



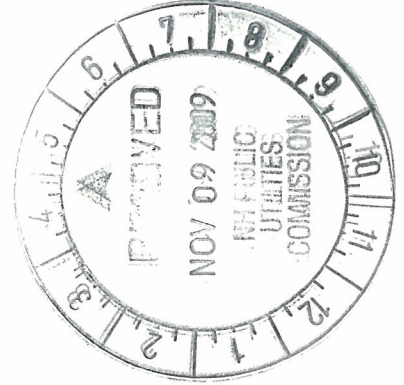
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November 10, 2009



By 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 08-073; Pennichuck Water Works, Inc.

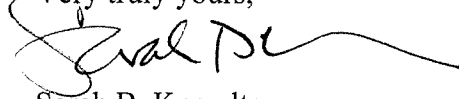
Dear Ms. Howland:

In accordance with Order 25,006, Pennichuck Water Works met with Staff and the Office of Consumer Advocate (“OCA”) on November 3, 2009 regarding the Company’s Executive Officer incentive compensation plan design for years beginning with the 2010 fiscal year. At that meeting, the Company presented its new plan design which now contains explicit metrics regarding customer service. The Company explained the new plan design in detail and answered questions about it.

Please note that this is a draft plan for the 2010 fiscal year. As a matter of Company policy, the establishment, workings and economics of an Executive Officer incentive compensation plan for any year is subject to approval by both Pennichuck Corporation’s Compensation Committee and its Board of Directors. Accordingly, while future year’s plans (including the 2010 plan), as finally approved, may differ in design from that presented to Staff and the OCA, the Company supports the inclusion of customer service metrics in future years plans that are established. A copy of the draft plan that was presented to Staff and the OCA is enclosed with this letter.

Please do not hesitate to call if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Sarah B. Knowlton', with a long, sweeping horizontal line extending to the right.

Sarah B. Knowlton

Enclosure

cc: Service List (via electronic mail)
Donald Ware
Bonaly J. Hartley