

STATEMENT OF THE SPECIAL CIRCUMSTANCES

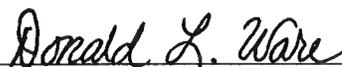
1. Anheuser-Busch, LLC is Pennichuck Water Works, Inc.'s (Pennichuck) largest customer. Pursuant to the first contract, dated March 3, 1969, Anheuser-Busch compensated Pennichuck for the installation of: (i) a 24-inch water main running from its water treatment plant in the City of Nashua northerly along the Daniel Webster Highway to a point opposite the westerly boundary line of Anheuser-Busch, LLC's premises in Merrimack, New Hampshire; (ii) a water service connection of 20-inch size running from said 24-inch pipeline to and through the westerly property line of Anheuser-Busch, LLC to a meter vault; and (iii) metering and associated equipment, all for the purpose of enabling Pennichuck to supply water to Anheuser-Busch, LLC.

2. The service to be rendered under the proposed fifth contract is similar to past special contracts and consists of the furnishing of water service to Anheuser-Busch, LLC, at its premises located at 221 Daniel Webster Highway, P.O. Box 610, Merrimack, New Hampshire, 03054-0610, at a price that recognizes Anheuser-Busch, LLC's prior capital contribution and insures that the revenues received from Anheuser-Busch, LLC will pay Anheuser-Busch, LLC's appropriate share of Pennichuck's administrative and general costs, of the expenses associated with the fixed assets that provide water service to Anheuser-Busch, LLC, and to pay the variable costs to serve Anheuser-Busch, LLC, based on Pennichuck's 2021 Cost of Service Study, while providing Anheuser-Busch, LLC a Volumetric Rate that is lower than the tariffed rate in order to retain Anheuser-Busch, LLC as a customer.

3. Consistent with prior special contracts in effect between Anheuser-Busch, LLC and Pennichuck, the proposed fifth contract has been designed to meet the specific needs of Anheuser-Busch, LLC while at the same time providing benefits for Pennichuck and its customers. The proposed fifth contract reduces the risk of Pennichuck losing the water taken by Anheuser-Busch, LLC. During calendar 2020, Anheuser-Busch, LLC used 265,881,088 gallons of Pennichuck water, which amounted to an average per day take of approximately 0.728 million gallons, or about 6.3% of PWW's total average daily usage in 2020. By way of contrast, Pennichuck's second largest customer was the Town of Hudson who used 148,160,100 gallons of water in 2020, an average per day take of 405,918 gallons. Retention of Anheuser-Busch, LLC as a customer will help hold down rates for Pennichuck's other customers.

4. Because of the high volume of Pennichuck's total revenues that are accounted for by Anheuser-Busch, LLC, Pennichuck requires protection from sudden reductions in Anheuser-Busch, LLC's usage. Therefore, the Minimum Daily Usage provision, ten-year term, and early termination provisions of the proposed fifth contract provide this necessary protection.

5. For the above reasons, Pennichuck believes "special circumstances exist which render such departure from the general schedules just and consistent with the public interest." RSA 378:18.



Donald L. Ware, Chief Operating Officer
Pennichuck Water Works