



Dear Abenaki Customer,

This is to let you know that on July 22, 2015, Abenaki Water Company (the "Company") filed an application to increase system water and sewer rates with the New Hampshire Public Utilities Commission (NH PUC). If approved as filed, water rates overall would increase by 23.41%. For a Belmont customer typically using 3,000 gallons per month, the water bill would increase to \$65. This increase represents approximately 38 cents per day to that water bill. Further, for the same customer using 3,000 gallons per month, the sewer charge would increase by 46.92% to \$50.77 per month. This increase represents approximately 54 cents per day to that sewer bill. Sewer charge increases are largely driven by the City of Laconia upon which the Company has little control.

The Lakeland system's last rate increase was in 2012 based on its costs incurred in 2009. Since that time the Company has been able to absorb increasing operating expenses until now.

During the past year, 2014, the Company has made infrastructure improvements including rebuilding elements of the sewer system pump station to reinforce the ability for continuous service and minimize the potential for down time. Additionally, major improvements have been made to data collection (radio read metering) enabling the Company to provide more timely and precise billing, and importantly, to more accurately monitor water losses which are a measure of distribution system integrity. Over the longer term, the Company is confident these improvements will have the effect of mitigating rising operating costs.

Looking forward to the remainder of 2015 and into 2016, the Company plans to continue improvements to its water distribution system. As an example, it will install certain main line valves for better control of water. In addition the Company will also be replacing and rebuilding essential components of its water pumping station which include installation of energy saving variable frequency drive pumps and a ground entry superstructure. These activities represent considered reinvestment in the overall system which will gradually enhance service.

Subsequent to the filing with the NH PUC, the Company is also proposing temporary rates. The rate increase will be subject to review and final approval by the NH PUC. The Company will keep you apprised of the proceeding before the NH PUC and its final conclusion.

Very truly yours,

Alex Crawshaw, President
Abenaki Water Company

www.abenakiwatercompany.com
Specializing in water system operations and maintenance
37 Northwest Drive • Plainville, CT 06062 • Phone 603 293-8580 • Fax 860 747-2536



Dear Abenaki Customer,

This is to let you know that on July 22, 2015, Abenaki Water Company (the "Company") filed an application to increase system water rates with the New Hampshire Public Utilities Commission (NH PUC). If approved as filed, water rates overall would increase by 23.41%. For a Bow customer typically using 3,000 gallons per month, the water bill would increase to \$65. This increase represents approximately 47 cents per day to that water bill.

The White Rock system's last rate increase was in 2007 based on its costs incurred in 2005. Since that time the Company has been able to absorb increasing operating expenses until now.

During the past year, 2014, the Company has made infrastructure improvements including the installation of a generator for stand-by power to ensure continuous service to you regardless of power disruptions. This condition has already been demonstrated this past winter. Additionally, major improvements have been made to data collection (radio read metering) enabling the Company to provide more timely and precise billing, and importantly, to more accurately monitor water losses which are a measure of distribution system integrity. Over the longer term, the Company is confident these improvements will have the effect of mitigating rising operating costs.

Looking forward to the remainder of 2015 and into 2016, the Company plans to continue improvements to its water mains and services. As an example, it will install certain main line valves for better control of water as well as replace particular aging service lines. These activities represent considered reinvestment in the overall system which will gradually enhance service.

Subsequent to the filing with the NH PUC, the Company is also proposing temporary rates. The rate increase will be subject to review and final approval by the NH PUC. The Company will keep you apprised of the proceeding before the NH PUC and its final conclusion.

Very truly yours,

Alex Crawshaw, President
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PUC 1604.01(b)

- (1) The Company made no charitable contributions during the test year.
- (2) The Company did not incur any advertising charges in the test year.
- (3) See Schedules 3B for planned 2015 capital expenditures.
- (4) The Company utilizes the PUC's chart of accounts.
- (5) Below, please find list of all membership fees, dues, lobbying expenses and donations:
 \$65 paid to NHWWA
- (6) The Company has never prepared a depreciation study.
- (7) See Attachment 1604.01(b) (7) for financial audit.
- (8) See page 4 of the 2014 PUC Annual Report for list of officers and directors and their compensation.
- (9) See page 6 of the 2014 PUC Annual Report for payments to individuals.
- (10) The Company has no non-utility operations.
- (11) The Company first began to operate as a utility on February 14, 2014. The 2014 balance sheet and income statement are incorporated into the rate filing and further supported by the 2014 PUC Annual Report.
- (12) The Company first began to operate as a utility on February 14, 2014. As such, quarterly income statements do not exist for the previous 2 years.
- (13) The Company first began to operate as a utility on February 14, 2014. As such, quarterly sales volumes do not exist for the previous 2 years.
- (14) The Company projected need for external capital for 2015 and 2016 is yet to be determined.
- (15) Support for amounts appearing on written testimony and in accompanying exhibits will be submitted as requested if not detailed in supporting schedules.



July 22, 2015

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

Dear Ms. Howland:

I affirm, based on my personal knowledge, information and belief, that the revenues and expenses and assets, liabilities and equity and the supporting data submitted, which purport to reflect the books and records of the Company, do in fact set forth the results shown by such books and records.

Sincerely,

A handwritten signature in black ink that reads "Deborah O. Carson". The signature is written in a cursive style.

Deborah O. Carson