



PENNICHUCK

October 17, 2016

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

WWW.PENNICHUCK.COM

Re: Pennichuck Water Works, Inc.
Docket No. DW 16-220, WICA Capital Projects
Notice of Project Substitution

PNPUC 20OCT16AM11:49

Dear Ms. Howland,

In accordance with Docket No. DW 16-220, and Pennichuck Water Works, Inc. (PWW or Company), Tariff Page 51, the Company is providing notice of certain project substitutions to reflect changed circumstances. Please find enclosed PWW's revised 2016 WICA projects schedule. The changes for this quarter are summarized below and have also been highlighted in blue on the attached schedule. The changes submitted in the prior quarter have remained highlighted in yellow and green for Q1 and Q2 updates respectively. The changes for this quarter primarily consisted of the following items:

1. The most significant project costs change has to do with four projects that were deferred last quarter due to the fact that the engineering staff dedicated to completing project design work was reassigned to the design of the proposed water main extension in North Litchfield to provide public water to homes with PFOA tainted wells. It has now been determined that four of the original seven projects that were deferred needed to be revived due to various reasons. These amounted to additional projects costs of \$1,045,000.
2. The second change had to do with several of the projects resulting in slightly higher costs than originally estimated. Even the lowest bid projects were higher than original estimates. There were a total of six projects that were affected by this. The increased costs associated with these were \$138,000.
3. Additionally, the Planning Contingency cost has been revised to 0% as all 2016 contracts are under construction.

Please note that the overall 2016 WICA dollar amount for which PWW is seeking approval is \$5,040,943 which is an increase of \$23,000 from the original approved WICA cost of \$5,017,943. Please let me know if you have any questions or need additional information provided.

Sincerely,

Carol Ann Howe, CPA

Assistant Treasurer and Director of Regulatory Affairs and Business Services

Enclosure

cc: Office of Consumer Affairs – via electronic mail
Jayson Laflamme – via electronic mail