Notice to Customers RATES APPROVED BY THE NHPUC

Pennichuck Water Works, Inc.

On November 7, 2017, the New Hampshire Public Utilities Commission (NHPUC) approved a permanent rate increase of 3.18% for all customers effective December 7, 2016. A step increase of 7.82% was also approved effective service rendered as of the order date of November 7, 2017. The following schedule shows the rates for each category of service:

	Permanent Rate	Step Rate
	Effective	Effective
Meter Size	12/7/2016	11/7/2017
5/8"	\$20.99	\$22.58
3/4"	\$30.21	\$32.50
1 "	\$48.66	\$52.35
1 1/2"	\$94.83	\$102.02
2"	\$155.25	\$167.02
3"	\$284.70	\$306.28
4 **	\$469.56	\$505.15
6"	\$931.74	\$1,002.35
8"	\$1,486.49	\$1,599.15
10"	\$2,133.53	\$2,295.22

MONTHLY GENERAL METERED RATE

In addition to this standard customer charge, the monthly volumetric charge is:

Consumption	Permanent Rate	Step Rate		
Unit	12/7/2016	11/7/2017		
100 Cubic Feet	\$3.40	\$3.66		

100 Cubic Feet = 748 gallons

MONTHLY PRIVATE FIRE PROTECTION

The charge shall be determined by the size of the pipe entering the property as follows:

Connection Size	Permanent Rate Effective 12/7/2016	Step Rate Effective 11/7/2017		
4" or smaller	\$57.66	\$62.03		
6"	\$96.75	\$104.08		
8" or larger	\$142.45	\$153.25		

Customers may direct any questions concerning rates or service to Pennichuck at its company's Customer Service Department, PO Box 1947, Merrimack, NH 03054-1947, by calling 603-882-5191 or 1-800-553-5191 or via email at customer-service@pennichuck.com. Customers may also contact the NHPUC at their offices at 21 S. Fruit Street, Concord, NH 03301, or by phone at 1-800-852-3793.



PENNICHUCK

25 Manchester Street, PO Box 1947 Merrimack, NH 03054-1947 www.pennichuck.com

On November 7, 2017, the New Hampshire Public Utilities Commission (NHPUC) approved a permanent rate increase of 3.18% for all customers effective as of December 7, 2016. A step increase of 7.82% was also approved effective service rendered as of the order date of November 7, 2017. Based on this order, your bill for this month is prorated for days at the permanent rate and days at the step rate. Following the steps below along with the included rate sheet and your bill will enable you to calculate the portion of your bill for this month billed at the permanent rate and the portion billed at the step rate.

In addition, pending final approval from NHPUC, customers will be surcharged for the incremental difference of the temporary and permanent rates for service rendered from December 7, 2016 through bills rendered November 30, 2017. The surcharge will be based on each customer's billed amounts during this time frame multiplied by the 3.18% increase reduced by WICA surcharge of 3.03% collected during this time frame resulting in a surcharge of .15%. The surcharge will be reflected as a one-time surcharge on your bill.

METER NUMBER	FROM	TÓ	DAYS	PREVIOUS READING	PRESENT READING	CONSUMPTION	NEXT READ DATE
12345678	10/30	12/4	35	1234	1244	10	01/01/2018
NEW CHARGES - ACT	'UAL READ		•••••				
PWW WATER CONSU	IMPTION 10 C	CF					35.90
8 days at \$	\$1,1332 perd	ау					
22 days at	\$1.2199 per	day					
PWW MTHLY MTR 5/	/8″						22.15
8 days at 9	50.6996 perd	зγ					
22 days at	\$0,7526 per-	day					

To calculate your prorated bill, complete the following steps.

A. To calculate the prorated water consumption charge:

1. Divide your total consumption by the number of days in cycle a billing period (30 days)¹. This will provide your average daily consumption.

Average daily rate consumption based on 10 CCF of consumption: 10 CCF/30 days = 0.3333 CCF per day

2. To get the portion of the water consumption charge billed at the Permanent Rate based on being billed for a full period (30 cycle days), the number of days at the permanent rate is the difference of the Previous Read Date and the effective date of the Step Rate (11/07/17). The read period is indicated on your bill, please use the 'from' date for this step.

Example: (based on previous read date of 10/30/17) 11/7/2017 - 10/30/2017 = 8 days

3. Multiply the permanent rate of \$3.40 per CCF by the average daily consumption calculated in Step A.1. Multiply the result of this calculation by the number of days at the permanent rate as calculated in Step A.2. This is the portion of the consumption charge for this period at permanent rate.

Example: \$3.40 per CCF * 0.3333 CCF per day = \$1.1332 per day * 8 days = \$9.0657

4. Multiply the step rate of \$3.66 per CCF by the average daily consumption calculated in Step A.1. Multiply the result of this calculation by the number of days at the step rate (30 days less the number of days at the permanent rate as calculated in Step A.2). This is the portion of the consumption charge for this period at step rate.

Example: \$3.66 per CCF * 0.3333 CCF per day = \$1.2199 per day * 22 days = \$26.8378

5. Add the charges from Step A.2 and A.3 together to get the prorated water consumption amount.

Example: \$9.0657 + 26.8378 = \$35.903 = \$35.90

B. To calculate the prorated monthly meter charge:

1. Divide the 'Permanent Rate' monthly meter charge by the number of cycle days in a billing period (30 days)¹ to calculate the daily charge at the permanent rate.

Example: (based on a 5/8" monthly meter charge) 20.99/30 days = 0.6996 per day

2. Divide the 'Step Rate' customer charge by the number of cycle days in your billing period (30 days)¹ to calculate the daily charge at the step rate.

Example: (based on a 5/8" monthly meter charge) 22.58/30 days = 0.7526 per day

3. Multiply the permanent rate charge per day calculated in Step B.1. by the number of days at the permanent rate The number of days billed at the Permanent Rate is calculated in Step A.2.

Example: 8 days * \$0.6996 per day = \$5.5968

4. Multiply the step rate charge per day calculated in Step B.2 by the number of days at the permanent rate The number of days billed at the Step Rate is calculated in Step A.4.

Example: 22 days * \$0.7526 per day = \$16.5572

5. Add the charges from step A.3 and A.4 together to get the prorated customer charge amount. Example: \$5.5968 + \$16.5572 = \$22.1540 = \$22.15

Notes:

- 1. Your normal billing period is 30 days for proration purposes.
- 2. Please note that the result of your calculation may be slightly different from the prorated amount on your bill. This is due to rounding differences in the intermediate calculations.

On November 7, 2017, the New Hampshire Public Utilities Commission (NHPUC) approved a permanent rate increase of 3.18% for all customers effective as of December 7, 2016. A step increase of 7.82% was also approved effective service rendered as of the order date of November 7, 2017. Based on this order, your bill for this month is prorated for days at the permanent rate and days at the step rate. Following the steps below along with the included rate sheet and your bill will enable you to calculate the portion of your bill for this month billed at the permanent rate.

In addition, pending final approval from NHPUC, customers will be surcharged for the incremental difference of the temporary and permanent rates for service rendered from December 7, 2016 through bills rendered November 30, 2017. The surcharge will be based on each customer's actual billed amounts during this time frame multiplied by the 3.18% increase. The surcharge will be collected in equal installments for 12 months on your bill.

-	METER NUMBER	FROM	TO	DAYS	PREVIOUS READING	PRESENT READING	CONSUMPTION	NEXT READ DATE
	12345678	10/30	12/4	35	1234	1244	10	01/01/2018
	NEW CHARGES - ACTU	JAL READ						
								35.90
	PWW WATER CONSUL	MPTION 10 C	2CF					23.20
	8 days at \$1	1.1332perd	зу					
	22 days at !	\$1.2 19 9 per	day					
	PWW MTHLY MTR 5/8	₩ 1						22.15
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	22 days at 1	\$0:7526 per	dav					
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Average daily rate consumption based on 10 CCF of consumption: 10 CCF/30 days = 0.3333 CCF per day

2. To get the portion of the water consumption charge billed at the Permanent Rate based on being billed for a full period (30 cycle days), the number of days at the permanent rate is the difference of the Previous Read Date and the effective date of the Step Rate (11/07/17). The read period is indicated on your bill, please use the 'from' date for this step.

Example: (based on previous read date of 10/30/17) 11/7/2017 - 10/30/2017 = 8 days

3. Multiply the permanent rate of \$3.40 per CCF by the average daily consumption calculated in Step A.1. Multiply the result of this calculation by the number of days at the permanent rate as calculated in Step A.2. This is the portion of the consumption charge for this period at permanent rate.

Example: \$3.40 per CCF * 0.3333 CCF per day = \$1.1332 per day * 8 days = \$9.0657

4. Multiply the step rate of \$3.66 per CCF by the average daily consumption calculated in Step A.1. Multiply the result of this calculation by the number of days at the step rate (30 days less the number of days at the permanent rate as calculated in Step A.2). This is the portion of the consumption charge for this period at step rate.

Example: \$3.66 per CCF * 0.3333 CCF per day = \$1.2199 per day * 22 days = \$26.8378

5. Add the charges from Step A.2 and A.3 together to get the prorated water consumption amount.

Example: \$9.0657 + 26.8378 = \$35.903 = \$35.90

B. To calculate the prorated monthly meter charge:

1. Divide the 'Permanent Rate' monthly meter charge by the number of cycle days in a billing period (30 days)¹ to calculate the daily charge at the permanent rate.

Example: (based on a 5/8" monthly meter charge) 20.99/30 days = 0.6996 per day

2. Divide the 'Step Rate' customer charge by the number of cycle days in your billing period (30 days)¹ to calculate the daily charge at the step rate.

Example: (based on a 5/8" monthly meter charge) 22.58/30 days = 0.7526 per day

3. Multiply the permanent rate charge per day calculated in Step B.1. by the number of days at the permanent rate The number of days billed at the Permanent Rate is calculated in Step A.2.

Example: 8 days * \$0.6996 per day = \$5.5968

4. Multiply the step rate charge per day calculated in Step B.2 by the number of days at the permanent rate The number of days billed at the Step Rate is calculated in Step A.4.

Example: 22 days * \$0.7526 per day = \$16.5572

5. Add the charges from step A.3 and A.4 together to get the prorated customer charge amount. Example: \$5.5968 + \$16.5572 = \$22.1540 = \$22.15

Notes:

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