



25 MANCHESTER STREET  
PO BOX 1947  
MERRIMACK, NH 03054-1947  
(603) 882-5191  
FAX (603) 913-2305  
WWW.PENNICHUCK.COM



VIA MAIL AND E-MAIL

July 29, 2014

Mr. Larry Budreau, Acting Town Administrator  
Derry Municipal Center  
14 Manning Street  
Derry, NH 03038

Re: Rate Case – Pennichuck East Utility, Inc. (DW 13-126)

Dear Mr. Budreau:

On July 25, 2014, the New Hampshire Public Utilities Commission issued Order No. 25,696 approving an 11.52% rate increase for Pennichuck East Utility, Inc., which is comprised of a permanent rate increase of 9.91% and a step increase of 1.62%, together with the approval of certain clarifications pertaining to its previous Order No. 25,292 (Docket 11-026). The permanent rate increase is effective for service rendered after July 1, 2013. The step increase is effective as of the date of the Order, July 25, 2014.

The Order also provides that 86.4% of the approved required revenues be collected from General Metered customers and 13.6% of the revenues be collected from the Company's fire protection customers.

In earlier correspondence, the Company informed its customers that the Public Utilities Commission approved a temporary 7% increase in November of 2013. The Order issued on July 25, 2014 requires the Company to file its calculation and reconciliation of temporary and permanent rates with the Commission within thirty days of the Order. The Company will seek to recover the difference between temporary and permanent rates over a period of time to be determined by the Commission.

The Order is posted on the PUC website ([www.puc.state.nh.us](http://www.puc.state.nh.us)) and on the Company's website ([www.pennichuck.com](http://www.pennichuck.com) under the "Company Reports" caption). If possible, the Company would appreciate your posting this letter on the Town's website in order to inform customers being served by the Company. Please feel free to contact me at 913-2301 if you need any further information.

Sincerely,

A handwritten signature in dark ink, appearing to read 'John L. Patenaude'.

John L. Patenaude  
Chief Executive Officer