

Rate Increase Sought
PENNICHUCK EAST UTILITY, INC.
Locke Lake, Barnstead, NH

Pennichuck East Utility, Inc. (PEU) has filed rate schedules with the New Hampshire Public Utilities Commission (Commission) to increase its rates for all customer classes, including General Metered, GM Non-Metered, Municipal Fire Protection-Hydrants, Private Fire Protection, and Public Hydrant service for Windham, Raymond, Lee, Exeter, Birch Hill, and Bow. PEU is seeking a temporary rate increase of 15% and an overall permanent increase of 21.05%. Additionally PEU is requesting a reduction to the North Country Capital Recovery Surcharge for Locke Lake.

PEU seeks this increase based on increased operating expenses as well as investment in its plant and treatment systems to ensure continued compliance with the Safe Drinking Water Act. The increase sought for PEU residential General Metered customers would result in a change to the average bill as follows:

Average Residential Monthly Bill					
Based on Average Monthly Usage of 3.45 CCF (100 Cubic Feet)					
	Customer Charge Based on 5/8" meter	Volumetric Charge per CCF	Volumetric Charge	Capital Recovery Surcharge	Total Monthly
Current Rates	\$20.70	\$7.51	\$25.91	\$12.81	\$59.42
Proposed Temporary Rate	\$23.81	\$8.64	\$29.81	\$12.81	\$66.43
Proposed Permanent Rate	\$24.17	\$9.42	\$32.50	\$12.58	\$69.25

* Please note that the average consumption is based on single family residential 5/8" metered customers average 5 year annual usage divided by 12

The Commission will issue an order scheduling a Pre-Hearing Conference to be held via WebEx. When the order is issued, the Company will post it at www.pennichuck.com and publish the order in area newspaper(s). At the Pre-hearing Conference, the Commission will hear preliminary statements from PEU 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 PEU's request. Those unable to attend the Pre-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 Tel: (603) 271-2431 Fax: (603) 271-3878.

**For more information please reference the
enclosed information sheet or call
Pennichuck East Utility, Inc. at 1-800-553-5191**