

EXHIBIT 2

McLane

**McLane, Graf,
Raulerson &
Middleton**

Professional Association

NINE HUNDRED ELM STREET ••P.O. BOX 326 ••MANCHESTER, NH 03105-0326
TELEPHONE (603) 625-6464 ••FACSIMILE (603) 625-5650

SARAH B. KNOWLTON
Internet: sarah.knowlton@mclane.com
(603)334-6928

OFFICES IN:
MANCHESTER
CONCORD
PORTSMOUTH

February 10, 2006

By Electronic Mail and First Class Mail

Robert Upton, II
Upton & Hatfield, LLP
23 Seavey Street – P.O. Box 2242
North Conway, NH 03860

**Re: City of Nashua: Taking of Pennichuck Water Works, Inc.
Docket No. DW 04-048**

Dear Rob:

This is in follow up to the depositions of Mr. Burton and Mr. Noran yesterday. At those depositions, we requested copies of the following documents:

1. The contract between Veolia Water Indianapolis, LLC and the City of Indianapolis;
2. The current collective bargaining agreement for Veolia Water Indianapolis, LLC;
3. The prior collective bargaining agreement for the NiSource water system employees working in Indianapolis;
4. Any subpoenas issued to Veolia Water Indianapolis, LLC by the U.S. Department of Justice and all related non-confidential documents;
5. The results of all annual customer surveys or questionnaires conducted by or on behalf of Veolia Water Indianapolis, LLC;
6. Any documents given to Mr. Burton to prepare for his February 9, 2006 deposition or any notes taken by him in preparation for the deposition;
7. All OSHA logs for Veolia Water Indianapolis, LLC for the past four years;
8. Any risk profile created by any Veolia entity for the Nashua contract; and
9. Any pricing model created by any Veolia entity for the Nashua contract.

Given the tight discovery schedule in this docket, I would greatly appreciate your prompt attention to this request.

Finally, the inability of these witnesses to answer certain questions concerning the Nashua contract and Veolia's experience requires Pennichuck to seek additional depositions.

Robert Upton, II
February 10, 2006
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In addition to the deposition of David Ford, whom we did not reach yesterday, we also need the depositions of Roy P. Wood and Joseph Tomashewsky (sp.). Tom Donovan is currently available to take these depositions on February 15,22,23 and 24.

Very truly yours,



Sarah B. Knowlton

Enclosure

cc: Thomas J. Donovan, Esq.
Marcia Thunberg, Esq.
Donald L. Correll



23 Seavey Street
P.O. Box 2242
North Conway, NH 03860
Tel: 603.356.3332
Fax: 603-356-3932

www.upton-hatfield.com
mail@upton-hatfield.com

Sarah Knowlton, Esquire
McLane Law Firm
100 Market Street
Suite 301
P.O. Box 459
Portsmouth, NH 03802-0459

RECEIVED

FEB 16 2006

Sarah B. Knowlton

Re: Nashua/Pennichuck

Dear Sarah:

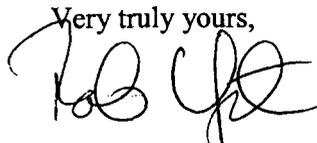
We have discussed your request for documents at the Depositions of Robert Burton and Paul Norian with counsel for Veolia Water and submit the following response:

1. The contract between Veolia Water Indianapolis, LLC and the City of Indianapolis is not relevant to any of the issues in the proceeding, but a copy with its various exhibits is attached to the electronic version of this letter.
2. The current collective bargaining agreement for Veolia Water Indianapolis, LLC has absolutely no relevance to this proceeding and will not be produced.
3. The prior collective bargaining agreement for the NiSource water systems employees in Indianapolis has absolutely no relevance to the proceeding and will not be produced.
4. Counsel to Veolia Water Indianapolis, LLC has advised Veolia Water North America-Northeast, LLC not to provide any documents, including the Subpoena, while the investigation remains pending.
5. The annual customer survey, conducted on behalf of Veolia Water Indianapolis, LLC is attached to response 3-95 to the Data Requests.
6. Mr. Burton was not given any documents to prepare for his February 9, 2006 deposition and he made no notes in preparation for the deposition.
7. Any OSHA logs for Veolia Water Indianapolis, LLC for the past 4 years have absolutely no relevance to this proceeding and will not be produced. Veolia has previously provided a list of Safety and Compliance Citations in a supplemental response to 3-34.

8. Veolia will not produce any risk profile created for purposes of the Nashua contract. The information is proprietary and confidential and lacks any relevance to this proceeding.
9. Veolia will not produce any pricing model created for purposes of the Nashua contract. The information is proprietary and confidential and lacks any relevance to this proceeding.

You also inquired about the additional depositions of David Ford, Roy P. Wood and Joe Tomashosky. I am trying to determine the availability of these witnesses but think it is unlikely that we can accomplish the depositions on the days you have listed. My schedule alone eliminates February 15, 22 and 24. As soon as I have a more concrete response I will be in touch with Tom Donovan.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Rob Upton', written in a cursive style.

Robert Upton, II

RUII/dgg

McLane

McLane, Graf,

Raulerson &

Middleton

Professional Association

NINE HUNDRED ELM STREET • P.O. BOX 326 • MANCHESTER, NH 03105-0326

TELEPHONE (603) 625-6464 • FACSIMILE (603) 625-5650

Steven J. Dutton
Direct Dial: (603) 628-1379
Internet: steven.dutton@mcclane.com

OFFICES IN:
MANCHESTER
CONCORD
PORTSMOUTH

February 17, 2006

Justin C. Richardson, Esq.
Upton & Hatfield, LLP
159 Middle Street
Portsmouth, NH 03801

**Re: City of Nashua: Taking of Pennichuck Water Works, Inc.
DW 04-048**

Dear Justin:

This is in follow up to the depositions of Mr. Doran and Mr. Henderson yesterday. At those depositions, we requested copies of the following documents:

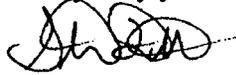
1. Any working drafts of the contract between R.W. Beck and the City of Nashua.
2. Any communications by letter, e-mail or facsimile regarding the contract between R.W. Beck and the City of Nashua.
3. Any documents relating to, or reviewed during, the contract negotiations between the City of Nashua and Veolia, including, but not limited to, any spreadsheets relating to unit cost items.
4. Any working drafts of the contract between Veolia and the City of Nashua.
5. Any communications by letter, e-mail or facsimile regarding the contract between Veolia and the City of Nashua.
6. Any communications by letter, e-mail or facsimile regarding the contract between Tetra Tech and R.W. Beck.
7. Any working drafts of the contract between Tetra Tech and R.W. Beck.
8. A copy of the City of Nashua's Water Ordinance.
9. Any invoices submitted by R.W. Beck to the City of Nashua (directly or indirectly).
10. Any invoices submitted by Tetra Tech to the City of Nashua (directly or indirectly).

Given the tight discovery schedule in this docket, I would greatly appreciate your prompt attention to this request.

Justin C. Richardson, Esq.
February 17, 2006
Page 2

Also, this letter serves as a reminder of our requests to schedule the depositions of David Ford, Roy P. Wood and Joseph Tomashewsky.

Very truly yours,



Steven J. Dutton

cc: ~~Thomas J. Donovan, Esq.~~
Sarah B. Knowlton, Esq.

DONOVAN TOM

From: Justin Richardson [jrichardson@Upton-Hatfield.com]
Sent: Tuesday, February 28, 2006 11:10 PM
To: DONOVAN TOM
Cc: Rob Upton; Robert Arendell (E-mail); Justin Richardson
Subject: re: deposition requests

Tom:

I wanted to follow up and respond to the items requested in Steve Dutton's 2/17/06 letter.

Regarding the 10 document requests, I believe this is where we stand based on the information we have provided.

1. RW Beck's working drafts were provided in response to 3-14 through 3-16.
2. The communications concerning the contract were included with 3-14 through 3-16.
3. Unit Costs. The spreadsheets referenced in the deposition were provided earlier today.
4. Working drafts of the Veolia contract. Drafts of the Veolia contract were previously provided in response to 3-14 through 3-16.
5. We have already provided the drafts that VVNA submitted to Nashua in 3-14 through 3-16. To the extent you are asking for RW Beck and Tetra Tech's comments provided to our firm in confidence on the Veolia contract, we believe any such communications are privileged.
6. There are no such communications, other than the one draft contract provided that was marked DRAFT, which you had at Jack & Paul's deposition.
7. See #6.
8. The draft water ordinance was previously provided by email.
9. RW Beck has not submitted any invoices to Nashua.
10. There are no Tetra Tech to Nashua invoices. I previously provided Jack Henderson's summary that was submitted to Beck.

Regarding the additional depositions, I asked Veolia last week for dates for Joseph Tomashosky, Philip Ashcroft, and Roy Wood. Rob Arendell, Veolia's legal counsel was called out of his office last week, and I did not hear back. I discussed again with him the need for dates for those witnesses and expect to get back shortly. I had hoped to hear back on Monday or Today.

With respect to the depositions of Joseph Tomashosky, Roy Wood and Philip Ashcroft, I am not entirely sure what you hope to accomplish. We are willing to make them available on issues such as their experience operating water systems etc., but to the extent that you are going to request information related to Veolia's pricing models, costs or competitive financial information, we are likely to object on the grounds that Veolia's costs (as opposed to the contract price) have no relevance. Nashua has agreed to prices as set forth in the contract that make Veolia's profit margin or financial models entirely irrelevant. I want to make sure we are clear on that point because if that is the main purpose for the deposition, we are not likely to provide any responsive information. If you intend to seek that information, it might make more sense for you to move to compel that information because we do not intent to provide it.

-Justin

Justin C. Richardson, Esq.
Upton & Hatfield, LLP
159 Middle Street
Portsmouth, NH 03801
Tel: 603-436-7046
Fax: 603-431-7304
jrichardson@upton-hatfield.com
www.upton-hatfield.com <<http://www.upton-hatfield.com>>

STATEMENT OF CONFIDENTIALITY

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