

STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION
21 S. Fruit St., Suite 10
Concord, N.H. 03301-2429

September 9, 2009

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301



Re: DW 08-073, Pennichuck Water Works, Inc.
Staff Recommendation on Permanent /Temporary Rate Recoupment

Dear Ms. Howland:

As directed in Order No. 25,006, Pennichuck Water Works, Inc. (PWW) filed on August 26, 2009 a proposal to reconcile the difference between temporary rates and permanent rates in Docket DW 08-073. Since the specific amounts necessary to fully reconcile the difference between the permanent and temporary rate were not available at the hearing on the merits, PWW was to file a reconciliation report that would identify the funds to be recouped or refunded for each customer class. Staff and PWW anticipated recommending a one-time surcharge for General Metered Customers, and for the Anheuser-Busch, Milford, and Hudson contracts. PWW requests a recoupment for an average residential customer of an average of approximately \$1.42 per customer. PWW calculates the recoupment amount of \$185,663.12 for its private fire protection customers, to be recovered over a 12 month period. The Municipal fire class consisting of the Towns of Amherst, Bedford, Derry, Merrimack, and the City of Nashua will receive refunds which will be issued in equal installments over a twelve month period.

PWW's submission included copies of a Supplement No. 9 with attachments specifying the proposed recoupment/refund amounts proposed as well as backup schedules providing the computations of the difference between the temporary and permanent revenue levels to be reconciled. Staff has reviewed the information submitted by the Company, notes that the recoupment/refund proposals are as proposed in the settlement agreement approved by the Commission, and recommends that the proposed recoupment/refund amounts be approved.

If you have any questions, please feel free to contact me.

Sincerely,



James L. Lenihan
Utility Analyst, Gas & Water Division

Enclosures: PWW Supplement No. 9 including Recoupment for Permanent Rate increase
and Computation of Fire Protection Charges

cc: Service List

NHPUC NO. 5 - WATER
PENNICHUCK WATER WORKS, INC.
SUPPLEMENT NO. 9
TARIFF
for
WATER SERVICE
In
THE STATE OF NEW HAMPSHIRE

Issued: August 13, 2009

Issued by


Bonalyn J. Hartley

Effective: July 28, 2008

Title: Vice Pres. Admin & Regulatory Affairs

Authorized by NHPUC Order No. 25,006 in Docket No. DW 08-073, dated August 13, 2009.

PERMANENT RATE RECOUPMENT

General Metered Customers and Contract Customers:

General Metered Customers (GM) will be surcharged individually based on customer charge, actual usage, and contract rates. The Company will recoup from General Metered customers a one-time surcharge for service rendered from July 28, 2008 through bills rendered August 13, 2009 for the incremental difference of Temporary and Permanent Rates as follows:

<u>Customer Class</u>	<u>Total Recoupment</u>
General Metered	\$ 63,726.66
Anheuser Busch	\$ 3,217.37
Town of Milford	\$ 179.54
Town of Hudson	\$ 555.74
Total:	\$ 67,679.31

Average recoupment for Single Family Residential Customers is \$1.42. (\$33,899.04 divided by 23,882 customers.)

Private Fire Protection Customers:

Private Fire Protection (PFP) customers will be surcharged based on pipe size. The Company will recoup from PFP customers a surcharge in twelve equal installments for service rendered from July 28, 2008 through bills rendered August 13, 2009 as follows:

<u>Customer Class</u>	<u>Total Recoupment</u>
Private FP	\$ 185,663.12

Public Fire Hydrant Customers:

The company will provide a calculation for each municipality based on an amount billed at Temporary rates and the adjusted bill amount at Permanent rates resulting in a credit. Public Fire Hydrant Customers will receive a credit in twelve equal installments for service rendered from July 28, 2008 through bills rendered August 13, 2009 as follows:

<u>Customer Class</u>	<u>Total Recoupment Credit</u>
Public Fire Hydrant	
City of Nashua	\$ 148,834.19
Town of Bedford	\$ 10,249.89
Town of Merrimack	\$ 4,804.52
Town of Amherst	\$ 10,076.28
Town of Derry	\$ 1,804.82

Issued: August 21, 2009

Issued by: 
Bonalyn J. Hartley

Effective: July 28, 2008

Title: Vice President Admin & Regulatory Affairs

Authorized by NHPUC Order No. 25,006 in Docket No. DW 08-073, dated August 13, 2009.

**DW 08-073
Pennichuck Water Order No. 25,006
Recoupment Calculations for PWW Perm Rate Increase**

General Metered Customer to be surcharged individually based customer charge and actual usage:

The company will recoup from G-M customers by a one time surcharge for service rendered from July 28, 2008 through bills rendered August 13, 2009 for the incremental difference of Temporary and Permanent Rates.

Private Fire Protection Customers to be surcharged individually based on size:

The company will recoup from Private Fire Protection customers by a surcharge in twelve equal installments for service rendered from July 28, 2008 through bills rendered August 13, 2009 for the incremental difference of Temporary and Permanent Rates.

Percentage Calculation for service from July 28, 2008 through January 2, 2009.

Method- straight difference in temporary to permanent percentage

* ie: total increase of 10.45% minus temporary increase of 10.02% equals 0.43%

Customer Type	Recoupment %	Temp Increase	Perm Increase Cost of Service Study
Usage Charge	0.43% *	10.02%	10.45%
Customer Charge	0.41%	7.76%	8.17%
Private Fire Protection	37.12%	36.45%	73.57%

Percentage Calculation for billings from January 8, 2009 to August 13, 2009.

Method- percentage difference from temporary percent to permanent percent.

* ie: (1.1045 divided by 1.1002) minus 1 equals 0.39%

Customer Type	Recoupment %	Temp Increase	Perm Increase Cost of Service Study
Usage Charge	0.39% *	10.02%	10.45%
Customer Charge	0.38%	7.76%	8.17%
Private Fire Protection	27.20%	36.45%	73.57%

Public Hydrant Calculations

The company will credit Public Hydrant accounts in twelve equal installments for service rendered from July 28, 2008 through bills rendered August 13, 2009 based on the Cost of Service Study.

Calculated for each municipality based on amount billed at temporary rates and the adjusted bill amount at permanent rates resulting in a credit (see attached schedules).

Pennichuck Water Works, Inc.

**Computation of Fire Protection Charges
Town of Amherst 2009
Attachment I**

**Permanent Rate Increase Effective July 28, 2008
Step Rate Increase Effective August 13, 2009**

	Actual Billed Amount	Billing at Permanent Rate (1)	Recoupment Refund (2)
Aug 2008	\$ 12,089.45	\$ 11,786.78	\$ (302.67)
Sept 2008	\$ 12,089.45	\$ 11,786.78	\$ (302.67)
Oct 2008	\$ 12,089.45	\$ 11,786.78	\$ (302.67)
Nov 2008	\$ 12,089.45	\$ 11,786.78	\$ (302.67)
Dec 2008	\$ 12,089.45	\$ 11,786.78	\$ (302.67)
Jan 2009	\$ 12,640.24	\$ 11,786.78	\$ (853.46)
Recoupment	\$ 2,588.71		\$ (2,588.71)
Feb 2009	\$ 12,640.24	\$ 11,786.78	\$ (853.46)
Mar 2009	\$ 12,640.24	\$ 11,786.78	\$ (853.46)
Apr 2009	\$ 12,640.24	\$ 11,786.78	\$ (853.46)
May 2009	\$ 12,640.24	\$ 11,786.78	\$ (853.46)
Jun 2009	\$ 12,640.24	\$ 11,786.78	\$ (853.46)
July 2009	\$ 12,640.24	\$ 11,786.78	\$ (853.46)
Total:	\$ 151,517.64	\$ 141,441.36	\$ (10,076.28)

	2009/2010 Updated Billing (3)	Mthly Recoupment Refund (4)	Rate Case Expense (5)	Total Bill
Aug 2009	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
Sept 2009	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
Oct 2009	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
Nov 2009	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
Dec 2009	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
Jan 2010	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
Feb 2010	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
Mar 2010	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
Apr 2010	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
May 2010	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
Jun 2010	\$ 12,888.59	\$ (839.69)		\$ 12,048.90
July 2010	\$ 12,888.59	\$ (839.69)		\$ 12,048.90

(1) Updated Billing at the Permanent Rate increase effective for service rendered as of 7/28/08. (See Attachment II)

(2) Recoupment Refund for the difference between Temporary Rate and Permanent Rate to be refunded over 12 months.

(3) Updated Billing includes both the Permanent Rate Increase and the Step Increase for bills rendered as of August 13, 2009. (See Attachment II)

(4) Total Recoupment Refund of \$10,076.28 divided by 12 for a monthly refund amount of \$839.69.

(5) Rate Case Expense pending final approval; monthly bill to be adjusted once amount is determined.

Note: January through July 2010 billing amount subject to change for hydrant and inch-foot additions in first quarter of 2010.

Pennichuck Water Works, Inc.

Computation of Fire Protection Charges
Town of Amherst 2009
Attachment II

Size of Pipe (inches)	2007 Feet	2008 Feet	Total	Inch-Foot Units
6	16,227		16,227	97,362
8	30,994		30,994	247,952
(1) 8	21,370		21,370	170,960
12	49,550		49,550	594,600
Total:	118,141		118,141	1,110,874

Hydrants	113	None		113
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As of January 1, 2009 there were:

Permanent Rates		Rate	Total
Charges per "inch-foot" unit:	1,110,874	\$ 0.10816	120,152.13
Hydrants:	113	\$ 188.40	21,289.20

Total Annual Charge at Permanent Rate: \$ 141,441.33

Monthly Billing:
Total Annual Charge at Permanent Rate divided by 12 months: \$ 11,786.78

Combined Permanent and Step Rates		Rate	Total
Charges per "inch-foot" unit:	1,110,874	\$ 0.11828	131,394.18
Hydrants:	113	\$ 205.92	23,268.96

Total Annual Charge at Combined Permanent and Step Rate: \$ 154,663.14

Monthly Billing:
Total Annual Charge at Combined Rate divided by 12 months: \$ 12,888.59

Permanent Rate Increase Effective July 28, 2008 Service Rendered	
Hydrant Chg	\$15.70 per month
"Inch-Foot Chg"	\$0.10816 per year
Step Rate Increase Effective August 13, 2009 Bills Rendered	
Hydrant Chg	\$17.16 per month
"Inch-Foot Chg"	\$0.11828 per year

Note: The inch-foot charge remains the same throughout the year, but the hydrant charge will increase as new hydrants are installed.

(1) Allocation of Regional Pipeline

20-Aug-09

Pennichuck Water Works, Inc.

Computation of Fire Protection Charges
Town of Bedford 2009
Attachment I

Permanent Rate Increase Effective July 28, 2008
Step Rate Increase Effective August 13, 2009

	Actual Billed Amount	Billing at Permanent Rate (1)	Recoupment Refund (2)
Aug 2008	\$ 11,613.25	\$ 11,293.23	\$ (320.02)
Sept 2008	\$ 11,613.25	\$ 11,293.23	\$ (320.02)
Oct 2008	\$ 11,613.25	\$ 11,293.23	\$ (320.02)
Nov 2008	\$ 11,613.25	\$ 11,293.23	\$ (320.02)
Dec 2008	\$ 11,613.25	\$ 11,293.23	\$ (320.02)
Jan 2009	\$ 12,111.04	\$ 11,293.23	\$ (817.81)
Recoupment	\$ 2,107.31		\$ (2,107.31)
Feb 2009	\$ 12,111.04	\$ 11,293.23	\$ (817.81)
Mar 2009	\$ 12,111.04	\$ 11,293.23	\$ (817.81)
Apr 2009	\$ 12,111.04	\$ 11,293.23	\$ (817.81)
May 2009	\$ 12,111.04	\$ 11,293.23	\$ (817.81)
Jun 2009	\$ 12,111.04	\$ 11,293.23	\$ (817.81)
July 2009	\$ 12,111.04	\$ 11,293.23	\$ (817.81)
Aug 2009	\$ 12,111.04	\$ 11,293.23	\$ (817.81)
Total:	\$ 157,061.88	\$ 146,811.99	\$ (10,249.89)

	2009/2010 Updated Billing (3)	Mthly Recoupment Refund (4)	Rate Case Expense (5)	Total Bill
Aug 2009	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
Sept 2009	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
Oct 2009	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
Nov 2009	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
Dec 2009	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
Jan 2010	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
Feb 2010	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
Mar 2010	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
Apr 2010	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
May 2010	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
Jun 2010	\$ 12,349.01	\$ (854.16)		\$ 11,494.85
July 2010	\$ 12,349.01	\$ (854.16)		\$ 11,494.85

(1) Updated Billing at the Permanent Rate increase effective for service rendered as of 7/28/08. (See Attachment II)

(2) Recoupment Refund for the difference between Temporary Rate and Permanent Rate to be refunded over 12 months.

(3) Updated Billing includes both the Permanent Rate Increase and the Step Increase for bills rendered as of August 13, 2009. (See Attachment II)

(4) Total Recoupment Refund of \$10,249.89 divided by 12 for a monthly refund amount of \$854.16.

(5) Rate Case Expense pending final approval; monthly bill to be adjusted once amount is determined.

Note: January through July 2010 billing amount subject to change for hydrant and inch-foot additions in first quarter of 2010.

Pennichuck Water Works, Inc.

Computation of Fire Protection Charges
Town of Bedford 2009
Attachment II

Size of Pipe (inches)	2007 Feet	2008 Feet	Total	Inch-Foot Units
6	9,629	None	9,629	57,774
8	74,356		74,356	594,848
10	10,738		10,738	107,380
12	12,468		12,468	149,616
16	10,898		10,898	174,368
Total:	118,089		118,089	1,083,986

Hydrants	97	none		97
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As of January 1, 2009 there were:

Permanent Rates

Charges per "inch-foot" unit:

Hydrants:

	Rate	Total
1,083,986	\$ 0.10816	117,243.93
97	\$ 188.40	18,274.80

Total Annual Charge at Permanent Rate:

\$ 135,518.73

Monthly Billing:

Total Annual Charge at Permanent Rate divided by 12 months:

\$ 11,293.23

Combined Permanent and Step Rates

Charges per "inch-foot" unit:

Hydrants:

	Rate	Total
1,083,986	\$ 0.11828	128,213.86
97	\$ 205.92	19,974.24

Total Annual Charge at Combined Permanent and Step Rate:

\$ 148,188.10

Monthly Billing:

Total Annual Charge at Combined Rate divided by 12 months:

\$ 12,349.01

Permanent Rate Increase Effective July 28, 2008 Service Rendered	
Hydrant Chg	\$15.70 per month
"Inch-Foot Chg"	\$0.10816 per year
Step Rate Increase Effective August 13, 2009 Bills Rendered	
Hydrant Chg	\$17.16 per month
"Inch-Foot Chg"	\$0.11828 per year

Note: The inch-foot charge remains the same throughout the year, but the hydrant charge will increase as new hydrants are installed.

Pennichuck Water Works, Inc.

Computation of Fire Protection Charges
Town of Derry 2009
Attachment I

Permanent Rate Increase Effective July 28, 2008
Step Rate Increase Effective August 13, 2009

	Actual Billed Amount	Billing at Permanent Rate (1)	Recoupment Refund (2)
Aug 2008	\$ 2,184.87	\$ 2,156.98	\$ (27.89)
Sept 2008	\$ 2,184.87	\$ 2,156.98	\$ (27.89)
Oct 2008	\$ 2,184.87	\$ 2,156.98	\$ (27.89)
Nov 2008	\$ 2,184.87	\$ 2,156.98	\$ (27.89)
Dec 2008	\$ 2,184.87	\$ 2,156.98	\$ (27.89)
Jan 2009	\$ 2,313.08	\$ 2,156.98	\$ (156.10)
Recoupment	\$ 572.67		\$ (572.67)
Feb 2009	\$ 2,313.08	\$ 2,156.98	\$ (156.10)
Mar 2009	\$ 2,313.08	\$ 2,156.98	\$ (156.10)
Apr 2009	\$ 2,313.08	\$ 2,156.98	\$ (156.10)
May 2009	\$ 2,313.08	\$ 2,156.98	\$ (156.10)
Jun 2009	\$ 2,313.08	\$ 2,156.98	\$ (156.10)
July 2009	\$ 2,313.08	\$ 2,156.98	\$ (156.10)
Total:	\$ 27,688.58	\$ 25,883.76	\$ (1,804.82)

	2009/2010 Updated Billing (3)	Mthly Recoupment Refund (4)	Rate Case Expense (5)	Total Bill
Aug 2009	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
Sept 2009	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
Oct 2009	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
Nov 2009	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
Dec 2009	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
Jan 2010	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
Feb 2010	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
Mar 2010	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
Apr 2010	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
May 2010	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
Jun 2010	\$ 2,358.52	\$ (150.40)		\$ 2,208.12
July 2010	\$ 2,358.52	\$ (150.40)		\$ 2,208.12

(1) Updated Billing at the Permanent Rate increase effective for service rendered as of 7/28/08. (See Attachment II)

(2) Recoupment Refund for the difference between Temporary Rate and Permanent Rate to be refunded over 12 months.

(3) Updated Billing includes both the Permanent Rate Increase and the Step Increase for bills rendered as of August 13, 2009. (See Attachment II)

(4) Total Recoupment Refund of \$1,804.82 divided by 12 for a monthly refund amount of \$150.40.

(5) Rate Case Expense pending final approval; monthly bill to be adjusted once amount is determined.

Note: January through July 2010 billing amount subject to change for hydrant and inch-foot additions in first quarter of 2010.

20-Aug-09

Pennichuck Water Works, Inc.

Computation of Fire Protection Charges
Town of Derry 2009
Attachment II

Size of Pipe (inches)	2007 Feet	2008 Feet	Total	Inch-Foot Units
6	6,378	None	6,378	38,268
8	17,287		17,287	138,296
10	-		-	-
12	729		729	8,748
Total:	24,394		24,394	185,312

Hydrants	31	None	31
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As of January 1, 2009 there were:

Permanent Rates

Charges per "inch-foot" unit:
Hydrants:

	Rate	Total
185,312	\$ 0.10816	20,043.35
31	\$ 188.40	5,840.40

Total Annual Charge at Permanent Rate:

\$ 25,883.75

Monthly Billing:

Total Annual Charge at Permanent Rate divided by 12 months:

\$ 2,156.98

Combined Permanent and Step Rates

Charges per "inch-foot" unit:
Hydrants:

	Rate	Total
185,312	\$ 0.11828	21,918.70
31	\$ 205.92	6,383.52

Total Annual Charge at Combined Permanent and Step Rate:

\$ 28,302.22

Monthly Billing:

Total Annual Charge at Combined Rate divided by 12 months:

\$ 2,358.52

Permanent Rate Increase Effective July 28, 2008 Service Rendered	
Hydrant Chg	\$15.70 per month
"Inch-Foot Chg"	\$0.10816 per year
Step Rate Increase Effective August 13, 2009 Bills Rendered	
Hydrant Chg	\$17.16 per month
"Inch-Foot Chg"	\$0.11828 per year

Note: The inch-foot charge remains the same throughout the year, but the hydrant charge will increase as new hydrants are installed.

Pennichuck Water Works, Inc.

Computation of Fire Protection Charges
Town of Merrimack 2009
Attachment I

Permanent Rate Increase Effective July 28, 2008
Step Rate Increase Effective August 13, 2009

	Actual Billed Amount	Billing at Permanent Rate (1)	Recoupment Refund (2)
Aug 2008	\$ 5,784.70	\$ 5,606.75	\$ (177.95)
Sept 2008	\$ 5,784.70	\$ 5,606.75	\$ (177.95)
Oct 2008	\$ 5,784.70	\$ 5,606.75	\$ (177.95)
Nov 2008	\$ 5,784.70	\$ 5,606.75	\$ (177.95)
Dec 2008	\$ 5,784.70	\$ 5,606.75	\$ (177.95)
Jan 2009	\$ 6,012.83	\$ 5,606.75	\$ (406.08)
Recoupment	\$ 1,072.21		\$ (1,072.21)
Feb 2009	\$ 6,012.83	\$ 5,606.75	\$ (406.08)
Mar 2009	\$ 6,012.83	\$ 5,606.75	\$ (406.08)
Apr 2009	\$ 6,012.83	\$ 5,606.75	\$ (406.08)
May 2009	\$ 6,012.83	\$ 5,606.75	\$ (406.08)
Jun 2009	\$ 6,012.83	\$ 5,606.75	\$ (406.08)
July 2009	\$ 6,012.83	\$ 5,606.75	\$ (406.08)
Total:	\$ 72,085.52	\$ 67,281.00	\$ (4,804.52)

	2009/2010 Updated Billing (3)	Mthly Recoupment Refund (4)	Rate Case Expense (5)	Total Bill
Aug 2009	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
Sept 2009	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
Oct 2009	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
Nov 2009	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
Dec 2009	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
Jan 2010	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
Feb 2010	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
Mar 2010	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
Apr 2010	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
May 2010	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
Jun 2010	\$ 6,130.98	\$ (400.38)		\$ 5,730.60
July 2010	\$ 6,130.98	\$ (400.38)		\$ 5,730.60

(1) Updated Billing at the Permanent Rate increase effective for service rendered as of 7/28/08. (See Attachment II)

(2) Recoupment Refund for the difference between Temporary Rate and Permanent Rate to be refunded over 12 months.

(3) Updated Billing includes both the Permanent Rate Increase and the Step Increase for bills rendered as of August 13, 2009. (See Attachment II)

(4) Total Recoupment Refund of \$4,804.52 divided by 12 for a monthly refund amount of \$400.38.

(5) Rate Case Expense pending final approval; monthly bill to be adjusted once amount is determined.

Note: January through July 2010 billing amount subject to change for hydrant and inch-foot additions in first quarter of 2010.

Pennichuck Water Works, Inc.

**Computation of Fire Protection Charges
Town of Merrimack 2009
Attachment II**

Size of Pipe (inches)	2007 Feet	2008 Feet	Total	Inch-Foot Units
6	189	None	189	1,134
8	7,791		7,791	62,328
10	-		-	-
12	13,488		13,488	161,856
14	-		-	-
16	438		438	7,008
20	7		7	140
24	13,257		13,257	318,168
Total:	35,170		35,170	550,634

Hydrants	41	None	41
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As of January 1, 2009 there were:

Permanent Rates

Charges per "inch-foot" unit:

Hydrants:

	Rate	Total
550,634	\$ 0.10816	59,556.57
41	\$ 188.40	7,724.40

Total Annual Charge at Permanent Rate:

\$ 67,280.97

Monthly Billing:

Total Annual Charge at Permanent Rate divided by 12 months:

\$ 5,606.75

Combined Permanent and Step Rates

Charges per "inch-foot" unit:

Hydrants:

	Rate	Total
550,634	\$ 0.11828	65,128.99
41	\$ 205.92	8,442.72

Total Annual Charge at Combined Permanent and Step Rate:

\$ 73,571.71

Monthly Billing:

Total Annual Charge at Combined Rate divided by 12 months:

\$ 6,130.98

Permanent Rate Increase Effective July 28, 2008 Service Rendered	
Hydrant Chg	\$15.70 <i>per month</i>
"Inch-Foot Chg"	\$0.10816 <i>per year</i>
Step Rate Increase Effective August 13, 2009 Bills Rendered	
Hydrant Chg	\$17.16 <i>per month</i>
"Inch-Foot Chg"	\$0.11828 <i>per year</i>

Note: The inch-foot charge remains the same throughout the year, but the hydrant charge will increase as new hydrants are installed.

Pennichuck Water Works, Inc.

Computation of Fire Protection Charges
City of Nashua 2009
Attachment I

Permanent Rate Increase Effective July 28, 2008
Step Rate Increase Effective August 13, 2009

	Actual Billed Amount	Billing at Permanent Rate (1)	Recoupment Refund (2)
Aug 2008	\$ 177,754.82	\$ 174,633.86	\$ (3,120.96)
Sept 2008	\$ 177,754.82	\$ 174,633.86	\$ (3,120.96)
Oct 2008	\$ 177,754.82	\$ 174,633.86	\$ (3,120.96)
Nov 2008	\$ 177,754.82	\$ 174,633.86	\$ (3,120.96)
Dec 2008	\$ 177,754.82	\$ 174,633.86	\$ (3,120.96)
Jan 2009	\$ 187,274.71	\$ 174,633.86	\$ (12,640.85)
Recoupment	\$ 44,743.44		\$ (44,743.44)
Feb 2009	\$ 187,274.71	\$ 174,633.86	\$ (12,640.85)
Mar 2009	\$ 187,274.71	\$ 174,633.86	\$ (12,640.85)
Apr 2009	\$ 187,274.71	\$ 174,633.86	\$ (12,640.85)
May 2009	\$ 187,274.71	\$ 174,633.86	\$ (12,640.85)
Jun 2009	\$ 187,274.71	\$ 174,633.86	\$ (12,640.85)
July 2009	\$ 187,274.71	\$ 174,633.86	\$ (12,640.85)
Total:	\$ 2,244,440.51	\$ 2,095,606.32	\$ (148,834.19)

	2009/2010 Updated Billing (3)	Mthly Recoupment Refund (4)	Rate Case Expense (5)	Total Bill
Aug 2009	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
Sept 2009	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
Oct 2009	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
Nov 2009	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
Dec 2009	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
Jan 2010	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
Feb 2010	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
Mar 2010	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
Apr 2010	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
May 2010	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
Jun 2010	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03
July 2010	\$ 190,953.88	\$ (12,402.85)		\$ 178,551.03

(1) Updated Billing at the Permanent Rate increase effective for service rendered as of 7/28/08. (See Attachment II)

(2) Recoupment Refund for the difference between Temporary Rate and Permanent Rate to be refunded over 12 months.

(3) Updated Billing includes both the Permanent Rate Increase and the Step Increase for bills rendered as of August 13, 2009. (See Attachment II)

(4) Total Recoupment Refund of \$148,834.19 divided by 12 for a monthly refund amount of \$12,402.85.

(5) Rate Case Expense pending final approval; monthly bill to be adjusted once amount is determined.

Note: January through July 2010 billing amount subject to change for hydrant and inch-foot additions in first quarter of 2010.

Pennichuck Water Works, Inc.

Computation of Fire Protection Charges
City of Nashua 2009
Attachment II

Size of Pipe (inches)	2007 Feet	2008 Feet	Total	Inch-Foot Units
6	184,024	None	184,024	1,104,144
8	910,728		910,728	7,285,824
10	25,990		25,990	259,900
12	295,125		295,125	3,541,500
14	600		600	8,400
16	111,861		111,861	1,789,776
20	2,342		2,342	46,840
24	63,790		63,790	1,530,960
Total:	1,594,460		1,594,460	15,567,344

Hydrants	2186	None		2186
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As of January 1, 2009 there were:

Permanent Rates

Charges per "inch-foot" unit:

Hydrants:

	Rate	Total
Charges per "inch-foot" unit:	15,567,344 \$ 0.10816	1,683,763.93
Hydrants:	2,186 \$ 188.40	411,842.40

Total Annual Charge at Permanent Rate:

\$ 2,095,606.33

Monthly Billing:

Total Annual Charge at Permanent Rate divided by 12 months:

\$ 174,633.86

Combined Permanent and Step Rates

Charges per "inch-foot" unit:

Hydrants:

	Rate	Total
Charges per "inch-foot" unit:	15,567,344 \$ 0.11828	1,841,305.45
Hydrants:	2,186 \$ 205.92	450,141.12

Total Annual Charge at Combined Permanent and Step Rate:

\$ 2,291,446.57

Monthly Billing:

Total Annual Charge at Combined Rate divided by 12 months:

\$ 190,953.88

Permanent Rate Increase Effective July 28, 2008 Service Rendered	
Hydrant Chg	\$15.70 per month
"Inch-Foot Chg"	\$0.10816 per year
Step Rate Increase Effective August 13, 2009 Bills Rendered	
Hydrant Chg	\$17.16 per month
"Inch-Foot Chg"	\$0.11828 per year

Note: The inch-foot charge remains the same throughout the year, but the hydrant charge will increase as new hydrants are installed.

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