



FOR IMMEDIATE RELEASE
August 16, 2017

CONTACT: Larry D. Goodhue, Chief Executive Officer
E-mail: larry.goodhue@PENNICHUCK.com

Pennichuck East Utility Filing for Rate Changes

Merrimack, NH - Pennichuck East Utility, Inc. is giving notice to the New Hampshire Public Utilities Commission (“PUC”) of their intent to file a full rate case.

The estimated changes in rates, listed below, are contained in the Notice of Intent to File Rate Schedules to the PUC on August 16, 2017. In accordance with PUC regulations, the final proposed rate changes will be filed with the PUC on or after September 18, 2017. Pursuant to this filing, a PUC docket will be opened for Pennichuck East Utility, Inc. (“PEU”), allowing for a request to file for rate changes. The process to follow will include hearings, petitions on intervening, discovery, testimony, and eventually the setting of new permanent rates. The PUC could set temporary rates in the late fall of 2017 or beginning of 2018, with permanent rates being set in the summer or fall of 2018.

The last general rate increase for PEU was in 2014, based upon 2012 as a test year. The current projected rate increase, based on the 2016 test year with allowed regulatory adjustments, is

22.97%. Currently, the average customer pays \$62.68 per month; the impact of the proposed rate increase on the average customer would be \$14.40 per month, bringing their monthly bill to \$77.08.

“It is important for our customers to note that PEU has not had an increase in base rates since its last general rate increase in 2014, coupled with temporary rates authorized in November of 2013, based upon PEU’s costs of operations as of the year ended December 31, 2012. Since those increases were granted, PEU’s operating expenses have increased ratably, and for some items like local property taxes, well above the rate of inflation,” noted Company spokesman and CEO Larry Goodhue. “Additionally, since the beginning of 2013 the Company has borrowed and invested over \$7.5 million in new capital assets to serve its customers through ongoing investments in infrastructure replacements and system improvements. The rate increase being requested at this time is necessary to allow PEU to pay the debt service attributable to these new capital investments, pay its necessary operating costs, and continue to meet the needs of its customers now and into the future.”

The process for the rate case, as well as all filings, may be accessed via links on the Company’s website <http://www.pennichuck.com/> and also on the PUC website <http://www.puc.nh.gov/>.

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