



November 8, 2016

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

*Via Email and Fedex Overnight*

Ref: Order No. 25,957 in Docket No. DW 16-806  
Petition for Permanent and Temporary Rate Increase and  
Modification in Ratemaking Methodology -  
Affidavit of Publication Filing  
Affidavit of Notification to Town Clerks  
Affidavit of Notification to Customers

Dear Ms. Howland,

In accordance with the Order noted above, we have attached an original and six copies of the Affidavits and supporting documents for each of the Publication Filings, Notification to Town Clerks and Notifications to Customers. The attached will show proof of publication of the Order in two statewide newspapers of general circulation (Union Leader and Nashua Telegraph) by November 16. We have included certified statements as proof for the Notifications to the Town Clerks and Customers as indicated in the Order.

Please let me know if you require any additional information in accordance with the Affidavit filing requirements.

Sincerely,



Carol Ann Howe, CPA  
Assistant Treasurer and Director of Regulatory Affairs and Business Services  
[carolann.howe@pennichuck.com](mailto:carolann.howe@pennichuck.com)  
603-913-2320

Attachments

Distribution to the Service List was provided in the electronic filing

NHPUC 10NOV16AM11:21

**UNION LEADER CORPORATION**

P O BOX 9513  
MANCHESTER, NH 03108

0000158493  
PENNICHUCK WATER CORPORATION  
carolann.howe@PENNICHUCK.com

I hereby certify that the legal notice: (0001987260) DW 16-806, ORDER NO. 25,957  
was published in the New Hampshire Union Leader  
On:  
11/02/2016.

*Kelgme*  
Kelly M Cross  
Nov 2 2016

State of New Hampshire  
Hillsborough County

Subscribed and sworn to before me this

2nd day of November 2016

*Terry M Clark*  
\_\_\_\_\_  
Notary Public



**IC AUCTION**

**16, 2016 at 10:00** in New London, Mer-New Hampshire, on the are located at 349 Wilad, New London, New ch premises are deortgage and which may scribed as follows (the ises):

ct or parcel of land Town of New London, ack, and State of New g Lot #2, as shown on 7061, recorded in the ury Registry of Deeds, ularly bounded and ws, to wit:

Iron pin at the South t, the same being on the road leading from Vilmot Center and at d now or formerly of nce P. Butler; thence West 200 feet to a pin 58° West 367.58 feet land to a common now or formerly of nd other land now or rt S. Morrison and thence North 00° 00' t to a pin and North 6.91 feet along said rnerly of Herbert S. B. Morrison to land Donald B. Whiteher; 9° 37' East 100.00 of Whitecher to the ney Brook Road; 13° East 160.00 feet o a point; thence est 308.67 feet and st 42.57 feet along rly of Arnold and a point; thence est 155.38 feet to a 3° 00' East 199.99 de of said Willmot; South 29° 31' 42" g a stone wall and ce North 38° 16' 2" pipe, South 31° 7' to a pipe, and East 205.12 feet rmerly of Bernice ad; thence South 5 feet along said wall to the point

Documents shall be delivered to the successful bidder upon the Mortgagee's receipt of the balance of the purchase price and the Acknowledgment. There shall be no proration of rents, fuel, real estate taxes or of any other matter. The successful bidder shall pay both its and the Mortgagee's share of any and all transfer taxes and all recording fees. Time is of the essence with respect to every aspect of the Successful Bidder's obligations hereunder.

**Exclusion of Warranties:** Except for warranties arising by operation of law, the conveyance of the Mortgaged Premises will be made by the Mortgagee and accepted by the successful bidder without any other expressed or implied representations or warranties whatsoever including, without limitation, representations or warranties relating to title, possession, or tenancies, condition of the Mortgage Premises, construction or fitness for habitation, compliance with applicable state or local building or sanitary codes, recitation of acreage or hazardous waste at the Mortgage Premises.

**Right of Redemption - Internal Revenue Service:** The Mortgage Premises may be encumbered by one or more Federal Tax Liens, the notice of such liens being recorded on August 24, 2009 in the Merrimack County Registry of Deeds at Book 3151, Page 607 and on May 6, 2013 at Book 3384, Page 475 of that same registry. To the extent the Mortgage Premises is so encumbered the sale may be subject to the Internal Revenue Service's rights of redemption under 26 U.S.C. §7425(d).

**Reservation of Rights:** The Mortgagee reserves the right to (1) cancel or continue the foreclosure sale to such subsequent date or dates as the Mortgagee may deem necessary or desirable; (2) bid on and purchase the Mortgaged Premises at the foreclosure sale; (3) reject any and all bids for the Mortgaged Premises, the foreclosure sale of the Mortgaged Premises being offered WITH RESERVE; (4) waive reading this Notice or any portion thereof at the foreclosure sale; and (5) amend or alter the terms of sale as stated in this Notice by oral or written announcement made at any time before or during the foreclosure sale, and such changes or amendments shall be binding on all bidders.

For further information regarding the Mortgaged Premises, contact James R. St. Jean Auctioneers, at 45 Eexter Road, Epping, NH 03042, 603-734-4348, or 800-639-1810.

Dated: September 22, 2016  
Lake Sunapee Bank, FSB  
By Its Attorneys,  
Ford & McPartlin, P.A.  
By: /s/ Richard K. McPartlin  
Richard K. McPartlin, Esquire  
10 Pleasant St., Suite 400  
Portsmouth, NH 03801  
Telephone: 603-433-2002  
Facsimile: 603-433-2122  
rkcpartlin@fordlaw.com

(UL - Oct. 19, 26; Nov. 2)

**Public Notices...**

*your right to know!*

Read them in

**New Hampshire Union Leader**

and

**New Hampshire Sunday News**

By Its Attorneys,  
HAUGHEY, PHILPOT & LAURENT P.A.  
816 North Main Street  
Laconia, NH 03246  
(603) 524-4101  
October 17, 2016  
(UL - Oct. 19, 26; Nov. 2)

**Legal Notice**

**MORTGAGEE'S NOTICE OF SALE OF REAL ESTATE**

By virtue of a Power of Sale contained in a certain Mortgage given by **Kenneth R. Stanford and Emily Stanford** (the "Mortgagor") to Green Tree Financial Servicing Corporation, dated June 24, 1997 and recorded with the Grafton County Registry of Deeds at Book 2258, on Page 611 (the "Mortgage") of which mortgage the undersigned is present holder by assignment, pursuant to and in execution of said power and for breach of conditions of said Mortgage and for the purpose of foreclosing same will be sold at:

**Public Auction on November 23, 2016 at 11:00 AM**

Said sale being located on the mortgaged premises and having a present address of **6 Moore Street, aka RR1, Box 68 Moore Street, Enfield, Grafton County, NH**. The premises are more particularly described in the Mortgage.

**NOTICE**

PURSUANT TO NEW HAMPSHIRE RSA 479:25, YOU ARE HEREBY NOTIFIED THAT YOU HAVE A RIGHT TO PETITION THE SUPERIOR COURT FOR THE COUNTY IN WHICH THE MORTGAGED PREMISES ARE SITUATED, WITH SERVICE UPON THE MORTGAGEE, AND UPON SUCH BOND AS THE COURT MAY REQUIRE, TO ENJOIN THE SCHEDULED FORECLOSURE SALE.

The mortgagee's name and address for service of process is U.S. Bank, N.A. as trustee for Home Improvement and Home Equity Loan Trust 1997-D c/o Ditech Financial LLC at 3000 Bayport Drive, Suite 880, Tampa, FL, 33607. The name and address of the mortgagee's agent for service of process is CT Corporation System at 9 Capitol Street, Concord, NH 03301. You can contact the New Hampshire Banking Department by e-mail at [nhbd@banking.nh.gov](mailto:nhbd@banking.nh.gov).

For information on getting help with housing and foreclosure issues, please call the foreclosure information hotline at 1-800-437-5991. The hotline is a service of the New Hampshire Banking Department. There is no charge for this call.

The property will be sold subject to all unpaid real estate taxes and all other liens and encumbrances which may be entitled to precedence over the Mortgage. Notwithstanding any title information contained in this notice, the Mortgagee expressly disclaims any representations as to the state of the title to the Property involved as of the date of the notice of the date of sale. The property to be sold at the sale is "AS IS, WHERE IS".

The foreclosure sale will be made for the purpose of foreclosure of all rights of redemption of the said mortgagor(s) therein possessed by them and any and all persons, firms, corporations, or

**Legal Notice**

**MORTGAGEE'S NOTICE OF SALE OF REAL PROPERTY**

By virtue and in execution of the Power of Sale contained in a certain mortgage given by **Barbara L. Raney and Deborah A. Raney**, (the "Mortgagor") to Citizens Mortgage Corporation and now held by **U.S. Bank National Association** (the "Mortgagee"), said mortgage dated February 7, 2002, and recorded with the Hillsborough County Registry of Deeds in Book 6580 at Page 2188 (the "Mortgage"), pursuant to and for breach of the conditions in said Mortgage and for the purpose of foreclosing the same will be sold at:

**Public Auction On**

December 9, 2016 at 11:00 AM

Said sale to be held on the mortgaged premises described in said mortgage and having a present address of 70 Crosby Street, Milford, Hillsborough County, New Hampshire.

**NOTICE**

PURSUANT TO NEW HAMPSHIRE RSA 479:25, YOU ARE HEREBY NOTIFIED THAT YOU HAVE A RIGHT TO PETITION THE SUPERIOR COURT FOR THE COUNTY IN WHICH THE MORTGAGED PREMISES ARE SITUATED, WITH SERVICE UPON THE MORTGAGEE, AND UPON SUCH BOND AS THE COURT MAY REQUIRE TO ENJOIN THE SCHEDULED FORECLOSURE SALE.

YOU ARE ALSO NOTIFIED THAT THE ADDRESS OF THE MORTGAGEE FOR SERVICE OF PROCESS: 800 NICOLLET MALL MINNEAPOLIS, MN 55402. THE NAME OF THE MORTGAGEE'S AGENT FOR SERVICE OF PROCESS IS: MORTGAGE SERVICING OPERATIONS.

For information on getting help with housing and foreclosure issues, please call the foreclosure information hotline at 1-800-437-5991. The hotline is a service of the New Hampshire banking department. There is no charge for this call.

The Property will be sold subject to all unpaid real estate taxes and all other liens and encumbrances, which may be entitled to precedence over the Mortgage. Notwithstanding any title information contained in this notice, the Mortgagee expressly disclaims any representations as to the state of the title to the Property involved as of the date of the notice of the date of sale. The property to be sold at the sale is "AS IS WHERE IS".

**TERMS OF SALE**

A deposit of Five Thousand (\$5,000.00) Dollars in the form of a certified check, bank treasurer's check or other check satisfactory to Mortgagee's attorney will be required to be delivered at or before the time a bid is offered. The successful bidder(s) will be required to execute a purchase and sale agreement immediately after the close of the bidding. The balance of the purchase price shall be paid within thirty (30) days from the sale date in the form of a certified check, bank treasurer's check or other check satisfactory to Mortgagee's attorney. The Mortgagee reserves the right to bid at the sale, to reject any and all bids, to continue the sale and to amend the terms of the sale by written or oral announcement made before or during

and the associated cash flow needs. The proposed modifications include: (1) using a five-year trailing average of revenues vs. test year revenues to mitigate revenue fluctuations resulting from wet vs. dry years; (2) creating an enhanced fixed revenue component called a Debt Service Revenue Requirement to allow PWW to collect revenue at a level of 1.25 times its annual debt service costs; (3) dividing the existing \$5 million Rate Stabilization Fund (RSF) into three components: (a) a new Debt Service RSF of \$700,000 relating to PWW's existing debt issues; (b) a new Operating Expense RSF in the amount of \$1.6 million; and (c) the existing City acquisition Debt Service RSF, now to be set at \$2.7 million; (4) creating a mandatory 3 year rate case filing requirement; and (5) establishing an annual step adjustment program in place of the WICA program, so that rates can be adjusted every year for all completed capital expenditures. PWW also seeks to include \$440,620 in its permanent customer rates for a ten-year period, in order to reimburse the City of Nashua for costs it incurred in its eminent domain proceeding against PWW in Docket DW 04-048.

PWW proposes a temporary rate increase to its operating revenues of \$1,771,116 or 6.21%, an amount that represents 80% of its requested \$2.2 million permanent rate increase excluding the proposed step adjustment revenues associated with 2016 projects. The Company requests that temporary rates be effective as of September 23, 2016, on a service-rendered basis. The Company states that the approval of temporary rates will allow PWW to collect sufficient revenues to satisfy its principal and interest obligations, and its covenant requirements, with respect to its debt. The Company also states that temporary rates will serve to mitigate rate shock should the Commission ultimately approve permanent rates and a step adjustment at the levels requested by PWW. If temporary rates are approved, customer bills will be reconciled with the permanent rates approved by the Commission at the conclusion of this proceeding.

The filing raises, *inter alia*, issues related to modifications of the ratemaking methodology agreed to in settlement in Docket DW 11-026 and approved by the Commission in Order No. 25,292; whether the proposed ratemaking modifications represent a request to modify Order No. 25,292; whether PWW's request to recover \$440,620 in rates to reimburse the City of Nashua for costs that the City incurred in its eminent domain proceeding against PWW requires modification of the settlement agreement in Docket DW 11-026 and/or Order No. 25,292; what standards would apply to the modification of the settlement agreement and/or order; the reasonableness of the proposed permanent and temporary rates; and the reasonableness of discontinuing the WICA pilot program and the proposed establishment of an annual step adjustment for all capital expenditures. In addition, Staff is directed to consider the adequacy of the schedules submitted to demonstrate an earnings deficiency that justifies a rate increase under the settlement agreement in DW 11-026. Each party has the right to have an

...sh, New Hampshire  
...tion on getting help  
...and foreclosure issues,  
...foreclosure informa-  
...at 1-800-437-5991.  
...a service of the New  
...banking department.  
...charge for this call.

**Encumbrances:** The  
...nses shall be sold sub-  
...all unpaid taxes, mort-  
...and other encumbrances  
...cedence over the Mort-

...qualify to bid, bidders  
...e Mortgagee must place  
...on deposit with the auc-  
...ion, by certified check or  
...payment acceptable to the  
...or to the commencement  
...sure sale. The deposits  
...successful bidders shall  
...to those bidders at the  
...the sale. The Mortgagee  
...right to accept back up  
...the Agreements from one  
...successful bidders to be-

...in the event that the  
...der shall fail to timely  
...successful bidder will be  
...ecute a Memorandum of  
...le (the "Memorandum")  
...place of sale, and, if the  
...der shall refuse to sign  
...um, that bidder's deposit  
...ed by the Mortgagee. A  
...Memorandum shall be

...inspection prior to  
...t of the foreclosure sale.  
...bidder will be required  
...additional deposit (the  
...post") within ten (10)  
...ate of the sale, in an  
...tent to bring the total  
...osit and Initial Deposit  
...to an amount equal to  
...% of the successful bid.  
...all be held by the Mort-  
...g's general funds without  
...obligation to pay intere-

...The balance of the  
...must be paid in full by  
...bidder in cash or by  
...in or before the thirtieth  
...date of sale. If the  
...er fails to complete the  
...Mortgaged Premises on  
...rtieth (30th) day after  
...closure sale, then the  
...res the right to exercise  
...ies as set forth in the  
...cluding without limi-  
...to retain the deposit, in  
...le liquidated damages  
...appointed attorney-in-  
...successful bidder, to assign  
...ligations evidenced by  
...m, as a result of the  
...to perform. If the de-  
...for any reason, it shall  
...erty of the Mortgagee.  
...e Mortgaged Premises  
...closure deed. The  
...and affidavit shall be  
...o as the "Conveyance  
...closing the successful  
...ute and deliver to the  
...nowledgment and re-  
...ing acceptance of the  
...ments as full and  
...ance by the Mort-  
...e Foreclosure Sale  
...leasing any and all  
...ts against the Mort-  
...ts, except as may be  
...ed for in the Convey-

...The Conveyance

...in a certain mortgage deed given by  
**MRMS PROPERTY MANAGEMENT, LLC**  
...to AMERLENDER FINANCIAL, LLC,  
...its successors and assigns, as  
...lender, dated June 29, 2007, recorded  
...in the Hillsborough County Registry of  
...Deeds at Book 7870, Page 364, as-  
...signed to BAYVIEW LOAN SERVICING,  
...L.L.C. by assignment(s) recorded or to be  
...recorded in said Registry, said as-  
...signee, in execution of said power, for  
...mortgage conditions broken, will sell on  
...the mortgaged premises (street ad-  
...dress: 225 Derry Road) in Hudson and  
...Litchfield, Hillsborough County, New  
...Hampshire, at

### PUBLIC AUCTION

...on November 15, 2016, at 12:30 PM.,  
...local time, all of said holder's right, title  
...and interest in and to the real estate  
...described in said mortgage deed.

...This foreclosure sale will be made for  
...the purpose of foreclosure of all rights  
...of redemption of the said mortgagor(s)  
...therein possessed by them and any and  
...all persons, firms, corporations or  
...agencies claiming by, from, or under  
...them.

...Said premises will be sold subject to  
...any unpaid taxes, liens, or enforceable  
...encumbrances entitled to precedence  
...over the said mortgage.

...Said premises will be sold "as is" in  
...all respects, including but not limited  
...to, the physical condition of the pre-  
...mises and the rights, if any, of any oc-  
...cupants of the premises.

...To the mortgagor(s) and any and all  
...persons, firms, corporations, or others  
...claiming by, from or under them: **YOU  
...ARE HEREBY NOTIFIED THAT YOU  
...HAVE THE RIGHT TO PETITION THE  
...SUPERIOR COURT FOR THE COUNTY  
...IN WHICH THE MORTGAGED PREMISES  
...ARE SITUATED, WITH SERVICE  
...UPON THE MORTGAGEE, AND UPON  
...SUCH BOND AS THE COURT MAY  
...REQUIRE, TO ENJOIN THE  
...SCHEDULED FORECLOSURE SALE,  
...FAILURE TO INSTITUTE SUCH PETI-  
...TION AND COMPLETE SERVICE UPON  
...THE FORECLOSING PARTY, OR HIS  
...OR HER AGENT, CONDUCTING THE  
...SALE PRIOR TO SALE SHALL  
...THEREAFTER BAR ANY ACTION OR  
...RIGHT OF ACTION OF THE MORT-  
...GAGOR BASED ON THE VALIDITY OF  
...THE FORECLOSURE.**

...The name and address of the mort-  
...gagee for service of process is BAYVIEW  
...LOAN SERVICING, LLC, 4425 Ponce De  
...Leon Boulevard, 5th Floor, Coral Gables,  
...FL 33146. The mortgagee's agent  
...for service of process is LAWYERS  
...INCORPORATING SERVICES and can  
...be served at 10 Ferry Street S313,  
...Concord, NH 03301.

...For information on getting help with  
...housing and foreclosure issues, please  
...call the foreclosure information hotline  
...at 1-800-437-5991. The hotline is a  
...service of the New Hampshire banking  
...department. There is no charge for this  
...call.

...Terms of sale will be Fifteen thousand  
...and 00/100 Dollars (\$15,000.00)  
...cash or certified check satisfactory to  
...the said holder, to be paid at the time of  
...the sale, and the balance to be paid on  
...delivery of foreclosure deed within  
...thirty (30) days thereafter. The said  
...holder reserves the right to waive any of  
...the above terms at its discretion. The  
...said holder reserves the right to cancel  
...or postpone the sale to such subse-  
...quent date or dates as the holder may  
...deem necessary or desirable.

BAYVIEW LOAN SERVICING, LLC

...description of the premises contained  
...in said mortgage shall control in the  
...event of an error in this publication.

...U.S. Bank, N.A. as trustee for  
...Home Improvement and  
...Home Equity Loan Trust 1997-D  
...Present Holder of said Mortgage,  
...By Its Attorneys,  
...Orlans Moran PLLC  
...PO Box 540540  
...Waltham, MA 02454  
...Phone: (781) 790-7800

(UL - Nov. 2, 9. 16)

## Legal Notice

### NOTICE OF PUBLIC HEARING

...Notice is hereby given by the Busi-  
...ness Finance Authority of the State of  
...New Hampshire (the Authority) of a  
...public hearing to be held pursuant to  
...RSA 162-I:9 and Section 147(f) of the  
...Internal Revenue Code of 1986, as  
...amended, by the Governor and Execu-  
...tive Council of the State of New Hamp-  
...shire, at 10:00 a.m., on Wednesday,  
...November 16, 2016, at the State House  
...in Concord, New Hampshire, with re-  
...spect to the proposed issuance, pursu-  
...ant to a plan of financing, of tax-  
...exempt revenue bonds in an aggregate  
...principal amount of up to \$5,500,000  
... (the Bonds), pursuant to the provisions  
...of RSA 162-I, as amended. The pro-  
...ceeds of the Bonds will be loaned to  
...LIQUID BLUE, INC., LB RETAIL LLC,  
...ACRIVIS, LTD. And ACRIVIS II, LTD.  
... (collectively, the Company) pursuant to  
...a Loan and Security Agreement and  
...used to finance all or a portion of the  
...cost of: (A) the purchase of the real  
...property located at 6 Linlew Drive,  
...Derry, New Hampshire consisting of  
...7.94 acres of land and an approxi-  
...mately 80,000 square foot building lo-  
...cated thereon (the Building); (B) the  
...furnishing, fixturing and partial ren-  
...ovation of the Building; (C) the pur-  
...chase of certain equipment to be used  
...in the Building and (D) paying costs of  
...issuance with respect to the Bonds.

...The facilities to be financed or refin-  
...anced with the proceeds of the Bonds  
...will be located at 6 Linlew Drive, Derry,  
...New Hampshire. All of the facilities to  
...be financed with the proceeds of the  
...Bonds will be owned and operated by  
...under the direction of the Company.

...The Bonds, if issued, will not con-  
...stitute an indebtedness of the State of  
...New Hampshire or the Authority, ex-  
...cept to the extent permitted by RSA  
...162-I, and will be payable only from the  
...sources provided in the Loan and Security  
...Agreement; no public funds may be  
...used for that purpose.

...Following such public hearing, the  
...Governor and Executive Council will  
...consider for adoption a resolution  
...granting public approval to such pro-  
...posed issuance of Bonds, for the pur-  
...pose of complying with Section 147(f) of  
...the Internal Revenue Code of 1986, as  
...amended.

...Persons wishing to make comments  
...in writing about the proposed Bonds  
...and the Facilities shall do so in advance  
...of the commencement of the public  
...hearing on Wednesday, November 16,  
...2016 to the Governor and Executive  
...Council, c/o Jack Donovan, Executive  
...Director, Business Finance Authority of  
...the State of New Hampshire, Suite 201,  
...2 Pillsbury Street, Concord, New  
...Hampshire 03301-4954.

Margaret Wood Hassan  
Governor

(UL - Nov. 2)

(UL - Oct. 19, 26; Nov. 2)

## Legal Notice

**THE STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION  
DW 16-806**

**PENNICHUCK WATER WORKS, INC.  
Petition for Permanent and  
Temporary Rate Increases and  
Modifications in Ratemaking  
Methodology  
Order Suspending Proposed Tariffs  
and Establishing a  
Prehearing Conference  
ORDER NO. 25.957  
October 25, 2016**

...On August 17, 2016, Pennichuck  
...Water Works, Inc. ("PWW" or the "Com-  
...pany"), filed a notice of intent to file rate  
...schedules. PWW is a New Hampshire  
...corporation and regulated water utility  
...that provides service to approximately  
...28,000 customers in a number of  
...municipalities in Southern New Hamp-  
...shire including the City of Nashua, and  
...the Towns of Amherst, Bedford, Derry,  
...Epping, Hollis, Merrimack, Milford,  
...Newmarket, Newton, Plaistow, and Sa-  
...lem. PWW is owned by Pennichuck  
...Corporation, which in turn is wholly  
...owned by the City of Nashua.

...On September 26, 2016, PWW filed  
...with the Commission a petition for a  
...permanent rate increase pursuant to  
...RSA 378:3 and 378:27-28, and for tem-  
...porary rates pursuant to RSA 378:27.  
...PWW also seeks certain modifications  
...to the ratemaking structure agreed to  
...in settlement and imposed in *Joint  
...Petition of City of Nashua, Pennichuck  
...Corporation, et al., Petition for Ap-  
...proval to Acquire Stock in Pennichuck  
...Corp., Order No. 25.292 (November 23,  
...2011)*. PWW also proposes to dis-  
...continue its current Water Infra-  
...structure and Conservation Adjust-  
...ment (WICA) pilot program, and replace  
...it with annual step adjustments for all  
...completed capital improvements each  
...year. The petition and subsequent  
...docket filings, other than any informa-  
...tion for which confidential treatment is  
...requested of or granted by the Commis-  
...sion, will be posted to the Commis-  
...sion's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2016/16-806.html>.

...PWW seeks an overall permanent in-  
...crease in its water revenues of  
...\$4,907,917. For a residential customer  
...using 10,300 cubic feet of water per  
...year, this represents a 14.02% increase  
...in monthly bills or \$7.03 per month for  
...the average residential customer. The  
...proposed revenue increase of  
...\$4,907,917 is comprised of a calcu-  
...lated revenue deficiency of \$2,242,509  
...based on the 2015 test year, and an  
...additional \$2,665,408 in revenues in a  
...step increase based on capital improve-  
...ments that will be used and useful as  
...of December 31, 2016. PWW proposes  
...an overall rate of return of 4.83%, based  
...on a cost of equity of 5.84% and a  
...weighted average cost of debt of 4.79%.  
...PWW states that the requested perma-  
...nent rate increase is necessary due to  
...the time since PWW's last rate case, an  
...increase in certain costs, and the addi-  
...tion of plant in service to PWW's rate  
...base.

...PWW proposes to modify the  
...ratemaking structure agreed to in set-  
...tlement and imposed in Order No.  
...25.292 to address its reliance on debt

...N.H. Code Admin. Rules Puc 203.15, be  
...held before the Commission located at  
...21 S. Fruit St., Suite 10, Concord, New  
...Hampshire on November 21, 2016, at  
...1:30 pm, at which each party will pro-  
...vide a preliminary statement of its posi-  
...tion with regard to the petition and any  
...of the issues set forth in N.H. Code  
...Admin. Rules Puc 203.15; and it is

**FURTHER ORDERED**, that, imme-  
...diately following the Prehearing Con-  
...ference, PWW, the Staff of the Commis-  
...sion and any intervenors hold a  
...Technical Session to review the peti-  
...tion; and it is

**FURTHER ORDERED**, that pursu-  
...ant to N.H. Code Admin. Rules Puc  
...203.12, PWW shall notify all persons  
...desiring to be heard at this hearing by  
...publishing a copy of this Order no later  
...than November 7, 2016, in a news-  
...paper with general circulation in those  
...portions of the state in which opera-  
...tions are conducted, publication to be  
...documented by affidavit filed with the  
...Commission on or before November 16,  
...2016; and it is

**FURTHER ORDERED**, that pursu-  
...ant to N.H. Code Admin. Rules Puc  
...203.12, PWW shall notify all persons  
...desiring to be heard at this hearing by  
...mailing a copy of this Order to the  
...Clerks of the Towns of Amherst, Bed-  
...ford, Derry, Epping, Hollis, Merrimack,  
...Milford, Newmarket, Newton, Plaistow,  
...and Salem and to the Clerk of the City  
...of Nashua, by first class U.S. Mail,  
...postmarked no later than November 7,  
...2016, and documented by affidavit filed  
...with the Commission on or before  
...November 16, 2016; and it is

**FURTHER ORDERED**, that the  
...Executive Director shall cause a copy of  
...this Order to be provided to the service  
...list in Docket OW 11-026 no later than  
...November 7, 2016; and it is

**FURTHER ORDERED**, that consis-  
...tent with N.H. Code Admin. Rules Puc  
...203.17 and Puc 203.02, any party  
...seeking to intervene in the proceeding  
...shall submit to the Commission seven  
...copies of a Petition to Intervene with  
...copies sent to PWW and the Office of  
...the Consumer Advocate on or before  
...November 16, 2016, such Petition stat-  
...ing the facts demonstrating how its  
...rights, duties, privileges, immunities or  
...other substantial interest may be af-  
...fected by the proceeding, as required by  
...N.H. Code Admin. Rule Puc 203.17 and  
...RSA 541-A:32.(b); and it is

**FURTHER ORDERED**, that any  
...party objecting to a Petition to Inter-  
...vene make said Objection on or before  
...November 21, 2016.

...By order of the Public Utilities  
...Commission of New Hampshire this  
...twenty-fifth day of October, 2016.

**Martin P. Honigberg**  
Chairman  
**Robert R. Scott**  
Commissioner  
**Kathryn M. Bailey**  
Commissioner

Attested by:  
Debra A. Howland  
Executive Director

*Individuals needing assistance or  
auxiliary communication aids due to  
sensory impairment or other disability  
should contact the Americans with  
Disabilities Act Coordinator, NHPUC,  
21 S. Fruit St., Suite 10, Concord, New  
Hampshire 03301-2429;  
603-271-2431; TDD Access: Relay N.H.  
1800735-2964. Notification of the need  
for assistance should be made one  
week prior to the scheduled event.*

(UL - Nov. 2)

Ogden Newspapers of New Hampshire, LLC

PUBLISHERS OF

**The Telegraph**

ESTABLISHED 1832

MEMBER OF THE ASSOCIATED PRESS

**Main Office**

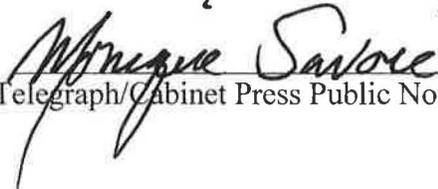
17 Executive Drive

Hudson, NH 03051

(603) 882-2741

## AFFIDAVIT OF PUBLICATION

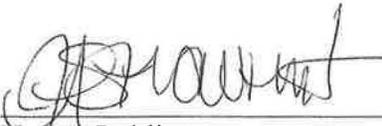
I, Monique Savoie, The Telegraph and Cabinet Press Public Notice Representative, hereby certify that the Advertisement/Notice Pennichuck Water Works was inserted in The Telegraph, a daily newspaper, published in Hudson, County of Hillsborough, State of New Hampshire on Thursday, November 3rd 2016 with Insertion Ad# 980 and was distributed to the Publication's full circulation.

  
\_\_\_\_\_  
Telegraph/Cabinet Press Public Notice Representative

STATE OF NEW HAMPSHIRE, Hillsborough, ss.

Subscribed and sworn to before me, Jeni St. Laurent

this 3rd day of November, 2016.

  
\_\_\_\_\_  
Notary Public

JENI ALDEN ST. LAURENT, Notary Public  
My Commission Expires July 24, 2018



## Affidavit of Mailing

I, Suzanne L. Ansara, Corporate Secretary of Pennichuck Water Works, Inc., hereby certify that a copy of The State of New Hampshire Public Utilities Commission (PUC) Order No. 25,957 was mailed on October 31, 2016 by First Class U.S. Mail to the Clerks of the Towns of Amherst, Bedford, Derry, Epping, Hollis, Merrimack, Milford, Newmarket, Newton, Plaistow and Salem and to the Clerk of the City of Nashua.

A copy of said PUC Order No. 25,957 is attached to this Affidavit, along with copies of the cover letters to the Town and City Clerks.

I swear that this statement is true.

Signed:

  
Suzanne L. Ansara

STATE OF NEW HAMPSHIRE  
COUNTY OF HILLSBOROUGH

Sworn to and subscribed before me  
on this 3rd day of November, 2016  
by Suzanne L. Ansara.

  
Notary Public



**THE STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DW 16-806**

**PENNICHUCK WATER WORKS, INC.**

**Petition for Permanent and Temporary Rate Increases and Modifications in Ratemaking  
Methodology**

**Order Suspending Proposed Tariffs and Establishing a Prehearing Conference**

**ORDER NO. 25,957**

**October 25, 2016**

On August 17, 2016, Pennichuck Water Works, Inc. (“PWW” or the “Company”), filed a notice of intent to file rate schedules. PWW is a New Hampshire corporation and regulated water utility that provides service to approximately 28,000 customers in a number of municipalities in Southern New Hampshire including the City of Nashua, and the Towns of Amherst, Bedford, Derry, Epping, Hollis, Merrimack, Milford, Newmarket, Newton, Plaistow, and Salem. PWW is owned by Pennichuck Corporation, which in turn is wholly owned by the City of Nashua.

On September 26, 2016, PWW filed with the Commission a petition for a permanent rate increase pursuant to RSA 378:3 and 378:27-28, and for temporary rates pursuant to RSA 378:27. PWW also seeks certain modifications to the ratemaking structure agreed to in settlement and imposed in *Joint Petition of City of Nashua, Pennichuck Corporation, et al., Petition for Approval to Acquire Stock in Pennichuck Corp.*, Order No. 25,292 (November 23, 2011). PWW also proposes to discontinue its current Water Infrastructure and Conservation Adjustment (WICA) pilot program, and replace it with annual step adjustments for all completed capital improvements each year. The petition and subsequent docket filings, other than any information

for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2016/16-806.html>.

PWW seeks an overall permanent increase in its water revenues of \$4,907,917. For a residential customer using 10,300 cubic feet of water per year, this represents a 14.02% increase in monthly bills or \$7.03 per month for the average residential customer. The proposed revenue increase of \$4,907,917 is comprised of a calculated revenue deficiency of \$2,242,509 based on the 2015 test year, and an additional \$2,665,408 in revenues in a step increase based on capital improvements that will be used and useful as of December 31, 2016. PWW proposes an overall rate of return of 4.83%, based on a cost of equity of 5.84% and a weighted average cost of debt of 4.79%. PWW states that the requested permanent rate increase is necessary due to the time since PWW's last rate case, an increase in certain costs, and the addition of plant in service to PWW's rate base.

PWW proposes to modify the ratemaking structure agreed to in settlement and imposed in Order No. 25,292 to address its reliance on debt and the associated cash flow needs. The proposed modifications include: (1) using a five-year trailing average of revenues vs. test year revenues to mitigate revenue fluctuations resulting from wet vs. dry years; (2) creating an enhanced fixed revenue component called a Debt Service Revenue Requirement to allow PWW to collect revenue at a level of 1.25 times its annual debt service costs; (3) dividing the existing \$5 million Rate Stabilization Fund (RSF) into three components: (a) a new Debt Service RSF of \$700,000 relating to PWW's existing debt issues; (b) a new Operating Expense RSF in the amount of \$1.6 million; and (c) the existing City acquisition Debt Service RSF, now to be set at \$2.7 million; (4) creating a mandatory 3 year rate case filing requirement; and (5) establishing an annual step adjustment program in place of the WICA program, so that rates can be adjusted

every year for all completed capital expenditures. PWW also seeks to include \$440,620 in its permanent customer rates for a ten-year period, in order to reimburse the City of Nashua for costs it incurred in its eminent domain proceeding against PWW in Docket DW 04-048.

PWW proposes a temporary rate increase to its operating revenues of \$1,771,116 or 6.21%, an amount that represents 80% of its requested \$2.2 million permanent rate increase excluding the proposed step adjustment revenues associated with 2016 projects. The Company requests that temporary rates be effective as of September 23, 2016, on a service-rendered basis. The Company states that the approval of temporary rates will allow PWW to collect sufficient revenues to satisfy its principal and interest obligations, and its covenant requirements, with respect to its debt. The Company also states that temporary rates will serve to mitigate rate shock should the Commission ultimately approve permanent rates and a step adjustment at the levels requested by PWW. If temporary rates are approved, customer bills will be reconciled with the permanent rates approved by the Commission at the conclusion of this proceeding.

The filing raises, inter alia, issues related to modifications of the ratemaking methodology agreed to in settlement in Docket DW 11-026 and approved by the Commission in Order No. 25,292; whether the proposed ratemaking modifications represent a request to modify Order No. 25,292; whether PWW's request to recover \$440,620 in rates to reimburse the City of Nashua for costs that the City incurred in its eminent domain proceeding against PWW requires modification of the settlement agreement in Docket DW 11-026 and/or Order No. 25,292; what standards would apply to the modification of the settlement agreement and/or order; the reasonableness of the proposed permanent and temporary rates; and the reasonableness of discontinuing the WICA pilot program and the proposed establishment of an annual step adjustment for all capital expenditures. In addition, Staff is directed to consider the adequacy of

the schedules submitted to demonstrate an earnings deficiency that justifies a rate increase under the settlement agreement in DW 11-026. Each party has the right to have an attorney represent the party at the party's own expense.

**Based upon the foregoing, it is hereby**

**ORDERED**, that NHPUC No. 6 Water, Pennichuck Water Works, Inc., Proposed Second Revised Pages 43, 44, 45, and 47 are hereby suspended; and it is

**FURTHER ORDERED**, that a Prehearing Conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on November 21, 2016, at 1:30 pm, at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Code Admin. Rules Puc 203.15; and it is

**FURTHER ORDERED**, that, immediately following the Prehearing Conference, PWW, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition; and it is

**FURTHER ORDERED**, that pursuant to N.H. Code Admin. Rules Puc 203.12, PWW shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order no later than November 7, 2016, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before November 16, 2016; and it is

**FURTHER ORDERED**, that pursuant to N.H. Code Admin. Rules Puc 203.12, PWW shall notify all persons desiring to be heard at this hearing by mailing a copy of this Order to the Clerks of the Towns of Amherst, Bedford, Derry, Epping, Hollis, Merrimack, Milford, Newmarket, Newton, Plaistow, and Salem and to the Clerk of the City of Nashua, by first class

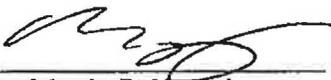
U.S. Mail. postmarked no later than November 7, 2016, and documented by affidavit filed with the Commission on or before November 16, 2016; and it is

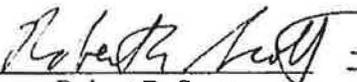
**FURTHER ORDERED**, that the Executive Director shall cause a copy of this Order to be provided to the service list in Docket DW 11-026 no later than November 7, 2016; and it is

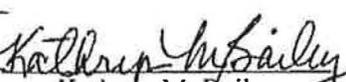
**FURTHER ORDERED**, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to PWW and the Office of the Consumer Advocate on or before November 16, 2016, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Code Admin. Rule Puc 203.17 and RSA 541-A:32,1(b); and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before November 21, 2016.

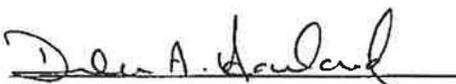
By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of October, 2016.

  
Martin P. Honigberg  
Chairman

  
Robert R. Scott  
Commissioner

  
Kathryn M. Bailey  
Commissioner

Attested by:

  
Debra A. Howland  
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.



PENNICHUCK

25 MANCHESTER STREET  
PO BOX 1947  
MERRIMACK, NH 03054-1947

(603) 882-5191  
FAX (603) 913-2305

WWW.PENNICHUCK.COM

October 31, 2016

Ms. Nancy Demers  
Town Clerk  
Amherst Town Hall  
2 Main Street, P.O. Box 960  
Amherst, NH 03031-0960

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Demers:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,

Larry D. Goodhue  
Chief Executive Officer

cc. Mr. James O'Mara  
Town Administrator, Town of Amherst



PENNICHUCK

25 MANCHESTER STREET  
PO BOX 1947  
MERRIMACK, NH 03054-1947

(603) 882-5191  
FAX (603) 913-2305

WWW.PENNICHUCK.COM

October 31, 2016

Ms. Lori Radke  
Town Clerk  
Bedford Town Offices  
24 North Amherst Road  
Bedford, NH 03110

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Radke:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,

Larry D. Goodhue  
Chief Executive Officer

cc. Mr. Rick Sawyer  
Town Manager, Town of Bedford



PENNICHUCK

25 MANCHESTER STREET  
PO BOX 1947  
MERRIMACK, NH 03054-1947

(603) 882-5191  
FAX (603) 913-2305

WWW.PENNICHUCK.COM

October 31, 2016

Mr. Daniel Healey  
Town Clerk  
Derry Municipal Center  
14 Manning Street  
Derry, NH 03038

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Mr. Healey:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,

Larry D. Goodhue  
Chief Executive Officer

cc. Mr. Stephen Daly  
Acting Town Administrator, Town of Derry

October 31, 2016

Ms. Erika Robinson  
Town Clerk  
Epping Town Hall  
157 Main Street  
Epping, NH 03042

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Robinson:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,



Larry D. Goodhue  
Chief Executive Officer

cc. Mr. Gregory Dodge  
Town Administrator, Town of Epping

October 31, 2016

Ms. Lisa Claire  
Town Clerk  
Hollis Town Hall  
7 Monument Square  
Hollis, NH 03049

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Claire:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,



Larry D. Goodhue  
Chief Executive Officer

cc. Ms. Kim Galipeau  
Town Administrator, Town of Hollis

October 31, 2016

Ms. Diane Trippett  
Town Clerk  
Town of Merrimack  
6 Baboosic Lake Road  
Merrimack, NH 03054

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Trippett:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,



Larry D. Goodhue  
Chief Executive Officer

cc. Ms. Eileen Cabanel  
Town Manager, Town of Merrimack



PENNICHUCK

25 MANCHESTER STREET  
PO BOX 1947  
MERRIMACK, NH 03054-1947

(603) 882-5191  
FAX (603) 913-2305

WWW.PENNICHUCK.COM

October 31, 2016

Ms. Joan Dargie  
Town Clerk  
Town Hall  
1 Union Square  
Milford, NH 03055

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Dargie:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,

Larry D. Goodhue  
Chief Executive Officer

cc. Mr. Mark Bender  
Town Administrator, Town of Milford

Milford Water and Sewer Commission  
c/o Mr. David Boucher, Director



PENNICHUCK

25 MANCHESTER STREET  
PO BOX 1947  
MERRIMACK, NH 03054-1947

(603) 882-5191  
FAX (603) 913-2305

WWW.PENNICHUCK.COM

October 31, 2016

Ms. Terri Littlefield  
Town Clerk  
Town of Newmarket  
186 Main Street  
Newmarket, NH 03857

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Littlefield:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'L. Goodhue'.

Larry D. Goodhue  
Chief Executive Officer

cc. Mr. Steve Fournier  
Town Administrator, Town of Newmarket

October 31, 2016

Ms. Mary-Jo McCullough  
Town Clerk  
Town Hall  
2 Town Hall Road  
Newton, NH 03858

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. McCullough:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,



Larry D. Goodhue  
Chief Executive Officer

October 31, 2016

Ms. Maryellen Pelletier  
Town Clerk  
Town of Plaistow  
145 Main Street  
Plaistow, NH 03865

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Pelletier:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,



Larry D. Goodhue  
Chief Executive Officer

cc. Mr. Sean Fitzgerald  
Town Manager, Town of Plaistow

October 31, 2016

Ms. Susan Wall  
Town Clerk  
Salem Town Hall  
33 Geremonty Drive  
Salem, NH 03079

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Wall:

This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,



Larry D. Goodhue  
Chief Executive Officer

cc. Mr. Leon I. Goodwin, III  
Town Manager, Town of Salem

October 31, 2016

Ms. Patricia Piecuch  
City Clerk  
City of Nashua  
P.O. Box 2019  
Nashua, NH 03061

Re: Pennichuck Water Works, Inc. – Rate Case (DW 16-806)

Dear Ms. Piecuch:

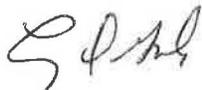
This letter serves to notify you that on October 25, 2016, the New Hampshire Public Utilities Commission issued Order No. 25,957 relative to the water rate case filed by Pennichuck Water Works, Inc. A copy of the Order is enclosed.

For your information, the Order states that a Prehearing Conference and Technical Session related to the rate case will be held at the offices of the Public Utilities Commission in Concord on November 21, 2016 at 1:30 p.m.

The Order also states that any party seeking to intervene in the proceeding shall submit to the Commission a Petition to Intervene with copies sent to Pennichuck Water Works and the Office of the Consumer Advocate on or before November 16, 2016.

Please feel free to contact me at 603-913-2312 if you have any questions relative to this matter.

Sincerely,



Larry D. Goodhue  
Chief Executive Officer

## Affidavit of Mailing

I, Larry D. Goodhue, Chief Executive Officer of Pennichuck Water Works, Inc. (PWW), hereby certify that the attached notification of PWW's Petition to the New Hampshire Public Utilities Commission for an Increase in Rates was mailed to all customers of PWW on November 7, 2016.

A copy of the acknowledgement of the mailing by Curtis 1000, a Direct Mail Agency, is also attached to this Affidavit.

I swear that this statement is true.

Signed:   
Larry D. Goodhue

STATE OF NEW HAMPSHIRE  
COUNTY OF HILLSBOROUGH

Sworn to and subscribed before me  
on this 8<sup>th</sup> day of November, 2016  
by Larry D. Goodhue.

  
Notary Public



**From:** Jones, Debbie - Curtis 1000 [<mailto:dljones@curtis1000.com>]  
**Sent:** Monday, November 07, 2016 10:23 AM  
**To:** King, Tara; Macro, Matthew - Curtis 1000  
**Subject:** RE: PWW Rate Mailing

Good morning Tara,  
The rate mailing is complete and was delivered to the post office this morning.

Thanks!



**Debbie Jones**—Direct Mail Account Coordinator  
Curtis 1000 Inc. • 1725 Breckinridge Parkway, Suite 1000, Duluth, GA 30096  
Direct: 678-694-0402 • Fax: 800-470-4296 • [dljones@curtis1000.com](mailto:dljones@curtis1000.com)

**From:** King, Tara [<mailto:tara.king@PENNICHUCK.com>]  
**Sent:** Wednesday, November 2, 2016 11:05 AM  
**To:** Macro, Matthew - Curtis 1000; Jones, Debbie - Curtis 1000  
**Subject:** PWW Rate Mailing

Hello,

I need a written statement (email is fine) certifying the mail date of this mailing for our rate order compliance.

Let me know if this will be an issue.

Thanks.

Tara

**Petition for Increase in Rates**  
**PENNICHUCK WATER WORKS, INC.**

Pennichuck Water Works, Inc. (PWW) has petitioned the New Hampshire Public Utilities Commission (Commission) for approval of an increase to its rates. PWW has asked for a temporary increase of 6.21% and an overall permanent increase, including the proposed step increase of 17.21%. PWW's request for this increase is based on increases in its operating costs as well as investment in its plant and treatment systems to ensure continued compliance with the Safe Drinking Water Act. The increase would apply to all customers. The increase for PWW residential general metered customers would be as follows:

	Customer Charge Based on 5/8" meter	Volumetric Charge	Total Monthly
Current Rates	\$20.34	\$28.31	\$48.65
Proposed Temporary Rate	\$21.64	\$30.12	\$51.76
Proposed Permanent Rate	\$21.97	\$30.57	\$52.54
Proposed Step Rate	\$23.90	\$33.26	\$57.16

The Commission has scheduled a Pre-Hearing Conference to be held at the Commission's Offices in Concord on November 21, 2016 at 1:30 pm. At the Pre-hearing Conference, the Commission will hear preliminary statements from PWW and other parties, and will consider requests for formal intervener status.

The Pre-Hearing Conference is open to the public. Customers and other interested parties are invited to attend the hearing and comment on the company's request. Those unable to attend the hearing may submit written comments to the New Hampshire Public Utilities Commission at 21 South Fruit Street, Suite 10, Concord NH 03301 or via e-mail at [puc@puc.nh.gov](mailto:puc@puc.nh.gov) Tel: (603) 271-2431 Fax: (603) 271-3878

**For more information please reference the  
enclosed information sheet or call  
Pennichuck Water Works at 1-800-553-5191**

## Frequently Asked Questions about Rate Increase

### 1. Why is Pennichuck asking for a rate increase?

Pennichuck's water rates are structured to provide the revenues needed to pay for necessary operating expenses as well as the continuing investment in infrastructure necessary to provide water to all of its customers in compliance with State and Federal Safe Drinking Water Standards. Pennichuck is seeking a rate increase at this time in order to provide additional financial resources to pay for its material investment in infrastructure since its last rate increase and to fund its operating expenses, which have increased at or above inflation since that last approved base rate increase.

### 2. When was the last rate increase?

The last rate case which resulted in an increase in the base rates was based on costs and expenses as of 2009. Following that rate case filing, customers saw an increase in their base rates that became effective in two parts during 2010 and 2011, as temporary and then permanent rates were approved by the NH Public Utilities Commission ("NHPUC" or "Commission").

### 3. What is a temporary rate increase?

A temporary rate increase is the rate approved by the NHPUC while the rate case is being reviewed, finalized and approved by the Commission. This temporary rate increase is a portion of the permanent increase being requested by the Company, allowing the impact of the overall increase to be spread over a longer time frame to customers, lessening the immediate impact of an approved increase in rates. As rate increases that are sought by the Company are essentially a recovery of expenses already incurred or investments already made or in process, this also allows Pennichuck to begin to recover some of the revenue needed to offset those infrastructure investments and expense increases which have been incurred since the last allowed rate increase.

### 4. What is a permanent rate increase?

A permanent rate increase allows for the recovery of expenses and the cost of funding the Company's investment in water system improvements through the end of the test year, which in this current proceeding is the end of 2015.

### 5. What is a step rate increase?

A step increase allows the Company to recover expenses associated with the Company's investment in water system improvements that were completed in the year following the test year. This allows the filing process to properly align the rate case with the most current amounts being incurred by the Company, while the case is being completed, and eliminating the need to pursue additional rate relief too quickly after a case has been completed. As such, the step increase being sought in this rate case is related to the cost of infrastructure improvements by Pennichuck during 2016.

**6. What is a test year?**

A test year is the 12 month period a utility uses as the basis for determination of normal and ongoing operating expenses and funding of capital investments, which are allowed by regulatory statute to be supported and covered by allowed revenues and rates. As a regulated water utility, its revenues are earned from billings to customers for both variable water consumption usage, as well as, fixed charges related to the delivery and supply of water, which are included in their rates.

**7. What are the components of the charges and how are they calculated?**

Most residential bills consist of two components, the monthly customer charge and the volumetric charge. The monthly customer charge is based on the size of the meter at the property and represents a share of the overall fixed expenses incurred in operating a water system. The volumetric charge is based on the actual water used at the property. As a regulated water utility, Pennichuck delivers a consistent product directly to the tap in your home or business that is less costly than most or all of the other essential or non-essential items used in your home or daily life. In doing this, even with the requested rate increases being sought at this time, Pennichuck is able to deliver public water to our customers for less than 1/2 of a cent per gallon. This equates to about \$2.00 per day for the average household, based upon average consumption patterns by our customers. These rates include Pennichuck's costs of collecting, treating, monitoring, testing and delivering water to our customers 24/7/365.

**8. What types of operating expenses does Pennichuck incur in supplying water to me as a customer?**

In order to deliver water that meets all regulatory standards to our customers, a number of essential expenses are incurred on an ongoing basis. These include electricity, treatment chemicals, Local and Statewide utility and property taxes, staff labor costs, routine maintenance costs, customer service support costs, and other necessary overhead expenses required to support an entity that services over 27,000 customers.

**9. What does "investment in infrastructure" mean?**

As a regulated water utility, we must construct, maintain, and replace the various assets that the company owns, which allows us to treat, supply, and deliver water that complies with state and federal drinking water standards. Pennichuck employs a process of ongoing investment in infrastructure in order to maintain a system that does, and can continue to meet all regulatory standards, as well as the consumption and usage needs of our customers. As a Company, we strongly believe that consistent and prudent investment in this manner insures our ability to do this for the long term, avoiding unnecessary situations where extraordinary expenditures are incurred in order to repair or replace infrastructure that has fallen into disrepair or is in violation of these drinking water standards.

**10. What has Pennichuck done to control expenses?**

As a regulated utility, for all capital projects we are required to proceed through a bid submission process in order to insure that we are obtaining the lowest cost bid from qualified contractors or vendors. This ensures investment in these capital and infrastructure replacement projects at the lowest cost, all other factors being equal. Additionally, we competitively bid our operating expenses to the extent possible, as well as continually evaluate our actual operating expenses on an ongoing basis against defined and approved budgeted amounts. These business practices include entering into favorable long term contracts, if deemed economically advantageous to our customers, as well as renegotiating existing relationships to lower costs over time and/or challenging increases in our operating expenses, to the extent possible.

**11. What investments in the water system has Pennichuck made since the last rate case?**

Since the last rate case, Pennichuck has invested over \$40 million in our water system. These investments include water main replacements, dam maintenance, tank maintenance, evaluation and implementation of treatment and supply options, booster station and well rehabilitation and maintenance, and replacement of aging equipment and infrastructure. All of this ongoing investment allows Pennichuck to maintain a service level to our customers that is consistent, reliable, and fully compliant with health regulations and standards.

**12. Are customers benefitting from ongoing infrastructure updates?**

Yes, customers are benefitting from Pennichuck's ongoing infrastructure updates, as described above. The Company's ongoing investment in infrastructure is very similar to the ongoing maintenance a homeowner would do to their own property. If a homeowner properly maintains their residence by doing ongoing necessary maintenance, they can avoid future major expenditures to replace rather than repair the elements of their home. Our ongoing replacement of infrastructure is very similar to the homeowner that paints the outside of their home every few years, preserving the structure of their home, rather than allowing the exterior of their home to deteriorate and causing them to replace all of their siding at a materially greater cost than the ongoing paint jobs would have cost them.

**13. Does Pennichuck support conservation measures?**

Yes, Pennichuck fully supports conservation measures. We encourage and seek to educate all of our customers on the efficient use of the water we supply to them. We are actively engaged in outreach and education efforts in the local schools with regards to this. And, we consistently seek to reduce any leakage in our system as a proactive effort that we as a Company can take towards overall conservation.

**14. Why did Pennichuck bond \$71 million in the past 2 years?**

The interest rate environment over the last 2 years allowed Pennichuck to accomplish the following at favorable interest rates:

- It allowed the Company to refinance approximately \$40 million of existing tax exempt debt obligations at new and more favorable repayment terms, including both the manner of repayment and the underlining interest rates, which resulted in approximately \$5 million in actual savings which is being passed on to our customers over the remaining years of these refinanced obligations;
- New debt was incurred of approximately \$31 million, needed to finance capital improvements throughout the water system, for the years 2013 thru 2016. These new debt obligations were financed at very favorable interest rates due to the current interest rate markets, as well as an increase in the Company's credit rating, which was partially accomplished by refinancing the existing debt obligations in conjunction with these new borrowings.