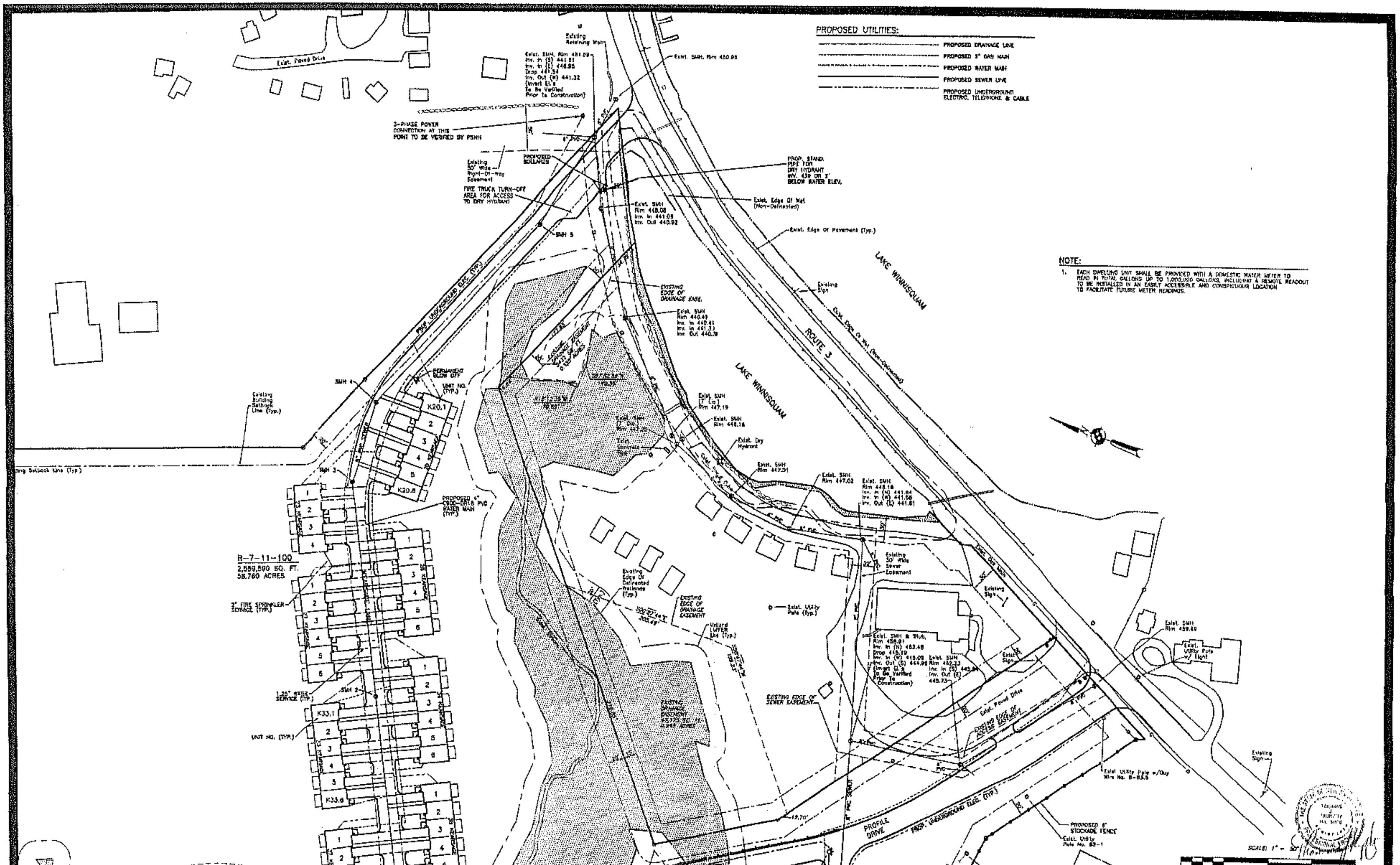


HOLDEN ENGINEERING & SURVEYING, Inc.

WATER DISTRIBUTION PLAN

WINNISQUAM VILLAGE CONDOMINIUM

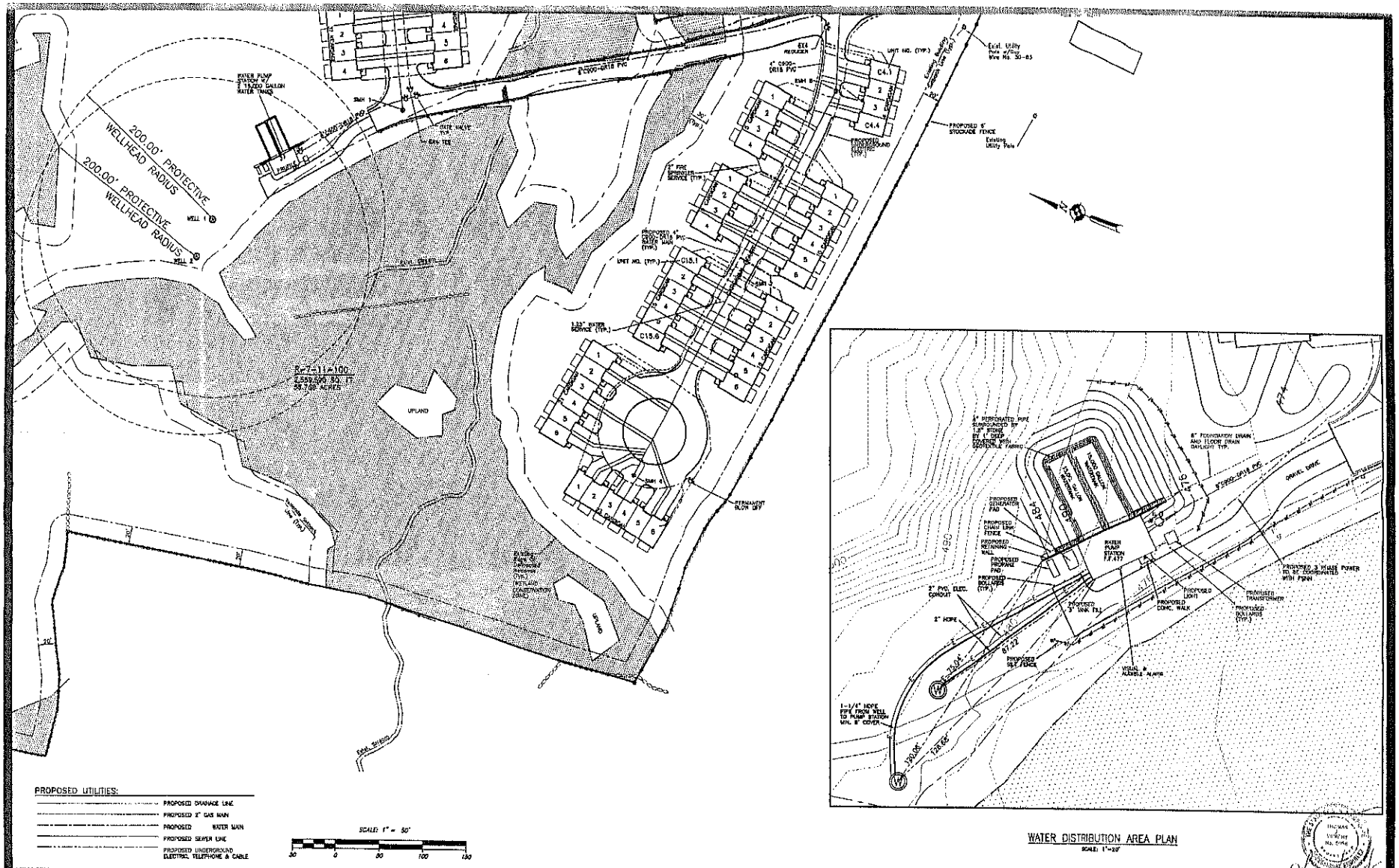
REI LAND IMPROVEMENT CO LLC. – TILTON, NH

Date	Revisions Description	Dr. By	Chk. By
11-17-05	REVISED PER CLIENT COMMENTS		

Book	Page

Date: 10-06-05
Scale: 1"=50'
Dr. By: DV Ck. By: DJ
Job No. 0520011
Sheet no 1 of 6

REI-WT-011



WATER DISTRIBUTION AREA PLAN
SCALE: 1"=20'

HOLDEN ENGINEERING & SURVEYING, Inc.

11 Hoyt Rd Ste
PO Box 48 Concord, NH 03302
(603) 225-9448

9 Executive Drive
Bedford, NH 03110
(603) 472-3678

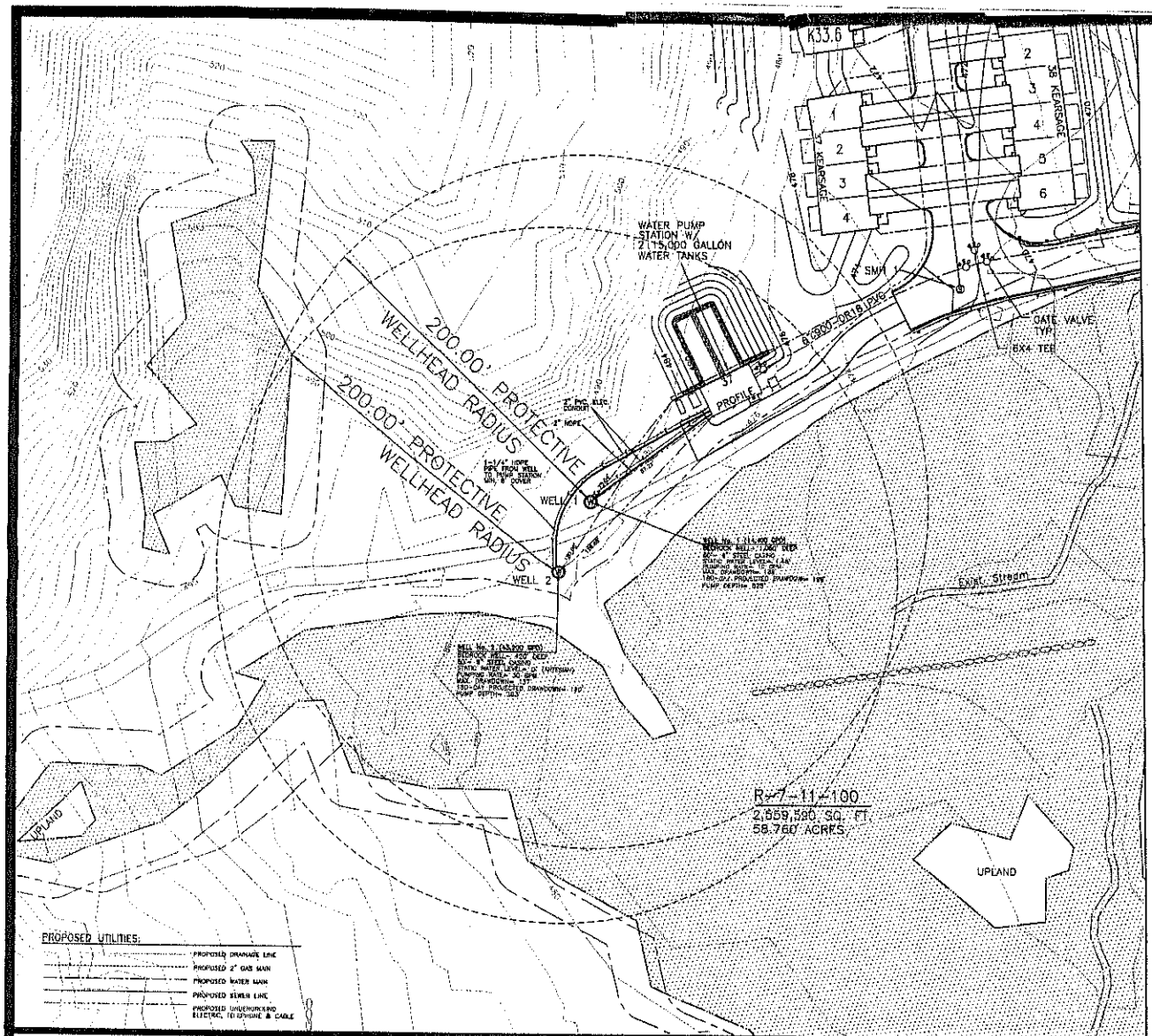
WATER DISTRIBUTION PLAN
WINNISQUAM VILLAGE CONDOMINIUM
REI LAND IMPROVEMENT CO LLC. – TILTON, NH

Date	Revisions Description	By	Chk By
11-17-05	REVISED PER CLIENT COMMENTS		

Book | Page

Date: 10-06-05
Scale: 1"=50'
Dr. By: DV Ck. By: DJ
Job No. 052001I
Sheet no 2 of 6

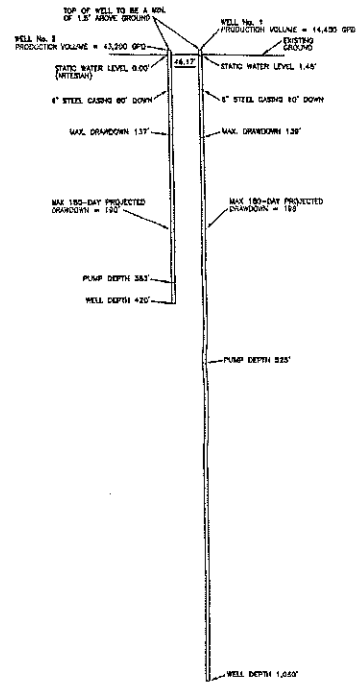
REI-WT-01I



2/3/2006

NOTE:
PLAN REVISIONS IDENTIFIED BY REVISION CLOUDS HAVE BEEN PREPARED BY AND CERTIFIED UNDER THE SEAL OF PROVENCHER ENGINEERING.

NOTE:
PROVIDE A 1-INCH HDPE OR PVC OPEN ENDED STILLING TUBE FROM THE TOP OF THE WELL CASING TO WITHIN 10' OF THE PUMP DEPTH TO FACILITATE WATER LEVEL MEASUREMENTS IN EACH WELL.



WELL PROFILE
SCALE: 1"=100'

HOLDEN ENGINEERING & SURVEYING, Inc.

WELL DETAIL PLAN
WINNISQUAM VILLAGE CONDOMINIUM
REI LAND IMPROVEMENT CO LLC. – TILTON, NH

Date	Revisions Description	Dr. By	Ck. By
11-17-05	REVISED PER CLIENT COMMENTS		

Book | Page

Date: 10-06-05
Scale: 1"=30'
Dr. By: DV Ck By: DJ
Job No. 0520011
Sheet no 3 of 6

REI-WT-011

PENNICHUCK EAST UTILITY, INC.
STANDARD AGREEMENT

AGREEMENT made this 4th day of January, 2008 by and between **R. J. Moreau Communities, LLC** ("the "Developer") having a business address of 22 Eastman Drive, Bedford, NH 03110 and **Pennichuck East Utility, Inc.**, (the "Water Company") having a business address of 25 Manchester Street, Merrimack, New Hampshire 03054.

WHEREAS, Developer represents that it is the owner in fee simple of a certain parcel or parcels of land, free and clear of all encumbrances, unless otherwise noted herein, consisting of approximately _____ acres situated at or off Route 3, Tilton, New Hampshire, known as Winnisquam Village Condominiums hereinafter the "Premises" and partially described in a plan titled "Water Distribution Plan, Winnisquam Village Condominium", by Holden Engineering & Surveying, Inc., dated October 6, 2005 and last revised on November 17, 2005, comprised of 6 sheets (hereinafter referred to as the "Plan"), the title block being attached hereto as Exhibit "A" and the entire Plan being incorporated herewith by reference; and

WHEREAS, Developer represents that has constructed a water supply and distribution system, in accordance with the Water Company's minimum specifications incorporated herein by reference as Exhibit B and all local, state and federal statutes and regulations and in accordance with all requirements set by the NH Department of Environmental Services ("NH DES"), as well as any design package provided to the New Hampshire Water Supply Engineering Bureau under Developer's application for design approval under project # 996082, approved for 86 units with a design flow of 25,800 gpd (hereinafter the "Preliminary Design Specifications"), the design approval letter issued by NH DES being attached hereto as Exhibit C, and the Preliminary Deign Specifications being incorporated herein by reference, as well as

all specifications defined in the Plan, the water supply and distribution system consisting inter alia of, and not limited to, a pump station, pumping equipment, pipelines, from main to end, all fittings, valves, release valves, hydrants, valve boxes, service boxes, electronics, thrust blocks, backfill materials, road restoration materials and any other appurtenances and equipment required to operate the proposed pump station and water main extension as well as any other related equipment, (the "Equipment"), to provide water service to 86 condominiums located or to be located on the Premises (the "Project"), as well as prospective future customers located or to be located on the Premises or beyond the Premises, and

WHEREAS, Developer desires that the Water Company provide water service to the Project; and

WHEREAS, in order to permit the Water Company to provide water service to the Project, Developer is willing to convey to the Water Company (i) all necessary easements and/or real property interests, free and clear of all encumbrances (except as set forth in Exhibit D attached "Exceptions" if any) the conveyance to include a Use and Access Easement on, under and across the Premises for purposes of, maintaining and or expanding the Equipment, such as a pump station, as well as construction, repair, maintenance and replacement of the Equipment by easement deed in form attached hereto as Exhibit "E" and a Well Head Protective Easement, containing all required use restrictions protecting the wells and water supply, in the form attached hereto and incorporated herein as Exhibit F, (all the real property interests herein called the "Easements"), to be shown on an easement plan in a recordable format as set forth hereinbelow, and (ii) the Equipment by Bill of Sale containing warranty covenants in the form attached hereto as Exhibit G, and

WHEREAS, the Easements and the Equipment are sometimes hereinafter referred to as the "System".

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the parties hereto agree as follows:

1. Cost. The Water Company shall pay the Developer an investment credit in the amount of Four Hundred Fifty Dollars ($450.00) per meter installed (up to 86 meters). No investment credit by the Water Company shall be paid to the Developer or otherwise made by Water Company until a Closing has occurred in accordance with Section 9 of this Agreement. At Closing, as defined in Section 9, the Water Company shall reimburse the Developer for meters ready to be set in occupied units and which comply with the terms and specifications set forth herein. After the Closing, the Water Company shall further pay the Developer an investment credit equal to Four Hundred Fifty Dollars ($450.00) per meter set by Water Company during the previous month within the Project, for a period of up to five (5) years from the execution of this Agreement. The total investment credit to be paid by Water Company under this Agreement is limited to 86 units.

2. Adequacy of Supply. Developer represents that it has developed a water supply source and a System that meets all Federal, State and Local laws and regulations relative to quality and quantity, and meets the minimum specifications set forth in Exhibit B, and all Preliminary Design Specifications. Developer agrees to guarantee that the source of supply shall continue to meet said standards, both for quality and quantity, for one year after the Closing. Additionally Developer shall guarantee the Equipment for a period of one year from the Closing. Developer shall be responsible to correct any, quality or quantity issues, or Equipment

deficiencies promptly as reasonably required by Water Company, and or any governing local, state, or federal authority, should this section be violated during the one year period after Closing. This representation and guarantee will, and is intended to, survive Closing, and failure by Developer to comply with this section will be a condition of Default under section 11. Water Company shall further specifically be entitled to reformation or rescission of the contract, without any reimbursements in any form to Developer, for a failure by Developer to comply with this section or to honor its guarantees and representations hereunder.

The Water Company will not be responsible after Closing to supply any water for irrigation purposes. The Developer's will develop a separate source of water, through wash wells, which will not have any negative impact on the System's source of supply, and which will be located outside of any well protective area required by NH DES. The Water Company does acknowledge Developer is going to install a separate source of water for irrigation. Should at any time the Water Company or the New Hampshire Department of Environmental Services, or other appropriately empowered State agency, determine that the irrigation of the Development is having negative impact on the System's source of supply, then the Water Company shall have the authority to require irrigation of the Development to cease, or otherwise place reasonable limitations on irrigation, at its sole discretion, until the negative impact can be corrected. The Developer or any successor in interest thereto, will cause a restriction to be placed in the deeds of any units proposed, or to be sold, in the subdivision/development, and/or in any home owners association documents or condominium documents applicable thereto authorizing the Water Company or its successors in interest to restrict irrigation use as described above. Proof of such restrictions will be required at Closing as defined in Paragraph 9. This requirement will and is

intended to survive closing.

3. Design Work and Meter Installation. As-built plans of the System, including both the distribution system as defined below in this paragraph and the pump house, are required, with an electronic version in auto-cad format, at least 10 days prior to Closing. System design plans, signed or certified by the appropriate engineer or architect and subject to Water Company's review and approval, are also required prior to construction and/or installation of any portion of the System. Water Company agrees to design the distribution system, to including the mains and services, and related equipment (main to curb stop), and specifically not including the pump house, (hereafter the "Distribution System"), at the request of Developer and upon receipt from Developer of a site plan containing elevations, contours, and unit locations, signed architectural design plans for the pump house along with any other design information requested by the Water Company. Developer agrees to pay a fee to Water Company of $3.00 per foot of water main for Water Company's design, inspection and completion of as-built plans of the Distribution System.

Water meters for units shall be provided and installed by Water Company immediately after Closing. Water Company's costs relating to the meters will be the responsibility of the Water Company. Cellar valves and associated fitting costs shall, however, be the responsibility of the Developer, or its successor in interest, and must be in place prior to installation of the meter by Water Company or no investment credit shall be due and Water Company will not be required to service said unit.

4. Inspection. The Water Company, prior to and during installation, and prior to Closing, may inspect the Equipment and System to determine whether its design, installation and condition are in accordance with the Company's minimum specifications set forth in Exhibit B,

Preliminary Design Specifications, Water Company's Distribution System design plans if applicable, such other Distribution System design plans as may be applicable, and local, state and federal laws and regulations for community water systems and water main installations as defined herein. Developer will supply Water Company with all system design plans not completed by Water Company, including an electronic version in auto-cad format at least 10 days prior to any planned installation, for approval and for use in the any inspections. Water Company shall have the right to on site review, open access to the construction site to observe construction and installation, as Water Company deems necessary. Developer will supply notice of planned construction or installation of all portions of the System not built at the time this Agreement is executed, to Water Company, at least 72 hours prior to the construction or installation, via email or facsimile to Donald L. Ware, President, of Water Company, to allow for inspection.

In the event the Water Company, in its sole discretion, determines that said design, installation and condition of the Equipment and System as a whole is not in accordance with said minimum specifications set forth in Exhibit B, Preliminary Design Specifications, Water Company's design plans, as applicable, any other design plans supplied by Developer, and/or applicable local, state or federal standard, law or regulation the Water Company may request in writing or via email to _____ or to Developer at the address listed herein above, that Developer correct the deficiency. Upon notice, in writing, of the unacceptable deficiency to Developer, Developer will have 180 days to rectify the unacceptable deficiency. Should Developer be unable to or unwilling to rectify the unacceptable condition during that period, then, Water Company shall have the right to declare a Default

hereunder, and to terminate this Agreement by written notice to the Developer.

5. Survey. Developer will also supply Water Company with a survey plan completed and stamped by a certified licensed surveyor in a recordable format showing the Easements on the Premises, the well locations and main locations as-built, and containing a metes and bounds description of the Premises, as such is required by the NH Public Utilities Commission (hereinafter "NH PUC"). The survey plan will be supplied to Water Company at least 10 days prior to Closing, and at Water Company's option, will be incorporated by reference into the Easements, and recorded at Closing by the Developer.

6. Lienholders' Consent to Agreement. On or before the Closing as defined in Paragraph 9, the Developer shall deliver to the Water Company evidence of the agreement by all mortgagees and other lien holders having a lien or security interest ("Lien") in all or any portion of the System to release or subordinate its/their Lien with respect to the Easements and System. At Closing, the Developer shall deliver to Water Company in a form acceptable to Water Company releases or subordination of all Liens, duly executed by such lien holders and/or secured parties, with respect to the Easements and the Equipment ("Releases or Subordinations").

7. Approval of Public Utilities Commission.

The Parties recognize the obligation of the Water Company to purchase the System hereunder is subject to review and approval of the NH PUC. Both Parties agree to use their best efforts to seek and obtain approval from the NH PUC for the Water Company to operate the System under the Water Company's "PEU" rate as applicable at the time of approval. Should the Water Company be unable to obtain approval in a reasonable amount of time despite its good

faith efforts to do so, it shall have the right at its sole discretion to terminate the Agreement. In the event of termination pursuant to this section neither party shall have any further obligation to the other.

8. Representations, Warranties and Agreements.

a. Representation and Warranties

The Developer represents and warrants (a) that now or at Closing the well head protective radius area or areas (the "Well Field Land") and all areas of encumbrance under the Easements are part of the Premises and that the Well Head Protective Easement or Easements have been approved in writing by the NH DES, a copy to be supplied the Water Company; (b) that it knows of no hazardous waste site or pollution source existing on the Premises, and that the System is, and will be at the time of Closing, in good standing with all Federal State and Local governmental agencies, with no current or pending violations; (c) that it has the requisite power and authority to enter into this Agreement, and to take all action which is contemplated by the Agreement; and (d) that the Developer has good and marketable title to the Equipment and the Premises, free and clear of all encumbrances except for the Exceptions, and will have good and marketable title thereto, subject to the Exceptions (other than the Liens subordinated), at the time of transfer to the Water Company of title to the System; (e) that Developer further represents and warrants that it has obtained any and all governmental approvals and certificates of registration required by applicable law for the transfer of the Easements and Equipment to the Water Company and the offering for sale and sale of all of the proposed units on the Premises, and (f) the Developer further warrantees all parts of the Equipment and System, including the source, for a period of one year from Closing, as defined in Section 9 below.

b. Title Insurance

The Developer agrees that at least five days prior to Closing, Developer shall deliver to the Water Company at Developer's cost (i) a Title Insurance Policy in a form and amount satisfactory to the Water Company with respect to the Easements, addressed to the Water Company, as well as a opinion to corporate authority. The amount of the Title Insurance Policy required by Water Company in a minimum amount of One Hundred Thousand Dollars ($100,000.00) for each incident to reflect potential damage a title issue could cause to Water Company, and the cost of any necessary takings litigation that could be necessitated by such title flaw. The Title Insurance Policy and opinion letter as to corporate authority shall insure that Developer can convey (or upon recordation of the Releases or Subordinations, will be able to convey) good and marketable title to the Easements, and/or restrictive covenants contained in the well head protection document, and the Equipment, subject only to the Exceptions (and the Liens subordinated), and (ii) at or before Closing the Developer will deliver to the Water Company the Releases or Subordinations fully executed and in form for recordation.

c. Assignment of Warranties

Developer agrees to execute at or prior to the Closing an assignment of all warranties, as well as any approvals and certificates which require assignment, in a form acceptable to Water Company, an example of which is attached hereto as Exhibit "G".

d. Intent for Section to Survive Closing

Recognizing the parties intend for there to be a Closing as defined below in Paragraph 9, the Developer agrees that the foregoing representations and warranties set forth above in Paragraph 8(a) shall survive said Closing for a period of one year.

9. Closing. Subject to the satisfaction of Water Company that the representations and warranties contained herein are true and in effect and that it is not in breach of any of its covenants and agreements, within 30 days after satisfaction of the provisions Paragraphs 2, 3, 4 and 5, on terms acceptable to the Water Company, as provided herein above, and at the option of Water Company no later than one (1) year from the date of execution of this Agreement, there shall be a closing ("Closing") at a mutually agreed time and place at which the Developer shall convey to the Water Company good and marketable title free and clear of all encumbrances, except the Exceptions (other than the Liens unless subordinated), to the Easements (and/or real property interests) by Easement Deeds, and to the Equipment by Bill of Sale, in the forms attached as Exhibits "D", "E" and "F", respectively, and shall satisfy all of its obligations hereunder. Time is of essence in this Agreement. If Developer is unable to perform its obligations under this Agreement at Closing it will be a Default, pursuant to Section 11.

10. Additional Documents to be Delivered at Closing. At Closing, in addition to the documents otherwise referred to in this Agreement, Developer shall deliver to Water Company the following documents.

a) Copies of any and all business records pertaining to the System and Developer's operation thereof including but not limited to financial records (including purchase orders or bills of sale for the Equipment, cost of construction figures, System service records, and filings with the NH PUC and NH DES.

b) Recorded copies of any and all Condominium Documents or Home Owners Association documents, and/or proof of the irrigation restrictions referenced in paragraph 2.

c) Such other and further documents as are required by rules and regulations or orders of the NH PUC, NH DES or any other local, state or federal agency, together with any other documents required in the opinion of Water Company's counsel, to convey the System to Water Company with free and clear title.

d) The vote of Developers members or Shareholders, authorizing Developer to enter into this Agreement and to take all of the actions contemplated hereby.

e) A certificate of Good Standing from the New Hampshire Secretary of State with regard to Developer's entity status.

11. Default. In the event that Developer defaults in its obligations hereunder, then Water Company may declare a breach of contract, and may enforce its rights in any proceeding at law or in equity, including, without limitation, reimbursement of all of its out-of-pocket expenses incurred in connection herewith, specifically including but not limited too, all laboratory testing costs, internal employee costs, reasonable attorneys fees related to this transaction and reasonable attorneys fees incurred in any action to enforce its rights hereunder.

12. Execution, Governing Law, etc. This Agreement may be executed in any number of counterpart originals, each of which shall be an original for all purposes and all of which shall constitute one and the same instrument. This Agreement is to be governed by and construed under the laws of the State of New Hampshire and this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and may be canceled, modified or amended only by written instrument executed by the parties hereto.

13. Entire Agreement. The terms of this Agreement constitute the entire agreement between the parties and no statements, oral or written, made by anyone have been relied upon by

any party or shall bind any party unless expressly incorporated herein.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

[Intentionally Left Blank]

PENNICHUCK EAST UTILITY, INC.
By Its Executive Vice President

By: _____
Stephen J. Densberger, Executive Vice President

R. J. MOREAU COMMUNITIES, LLC,

By: _____
Reginald Moreau, Authorized on behalf
of R. J. Moreau Communities, LLC, as its owner

STATE OF NEW HAMPSHIRE
COUNTY OF Hillsboro

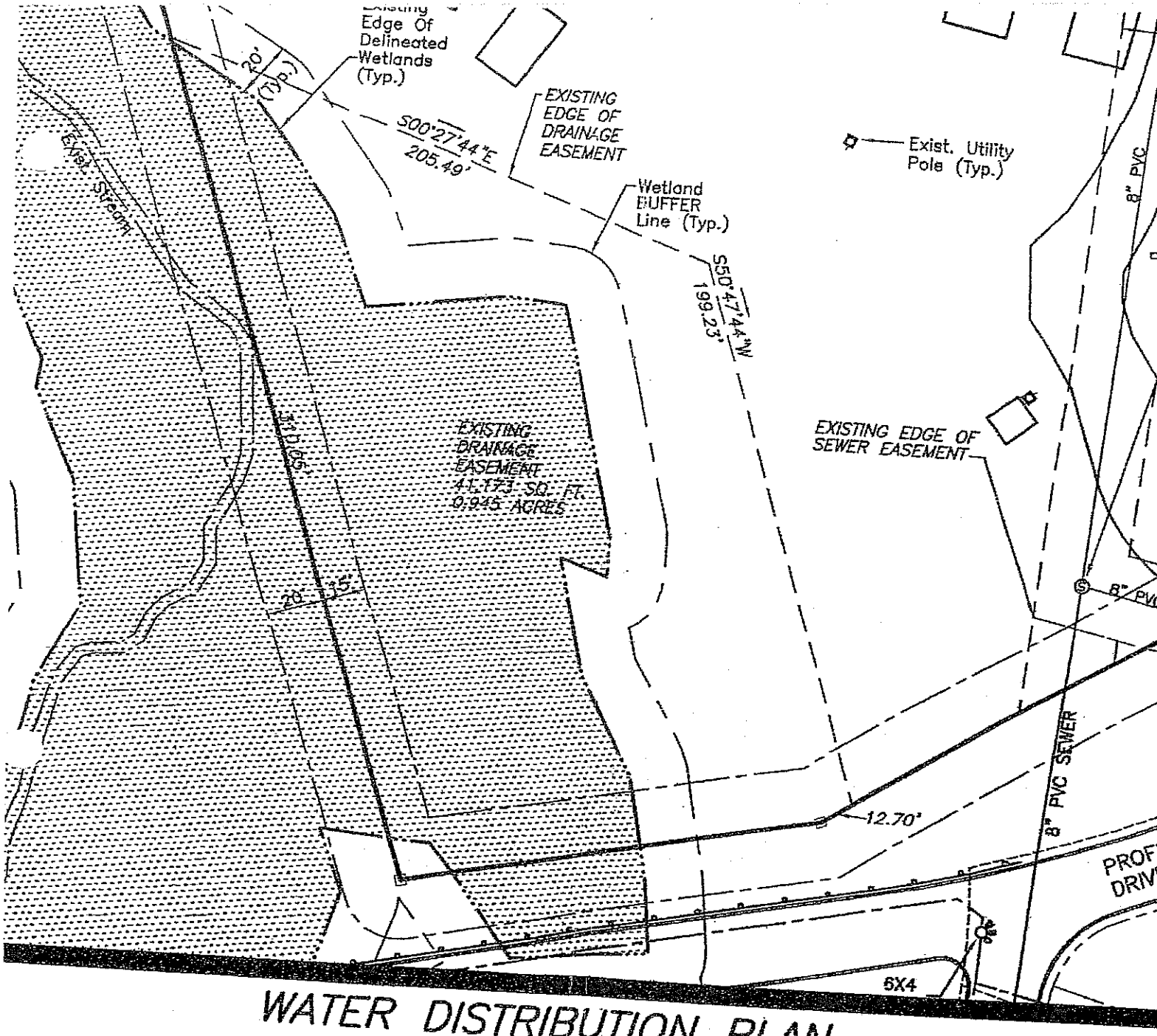
On this the 4th day of January, 2008 before me, the undersigned officer, personally appeared Stephen J. Densberger, who acknowledged himself to be the Executive Vice President of **Pennichuck East Utility, Inc.**, and acknowledged that he, as such officer being authorized so to do, executed the same on behalf of said corporation for the purposes therein contained.

_____
Justice of the Peace/Notary Public
DONALYN J. HARTLEY, Notary Public
My Commission Expires November 19, 2008

STATE OF NEW HAMPSHIRE
COUNTY OF Hillsborough

On this the 4 day of December, 2007, before me personally appeared Reginald Moreau, who acknowledged himself to be the owner of **R. J. Moreau Communities, LLC**, and acknowledged that he being authorized so to do, executed the same on behalf of said Company for the purposes therein contained.

_____
Justice of the Peace/~~Notary Public~~



WATER DISTRIBUTION PLAN
WINNISQUAM VILLAGE CONDOMINIUM
REI LAND IMPROVEMENT CO LLC. – TILTON, NH

Exhibit
A

Exhibit B

PENNICHUCK WATER WORKS, INC.

&

PENNICHUCK EAST UTILITIES, INC.

TECHNICAL SPECIFICATIONS

PENNICHUCK WATER WORKS, INC.
Four Water Street P.O. Box 448
Nashua, New Hampshire 03061-0448
Tel. (603) 882-5191 Fax. (603) 882-4125
www.pennichuck.com

March, 2004

The State of New Hampshire
Department of Environmental Services

Michael P. Nolin
Commissioner

January 6, 2006

PROVENCHER ENGINEERING
6 WASSERMAN HEIGHTS
MERRIMACK NH 03054

Attn: Donald A. Provencher, P.E.

Subject: CWS TILTON; Winnisquam Village Condominiums - Project # 996082

Dear Mr. Provencher:

Our office has reviewed and hereby approves the plans and specifications, dated October 2005, for the proposed 'Winnisquam Village Condominiums' public water supply system to be located on Route 3 in the Town of Tilton.

The water supply system's new wells have the following location/descriptions: Bedrock Well 1, 88' Northwest of the Pumphouse and Bedrock Well 2, 128' West of the Pumphouse. The permitted production volumes for the wells are 14,400 and 43,200 gallons, respectively. The water quality samples numbered 509-612 and 509-616, which were taken on September 21, 2005, will be assigned to these sources.

The total number of 2-bedroom units approved is 86 and the approved design flow for the proposed water supply system at this time is 25,800 gallons per day.

Please be advised that this approval shall lapse four years from the date of this letter, if construction of the water supply system has not started. In addition, if construction of the water supply system has started at that time, but the water supply system has not begun operation; the water system's design will have to meet all then current design criteria prior to its start-up.

All construction of the water supply system is to be in accordance with NH Administrative Rule Env-Ws 372.21, 372.22, 372.23, 372.24, 372.25, and 372.32 *(Design Standards for Small Community Water Systems)*. This approval is also subject to the following conditions:

1. Fuels and other regulated contaminants shall not be stored, nor shall septic tanks and leach fields, buildings, roadways, parking lots, etc. be located, within the wells' 200 foot protective radius areas as shown on the site plan. The top of each well casing must be at least one foot above the final finished grade.

2. A sampling tap shall be installed for each water supply source in order to sample each source's water quality individually. The sampling taps should be located on

each incoming source line prior to its entry to the first on-line storage tank. They should be located at least 12 inches above the floor or finished grade.

3. Each water supply source shall have a water meter installed on the incoming source line prior to its entry to the storage tanks which shall be read at least once every 30 days.

4. In accordance with Env-Ws 390.04 *(Water Conservation Rules)* and the water supply system's water conservation plan, each of the water system's residential service connections shall have a water meter installed which shall be read at least once every 90 days.

5. The water supply system shall be capable of an immediate connection of a chemical feed pump for the metered application of a disinfectant. An injection tap shall be installed on the source waterline prior to its entry to the first on-line storage tank and an electrical outlet, interconnected with the electrical circuit for the well pumps, shall be provided.

6. Each well shall have an appropriately sized tube for electronic drawdown probes or alternate provisions permanently installed in the wells which shall allow determination of the static and drawdown water levels.

7. The atmospheric storage tanks shall be equipped with a capped filler pipe (lockable, if on the exterior) to accommodate tank truck water delivery.

8. A certified operator, with the required grade(s), shall be retained in accordance with Env-Ws 367 *(Certification of Water Works Operators)* to be in responsible charge of the water supply system.

9. The water system's sources shall be wired to operate either simultaneously or to automatically alternate between pumping cycles in order to be sampled together as a blended sample.

19. All construction of the water distribution system is to be in accordance with Env-Ws 372.32 and the Water Distribution System Construction Guide that is enclosed with this letter. All piping material, valves, etc. shall conform to the most recent revision of the appropriate American Water Works Association (AWWA) Specifications. Where such a specification does not exist for the pipe size being used, the minimum pressure rating for the pipe shall be 200 psi and the pipe shall conform to the requirements of American Society for Testing and Materials

(ASTM) 2241.

11. All tees, bends, hydrants, blow-offs, etc. shall be provided with thrust blocking designed to prevent movement.

12. The separation between water mains and sewerage pipes shall be in accordance with Env-Ws 372.32.

13. All water mains installed under culverts shall be covered with sufficient earth or other insulation to prevent freezing.

14. The maximum spacing for gate valves installed on the water mains shall not exceed 1500 feet. Gate valves shall be provided at all intersecting water mains.

15. Hydrants or other means for flushing the water mains shall be provided near the ends of all water mains. The sizing of each 'blow-off' shall provide a flushing velocity of at least 2.5 feet per second in the water main.

16. All water distribution piping shall be installed and pressure tested in accordance with AWWA C-600 or C-900 as applicable to the type of pipe chosen. The quality of the workmanship for the pipe installation and adherence to the approved design plans and pipe specifications shall be documented, in writing, to DES in accordance with Env-Ws 372.31.

17. A set of 'as-built' plans or 'record drawings', in accordance with Env-Ws 372.33, shall be submitted to DES after all construction has been completed,.

18. Before water service is provided, all water distribution lines and storage tanks must be flushed, disinfected with chlorine in accordance with AWWA C-651 or C-652, re-flushed, and sampled for acceptable bacteria quality.

19. The design flow for the proposed public water supply system is greater than 20,000 gallons per day. The water system's owner shall be required to register and report its water usage to DES in accordance with Env-Wr 700 *(Water Use Registration and Water Use Reporting)*.

20. A final business plan, in accordance with Env-Ws 371 (*Capacity Assurance for New Public Water Systems*), must be submitted to and approved by DES before the construction of the new water supply system begins.

21. A copy of the water supply system's operation and maintenance manual, in accordance with Env-Ws 360.05 and Env-Ws 371.11, must be available prior to the water system's initial date of start-up.

22. A copy of the water supply system's emergency plan, in accordance with Env-Ws 360.15, must be available prior to the water system's initial date of start-up. The water system is required to review and update the emergency plan on an annual basis as needed. A copy of the emergency plan must also be submitted to DES every six years during the month of March.

23. At such time as the project is constructed and is ready for occupancy, the owner must contact this office (271-2513) to arrange for a system inspection and the system's water sampling schedule in accordance with Env-Ws 372.34.

Please be aware that it is possible to obtain waivers from a portion of the chemical sampling requirements by implementing a wellhead protection program. The cost savings associated with these waivers can be significant.

The first steps are to estimate the wellhead protection area and develop a preliminary contamination source inventory that describes existing and potential contamination sources (PCS) in the area. Existing contamination sources are sites where it is known that hazardous substances have been released to the environment. PCSs are sites where chemicals are handled, stored, or produced. Following these steps, what remains is the management of the PCSs that you have already identified in your wellhead protection area. This would require that you provide the appropriate people with the information about best management practices for handling chemicals, hazardous materials, and other substances so their activities do not result in groundwater contamination. We urge you to complete this final step, both to realize cost savings and to protect this valuable source of drinking water.

The Water Supply Engineering Bureau (WSEB) staff, at 271-7017, is available to assist you in implementing a wellhead protection program and obtaining the appropriate chemical sampling waivers that are available.

If you have any questions concerning this letter, please contact this office at (603) 271-2949 or by e-mail at *jgill@des.state.nh.us*.

Very truly yours,

James B. Gill, P.E.
Small Water Systems Section
Water Supply Engineering Bureau

enclosure

cc: New Hampshire Public Utilities Commission
A. Clark - WVCA
Subsurface Systems Bureau - NHDES
K. Riel - NHDES
D. Morgan, P.G. – NHDES (via e-mail)
B. Gauthier – NHDES
D. McDonnell - NHDES

Exhibit C

The State of New Hampshire
Department of Environmental Services

Michael P. Nolin
Commissioner

November 21, 2005

Allan Clark
REI Land Development
763 Chestnut Street
Manchester, New Hampshire 03104

Subject: CWS TILTON: Winnisquam Village Condos; EPA ID: New System New Bedrock Wells, 1, 2; NHDES #996082

Dear Mr. Clark:

The purpose of this letter is to conditionally approve the subject wells for Winnisquam Village Condos in Tilton. This decision is based on a review of materials submitted to meet the requirements of New Hampshire Administrative Rules Env-Ws 390 & 378, *Water Conservation* and *Site Selection of Small Production Wells for Community Water Systems*. Approval is subject to the following.

Water Conservation:

The October 2005 Water Conservation Plan (WCP) for the subject water system is approved as proposed. Please note that the WCP referenced operational guidelines for a turf irrigation system, if such a system were to be installed at the development in the future. However, the source capacity estimates provided with the Preliminary and Final Well Siting Reports did not include an adequate assessment of volume requirements for this type of non-residential water use. If such a system is installed and an estimate of its volume requirements plus the drinking water system requirements exceeds the Permitted Production Volume (PPV) noted below, the system owner must request an increased PPV in accordance with Env-Ws 378.22.

The Plan shall be implemented at system start-up. Every three years from the date of this letter the water system shall supply the New Hampshire Department of Environmental Services (NHDES) with documentation of compliance with the plan. This information shall be supplied on a form provided by NHDES and shall include contact information for the water system owner and the person responsible for carrying out the tasks of the plan, all data relating to leak detection, water use audits, and meter reading, if applicable, and the dates these tasks were performed.

Conditions of Well Siting Approval:

- Total coliform bacteria were detected in the water withdrawn from Bedrock Well 1 (BRW 1). Upon connection of the new well to the water system; but prior to serving customers, disinfect the well per the requirements of Water Well Board Rule We 602.03, and provide water quality sampling results that indicate total coliform bacteria is absent from the well.
- Toluene was detected in the water withdrawn from BRW 1. Upon connection of the new well to the water system; but prior to serving customers, provide water quality sampling results that indicate toluene is absent from the water withdrawn from the well.
- If toluene is not absent from the water withdrawn from BRW 1, you must submit sampling results on a monthly basis until the concentration of this constituent drops below detection limits. If the

P.O. Box 95, 29 Hazen Drive, Concord, New Hampshire 03302-0095
Telephone: (603) 271-3139 • Fax: (603) 271-5171 • TDD Access: Relay NH 1-800-735-2964

concentration of toluene increases, then the source of contamination must be identified and controlled or an alternate supply of water must be developed.

- Water quality sample results for total coliform bacteria and toluene must be submitted to Diana Morgan at Water Supply Engineering Bureau.

Within 60 days of receipt of this letter an emergency plan must be prepared for the water system in accordance with New Hampshire Administrative Rule Env-Ws 360.14. This plan must continue to be updated and submitted to New Hampshire Department of Environmental Services in March once every 6 years. This regulation also requires the plan to be reviewed annually by the system and updated as needed. Additionally, the plan will be a checklist item during each sanitary survey and lack of one will be a survey deficiency. Guidance documents and other emergency planning information are available at the following website: http://www.des.state.nh.us/wseb/EmergencyPlanning/index.asp. You may contact Johnna McKenna at 603-271-7017 or jmckenna@des.state.nh.us for more information or assistance in completing emergency planning for your water system.

A copy of this letter should be kept on file with the water system's records for future reference and as an aid to meeting the NHDES source water protection requirements.

Please note that the well must be connected to a distribution system in accordance with Env-Ws 372, *Design Standards for Small Public Drinking Water Systems*. Contact Jim Gill at 271-2949 for further information about system design and connection requirements for new community water systems.

Source Specifications:

Well Number	Well Status	Permitted Production Volume	Sanitary Protective Area Radius	Wellhead Protective Area Radius	Source Description
BRW 1	New Well on New System	14,400 gallons	200 feet	3,600 feet	BRW 1, 128' W of pumphouse
BRW 2	New Well on New System	43,200 gallons	200 feet	3,600 feet	BRW 2, 88' W of pumphouse

The previous table outlines the specifications for the new wells. The Permitted Production Volume is the maximum volume that may be pumped from a well in any 24-hour period. The PPVs for the wells are as shown above. The combined volume for the system may not exceed 57,600 gallons in any 24-hour period. This volume includes water designated for irrigation water use.

The sanitary protective areas for the new wells are circles, centered on each well, with the radii listed above. The sanitary protective areas shall remain in a natural state and under the water system's control at all times. Please note that NHDES may initiate enforcement action if the system does not maintain the SPAs in a natural state.

The Wellhead Protection Areas for the new wells are circles, centered on each well, with the radii shown above. This is the area within which educational materials must be periodically distributed as part of the wellhead protection program. The first round of educational materials must be distributed **within 90 days of system startup.**

Chemical Monitoring Program:

Well Number	Well Status	Laboratory Name and Sample Numbers
BRW 1	New Well on New System	Granite State Analytical: 509-612-2, 3, 4, 5
BRW 2	New Well on New System	Granite State Analytical: 509-616-1, 2, 3, 4

The September 21, 2005 water quality sample results for the new wells will be forwarded to the NHDES Chemical Monitoring Program. The sample identification numbers are listed in the table above. Chemical Monitoring staff will be contacting you shortly with a Master Sampling schedule. You must add sampling taps to the new wells and you must contact staff so that the schedule will accurately reflect the correct sampling locations.

If you have any questions about the Chemical Monitoring requirements, contact Allyson Gourley at 271-0655 or by email at agourley@des.state.nh.us. Please note that NHDES may initiate enforcement action if the system fails to implement a chemical monitoring program that includes the new well.

If you have any questions about this approval or any other well siting issues feel free to call me at **271-2947** or email me at dmorgan@des.state.nh.us.

Sincerely,

Diana W. Morgan, Professional Geologist
Water Supply Engineering Bureau

Cc: Allyson Gourley, Laurie Cullerot, Johnna McKenna, NHDES
Kimon Koulet, LRPC

Electronic Copies:
Jim Gill, Kevin Riel, Deb McDonnell, Ben Gauthier, NHDES

EXHIBIT D

EXCEPTIONS

There are no Exceptions noted at this time.

EXHIBIT E

USE AND ACCESS EASEMENT DEED

KNOW ALL PERSONS BY THESE PRESENTS, that, R. J. Moreau Communities, LLC, a New Hampshire Limited Liability Company, having a business address of 22 Eastman Drive, Bedford, New Hampshire 03110, (hereinafter called the "Grantor"), for consideration paid, grants to **Pennichuck East Utility, Inc.,** a New Hampshire Corporation having its principal place of business at 25 Manchester Street, Merrimack, New Hampshire 03054, and its successors and assigns forever (hereinafter called the "Grantee"), with WARRANTY COVENANTS, the perpetual and exclusive right and easement more particularly described below, over, under and across a certain tract of land in the town of Tilton, County of Rockingham, State of New Hampshire, and more particularly bounded and described as follows (the "Land").

(GRANTOR TO SUPPLY DESCRIPTION AND PLAN REF.)

The above-granted right and easement is more particularly described as:

The perpetual and exclusive right to lay, construct, install, operate, maintain, repair, replace and remove underground pipes, ducts, conduits, and such pumping equipment, pumphouses, storage facilities and foundations and enclosures for the same, and such meters, meter horns, readout devices and other appurtenances wherever located on the Land, as the Grantee may from time to time desire for water distribution purposes, extending to and installed within the buildings or structures on the Land in order to provide water service to the Land, and to customers beyond the Land and other than the Grantor. Meaning and intending at a minimum to convey an easement ten feet (10') on either side of the water mains and twenty (20') feet, from the outside walls of the pump house, wherever laid or built respectively.

This conveyance shall include the right of access from, to and across said Land for all purposes in connection with the exercise of the within granted rights and easement; the right to excavate, trench, and backfill by men or machines and temporarily to place excavated earth and other material on said Land, provided that the said Land shall be restored by the Grantee to substantially the condition in which it was immediately prior to such access, excavation, trenching, and backfilling; the right to trim, cut down and remove bushes, trees and other plant growth on the Land as and to such extent as in the judgment of the Grantee is necessary for any of the above purposes; the right to go upon the Land when working on side lines and associated equipment; and the right, to be exercised only for temporary periods when continuity of service

requires, to install temporary above-ground lines over and across said Land to provide service to buildings thereon.

The Grantor, for itself and its successors and assigns, covenants and agrees (i) that they will not erect or maintain, or permit to be erected or maintained, any permanent building or structure of any kind or nature upon the Land, or plant or permit to be planted any trees, over said underground pipes and other equipment and (ii) that they shall not alter the grade of the Land as such grade exists at the time of the installation of the pipes and other equipment referred to above.

The Grantor further covenants and agrees, for itself and its successors and assigns, that in the event of excavation or grading by Grantor which in the good faith opinion of the Grantee might materially disturb, dislocate, damage or endanger said pipes or other equipment, the Grantor will install reasonable shoring or bear the expense of its installation at reasonable locations specified by the Grantee or its representatives, and in the event of any damage to said pipes or other equipment as a result of such excavation or grading, the Grantor will pay the cost of repair to, or replacing of, said pipes or other equipment as the case may be.

Grantee will not unreasonably withhold its consent to Grantor's request from time to time for changes in the location of said pipes or other equipment, provided that Grantor shall pay for the costs of such changes, and provided also that such changes shall not materially interfere with the use and operation of the water systems which are the subject hereof.

IN WITNESS WHEREOF, **R. J. Moreau Communities, LLC** has caused this Easement Deed to be executed in its name and behalf by _____, its _____, being hereunto duly authorized this _____ day of _____, 2006.

R. J. Moreau Communities, LLC

By:

_____

Reginald Moreau, Authorized on behalf
of R. J. Moreau Communities, LLC, as its owner

STATE OF NEW HAMPSHIRE
COUNTY OF _____

On this the _____ day of _____, 2006, before me, the undersigned officer, personally appeared Reginald Moreau who acknowledged himself to be the member/manager of R. J. Moreau Communities, LLC, and acknowledged that he being authorized so to do, executed the same on behalf of said Limited Liability Company for the purposes therein contained.

_____

Justice of the Peace/Notary Public
My commission expires:

SUBORDINATION

FOR VALUE RECEIVED, _____, holder of a Mortgage, Security Agreement, Lease Assignment and Financing Statement from _____ to _____, dated _____ and recorded in the Merrimack County Registry of Deeds at Book _____, Page _____ (the "Mortgage"), hereby subordinates the Mortgage to the within Easement Deed, the Mortgage to otherwise remain in full force and effect.

Date:_____ _____

_____ By:_____
Witness Its:

STATE OF NEW HAMPSHIRE
COUNTY OF _____, SS.

Before me, the undersigned officer, personally appeared _____, who acknowledged him to be the _____ of _____ and that he being authorized to do so, executed the same on behalf of said Company for the purposes therein contained.

Witness my hand and official seal, this ____ day of _____, 2006.

_____
Justice of the Peace/Notary Public
My commission expires:

EXHIBIT F

PUBLIC WATER SUPPLY WELL PROTECTIVE RADIUS AREA EASEMENT

Declaration made as of _____, 2006, by **R. J. Moreau Communities, LLC,** a New Hampshire Limited Liability Company having a business address of 22 Eastman Drive, Bedford New Hampshire (hereinafter the "Declarant").

WITNESSETH:

WHEREAS, the Declarant is the owner of certain property located in Tilton, Merrimack County, New Hampshire, known as **Winnisquam Village Condominiums Community Water System,** as shown on the plan entitled Water Distribution Plan, Winnisquam Village Condominium, Tilton, New Hampshire, dated _____, and prepared by Holden Engineering & Surveying, Inc, and recorded in the Merrimack County Registry of Deeds as Plan No. _____ (the "Plan"), containing a total of 86 condominium units, together with roadways and other common areas:

WHEREAS, it is contemplated that water service to the subdivision will be supplied by a series of ____ wells located therein and the common area of the subdivision as shown on the Plan to be owned and operated by **Pennichuck East Utility, Inc.,** or another "municipal" water supplier; and

WHEREAS, it is necessary for the protection of the water quality of such wells to provide a protective well radius area around such wells.

NOW THEREFORE, for value received, Declarant hereby declares a protective well radius area around each well from the head of the well as built, and as shown on the Plan. This protective radius is 200 feet from Well "_____", and 200 feet from Well "_____".

The purpose of this easement is to establish a protective area to prevent contamination of the aforementioned water supply well(s). Hereafter, and for so long as the well(s) is (are) used for a source of public water supply, the area of the above-described easement shall be kept in a

natural state. No use of the area shall be permitted which could directly or indirectly degrade the quality of the aforementioned well(s) water. Uses that would be prohibited include:

Transportation corridors.
Underground utilities or structures, except those that are associated with portable water, electricity or communication.
The storage, handling, transport, treatment, or disposal of the following:
Domestic or industrial wastewater.
Hazardous or regulated substances such as pesticides, gas and oil, and other chemicals.
Hazardous or solid wastes.
Fertilizers.
Any other use that the New Hampshire Department of Environmental Services determines would be detrimental to water quality.

No change in use of the area of the protective easement may be undertaken without approval from the New Hampshire Department of Environmental Services, which approval shall not be unreasonably withheld.

The Declarant and their successors in interest shall retain full ownership interests in the area of the protective easement and reserve all rights and uses therein except as may be contrary or detrimental to the purposes of this Declaration.

The easement declared herein is for the benefit of the public and as such may be enforced by the **Pennichuck East Utility, Inc., Pennichuck Water Works, Inc., Pittsfield Aqueduct Company, Inc.**, or (other owner of the water system), Declarant, and the Winnisquam Village Condominiums, if any, on behalf of the residents of the homes.

Subject to all easements, liens, restrictions and other matters of record.

EXECUTED, this _____ day of _____, 2006.

R. J. Moreau Communities, LLC

By: _____

Reginald Moreau, Authorized on behalf
of R. J. Moreau Communities, LLC, as its owner

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

On this the _____ day of _____, 2006, before me, the undersigned personally appeared Reginald Moreau, who acknowledged himself to be the owner of **R. J. Moreau Communities, LLC**, and acknowledged that he being authorized so to do, executed the same on behalf of said Limited Liability Company for the purposes therein contained.

_____
Justice of the Peace/Notary Public
My commission expires:

EXHIBIT G

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS **R. J. Communities, LLC** (hereinafter "Developer"), a New Hampshire Limited Liability Company having a business address of 22 Eastman Drive, Bedford, New Hampshire, (hereinafter "Seller"), for consideration paid, receipt of which is hereby acknowledged, hereby sells, assigns and conveys unto the **Pennichuck East Utility, Inc.**, a New Hampshire Corporation having its principal place of business at 25 Manchester Street, Merrimack, New Hampshire 03054 (hereinafter "Water Company") and its successors and assigns, certain equipment constituting a water distribution system, consisting inter alia of, and not limited to, a pump station, pumping equipment, franchise rights, storage tanks, pipelines, from main to end, all fittings, valves, release valves, hydrants, valve boxes, service boxes, electronics, thrust blocks, backfill materials, road restoration materials and any other appurtenances and equipment required to install the proposed pump station and water main extension as well as any other related equipment, as further defined and set forth in the Preliminary Design Specifications, as defined in the Standard Agreement executed between the Parties, and "_____"), incorporated herein in their entirety by reference as Exhibit 1, (all of the above described property to be hereinafter the "Equipment").

TO HAVE AND TO HOLD the Equipment to the Water Company and its successors and assigns to their use and benefit. And, the Seller, for itself and its successors and assigns, that at the time of the delivery hereof it is the lawful owner of the Equipment, and is possessed thereof in its own right and has full power and lawful authority to sell and convey the same in the manner aforesaid; and that said property is free and clear of all and every encumbrance whatsoever.

And, the Seller, for itself and its successors and assigns, shall and will warrant and defend the same to the Water Company and its successors and assigns against the lawful claims and demands of any and all person or persons whomsoever.

And, the Seller has put the Water Company in possession of the Equipment by delivering to it this Bill of Sale.

Seller will, from time to time, execute and deliver such further instruments of conveyance and transfer and take such other action as may be reasonably requested by Water Company to vest in Water Company all of Seller's right, title and interest in and to the Equipment.

IN WITNESS WHEREOF,_____, has caused this Bill of Sale to be executed in its name and behalf by Reginald Moreau, **R. J. Moreau Communities, LLC,** its owner _____, being hereunto duly authorized this ___ day of_____, 2006.

By: **R. J. Moreau Communities, LLC**

_____
Reginald Moreau, Authorized on behalf
of R. J. Moreau Communities, LLC, as its owner

STATE OF
COUNTY OF

On this the ____ day of _____, 2006, before me personally appeared, Reginald Moreau, who acknowledged himself to be the owner of R. J. Moreau Communities, LLC, and that he being authorized so to do, executed the foregoing instrument for the purposes therein contained.

_____
Notary Public/Justice of the Peace
My Commission Expires:_____

EXHIBIT H

Assignment of Warranties

R. J. Moreau Communities, LLC, ("Assignor"), a New Hampshire Limited Liability Company having a business address of 22 Eastman Drive, New Hampshire 03110, hereby assigns any warranties, or other rights, titles or interests they hold in any of the equipment, as defined in the Standard Agreement, its Exhibit F, the Bill of Sale, executed on _____, and the as built plans supplied by _____, dated _____ all incorporated in their entirety herein by reference (the "System"), executed between Assignor and **Pennichuck East Utility, Inc.** (the "Water Company"), to the Water Company, pursuant to the terms of the Standard Agreement. This assignment includes all rights, title or interest to the specific warranties referenced below, as well as any other warranties, known or unknown to the parties at the date of execution.

Assignor further indicates that it has made a diligent search of it's records and all related records available to them, and the warranties listed below include all known warranties relative to said Equipment, the original warranty documents and related documentation being also delivered in hand and physically transferred to the Water Company's possession on today's date under separate title:

1.
2.
3.
4.
5.

Executed this _____ th day of _____, 2006.

By: **R. J. Moreau Communities, LLC**

_____
Reginald Moreau, Authorized on behalf
of R. J. Moreau Communities, LLC, as its owner

STATE OF NEW HAMPSHIRE
COUNTY OF

On this the _____ day of _____, 2006, personally appeared Reginald Moreau, duly authorized on behalf of **R. J, Moreau Communities, LLC,** as its owner, and made oath that the above statements made by him are true.

_____
Notary Public/Justice of the Peace

EXHIBIT C

The State of New Hampshire
Department of Environmental Services

Michael P. Nolin
Commissioner

November 21, 2005

Allan Clark
REI Land Development
763 Chestnut Street
Manchester, New Hampshire 03104

Subject: CWS TILTON: Winnisquam Village Condos; EPA ID: New System New Bedrock Wells, 1, 2; NHDES #996082

Dear Mr. Clark:

The purpose of this letter is to conditionally approve the subject wells for Winnisquam Village Condos in Tilton. This decision is based on a review of materials submitted to meet the requirements of New Hampshire Administrative Rules Env-Ws 390 & 378, *Water Conservation* and *Site Selection of Small Production Wells for Community Water Systems*. Approval is subject to the following.

Water Conservation:

The October 2005 Water Conservation Plan (WCP) for the subject water system is approved as proposed. Please note that the WCP referenced operational guidelines for a turf irrigation system, if such a system were to be installed at the development in the future. However, the source capacity estimates provided with the Preliminary and Final Well Siting Reports did not include an adequate assessment of volume requirements for this type of non-residential water use. If such a system is installed and an estimate of its volume requirements plus the drinking water system requirements exceeds the Permitted Production Volume (PPV) noted below, the system owner must request an increased PPV in accordance with Env-Ws 378.22.

The Plan shall be implemented at system start-up. Every three years from the date of this letter the water system shall supply the New Hampshire Department of Environmental Services (NHDES) with documentation of compliance with the plan. This information shall be supplied on a form provided by NHDES and shall include contact information for the water system owner and the person responsible for carrying out the tasks of the plan, all data relating to leak detection, water use audits, and meter reading, if applicable, and the dates these tasks were performed.

Conditions of Well Siting Approval:

- Total coliform bacteria were detected in the water withdrawn from Bedrock Well 1 (BRW 1). Upon connection of the new well to the water system; but prior to serving customers, disinfect the well per the requirements of Water Well Board Rule We 602.03, and provide water quality sampling results that indicate total coliform bacteria is absent from the well.
- Toluene was detected in the water withdrawn from BRW 1. Upon connection of the new well to the water system; but prior to serving customers, provide water quality sampling results that indicate toluene is absent from the water withdrawn from the well.
- If toluene is not absent from the water withdrawn from BRW 1, you must submit sampling results on a monthly basis until the concentration of this constituent drops below detection limits. If the

concentration of toluene increases, then the source of contamination must be identified and controlled or an alternate supply of water must be developed.

- Water quality sample results for total coliform bacteria and toluene must be submitted to Diana Morgan at Water Supply Engineering Bureau.

Within 60 days of receipt of this letter an emergency plan must be prepared for the water system in accordance with New Hampshire Administrative Rule Env-Ws 360.14. This plan must continue to be updated and submitted to New Hampshire Department of Environmental Services in March once every 6 years. This regulation also requires the plan to be reviewed annually by the system and updated as needed. Additionally, the plan will be a checklist item during each sanitary survey and lack of one will be a survey deficiency. Guidance documents and other emergency planning information are available at the following website: http://www.des.state.nh.us/wseb/EmergencyPlanning/index.asp. You may contact Johnna McKenna at 603-271-7017 or jmckenna@des.state.nh.us for more information or assistance in completing emergency planning for your water system.

A copy of this letter should be kept on file with the water system's records for future reference and as an aid to meeting the NHDES source water protection requirements.

Please note that the well must be connected to a distribution system in accordance with Env-Ws 372, *Design Standards for Small Public Drinking Water Systems*. Contact Jim Gill at 271-2949 for further information about system design and connection requirements for new community water systems.

Source Specifications:

Well Number	Well Status	Permitted Production Volume	Sanitary Protective Area Radius	Wellhead Protective Area Radius	Source Description
BRW 1	New Well on New System	14,400 gallons	200 feet	3,600 feet	BRW 1, 128' W of pumphouse
BRW 2	New Well on New System	43,200 gallons	200 feet	3,600 feet	BRW 2, 88' W of pumphouse

The previous table outlines the specifications for the new wells. The Permitted Production Volume is the maximum volume that may be pumped from a well in any 24-hour period. The PPVs for the wells are as shown above. The combined volume for the system may not exceed 57,600 gallons in any 24-hour period. This volume includes water designated for irrigation water use.

The sanitary protective areas for the new wells are circles, centered on each well, with the radii listed above. The sanitary protective areas shall remain in a natural state and under the water system's control at all times. Please note that NHDES may initiate enforcement action if the system does not maintain the SPAs in a natural state.

The Wellhead Protection Areas for the new wells are circles, centered on each well, with the radii shown above. This is the area within which educational materials must be periodically distributed as part of the wellhead protection program. The first round of educational materials must be distributed **within 90 days of system startup.**

Chemical Monitoring Program:

Well Number	Well Status	Laboratory Name and Sample Numbers
BRW 1	New Well on New System	Granite State Analytical: 509-612-2, 3, 4, 5
BRW 2	New Well on New System	Granite State Analytical: 509-616-1, 2, 3, 4

The September 21, 2005 water quality sample results for the new wells will be forwarded to the NHDES Chemical Monitoring Program. The sample identification numbers are listed in the table above. Chemical Monitoring staff will be contacting you shortly with a Master Sampling schedule. You must add sampling taps to the new wells and you must contact staff so that the schedule will accurately reflect the correct sampling locations.

If you have any questions about the Chemical Monitoring requirements, contact Allyson Gourley at 271-0655 or by email at agourley@des.state.nh.us. Please note that NHDES may initiate enforcement action if the system fails to implement a chemical monitoring program that includes the new well.

If you have any questions about this approval or any other well siting issues feel free to call me at 271-2947 or email me at dmorgan@des.state.nh.us.

Sincerely,

Diana W. Morgan, Professional Geologist
Water Supply Engineering Bureau

Cc: Allyson Gourley, Laurie Cullerot, Johnna McKenna, NHDES
Kimon Koulet, LRPC

Electronic Copies:
Jim Gill, Kevin Riel, Deb McDonnell, Ben Gauthier, NHDES

The State of New Hampshire
Department of Environmental Services

Michael P. Nolin
Commissioner

January 6, 2006

PROVENCHER ENGINEERING
6 WASSERMAN HEIGHTS
MERRIMACK NH 03054

Attn: Donald A. Provencher, P.E.

Subject: CWS TILTON; Winnisquam Village Condominiums - Project # 996082

Dear Mr. Provencher:

Our office has reviewed and hereby approves the plans and specifications, dated October 2005, for the proposed 'Winnisquam Village Condominiums' public water supply system to be located on Route 3 in the Town of Tilton.

The water supply system's new wells have the following location/descriptions: Bedrock Well 1, 88' Northwest of the Pumphouse and Bedrock Well 2, 128' West of the Pumphouse. The permitted production volumes for the wells are 14,400 and 43,200 gallons, respectively. The water quality samples numbered 509-612 and 509-616, which were taken on September 21, 2005, will be assigned to these sources.

The total number of 2-bedroom units approved is 86 and the approved design flow for the proposed water supply system at this time is 25,800 gallons per day.

Please be advised that this approval shall lapse four years from the date of this letter, if construction of the water supply system has not started. In addition, if construction of the water supply system has started at that time, but the water supply system has not begun operation; the water system's design will have to meet all then current design criteria prior to its start-up.

All construction of the water supply system is to be in accordance with NH Administrative Rule Env-Ws 372.21, 372.22, 372.23, 372.24, 372.25, and 372.32 *(Design Standards for Small Community Water Systems)*. This approval is also subject to the following conditions:

1. Fuels and other regulated contaminants shall not be stored, nor shall septic tanks and leach fields, buildings, roadways, parking lots, etc. be located, within the wells' 200 foot protective radius areas as shown on the site plan. The top of each well casing must be at least one foot above the final finished grade.

2. A sampling tap shall be installed for each water supply source in order to sample each source's water quality individually. The sampling taps should be located on

each incoming source line prior to its entry to the first on-line storage tank. They should be located at least 12 inches above the floor or finished grade.

3. Each water supply source shall have a water meter installed on the incoming source line prior to its entry to the storage tanks which shall be read at least once every 30 days.

4. In accordance with Env-Ws 390.04 *(Water Conservation Rules)* and the water supply system's water conservation plan, each of the water system's residential service connections shall have a water meter installed which shall be read at least once every 90 days.

5. The water supply system shall be capable of an immediate connection of a chemical feed pump for the metered application of a disinfectant. An injection tap shall be installed on the source waterline prior to its entry to the first on-line storage tank and an electrical outlet, interconnected with the electrical circuit for the well pumps, shall be provided.

6. Each well shall have an appropriately sized tube for electronic drawdown probes or alternate provisions permanently installed in the wells which shall allow determination of the static and drawdown water levels.

7. The atmospheric storage tanks shall be equipped with a capped filler pipe (lockable, if on the exterior) to accommodate tank truck water delivery.

8. A certified operator, with the required grade(s), shall be retained in accordance with Env-Ws 367 *(Certification of Water Works Operators)* to be in responsible charge of the water supply system.

9. The water system's sources shall be wired to operate either simultaneously or to automatically alternate between pumping cycles in order to be sampled together as a blended sample.

19. All construction of the water distribution system is to be in accordance with Env-Ws 372.32 and the Water Distribution System Construction Guide that is enclosed with this letter. All piping material, valves, etc. shall conform to the most recent revision of the appropriate American Water Works Association (AWWA) Specifications. Where such a specification does not exist for the pipe size being used, the minimum pressure rating for the pipe shall be 200 psi and the pipe shall conform to the requirements of American Society for Testing and Materials

(ASTM) 2241.

11. All tees, bends, hydrants, blow-offs, etc. shall be provided with thrust blocking designed to prevent movement.

12. The separation between water mains and sewerage pipes shall be in accordance with Env-Ws 372.32.

13. All water mains installed under culverts shall be covered with sufficient earth or other insulation to prevent freezing.

14. The maximum spacing for gate valves installed on the water mains shall not exceed 1500 feet. Gate valves shall be provided at all intersecting water mains.

15. Hydrants or other means for flushing the water mains shall be provided near the ends of all water mains. The sizing of each 'blow-off' shall provide a flushing velocity of at least 2.5 feet per second in the water main.

16. All water distribution piping shall be installed and pressure tested in accordance with AWWA C-600 or C-900 as applicable to the type of pipe chosen. The quality of the workmanship for the pipe installation and adherence to the approved design plans and pipe specifications shall be documented, in writing, to DES in accordance with Env-Ws 372.31.

17. A set of 'as-built' plans or 'record drawings', in accordance with Env-Ws 372.33, shall be submitted to DES after all construction has been completed,.

18. Before water service is provided, all water distribution lines and storage tanks must be flushed, disinfected with chlorine in accordance with AWWA C-651 or C-652, re-flushed, and sampled for acceptable bacteria quality.

19. The design flow for the proposed public water supply system is greater than 20,000 gallons per day. The water system's owner shall be required to register and report its water usage to DES in accordance with Env-Wr 700 *(Water Use Registration and Water Use Reporting)*.

20. A final business plan, in accordance with Env-Ws 371 (*Capacity Assurance for New Public Water Systems*), must be submitted to and approved by DES before the construction of the new water supply system begins.

21. A copy of the water supply system's operation and maintenance manual, in accordance with Env-Ws 360.05 and Env-Ws 371.11, must be available prior to the water system's initial date of start-up.

22. A copy of the water supply system's emergency plan, in accordance with Env-Ws 360.15, must be available prior to the water system's initial date of start-up. The water system is required to review and update the emergency plan on an annual basis as needed. A copy of the emergency plan must also be submitted to DES every six years during the month of March.

23. At such time as the project is constructed and is ready for occupancy, the owner must contact this office (271-2513) to arrange for a system inspection and the system's water sampling schedule in accordance with Env-Ws 372.34.

Please be aware that it is possible to obtain waivers from a portion of the chemical sampling requirements by implementing a wellhead protection program. The cost savings associated with these waivers can be significant.

The first steps are to estimate the wellhead protection area and develop a preliminary contamination source inventory that describes existing and potential contamination sources (PCS) in the area. Existing contamination sources are sites where it is known that hazardous substances have been released to the environment. PCSs are sites where chemicals are handled, stored, or produced. Following these steps, what remains is the management of the PCSs that you have already identified in your wellhead protection area. This would require that you provide the appropriate people with the information about best management practices for handling chemicals, hazardous materials, and other substances so their activities do not result in groundwater contamination. We urge you to complete this final step, both to realize cost savings and to protect this valuable source of drinking water.

The Water Supply Engineering Bureau (WSEB) staff, at 271-7017, is available to assist you in implementing a wellhead protection program and obtaining the appropriate chemical sampling waivers that are available.

If you have any questions concerning this letter, please contact this office at (603) 271-2949 or by e-mail at *jgill@des.state.nh.us*.

Very truly yours,

James B. Gill, P.E.
Small Water Systems Section
Water Supply Engineering Bureau

enclosure

cc: New Hampshire Public Utilities Commission
A. Clark - WVCA
Subsurface Systems Bureau - NHDES
K. Riel - NHDES
D. Morgan, P.G. – NHDES (via e-mail)
B. Gauthier – NHDES
D. McDonnell - NHDES

Pennichuck East Acquisition **10/4/2007**

Revenue requirement/investment analysis for community water system acquisition:

System Name: **Winnisquam Village, Tilton, NH**

Developer: R.J. Moreau Communities

		Pro Forma	
Proposed Investment (Rate Base)	68,700 times		
Rate of Return Goal	12% =		
Net Operating Income		8,244	
Net Operating Income pre-tax	0.6039	13,651	
Operating Deductions		29,586	
Revenue requirement		43,238	
divided by no. of customers	86 =	502.76	per customer
Rate group to be used	PEU		
Annual Revenue at PEU rate		$ 62,659	

Projected Revenue from existing tariffs:

	Annual Revenue	Annual Contribution (Subsidy)
Revenue per customer from PWW rates	418.54	(84.22)
Revenue per customer from PEU rates	728.60	225.84
Revenue per customer from PAC rates	445.30	(57.46)

Operating Expenses Summary:

Production	
Laboratory Expense	$ 2,450
Purification Expense	1,256
Operating Labor	2,400
Other Prod. Material & Exp.	600
Maintenance	1,250
Power Purchased	4,709
Total Prod.	12,664
Distribution Expense	2,666
Customer Acct./Coll.	1,720
Admin & Gen (mgt fee)	8,600
Total O&M	25,650
Depreciation Expense	1,786
Taxes	2,150
Total Oper. Deduct	29,586

Data & Cost Calculations:

Number of customers:		86		
Production per customer		200	gpd	
Annual production per customer		73.00	thou gals	
Item	**Unit Cost**	**Units**		**Annual cost**
Monthly bact (incl travel)	$ 50	1	mos.	$ 50
SDWA	1,200	1	sample	1,200
VOC/SOC	1,200	1	sample	1,200
Total lab exp				2,450
Purification - per Mgals	0.20	6278	thou gals	1,256
Operating Labor				2400
Other Prod. Mat & Exp				600
Maint. - Structures				550
Maint. - Prod. Equip				100
Maint. - Purif. Equip				600
Power Purchased	0.75	6278	thou gals	4,709
Distribution				
Maint. - Mains	25	86	customers	2,150
Maint. - Services	3	86	customers	258
Maint. - Meters/Hydrants	3	86	customers	258
Meter Read/Coll	20	86	customers	1,720
Management fee	100	86	customers	8,600
Depreciation Rate	2.60%			
Property tax rate per M	25			
Return Goal - after tax	12%			
Prop val for prop tax	1000	86	customers	86,000
Purchase price per customer	450	86	customers	38,700
Franchise/Acquisition Cost	5,000			5,000
Meter Investment	250	86	customers	21,500
System Improvements				
SCADA			T-Box	3,500
				-
Total Investment				68,700

Rate Group	Fixed Chg	Per 100 CF
PWW Core Rate	15.36	2.40 (expected temp rate fall 06)
PEU rate (Non L	17.45	5.32
PAC rate	10.27	3.30

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PENNICHUCK

25 MANCHESTER STREET
MERRIMACK, NH 03054
(603) 882-5191
FAX (603) 913-2305

WWW.PENNICHUCK.COM

March 28, 2006

Tilton Board of Selectman
Town of Tilton
257 Main Street
Tilton, NH 03276

Re: Potable Water Service, Winnisquam Village Condominiums
Community Water System:

Members of the Board of Selectman;

Pennichuck East Utilities, Inc. (Pennichuck), an investor owned water utility providing potable water to various community water systems throughout the State of New Hampshire is in the process of purchasing the assets of the Winnisquam Village Condominium Community Water System. It is Pennichuck's intent to acquire this system and supply water service to the system customers. The system is located in the East Tilton area of Tilton and is situated off of Route 3, East of Lochmere Village. The system will be constructed by R.J. Moreau Communities, LLC, 22 Eastman Ave., Bedford, NH.

Per the requirements of the New Hampshire Public Utilities Commission (PUC), Pennichuck is required to establish a franchise area in Tilton to encompass the Winnisquam Village Condominium subdivision. Pennichuck will petition the PUC for a franchise area to include the footprint of the Winnisquam Village Condominiums water system.

We want to notify you of our intent to file for the franchise area. Pennichuck looks forward continuing a positive corporate partnership with the Town of Tilton. Pennichuck will be filing the petition with the PUC once all legal and operating matters have been finalized.

Should you have any questions or require additional information, please feel free to contact me at (603) 913-2502.

Sincerely,
Pennichuck East Utilities

Bernard J. Rousseau
Vice President

Cc: Mr. Herber Feener, Chairman, Tilton-Northfield Water District
Mr. John Pendleton, Esquire (Pennichuck Council)