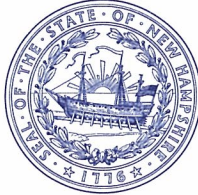


THE STATE OF NEW HAMPSHIRE

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Graham J. Morrison
Clifton C. Below

EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland



PUBLIC UTILITIES COMMISSION
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TDD Access: Relay NH
1-800-735-2964

Website:
www.puc.nh.gov

October 1, 2008

Re: DW 08-078, Eastman Sewer Company, Inc.
Capital Reserve Fund Request

To the Parties:

On May 30, 2008, Eastman Sewer Company, Inc. (Eastman) filed a request for authorization to use \$15,800 from its Capital Reserve Fund for engineering design of upgrades to its headworks facility. Eastman indicates that these proposed upgrades are a part of its recently completed engineering study. The Capital Reserve Fund was established by the Commission in 1992 when rates were first set for Eastman, as a way of addressing Eastman's undercapitalization. (See, Order No. 20,390, *Eastman Sewer Company*, 77 NH PUC 93 (1992)).

On September 19, 2008, Commission Staff filed a recommendation that Eastman be permitted to withdraw \$15,800 from its Capital Reserve Fund for the proposed use. Staff indicated that it had reviewed the request and had propounded data requests on the company. Staff stated that the proposed upgrades to the headworks are among a number of capital improvements needed in the coming years totaling some \$540,000. Staff concluded that the proposed use of the Capital Reserve Fund is appropriate and consistent with the Commission's Order No. 20,390. Staff recommended the Commission approve Eastman's request.

Please be advised that the Commission has approved Eastman's request to withdraw \$15,800 from its Capital Reserve Fund.

Sincerely,

A handwritten signature in blue ink, appearing to read "Debra A. Howland".

Debra A. Howland
Executive Director

JOHN MUELLER
EASTMAN SEWER COMPANY INC
PO BOX 470
GRANDTHAM NH 03753

Docket #: 08-078 Printed: October 02, 2008

FILING INSTRUCTIONS: PURSUANT TO N.H. ADMIN RULE PUC 203.02(a),
WITH THE EXCEPTION OF DISCOVERY, FILE 7 COPIES (INCLUDING COVER LETTER) TO:
DEBRA A HOWLAND
EXEC DIRECTOR & SECRETARY
NHPUC
21 SOUTH FRUIT STREET, SUITE 10
CONCORD NH 03301-2429

PURSUANT TO N.H. ADMIN RULE 203.09 (d), FILE DISCOVERY

DIRECTLY WITH THE FOLLOWING STAFF

RATHER THAN WITH THE EXECUTIVE DIRECTOR

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BULK MATERIALS:

Upon request, Staff may waive receipt of some of its multiple copies of bulk materials filed as data responses. Staff cannot waive other parties' right to receive bulk materials.

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