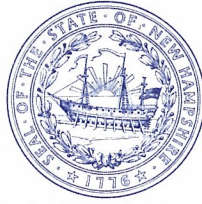


THE STATE OF NEW HAMPSHIRE

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June 1, 2009

21 S. FRUIT ST., SUITE 18
CONCORD, NEW HAMPSHIRE 03301-2429

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



Re: DW 10-141 Lakes Region Water Company Rate Case

Dear Ms. Howland:

On May 14, 2010 Lakes Region Water Company (LRWC) filed a petition for change in rate schedules, as well as a request for a waiver of fifteen of the Commission's Rate Case Filing Requirements pursuant to Puc 1604.01. The OCA has concerns with several of LRWC's requests.

First, we are not clear as to LRWC's first request for a waiver of Puc 1604.01(a)(1). It appears from the company's filing that it requests a waiver due to the fact that it "does not produce monthly financial statements." However, only Puc 1604.01(a)(1)(a) pertains to monthly financial reports. Therefore, we believe that the Company should still comply with parts (b) and (c) of that rule. In addition, we do not believe that the fact that a utility does not produce certain reports is a sufficient basis for a waiver request.

Similarly, LRWC seeks a waiver of the requirement of Puc 1604.01(a)(19), which requires quarterly income statements for the previous five years. We are concerned that the Company produces neither monthly nor quarterly financial statements. We also do not believe that this is a sufficient basis for a waiver request.

Finally, the OCA objects to LRWC's request for a waiver of Puc 1604.01(a)(17), which requires "for non-utility operations, the amount of assets and costs allocated thereto and justification for such allocations." The Company states in its request that it "has no non-utility operations." However, the company has previously filed affiliate agreements which will be explored thoroughly in the rate case, and which strongly suggest that the company does have non-utility operations. In addition, the Company's 2009 Annual Report raises concerns related to this waiver request. On page 12 of the 2009 Annual Report, labeled "A-11 Business Transactions With Related Parties," Part 1 includes a Table showing Services and Products Received or Provided. The information

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includes a Table showing Services and Products Received or Provided. The information provided shows labor and/or materials purchased and sold with related parties, including LRW Water Services, Inc. and Thomas Adam Mason. Because Mr. Mason is both the Acting President of Lakes Region Water Company and the owner of LR Water Services, Inc., we believe that this information is critical to the Company's request for an increase in rates. Therefore, we believe that the Company must provide justification for allocations of assets and costs to non-utility operations, including the information required by subpart 17 of the rule.

Finally, the OCA requests that the Company, in future filings, utilize "Jr." or "Sr." when referring to the two Mr. Thomas A. Masons that are or have been affiliated with the Company. It is confusing in the filings, as well as in the annual report, to see references with and without these suffixes and it would be helpful to the OCA if they were used consistently.

Please do not hesitate to contact me if you require further information.

Respectfully,



Meredith A. Hatfield
Consumer Advocate

cc: Service List