$ 510
7	Assessed Value Per Acre of ROW	(Line 5 + Line 6)		$ 91,594
8	Miles Roadway in Community	(NH DOT Mileage by Town and Legislative Class I, II, & V)	157.22	
9	Utility ROW Width	**GES Supplied Value**	1	
10	Acreage In Community Dedicated to ROW	(Line 8 x Line 9)	19.06	
11	**Assessed Value of ROW Land**	(Line 7D x Line 10C)		**$ 1,745,782**
12	**Private Use of ROW x 50% (Encumbrance Factor)**	(Line 11F x 50%)		$ 872,891
13	**FINAL VALUE OF ROW (Rounded)**			**$ 872,900**

Table 6
Summary of Cost Approach as of April 1, 2022

	A	B	C	D	E	F	G	H	I	J	K
Row	Utility / Owner	Map / Lot	Cost New (rounded)	Physical Depreciation (rounded)	Economic Depreciation (rounded)	Reproduction Cost New Less Depreciation (rounded)	2022 RSA 72:8-d (rounded)	Recommended Assessed Improvements Equalized at 100% (rounded)	Land and Land Rights (rounded)	Public Use ROWs (rounded)	Total 2022 Cost Approach Valuation (rounded) (H+I+J)
1	AT&T	100/019	$50,200	$37,100	n/a	$13,100	n/a	$13,100	n/a	n/a	$13,100
2	Comcast Corporation	100/011	n/a	n/a	n/a	n/a	n/a	n/a	n/a	$872,900	$872,900
3	Consolidated Communications	100/010	$6,259,100	$3,828,000	n/a	$2,431,100	n/a	$2,431,100	n/a	$872,900	$3,304,000
4	Liberty Utilities (EnergyNorth Natural Gas) Corp.	100/006	n/a	n/a	n/a	n/a	$23,825,834	$23,825,800	n/a	n/a	$23,825,800
5	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/029	$23,800	$8,600	n/a	$15,200	n/a	$15,200	$120,200	n/a	$135,400
6	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/030	n/a	n/a	n/a	n/a	n/a	n/a	$129,400	n/a	$129,400
7	New England Power Company	100/005	$13,512,800	$3,245,100	n/a	$10,267,700	n/a	$10,267,700	$1,447,600	n/a	$11,715,300
8	New England Hydro Transmission Corporation	100/009	$25,449,500	$10,273,500	n/a	$15,176,000	n/a	$15,176,000	n/a	n/a	$15,176,000
9	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/001	n/a	n/a	n/a	n/a	$49,926,100	$49,926,100	n/a	n/a	$49,926,100
10	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/002	$497,300	$137,700	n/a	$359,600	n/a	$359,600	n/a	n/a	$359,600
11	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008	$82,778,900	$14,442,700	n/a	$68,336,200	n/a	$68,336,200	$9,061,200	n/a	$77,397,400
12	Public Service Company of New Hampshire d/b/a Eversource Energy	107/003/001	n/a	n/a	n/a	n/a	n/a	n/a	$29,700	n/a	$29,700
13	Public Service Company of New Hampshire d/b/a Eversource Energy	107/030/000	n/a	n/a	n/a	n/a	n/a	n/a	$86,700	n/a	$86,700
14	Public Service Company of New Hampshire d/b/a Eversource Energy	135/002	n/a	n/a	n/a	n/a	n/a	n/a	$90,200	n/a	$90,200
15	Public Service Company of New Hampshire d/b/a Eversource Energy	135/007	n/a	n/a	n/a	n/a	n/a	n/a	$53,900	n/a	$53,900
16	Public Service Company of New Hampshire d/b/a Eversource Energy	138/036	n/a	n/a	n/a	n/a	n/a	n/a	$92,600	n/a	$92,600
17	Public Service Company of New Hampshire d/b/a Eversource Energy	138/056	n/a	n/a	n/a	n/a	n/a	n/a	$99,800	n/a	$99,800
18	Public Service Company of New Hampshire d/b/a Eversource Energy	138/086	n/a	n/a	n/a	n/a	n/a	n/a	$23,900	n/a	$23,900
19	Public Service Company of New Hampshire d/b/a Eversource Energy	144/008	n/a	n/a	n/a	n/a	n/a	n/a	$988,700	n/a	$988,700
20	Public Service Company of New Hampshire d/b/a Eversource Energy	162/016	n/a	n/a	n/a	n/a	n/a	n/a	$62,300	n/a	$62,300
21	Public Service Company of New Hampshire d/b/a Eversource Energy	162/080	n/a	n/a	n/a	n/a	n/a	n/a	$172,600	n/a	$172,600
22	Public Service Company of New Hampshire d/b/a Eversource Energy	167/009	n/a	n/a	n/a	n/a	n/a	$338,200	$944,400	n/a	$1,282,600
23	Public Service Company of New Hampshire d/b/a Eversource Energy	171/030	n/a	n/a	n/a	n/a	n/a	n/a	$129,800	n/a	$129,800
24	Public Service Company of New Hampshire d/b/a Eversource Energy	171/031	n/a	n/a	n/a	n/a	n/a	n/a	$111,700	n/a	$111,700
25	Public Service Company of New Hampshire d/b/a Eversource Energy	171/046	n/a	n/a	n/a	n/a	n/a	n/a	$41,200	n/a	$41,200
26	Public Service Company of New Hampshire d/b/a Eversource Energy	175/006	n/a	n/a	n/a	n/a	n/a	n/a	$130,800	n/a	$130,800
27	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153	n/a	n/a	n/a	n/a	n/a	n/a	$106,100	n/a	$106,100
28	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153/002	n/a	n/a	n/a	n/a	n/a	n/a	$123,000	n/a	$123,000
29	Public Service Company of New Hampshire d/b/a Eversource Energy	179/011	n/a	n/a	n/a	n/a	n/a	n/a	$86,900	n/a	$86,900
30	Public Service Company of New Hampshire d/b/a Eversource Energy	179/031	n/a	n/a	n/a	n/a	n/a	n/a	$84,400	n/a	$84,400
31	Public Service Company of New Hampshire d/b/a Eversource Energy	182/181	n/a	n/a	n/a	n/a	n/a	n/a	$90,000	n/a	$90,000
32	Public Service Company of New Hampshire d/b/a Eversource Energy	190/192	n/a	n/a	n/a	n/a	n/a	n/a	$546,700	n/a	$546,700
33	Public Service Company of New Hampshire d/b/a Eversource Energy	195/005	n/a	n/a	n/a	n/a	n/a	n/a	$133,400	n/a	$133,400
34	Public Service Company of New Hampshire d/b/a Eversource Energy	208/011	n/a	n/a	n/a	n/a	n/a	n/a	$80,500	n/a	$80,500
35	Tennessee Gas Pipeline	100/007	$5,462,600	$3,557,800	n/a	$1,904,800	n/a	$1,904,800	$976,400	n/a	$2,881,200

Economic Obsolescence and the Sales Approach

In general, the properties that are the subjects of this report are considered to be special purpose properties that would be required to be replaced if damaged or destroyed. The New Hampshire Board of Tax and Land Appeals (BTLA) provided the following definition of a special purpose property: *"…a limited-market property is defined as 'a property that has relatively few potential buyers at a particular time' and a special-purpose property is defined as 'a limited-market property with a unique physical design, special construction materials, or layout that restricts its utility to the use for which it was built."* Few other properties in the State of New Hampshire fit the BTLA's definition of special purpose property better than the utility properties that are the subjects of this report. Various New Hampshire courts have repeatedly recognized the cost approach as the valuation method that is most likely to result in a reliable estimate of fair market value for special purpose property. This is true especially considering the fact that they would be replaced, repaired, or rebuilt if damaged or destroyed.

Having said this, in the appraisal of special purpose properties, it is important that we recognize and/or identify any external/economic obsolescence that may be present in the subject properties. In order to identify any economic obsolescence, we look to the income and sales approaches to value and, if any economic obsolescence is identified, we apply it to our cost approach concluded values. We discuss this process, which we employ for the mass revaluation of the subject properties, in more detail below. We retain our calculations and work papers for our estimates of economic obsolescence in our files.

The RSA 72:8-d utilities in this report are legislatively directed to be valued by the cost approach. They do not exhibit economic depreciation because they are not valued at fair market value, but at a codified formula for value. Had they not been codified for valuation, the RSA 72:8-d utilities, which are the locally regulated distribution companies, do lend themselves to income-based value and market sales. The non-RSA 72:8-d values are the federally regulated utilities and/or telecommunication utilities (which themselves have a telecommunications property tax exemption) and income parameters are established through tariffs and rates regulated by FERC for gas and electric. The non-RSA 72:8-d utilities operate in a state or community moving wholesale volumes of electricity, high-pressure natural gas, and from time to time, the transmission of wholesale water. Their rates are established on a region-wide basis. Their rates are indirectly passed through to customers in a variety of ways including the transmission of wholesale electricity and gas or the reservation of capacity for electricity and gas.

For the regulated distribution property valued under RSA 72:8-d the goal of the legislature and the law was to eliminate the use of market sales and the income approach under USPAP in valuation of regulated distribution property. Therefore, a jurisdictional exception is taken in each case from USPAP for these types of properties.

Utility Comparable Sales

We maintain a comprehensive database in our files for the purchase and sales of most types of utility properties including:

- Electric distribution assets;
- Electric transmission assets;
- Gas distribution and storage assets,
- Gas transmission assets,
- Water distribution and storage assets;
- Etc.

We monitor and update our database on a regular basis and analyze the sales and their applicability to the subject properties. When appropriate data is available and its commonly observed metrics are extracted, we can apply the metrics to the subject property. The metrics may include the following:

- EBITDA/NOI multipliers;
- Capitalization rates,
- EBITDA/NOI per customer ratios;
- Net book multipliers;
- Discount rates;
- Etc.

When the appropriate data is analyzed, the application of these metrics to the subject property's statistics typically result in reliable indicators of value, which can be compared to the subject. The indicated values by the sales comparison approach are then compared to the RCNLD indicated values to determine if external/economic obsolescence exits in the subject properties.

Our sales databases are voluminous and, for this reason, we have retained them and our sales approach calculations in our files at 148 Main Street, Lancaster, New Hampshire.

We have considered the sales comparison approach, but we have not relied on it for this report. Therefor no further information is developed.

Economic Obsolescence and the Income Approach

The income approach measures the value of a property by discounting a stream of income. If the income approach is less than the cost approach it may indicate some level of economic obsolescence in a particular market related to a property(s) as compared to the valuation by the cost approach. On the other hand, there may be very clear reasons why the income approach is less than the cost approach and it is not a true indication of economic obsolescence. There are two methods of developing the income approach. One is yield capitalization and the other is direct capitalization. Yield capitalization measures the value by discounting a stream of future income, and direct capitalization measures the value by capitalizing a single year's income based on an understanding that the income stream is fairly stable.

Non-RSA-72:8-d electric utility transmission systems in New England are managed by the New England ISO and regulated by FERC for their tariffs. All users in New England pay for all electric transmission in New England. New Hampshire uses and pays for transmission systems in Connecticut and Connecticut uses and pays for transmission systems in New Hampshire. The isolation of income for economic obsolescence is not possible from community to community. Also, very often, electric transmission property is not constructed for income purposes, but for redundancy, duplication, and reliability. It is subject to regulated income and regulated rates of return which are higher than, under federal regulations, state returns for equity and depreciation. Electric transmission systems are not constructed like electric distribution systems. Electric distribution systems are constructed on a requirement to serve basis where a company has a franchise in a given community. For example, if there are two houses on one mile of road, the electric company must run lines to serve them. That is not the case with electric transmission. Electric transmission is developed on a certificate of need basis to serve the entire region, and is not built for incidental service requirement of any one customer. Electric transmission, as well as natural gas transmission, escapes the economic obsolescence derived from regulation and the obligation to serve, and is not subject to the same subsidies between rate payers found in the electric distribution that creates economic obsolescence, as opposed to electric transmission where subsidies are spread throughout New England if there are any.

Therefore, for the non-RSA 72:8-d utilities, economic obsolescence from the income approach, for mass appraisal purposes, is not detected. For Eversource electric transmission systems, a detailed analysis of system-wide income in the State of New Hampshire was performed during the 2019 BTLA trial for 2014, 2015, 2016, and 2017. It was demonstrated in that trial that economic obsolescence due to income for the operating electric transmission system that receives revenue on a system-wide basis from New England did not exhibit measurable economic obsolescence due to income, and did not receive measurable economic obsolescence due to market sales.

The external/economic obsolescence when it is identified, is shown in Table 6, Column E.

Summary of Concluded Value Estimates and Reconciled Value

Reconciliation is the process of coordinating and integrating the facts used to develop a unified conclusion of market value for the subject properties. In estimating the market value of the various utilities, this report considers all three approaches to value, namely the sales approach, the income approach, and the cost approach. It also considers the RSA 72:8-d values. The cost approach is relied upon and additional economic obsolescence is deducted for consideration of the market sales and income approaches to value if appropriate. Table 7 below outlines the methods of value, the utilities in the community, and the consideration given to the various methods of value. In Table 7, a fourth method of value is included, namely the alternative facilities approach and, from time to time, a fifth method of value is considered in the valuation of utility property, namely original cost less depreciation. In the case of the State of New Hampshire, some facilities (primarily pipelines) are valued with the alternative facilities approach in certain communities. Where Table 7 shows an "n/a" (not applicable), this designation indicates that we do not believe that the alternative facilities approach applies to any of the utility properties in the community listed below. Due to their special purpose nature and uniqueness of the subject properties, the cost approach is predominantly relied upon for these type(s) of properties.

Table 7 indicates the primary valuation methodology, which we relied upon for the improvements for each of the subject properties. Generally, when land and land rights, and the use of public rights of way values are estimated we rely on the Municipality's CAMA system. The comparable market sales method is most often the primary valuation method by which land is appraised. For any land that is valued in this report we have implicitly relied on the sales approach as the primary indicator for its value.

Columns C, D, E, and F indicate the four generally accepted methods of value utilized in New Hampshire for property tax assessment purposes. We discuss them individually as follows:

- Column C: Sales Approach - We indicate relied upon in Column C if we primarily relied upon on the sales approach to value the improvements. If we considered the sales approach but did not rely upon it, the word "considered" will be shown in Column C. If the property being valued is comprised of only land and no improvements, we have implicitly relied upon the sales approach for the land.

- Column D: Income Approach - We indicate relied upon in Column D if we primarily relied upon the income approach to value the improvements. If we considered the income approach but did not rely upon it, the word "considered" will be shown in Column D.

- Column E: Cost Approach - We indicate relied upon in Column E if we primarily relied upon the cost approach to value the improvements. If we considered the cost approach but did not rely upon it, the word "considered" will be shown in Column E.

- Column F: Cost Approach for Alternate Facilities - We state in Column F that we "relied upon" the alternative faciality analysis if it is either applicable or we used it. In this report, the alternative facility analysis was not applicable.

- Column G: Original Cost Less Depreciation (including RSA 72:8-d). Original cost less depreciation, or book value, is from time to time considered where appropriate. An example is the recently completed Seacoast Reliability Project. A regional transmission project in Durham, Newington, and Portsmouth. Initial valuation of the Seacoast Reliability Project is by its original cost less depreciation as a transmission project. Also, RSA 72:8-d relies upon original cost and book depreciation and book value as its underpinnings. Column G includes all utilities that are valued by RSA 72:8-d using the fifth method of value.

Table 7
Methods of Utility Valuation for Improvements Only
as of April 1, 2022

	A	B	C	D	E	F	G
Row	Utility / Owner	Map / Lot	METHODS OF UTILITY VALUATION				
			Sales Approach	Income Approach	Cost Approach	Cost Approach for Alternate Facility	Original Cost Less Depreciation (Including RSA 72:8-d)
1	AT&T	100/019	Considered	Considered	Relied Upon	n/a	n/a
2	Comcast Corporation	100/011	No Improvements				
3	Consolidated Communications	100/010	Considered	Considered	Relied Upon	n/a	n/a
4	Liberty Utilities (EnergyNorth Natural Gas) Corp.	100/006	Considered	Considered	Considered	n/a	Relied Upon
5	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/029	Considered	Considered	Relied Upon	n/a	n/a
6	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/030	No Improvements				
7	New England Power Company	100/005	Considered	Considered	Relied Upon	n/a	n/a
8	New England Hydro Transmission Corporation	100/009	Considered	Considered	Relied Upon	n/a	n/a
9	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/001	Considered	Considered	Considered	n/a	Relied Upon
10	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/002	Considered	Considered	Relied Upon	n/a	n/a
11	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008	Considered	Considered	Relied Upon	n/a	n/a
12	Public Service Company of New Hampshire d/b/a Eversource Energy	107/003/001	No Improvements				
13	Public Service Company of New Hampshire d/b/a Eversource Energy	107/030/000	No Improvements				
14	Public Service Company of New Hampshire d/b/a Eversource Energy	135/002	No Improvements				
15	Public Service Company of New Hampshire d/b/a Eversource Energy	135/007	No Improvements				
16	Public Service Company of New Hampshire d/b/a Eversource Energy	138/036	No Improvements				
17	Public Service Company of New Hampshire d/b/a Eversource Energy	138/056	No Improvements				
18	Public Service Company of New Hampshire d/b/a Eversource Energy	138/086	No Improvements				
19	Public Service Company of New Hampshire d/b/a Eversource Energy	144/008	No Improvements				
20	Public Service Company of New Hampshire d/b/a Eversource Energy	162/016	No Improvements				
21	Public Service Company of New Hampshire d/b/a Eversource Energy	162/080	No Improvements				
22	Public Service Company of New Hampshire d/b/a Eversource Energy	167/009	Considered	Considered	Relied Upon	n/a	n/a
23	Public Service Company of New Hampshire d/b/a Eversource Energy	171/030	No Improvements				
24	Public Service Company of New Hampshire d/b/a Eversource Energy	171/031	No Improvements				
25	Public Service Company of New Hampshire d/b/a Eversource Energy	171/046	No Improvements				
26	Public Service Company of New Hampshire d/b/a Eversource Energy	175/006	No Improvements				
27	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153	No Improvements				
28	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153/002	No Improvements				
29	Public Service Company of New Hampshire d/b/a Eversource Energy	179/011	No Improvements				
30	Public Service Company of New Hampshire d/b/a Eversource Energy	179/031	No Improvements				
31	Public Service Company of New Hampshire d/b/a Eversource Energy	182/181	No Improvements				
32	Public Service Company of New Hampshire d/b/a Eversource Energy	190/192	No Improvements				
33	Public Service Company of New Hampshire d/b/a Eversource Energy	195/005	No Improvements				
34	Public Service Company of New Hampshire d/b/a Eversource Energy	208/011	No Improvements				
35	Tennessee Gas Pipeline	100/007	Considered	Considered	Relied Upon	Considered	n/a

Table 8 is a summary of reconciled values for the subject properties in the Municipality. The values shown in Column C are our recommended market value of all the improvements, land, and land rights for each tax parcel listed by a map and lot number in Column B.

Table 8
Summary of Reconciled Value as of April 1, 2022

	A	B	C
Row	Utility / Owner	Map / Lot	Reconciled Market Value
1	AT&T	100/019	$13,100
2	Comcast Corporation	100/011	$872,900
3	Consolidated Communications	100/010	$3,304,000
4	Liberty Utilities (EnergyNorth Natural Gas) Corp.	100/006	$23,825,800
5	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/029	$135,400
6	Liberty Utilities (EnergyNorth Natural Gas) Corp.	167/030	$129,400
7	New England Power Company	100/005	$11,715,300
8	New England Hydro Transmission Corporation	100/009	$15,176,000
9	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/001	$49,926,100
10	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008/002	$359,600
11	Public Service Company of New Hampshire d/b/a Eversource Energy	100/008	$77,397,400
12	Public Service Company of New Hampshire d/b/a Eversource Energy	107/003/001	$29,700
13	Public Service Company of New Hampshire d/b/a Eversource Energy	107/030/000	$86,700
14	Public Service Company of New Hampshire d/b/a Eversource Energy	135/002	$90,200
15	Public Service Company of New Hampshire d/b/a Eversource Energy	135/007	$53,900
16	Public Service Company of New Hampshire d/b/a Eversource Energy	138/036	$92,600
17	Public Service Company of New Hampshire d/b/a Eversource Energy	138/056	$99,800
18	Public Service Company of New Hampshire d/b/a Eversource Energy	138/086	$23,900
19	Public Service Company of New Hampshire d/b/a Eversource Energy	144/008	$988,700
20	Public Service Company of New Hampshire d/b/a Eversource Energy	162/016	$62,300
21	Public Service Company of New Hampshire d/b/a Eversource Energy	162/080	$172,600
22	Public Service Company of New Hampshire d/b/a Eversource Energy	167/009	$1,282,600
23	Public Service Company of New Hampshire d/b/a Eversource Energy	171/030	$129,800
24	Public Service Company of New Hampshire d/b/a Eversource Energy	171/031	$111,700
25	Public Service Company of New Hampshire d/b/a Eversource Energy	171/046	$41,200
26	Public Service Company of New Hampshire d/b/a Eversource Energy	175/006	$130,800
27	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153	$106,100
28	Public Service Company of New Hampshire d/b/a Eversource Energy	175/153/002	$123,000
29	Public Service Company of New Hampshire d/b/a Eversource Energy	179/011	$86,900
30	Public Service Company of New Hampshire d/b/a Eversource Energy	179/031	$84,400
31	Public Service Company of New Hampshire d/b/a Eversource Energy	182/181	$90,000
32	Public Service Company of New Hampshire d/b/a Eversource Energy	190/192	$546,700
33	Public Service Company of New Hampshire d/b/a Eversource Energy	195/005	$133,400
34	Public Service Company of New Hampshire d/b/a Eversource Energy	208/011	$80,500
35	Tennessee Gas Pipeline	100/007	$2,881,200