CITY OF NASHUA Petition for Valuation Pursuant to RSA 38:9 DW 04-048

City of Nashua's Responses to Pennichuck's Public Interest Data Requests - Set 1 Round 1

Date Request Received: May 5, 2005

Date of Response: June 10, 2005

Request No. 1-168

Respondent: Brian A. McCarthy

Request:

What methodology does Nashua intend to use to determine the level of rates for customers outside of Nashua as opposed to those inside of Nashua? Do you expect the rates for such customers to be the same for all residential customers? All commercial customers? Please explain any variances and the basis on which such variances will be determined. Your response should, among other things, specifically indicate whether rate differentials between communities and/or systems would be based on cost

of service or other factors.

Response:

Nashua intends to continue the present rate structure design until such time as a cost of service study indicates that a different structure is more

appropriate.