

Dear Customer,

On August 27, 2010 West Swanzey Water Company (“West Swanzey” or “Company”) filed for a rate increase with the New Hampshire Public Utilities Commission (“NHPUC”). If approved, as filed, West Swanzey annual revenues would increase \$10,136 or 17.13 %. The Company is proposing that the new rate tariff be effective October 1, 2010 so that it can begin to bill the new rates the first week in January 2011 for the fourth quarter 2010.

During the twelve months ended December 31, 2009 the Company’s actual net income (loss) was (\$5,898). The net loss was due to less revenue and more property taxes. The Company was unable to earn its authorized return on its investment in the water system.

The rate increase will be subject to review and ultimate approval by the NHPUC. The Company will keep you apprised of the proceeding before the NHPUC and its ultimate conclusion.

Sincerely,

Sarah G. Brown