

# STEPHEN P. ST. CYR & ASSOC.

17 Sky Oaks Drive, Biddeford, ME 04005

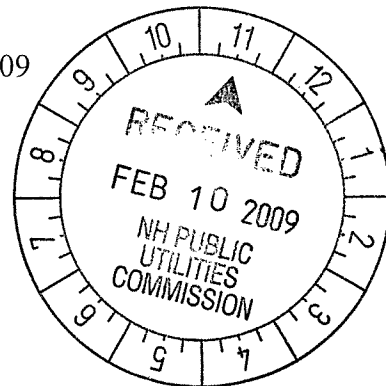
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Accounting & Finance  
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Management Services

February 9, 2009

Debra Howland  
Executive Director & Secretary  
Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, N. H. 03301-2429



Dear Ms. Howland:

On behalf of Forest Edge Water Company ("FEWC" or "Company") enclosed is the original and eight copies of the Company's financing and rate filing in DW 08-160. Additionally, a copy has been sent to the Consumer Advocate.

The rate filing includes the following:

- (1) Introductory letter
- (2) Report of proposed changes
- (3) Proposed tariff pages
- (4) Prefiled direct testimony of Stephen P. St. Cyr
- (5) Schedules (including adjustments)
- (6) Proposed statement to be transmitted to each customer
- (7) Responses to NHPUC 1604.01 requirements
- (8) An attestation by Stephen P. St. Cyr regarding the rate filing being an accurate reflection of Company's books

The Company believes that it has met the financing and rate filing requirements. It is our understanding that the Commissioners will schedule a prehearing conference to consider motions for intervention and a procedural schedule. **In the event that the PUC suspends the proposed rates pending the Commission's investigation of such rates prior to rendering a final order, the Company respectfully requests that PUC approve the present rates as temporary rates. In support of such temporary rates, as part of this filing, the Company realized a net loss of \$15,870 during the test year.** The Company anticipates being able to discuss and resolve any issues that may arise during the proceedings. If the Commissioners and/or its Staff have any questions, please contact me at 207-282-5222.

Sincerely,

A handwritten signature in cursive script that reads "Stephen P. St. Cyr".

Stephen P. St. Cyr

# STEPHEN P. ST. CYR & ASSOC.

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Forest Edge Water Company  
before the  
New Hampshire Public Utilities Commission

DW 08-160  
Introductory Letter

Forest Edge Water Company ("FEWC" or "Company") respectfully requests that the Commissioners accept this filing in support of its request for the financing of 2007 system improvements and other expenditures. Also, the Company respectfully requests that the Commissioners approve an increase in rates so as to generate enough revenue to repay the proposed debt and cover its operating expenses. If the financing and rate filing is accepted as submitted, the Company would realize an annual increase in revenues of \$10,852. The permanent revenue increase of \$10,852 would enable the Company to earn a 7.00% rate of return on its rate base of \$32,552. The average annual amount for a residential customer would increase from \$200.00 to \$485.58, an increase of \$285.58 or 142.79%.

During the twelve months ended December 31, 2007, the Company's net operating income (loss) amounted to (\$15,870). The Company's revenues are simply not enough to meet its operating expenses. It has been nearly 24 years since the last rate increase. The Company's present rates were authorized in DE 84-376 by the Public Utilities Commission order number 17,490 dated March 12, 1985. At December 31, 2007 the Company had 38 customers. The Company has made a few proforma adjustments in its filing. The proforma adjustments are an attempt to adjust test year revenue and expenses to what the Company believes such revenue and expenses need to be in order for the Company to recover its costs and to earn a fair and reasonable return on its investment.

The Company is requesting that the proposed rate be effective immediately. **In the event that the PUC suspends the proposed rates pending the Commission's investigation of such rates prior to rendering a final order, the Company respectfully requests that PUC approve the present rates as temporary rates. In support of such temporary rates, as part of this filing, the Company realized a net loss of \$15,870 during the test year.**

With respect to the specific rate filing and its exhibits and supporting schedules, we have engaged the services of Stephen P. St. Cyr of St. Cyr & Associates to prepare the financing and rate filing and to draft and present testimony on the merits of the case. Enclosed is his testimony, the schedules and supporting documentation and the other rate filing requirements.

SPStCyr  
02/09/09

Forest Edge Water Company

DW 08-160

Testimony, Exhibits and

Other Financing and Rate Case Requirements

Forest Edge Water Company

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Testimony, Exhibits and

Other Financing and Rate Case Requirements

Forest Edge Water Company

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3. Report of Proposed Changes
4. Proposed Tariff Pages
5. Prefiled Direct Testimony of Stephen P. St. Cyr
6. Rate Case Schedules
7. Proposed Statement to Customers
8. Responses to 1604.01 Requirements
9. Attestation