



PENNICHUCK

25 MANCHESTER STREET
PO BOX 1947
MERRIMACK, NH 03054-1947

September 27, 2016

(603) 882-5191
FAX (603) 913-2305

Mr. Gregory Dodge, Town Administrator
Epping Town Hall
157 Main Street
Epping, NH 03042

WWW.PENNICHUCK.COM

Re: Pennichuck Water Works, Inc. – Water Rate Case

Dear Mr. Dodge:

As referenced in my letter to you dated August 18, 2016, Pennichuck Water Works, Inc. filed its rate case with the New Hampshire Public Utilities Commission (PUC) on September 23, 2016. The docket number for the rate case is DW 16-806.

It is important to note that even though we filed a Notice of Intent to File Rate Schedules in August requesting an estimated increase in rates of 19.5%, the actual rate increase being requested in the September 23rd filing is 17.21%. The following table provides an illustration of the impact on an average residential customer's monthly bill:

Average Residential Monthly Bill Based on Annual Usage of 103 ccf (100 Cubic Feet)				
	Customer Charge 5/8" Meter	Volumetric Charge (in 100 cubic feet)	WICA Surcharge	Total Monthly
Current Rates	\$20.34	\$28.31	\$1.48	\$50.13
Proposed Temporary Rate	\$21.64	\$30.12	\$0.00	\$51.76
Proposed Permanent Rate, Including Step Increase	\$23.90	\$33.26	\$0.00	\$57.16

The filing relative to the docket can be found on the PUC website at www.puc.nh.gov. In addition, a link to the rate case filing on the PUC website can be found on Pennichuck's website at www.pennichuck.com.

In the next few weeks, we will be mailing out notices to customers related to this filing, including a Frequently Asked Questions insert to explain the salient items of the rate case, and the value of water and on-going infrastructure replacement. This information will be posted on our website in conjunction with this mailing.

As indicated in my August 18, 2016 letter, it is the Company's intent to keep the communities we serve informed as we proceed through the process. Members of the Pennichuck staff are available to meet with you or your community's governing body to discuss the filing and the requested rates, if you so desire.

Please feel free to contact me at 603-913-2312 if you have any questions relative to the filing.

Sincerely,

Larry D. Goodhue
Chief Executive Officer