

ORIGINAL

N.H.P.U.C. Case No. DW 10-141

Exhibit No. LRW 30

Witness Mark Naylor

DO NOT REMOVE FROM FILE

From: Hodgdon, Stu
Sent: Wednesday, March 02, 2011 2:12 PM
To: Naylor, Mark; Laflamme, Jayson; 'normanroberge@hughes.net';
'Stephenpstcyr@yahoo.com'
Cc: Hatfield, Meredith; Eckberg, Stephen R.
Subject: Lakes Region Water - PIC Audit Report

On 2/28/11, Norman Roberge presented PUC Audit with support showing that Audit Issue #8, Deposit - Write Off in the amount of \$1,907 should be voided with no adjustment made to this rate case.

The Company made the following written statement: "The Company has corresponded with customers identified in the deposits of March 30 & 31, 2009 and has received several copies of checks, both sides, which were part of the deposits. We forwarded the check copies to the bank, which then conducted its research and found that the deposits were processed for different individual amounts, due to mix-up of checks placed with the deposit tickets but that all funds were deposited. The Company further reviewed the checking account reconciliation, (audit staff has copies) for the months of March and April 2009 and found that yes the two deposits identified as \$826.59 and \$980.47 were removed from cash and charged to bad checks, but it also found that one unidentified deposit was added to cash in March in the amount of \$440.46 and a second unidentified deposit was added to cash in April in the amount of \$1,366.60 with both being offset with entries to bad debts offsetting the original missing deposits.

Since these entries offset there is no write off of missing deposits and no effect on the rate filing."

PUC Audit has researched the above most recent Company information and confirms that account 506709047 does include the above debit and offsetting credit entries. Therefore we agree that no adjustment needs to be made to the LRWC rate filing.

As the PUC has issued a final audit report with a date of 2/15/11 we will not be going back to revise it based on the above updated Company response. However, please note that PUC Audit is now satisfied with the above general ledger offsetting entries in year 2009.