



AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.
DW 16-123

Aquarion Water Company's Responses to
Staff's Data Requests – Set #1

Date Request Received: February 2, 2016
Request No.: Staff 1-4

Date of Response: February 12, 2016
Witness: Debra Kirven

REQUEST: Re: Penalty charge

Proposed tariff page 12, Penalty reads, "A penalty of five percent (5%) will be added to bills which are unpaid after the due date printed on the bill as evidenced by the date of payment to the utility's authorized agent."

- a. The proposed penalty language appears to contradict the Terms of Payment which is proposed to be changed to include "Bills are due and payable within 25 days from the postmarked date of the bill." Please explain.
- b. The five percent (5%) penalty had been charged on a quarterly basis; please explain why this charge was not adjusted to a monthly-basis charge.

RESPONSE: a. The Company will adjust the Penalty language to read:

"A penalty of five percent (5%) will be added to bills which are unpaid 30 days from the postmarked date of the bill."

To clarify, the Company requests that bills be paid within 25 days, but the penalty will not be assessed until the bills are unpaid for 30 days. Please refer to Staff 1-4 Attachment A for the updated tariff page.

- b. The five percent (5%) is based on each individual bill. The penalty is only assessed on the current services rendered.

For Example: Based on a customer using 733 cubic feet of water per year
(This is the example used in the Company's initial petition):

Bill	Amount	Penalty (5%)	Total Bill with Penalty	Convert Monthly Bill back to Quarterly Bill with Penalty
Annual	\$586.31			
Quarterly	\$146.58	\$7.32	\$153.90	
Monthly	\$48.86	\$2.44	\$51.30	\$153.90