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SENT VIA CERTIFIED MAIL

December 18, 2009

Debra A. Howland
 Executive Director
 New Hampshire Public Utilities Commission
 21 South Fruit Street, Suite 10
 Concord, New Hampshire 03301

**Re: DW 08-052, Pittsfield Aqueduct Company, Inc.
 Rate Recoupment**

Dear Ms. Howland:

Please find the proposed recoupment for the difference between temporary rates and permanent rates reconciled back to June 6, 2008 for the customers in North Country and the town of Pittsfield. This submission is made in accordance with the terms of the Settlement Agreement which was recently approved by the Commission in Order No. 25,051 issued on December 11, 2009. The Settlement Agreement proposed that PAC be allowed to recoup the difference between the revenues that would have been generated under permanent rates and the amounts charged to customer under temporary rates and shall be recovered through a surcharge or a credit to customers' bills, whichever the case may be, over a period of 18 months, except for Birch Hill customers. In the case of Birch Hill, the settling parties proposed that recovery occur over 24 months.

The surcharge is calculated based on the actual usage, customer and fire protection charges for each General Metered and fire protection customer during the relevant period of time. The settling parties also agreed that the reconciliation of temporary and permanent rates for Pittsfield customers be implemented in a manner that is consistent with the September 2009 updated cost of service study.

The total recoupment/credit calculated for the three North Country Systems is \$170,057.11. The following is the recoupment calculation for each system based on the customer's actual usage and the capital recovery surcharge approved for that system:

<u>North Country System</u>	<u>Total Recoupment</u>	<u>Number of Customers</u>	<u>Average Monthly Surcharge/Credit</u>	<u>Number of Months</u>
Locke Lake, Barnstead	\$ 52,788.81	843	\$ 3.48	18
Birch Hill, North Conway	\$121,177.04	209	\$24.16	24
Sunrise Estates, Middleton	(\$ 3,908.74)	81	(\$ 2.68)	18

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The total recoupment/credit calculated for the customers in the Town of Pittsfield is as follows:

<u>Customer Class</u>	<u>Total Recoupment</u>	<u>Number of Customers</u>	<u>Average Monthly Surcharge/Credit</u>	<u>Number of Months</u>
General Metered	\$73,062.08	637	\$ 6.37	18
Private Fire Protection	(\$ 9,422.44)	11	(\$ 47.59)	18
Public Fire Protection	(\$71,050.00)	1	(\$3,947.22)	18

Please feel free to contact me with regard to any questions that you may have concerning this matter.

Sincerely,



Bonalyn J. Hartley
Vice President Administration & Regulatory Affairs

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