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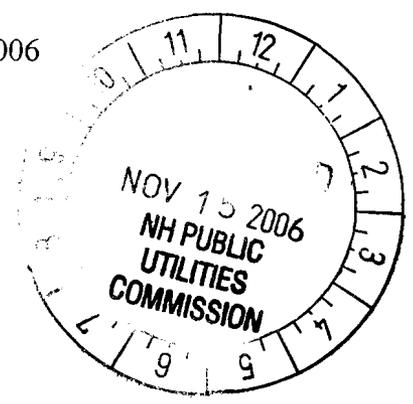
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Please respond to the Portsmouth office

November 14, 2006

Via Electronic and First Class Mail

Debra A. Howland, Executive Director
N.H. Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429



RE: City of Nashua: *Petition for Valuation Pursuant to RSA 38:9*
Docket No. DW 04-048

Dear Ms. Howland:

By secretarial letter dated November 1, 2006, the Commission indicated that in reviewing the *Stipulation for Conduct of a View* submitted jointly by Pennichuck Water Works and the City of Nashua, it would consider “whether a view is necessary in the circumstances of this case and, if so, what procedures will best assure that any view comports with the requirements of due process and the orderly and prompt conduct of the proceedings.” The Commission further requested that Nashua and Pennichuck “provide details about the logistical feasibility of [the proposed] itinerary”.

As set forth in the October 23, 2006 filing, the Stipulation represents a balance between what Nashua understands to be Pennichuck’s position that a view is allowed as a general matter in proceeding of this nature, and Nashua’s position that a party proposing a view must demonstrate that the view “assist the Commission in reaching a determination at the hearing”. Puc 203.28. In essence, Pennichuck believes that a view will benefit the Commission as a general matter in its evaluation of this case, while Nashua believes that Pennichuck failed to adequately demonstrate how the view would benefit any particular determinations to be made.

While Nashua and Pennichuck did not reach agreement on the proper application of the rule, the parties agreed upon a procedure to reduce or eliminate the potential for surprise or prejudicial information. For example, presentations to the Commission shall be limited to “those agreed-upon during the pre-view” or in response to questions from the Commission. In addition, based on the likelihood

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November 14, 2006

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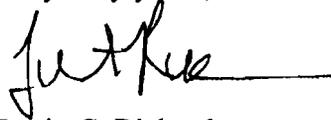
that at least some limited view would take place and Pennichuck's request to view the watershed from the Harris Pond dam, a location that Nashua understands to be its most pristine, Nashua requested that the view also include locations such as those on Tinker Road and Amherst Street where the Commission could view the level and proximity of imperviousness and development within the Pennichuck Brook watershed.

The fact that Nashua and Pennichuck reached an agreement does not diminish the Commission's authority to evaluate and apply its own rules to this case. Within that authority, the Commission may accept, reject or modify the terms proposed by the Stipulation. However, the Stipulation does represent a compromise that may at some level assist the Commission and, by virtue of the parties' agreement, reduce the likelihood for an appeal based on the view.

In terms of the logistical feasibility of the itinerary, based on discussions between counsel, Nashua understands that the times for each location are flexible and some modifications may result from the pre-view. If the pre-view demonstrates that insufficient time is available, Nashua expects that both parties will cooperate to make appropriate adjustments to the number and length of sites visited during the view.

I hope that the Commission finds this information responsive to its request. If you have any questions regarding this matter, please feel to contact me.

Very truly yours,



Justin C. Richardson

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JCR/sem

Enclosures

cc: Official Service List DW-04-048 (electronic mail)
Claire McHugh (1st class mail).