

DW 08-070

Debra Howland  
Executive Director  
Public Utilities Commission  
21 South Fruit Street  
Suite 10  
Concord, NH 03302

June 23, 2008

Dear Ms. Howland:



We are writing this letter to express our strong opposition to the rate increase requested (Docket # DW-08-070) by Lakes Region Water Company (LRWC). As we assume is the case for most of our fellow LRWC customers, we are unable to take days off from work or to incur the cost to travel to Concord NH to voice our concerns in person.

Since our water system was taken over by LRWC in 2005, we have seen our annual cost for water increase from \$233.00 to \$453.28. This current amount includes \$31.80 new annual "rate recovery charges." These "rate recovery charges" instituted under LRWC are omitted from the rate listed in the Public Notice on this matter, but they should certainly be construed as costs to the consumer. The current rate and additional charges already account for a 94.5% increase in cost to the consumer since LRWC took control, while we have observed no changes in services, options, or quality. Assuming that the current "rate recovery charges" will not change, the annual cost to the consumer will be raised to \$547.22 if the LRWC request is granted. This would represent a 134.9% increase in cost to the consumer since 2005. There is no doubt that this would cause hardship for New Hampshire consumers, many of whom are on fixed incomes, during this period of rapidly rising food and energy costs.

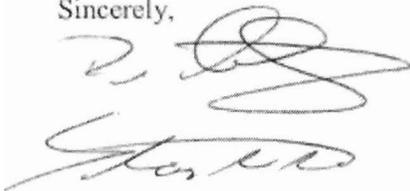
We already feel that the current cost for this utility is outrageous in comparison to those of other comparable communities. However, as you are well aware, connection to a water system is an absolute necessity for any household and we are provided no choice, given the monopolistic position of LRWC. Furthermore, since the service in our community is not metered in the individual residences, there is no way that a household is able to reduce this fixed cost through conservation or by changing usage behaviors. Consequently, we are certain that many LRWC customers will be compelled to compensate by cutting back on other necessities such as food and heating oil, since these expenses can be controlled through limiting usage.

We suggest that LRWC should be restricted from making any further rate increases until the issue of metering at individual residences is addressed. An unmetered water connection provides no incentive for conservation of this resource. In fact, we believe that the current situation, excessively high rate with unmetered connections, encourages wasteful behavior by the consumer. At a minimum, the LRWC customer should be afforded the opportunity to exercise some control over their utility costs through conservation measures and by changing usage behavior.

In closing, we would like to reiterate our fervent opposition to this proposed rate increase. We are certain that this increase would negatively affect the health and welfare of many consumers who are provided no choices in obtaining this necessary resource. This substantial rate increase would be particularly burdensome in the current difficult economic times faced by our region.

We thank you in advance for your consideration in this important matter.

Sincerely,

The image shows two handwritten signatures in black ink. The first signature is more complex and stylized, while the second is simpler and more legible.

Rebecca Armitage & Stuart Westin,  
LRWC Customers