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Please reply to: Concord Office

March 28, 2018

VIA HAND DELIVERY AND ELECTRONIC MAIL

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

**Re: DW 18-022, 2018 Petition of Pennichuck Water Works, Inc. for
Qualified Capital Project Annual Adjustment Charge**

Dear Ms. Howland:

In Pennichuck Water Works, Inc.'s ("PWW") filing in Docket DW 18-022, the Company stated that Exhibit 1 to Mr. Ware's testimony would be updated once the interest rate for bonds to be issued in April 2018 is determined. I am writing at this time to provide that updated Exhibit 1 to Mr. Ware's testimony. An original and six copies of this letter and the updated Exhibit 1 are being filed and will be served on the service list for this docket.

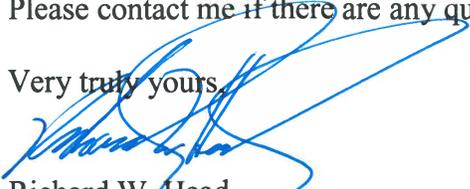
In addition, the Paragraph 17 of the Petition states as follows:

17. Based on these costs and the assumed 5.0% interest rate on the Bonds, the Company estimates a QCPAC surcharge 1.62% associated with 2017 used and useful capital projects. The current average monthly single family bill is \$53.98. The projected impact of the 2018 QCPAC for 2017 projects on a single family monthly residential bill is \$0.87 per month. This estimate will be updated once the Bonds have been issued and the interest rate is established.

Based on the updated bond interest rate, the QCPAC surcharge would be 1.60%, resulting in an increase on a single family monthly residential bill of \$0.86.

Please contact me if there are any questions about this filing.

Very truly yours,


Richard W. Head
Enclosures

National Impact. Uniquely New Hampshire.

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