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May 7, 2010

<b>ORIGINAL</b>	
N.H.P.U.C. Case No.	DW 10-091
Exhibit No.	#3
Witness	Panel 2
<b>DO NOT REMOVE FROM FILE</b>	

*Via Hand Delivery*

Debra A. Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 N. Fruit Street, Suite 10  
Concord, NH 03301

**Re: DW 10-091; Pennichuck Water Works, Inc. – Rate Filing**

Dear Ms. Howland:

Enclosed on behalf of Pennichuck Water Works, Inc. (the "Company") for filing with the Commission in accordance with N.H. Code of Admin. Rules Puc 1603.03 are two binders and a CD ROM with the following documents:

1. Binder No. 1 contains an original and eight copies of:
  - (A) Revised tariff pages to the Company's Tariff No. 5 - Water;
  - (B) Prefiled testimony of Donald L. Ware, Bonalyn J. Hartley and Thomas C. Leonard; and
  - (C) Petition for Temporary Rates and supporting prefiled testimony of Bonalyn J. Hartley and Donald L. Ware.
2. Binder No. 2 contains five copies of the documents required by Puc 1604.01.

In addition, I enclose for filing an original and six copies of the Company's motion for waiver, and a CD-ROM containing electronic versions of the Company's rate filing.

As set forth in the filing, the Company is seeking an increase in its annual gross operating revenue of \$3,915,175 for the test year ending December 31, 2009, which would result in a proposed rate increase of 16.23%. The Company is also proposing a step increase based on capital improvements that will have been used and useful by December 2010. Specifically, the

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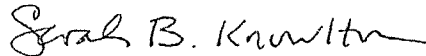
Company is proposing a 3.68% step increase which will generate an additional \$886,639 in annual revenue. When combined, the proposed rate request with the step increase would result in an overall increase in rates of 19.91%.

The Company is also requesting approval of a temporary rate increase in the amount of \$2,604,524 which represents an overall increase of 10.80%, or an effective rate increase of 10.17% for general metered customers. Please note that the Company's Petition for Temporary Rates proposes that the temporary rates would take effect on June 6, 2010 on a service rendered basis, or the date on which customers are notified, whichever is sooner.

Finally, I also enclose a copy of the Company's proposed notice to customers pursuant to Puc 1203.02(c) for consideration by the Commission's Consumer Affairs Division. The Company will mail this to its customers upon approval by Consumer Affairs.

Thank you for your assistance with this filing. Please let me know if you have any questions about this matter.

Very truly yours,



Sarah B. Knowlton

Enclosures

cc: Bonalyn J. Hartley  
Donald Ware  
Meredith Hatfield, Esq.