

May 31, 2016

Cabot Preserve
PFOA Update

To our Cabot Preserve Customers:

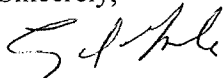
Pennichuck promised it would update you regarding significant new information as it became available about the PFOA situation, as it pertains to your water system. Since we provided our last written communication to you, please be advised of the following significant developments:

1. The United States Environmental Protection Agency established a lifetime exposure health advisory for the combination of Perfluorooctanoic Acids ("PFOA") and Perfluorooctanesulfonic ("PFOS") of 70 parts per trillion ("ppt") on May 20, 2016.
2. The Merrimack Village District ("MVD") has suspended producing water from MVD's Wells 4 and 5, which had elevated levels of PFOA, combined with PFOS, from recent sampling results. The remaining MVD wells have a blended average level of PFOA and PFOS of approximately 30 ppt, which is well below the EPA's newly, established health advisory level of 70 ppt. According to recent communications with MVD, they have indicated that they do not plan to utilize Wells 4 and 5 as a part of their water production, until adequate treatment for PFOA and PFOS can be installed at these wells.
3. Based upon the testing regime we have instituted related to this situation, the combined levels of PFOA and PFOS in the water being delivered into the Cabot Preserve System from our sampling results are as follows (including markedly lower testing results after the suspension of the use of Wells 4 and 5, as evidenced by the three most recent results shown below):

Date Collected	Date Results Received	PFOA Results (ppt)	PFOA + PFOS Results (ppt)
3/16/2016	3/20/2016	36	36
4/6/2016	4/22/2016	52	52
4/13/2016	5/11/2016	52	60.1
4/20/2016	5/24/2016	52	58.2
4/26/2016	5/4/2016	38	38
5/3/2016	5/11/2016	14	14
5/11/2016	5/19/2016	11	11
5/16/2016	5/23/2016	11	11

If you have any questions regarding these updates, please do not hesitate to contact us.

Sincerely,



Larry Goodhue
 Chief Executive Officer