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PENNICHUCK / WATER DISTRICT TIME LINE

Prepared by Barbara Pressly
Latest update – December 5, 2002

- October 2001 Pennichuck starts process of selling company
(Telegraph 11/28/02)
- December 2001 Pennichuck determines range of value of company
- March 2, 2002 PUC grants Pennichuck 19% rate increase
- April 17, 2002 Pennichuck considers three offers (2 cash offers)

Pennichuck selects stock for stock suburban offer in spite of knowing about and discussing the potential vivendi divestiture of 16.8 % of Philadelphia Suburban stock.

- April 29, 2002 Pennichuck announces sale to Philadelphia Suburban.
- April 30, 2002 Arel states Pennichuck **will file with PUC AFTER Shareholders OK purchase** (Telegraph page 7)
- Mayor Streeter announces City purchase of Pennichuck to be studied.
- May 3, 2002 Pennichuck Shareholders Meeting. Sale not on agenda but company announces shareholders meeting to vote on sale to take place in a “couple of months”.
(Telegraph – May 4, 2002)
- May 2002 Paris-based Vivendi Universal announces plans to sell its 17 percent stake in Philadelphia Suburban.
- May 28, 2002 First Meeting of the Pennichuck Watershed Council

PENNICHUCK WATERSHED COUNCIL MEETS MONTHLY

- June 9 – 10 – 11 Telegraph published three day series on history of Water Company.
- June 14, 2002 Pennichuck and Suburban send request to PUC (**NO SHAREHOLDERS APPROVAL and NO NOTICES SENT TO MUNICIPALITIES**)
- June 17, 2002 Formal Filing received at PUC (**NO SHAREHOLDERS APPROVAL**)
- June 19, 2002 Senior executives from Pennichuck and Suburban attend 4 ½ hour Nashua Aldermanic meeting. They discuss City Study money and PUC process. **Executives NO NOT DISCLOSE that they have ALREADY filed and the PUC clock is ticking.**
- June 21, 2002 Pressly learns of filing, obtains copy, distributes to Mayor (City) and press
- June 25, 2002 Telegraph prints story of filing. Shareholders vote moved from summer to late fall. Telegraph endorses Nashua's Study money.
- June 26, 2002 Aldermen approve Study Money with expressions of anger that executives did NOT disclose PUC filing at previous meeting only 7 days earlier.
- June 29, 2002 Telegraph prints filing procedures
- July 3, 2002 Legal Notice appears in Union Leader day before major holiday (only required PUC notice)

IF FILING OF PETITION HAD NOT BEEN DISCOVERED BY PRESSLY – POSSIBLY NO AFFECTED COMMUNITY WOULD HAVE KNOWN ABOUT THE PUC PROCESS SINCE FEW READ LEGAL NOTICES AND RARELY BEFORE HOLIDAYS.

- July 8, 2002 Pressly takes PUC petition to selectmen meetings in Amherst, Milford and Hollis, discusses impact on their Communities and encourages them to intervene.
- July 10, 2002 Nashua Mayor holds regional meeting on Pennichuck
- July 15, 2002 Pennichuck Shareholders express concern about decision to sell (Telegraph July 15, 2002)
- July 16, 2002 Deadline for filing to intervene
- July 18, 2002 Arel says “Time will tell if the stock recovers, and time will tell if a deal is in place.”--- “The key is that our shareholders get their fair value.” (Globe 7/18/02)
- July 19, 2002 Prehearing Conference in Concord. Many complain of inadequate notification and announce Towns which need to be informed. Nashua and Towns ask for more time . Pennichuck wants September 30, 2002 PUC decision. Consumer Advocate questions quality and appropriateness of petition given the Vivendi situation and no shareholders approval.
- July 23, 2002 Philadelphia Suburban stock drops 30% due to Vivendi. Arel says PUC time extension now helpful to Pennichuck. (Telegraph 11/23/02)
- July 25, 2002 Pressly buys one share of Pennichuck stock for \$26.

August 6, 2002 Quote from Arel (Telegraph 8/6/02) “**At first I foresaw having a fairly quick shareholders vote, but then, about a week after we announced the merger, the Vivendi situation cropped up, that changed everything,” he said.**”

August 8, 2002 First meeting of Ad Hoc Water Committee organized by Pressly composed of White, Singleakis, Sullivan, Gill and Wilson.

Ad Hoc Water Group met weekly at Public Library until October.

August 14, 2002 Pennichuck posts quarterly loss due to costs associated with sale of Company. Land sales profit to cover loss.

August 15, 2002 Water people attend SB 437 hearing at State House Rep. Blanchard files LSR to allow revenue bonding for water districts.

Pennichuck letter to Shareholders delays proxy statement due to Vivendi (Pennichuck does NOT disclose that they knew about Vivendi before they signed the agreement with PSC) and Pennichuck considers negotiating with PSC to extend the **optional** termination date under the merger agreement beyond March 31, 2003.

September 14, 2002 RPC and Nashua host Regional Round Table

September 21, 2002 Pressly requests shareholder list

September 22, 2002 Telegraph article again suggests that possible Vivendi divestiture of Philadelphia Suburban was learned **after** the merger was signed when in fact the **Proxy statement now shows that the Board of Directors of Pennichuck knew about the Vivendi situation before signing and chose to proceed with the agreement.**

October 3, 2002	Water Committee meets with SB 437 and Representative Blanchard who filed bill
October 24, 2002	Ad Hoc Water now meets at Nashua RPC – town lawyers meet to discuss strategy. NRPC creates Web site for Water Committee (nashuarpc.org)
October 29, 2002	Pressly files in Superior Court
November 1, 2002	City Study released.
November 7, 2002	Town of Bedford votes to join Regional Water District
November 8, 2002	Philadelphia Suburban reports record earnings primarily due to nine PUC rate increases
November 13, 2002	Pennichuck Corp reported third quarter earnings primarily due to March rate increase and land sale. Bedford Town Manager meets with Nashua Mayor
November 15, 2002	Aldermen vote and Mayor signs resolution endorsing State legislation enabling bonding for water districts..
November 18, 2002	Londonderry votes to join Regional Water District
November 26, 2002	Nashua Board of Alderman vote to purchase water company, schedule referendum vote and vote money to continue study and appraisal fees.
November 27, 2002	Pennichuck files proxy with the SEC (day before a national holiday again)
December 5, 2002	Bedford holds public meeting with towns and city to draft “Memorandum of Understanding”.
December 10, 2002	Final Statements before the PUC

January 14, 2002

Nashua Referendum VOTE