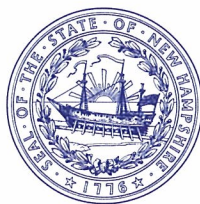


THE STATE OF NEW HAMPSHIRE

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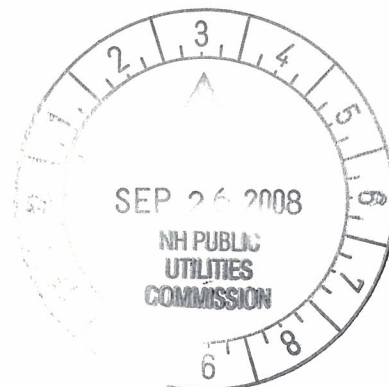
Website:
www.oca.nh.gov

OFFICE OF THE CONSUMER ADVOCATE

21 S. FRUIT ST., SUITE 18
CONCORD, NEW HAMPSHIRE 03301-2429

September 26, 2008

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, New Hampshire 03301-7319



**RE: DW 08-088 Hampstead Area Water Company, Inc.
PUC Request for Information from DES**

Dear Ms. Howland:

On September 4, 2008, the Commission, through Staff Attorney Marcia A.B. Thunberg, requested information from the Department of Environmental Services (DES) about the State Revolving Loan Fund approval process. Specifically, the Commission seeks a response to the question of whether Commission approval of a rate increase is necessary before DES can approve the Company's application for SRF financing. Based upon information and belief, DES has not yet responded to the Commission's request.

The OCA has not contacted DES about the Commission's request, as we believe that it is more appropriate to allow Mr. Skarinka to respond directly to the Commission. The OCA is not aware whether the Staff or the Company has had any contact with DES concerning the Commission's request for information.

The OCA urges the Commission to inquire about the status of its pending request. The issue of whether the Company requires approval of a rate increase for purposes of the SRF loan remains, and will remain, a live issue through the Commission's final decision in this proceeding, and further delay in the response from DES may cause delays in the Commission's final decision. We also request that the Commission provide DES's response to all parties on the service list if DES does not do so.

Respectfully,

Rorie E.P. Hollenberg

Rorie E.P. Hollenberg
Staff Attorney



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