



ATTORNEYS AT LAW

**CONFIDENTIAL
MATERIAL
IN COMM FILE**

August 7, 2014

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**VIA ELECTRONIC MAIL AND
HAND DELIVERY**

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

Re: DW 13-130; Pennichuck Water Works, Inc.
Rate Case Expenses

Dear Ms. Howland:

Pursuant to Order No. 25,693 (July 15, 2014) in the above-captioned proceeding, Pennichuck Water Works, Inc. (PWW or the Company) seeks recovery of \$103,368.52 in rate case expenses. As set forth in the summary of rate case expenses, Attachment A, the Company seeks recovery for legal services, filing preparation services, publication notice, customer notice mailing, stenographer services, and, the Public Utilities Commission (PUC or Commission) Staff consultant, which are allowable expenses consistent with the Commission's recently approved rule, Puc 1906.01. If recovered over 12 months, the monthly rate case expense charge per customer would be \$0.32.

PWW also provides, as Attachment B, documentation of its rate case expenses, consistent with the Commission's recently approved rule, Puc 1905.03 (a) through (d). It should be noted that Devine, Millimet and Branch tracked legal expenses in two ways for PWW. For legal services directly attributable to PWW, expenses were billed to account number 023614-098798, PWW 2013 Rate Case. For legal services applicable to the three Pennichuck Corporation (Pennichuck) rate cases, namely, PWW, Pittsfield Aqueduct Company, Inc. (PAC) DW 13-128, and Pennichuck East Utility, Inc. (PEU) DW 13-126, or for which the legal services for the three entities were so intermingled that tracking time by company would be infeasible, expenses were billed to account number 023614-098351, Rate Cases, and assessed based on the management fee allocation percentages for 2012. Such expenses were allocated 80% to PWW, 18% to PEU, and 2% to PAC.

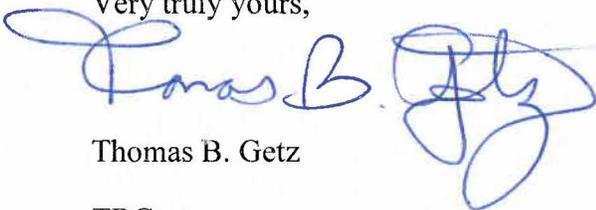
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In addition, PWW submits as Attachment C documentation that it procured legal services for this proceeding through a competitive bid process. In May 2012, Pennichuck issued a Request for Qualification for Legal Services to five New Hampshire law firms, seeking responses by June 18, 2012. On June 22, 2012, Pennichuck issued a Request for Fee Proposal-Legal Services, seeking responses by July 9, 2012. Pennichuck selected two finalists from among four proposals, conducted interviews, and selected Devine, Millimet and Branch based on costs and experience. An engagement letter was signed on August 3, 2012. Pennichuck's approach is consistent with the Commission's recently approved rule, Puc 1905.03 (g) and (h). Pennichuck also includes, as part of Attachment C, its Capital Requisition Policy. While this policy is not directly applicable to legal services, it does require proposals/bids for products or services over \$10,000. Pennichuck's requests for qualifications and fee proposal for legal services is consistent with that policy and consistent as well with the Commission's recently approved rule, Puc 1905.03 (e) and (f).

Finally, the Company seeks confidential treatment of certain billing information contained in Attachment B. Accordingly, enclosed is a motion for confidential treatment pursuant to Puc 203.08, along with redacted and unredacted versions of Attachment B as required by Puc 201.04

Please do not hesitate to contact me if there are any questions about this request.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Thomas B. Getz". The signature is stylized and cursive, with a large initial "T" and "G".

Thomas B. Getz

TBG:aec

Attachments

cc: Rorie E.P. Hollenberg, Assistant Consumer Advocate
Electronic Service List