

Forest Edge Water Company  
before the  
New Hampshire Public Utilities Commission  
DW 08-160  
Proposed Statement to Customer

October 5, 2012

Name  
Address

Dear Customer,

On September 24, 2012 Forest Edge Water Company ("FEWC" or "Company") requested the New Hampshire Public Utilities Commission's ("NHPUC") approval of an increase in rates to pay for operating expenses and to pay the outstanding debt. If the rate filing is accepted as submitted, the Company would realize an annual increase in permanent revenues of \$8,056 effective October 1, 2012. The proposed quarterly rate for a customer would increase from \$115.84 to \$163.79, an increase of \$47.95 or 41.40%.

Pending investigation of the proposed, permanent revenues, on October 5, 2012 the Company requests that the Commissioners grant its request for a **temporary** increase in rates so as to generate enough revenue to allow the Company to earn its rate of return and cover its operating expenses. If the **temporary** rate filing is accepted as submitted, the Company would realize an annual increase in revenues of \$3,998. The **temporary** revenue increase of \$3,998 would enable the Company to earn a 7.57% rate of return on its rate base of \$36,548. The proposed, **temporary** quarterly rate amount for a customer would increase from \$115.84 to \$139.64, an increase of \$23.80 or 20.54%.

In 2011 (the test year) the Company's net loss was \$5,043. In 2012 the Company anticipates another net loss not only due to normal and reoccurring expenses, but also additional expenses related to legal, engineering and auditing. The Company believes that such **temporary** revenues are need to be in order for the Company to recover its costs and to earn a fair and reasonable return on its investment. The Company is requesting that the proposed rate be effective October 1, 2012.

The temporary and permanent rate increases will be subject to review and ultimate approval by the NHPUC. Customers are welcome to submit written comments to the Commission at New Hampshire Public Utilities Commission, 21 South Fruit Street, Suite 10, Concord, N. H. 03301-2429 or via email at [puc@puc.nh.gov](mailto:puc@puc.nh.gov). If you have any questions or comments, please contact me at 603-356-5736.

Sincerely,

Nathaniel Sullivan