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January 20, 2009



Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301

Re: DW 08-073; Pennichuck Water Works, Inc. – Rate Filing

Dear Ms. Howland:

I am writing in response to the January 15, 2009 letter filed by the Office of Consumer Advocate regarding Commission Order 24,926. In that letter, the Office of Consumer Advocate raised concerns with the cost of service study that was attached to the settlement agreement on temporary rates in this docket. The Company believes it is important to point out that the sole purpose of the revised cost of service study was to show the derivation of rates in the settlement agreement. The first page of that revised cost of service study clearly indicated that the study was revised to reflect the 11% revenue increase contained in the settlement agreement and the equal allocation of private and municipal fire protection revenues. On November 6, 2008, the Company circulated to the service list that revised study with the settlement agreement. The Company would have been glad to respond to any questions regarding the documents but did not receive any.

Very truly yours,

Sarah B. Knowlton

Enclosures

cc: Bonalyn J. Hartley
Donald Ware
Service List