

McLane

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OFFICES IN:
MANCHESTER
CONCORD
PORTSMOUTH

August 11, 2005

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
Walker Building
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

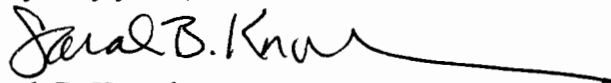
**Re: DW 05-072; Pennichuck East Utility, Inc.
Pennichuck East Utility, Inc.'s Response to Record Request (Exhibit 4)**

Dear Ms. Howland:

Enclosed for filing with the Commission are an original and eight copies of Pennichuck East Utility, Inc.'s response to Commissioner Getz's record request that was designated as Exhibit 4 at the August 10, 2005 hearing, together with a computer diskette with a copy of the Exhibit in Excel format.

If you have any questions, please do not hesitate to call. Thank you for your assistance with this matter.

Very truly yours,

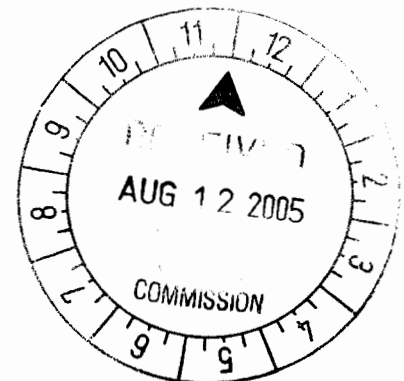


Sarah B. Knowlton

SBK:ksm

Enclosures

cc: Service List
William D. Patterson
Bonaly J. Hartley
Donald L. Ware



PENNICHUCK EAST UTILITY, INC.
COMPUTATION OF REVENUE DEFICIENCY

CONSOLIDATED

For The Twelve Months Ended

December 31, 2004

	TEST YEAR 12/31/2004	TEMPORARY INCREASE (9%)	TEMPORARY INCREASE APPLIED TO TEST YEAR
Consolidated Rate Base (Sch 3)	\$ 10,371,691		\$ 10,371,691
RATE of Return (current)	8.30%		8.30%
Income Required	\$ 860,850		\$ 860,850
Adjusted Net Operating Income (Sch 1)	\$ 399,995		\$ 569,356
Deficiency	\$ 460,855	\$ 169,361	\$ 291,494
Tax Factor	60.39%	60.39%	60.39%
Revenue Deficiency	\$ 763,131	\$ 280,445	\$ 482,686
Water Revenues	\$ 3,116,056	\$ 3,396,501	\$ 3,396,501

RATE of Return @9% Temporary Increase

5.49%