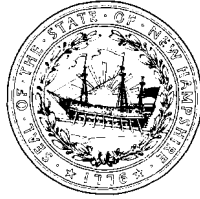


THE STATE OF NEW HAMPSHIRE

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EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland



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March 7, 2006

Re: DW 05-072, Pennichuck East Utilities, Inc.
Petition for Permanent and Temporary Rate Increases
Recoupment Surcharge

To the Parties:

In Order No. 24,591 (February 24, 2006), the Commission ordered Pennichuck East Utilities, Inc. (PEU) to file a revised Exhibit 14 reflecting the actual recoupment figures calculated to recover the difference between the temporary rates in effect as of June 16, 2005 and the permanent rates approved in Order No. 24,591.

On February 27, 2006, Staff filed a letter with the revised Exhibit 14 attached thereto, recommending the Commission approve a 12-month recoupment surcharge with monthly per customer charges as follows:

\$5.19 for residential customers; \$17.07 for commercial / municipal customers; \$6.24 for private fire protection; \$18.10 for private hydrants; and \$124.67 for municipal fire protection and hydrants.

Staff stated that although PEU's calculation used in revised Exhibit 14 produced slightly different surcharge amounts, the methodology used was consistent with the first Exhibit 14, which had included estimates, and the terms of the Settlement Agreement approved by the Commission in Order No. 24,591.

Inasmuch as the Commission has previously found both the temporary and permanent rates to be just and reasonable and in light of Staff's confirmation that the recoupment surcharge calculations in revised Exhibit 14 are accurate, the Commission has approved PEU's temporary rate recoupment surcharge for a period of 12 months consistent with Order No. 24,591.

Sincerely,

A handwritten signature in black ink, appearing to read "Debra A. Howland".

Debra A. Howland
Executive Director and Secretary