

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 09-177

BOW LAKE ESTATES WATER WORKS, INC.

Investigation into Failure to File Annual Reports

**Order to File Reports and to Show Cause Why the Company
Should not be Placed into Receivership**

ORDER NO. 25,058

December 29, 2009

Bow Lake Estates Water Works, Inc. (Bow Lake Estates) is a regulated public utility that provides water service in the Town of Strafford to 41 customers in a development known as Bow Lake Estates on Big Kooaukee Island on Bow Lake. The Commission approved the franchise request of Bow Lakes Estates' predecessor, North Country Water Supply, Inc., in Docket No. DE 92-076 (November 23, 1992). *North Country Water Supply, Inc.*, Order No. 20,677, 77 NH PUC 732 (1992). North Country subsequently requested permission to transfer the franchise to a newly created entity, namely, Bow Lake Estates. The Commission approved the transfer in Docket No. 93-197 (June 26, 1995). *North Country Water Supply, Inc.*, Order No. 21,709, 80 NH PUC 380 (1995).

Pursuant to RSA 374:15, every public utility must file with the Commission such reports containing facts and statistics as may be required by the Commission. Pursuant to N.H. Code Admin. Rule Puc 609.04, F-16 Annual Report, regulated utilities that keep their books on a calendar-year basis must file annual reports with the Commission each year, on or before March 31. Filing an annual report each year is not a mere technicality. "It is an essential component of the rules the Commission has promulgated in the discharge of its statutory duty 'to keep

informed as to all public utilities in the state.”’ *Riverside Water Works, Inc.*, Order No. 23,875, 86 NH PUC 912, 914 (2001) (quoting *Central Water Co.*, Order No. 23,334, 84 NH PUC 577, 578 (1999) and RSA 374:4). RSA 374:17 provides for the forfeiture of \$100 for each day a public utility fails to file its annual report.

On September 10, 2009, Commission Staff filed a letter advising the Commission that Bow Lake Estates had yet to file either its 2007 or 2008 Annual Reports. The 2007 Annual Report was due on March 31, 2008, and the 2008 Annual Report was due March 31, 2009. Staff stated that it had reminded the company of its obligation to file reports. Staff also stated that Bow Lake Estates has a history of failing to timely file reports and to respond to Commission orders. Bow Lake Estates filed its 2000, 2001, 2002, and 2003 annual reports late. Staff stated Docket No. DW 04-010 was opened to investigate Bow Lake Estates’ failure to file annual reports. In *Bow Lake Estates Water Works, Inc.*, Order No. 24,303, 89 NH PUC 204 (2004), the Commission ordered Bow Lake Estates to pay \$500 pursuant to RSA 374:17 and stated it would no longer sanction such conduct. In light of this history, Staff recommended that the Commission open a proceeding to investigate Bow Lake Estates’ failure to file annual reports and to consider placing the utility in receivership pursuant to RSA 374:47-a.¹

The issues in this proceeding include, inter alia, issues related to: RSA 374:15 and the requirement to file annual reports; RSA 374:4 and the duty of the Commission to keep informed; RSA 374:17 and the authority of the Commission to levy forfeitures for failure to make or file any report; RSA 365:42 and civil penalties of officers and agents of a utility for up to \$100,000 for willful violations of Commission orders; RSA 374:22 and whether it is in the public interest

¹ The Commission’s records also show that the 2004, 2005, and 2006 reports were late. Staff notified the company of its failure to file, but did not seek forfeiture pursuant to RSA 374:17.

for Bow Lake Estates to hold a franchise in this state; and RSA 374:47-a and whether Bow Lake Estates ought to be placed in receivership.

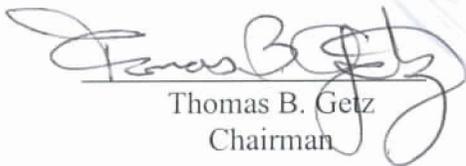
Based upon the foregoing, it is hereby

ORDERED, that pursuant to RSA 374:15 and N.H. Code Admin. Rule Puc 609.04, Bow Lake Estates Water Works, Inc. file its 2007 and 2008 annual reports by January 29, 2010; and it is

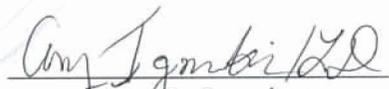
FURTHER ORDERED, that Bow Lake Estates Water Works, Inc. appear before the Commission at a hearing on February 25, 2010 at 10:00 a.m. to show cause why it or its agents and officers should not be ordered to pay a forfeiture and/or civil penalty, as applicable, for failure to file the required 2007 and 2008 annual reports; and it is

FURTHER ORDERED, that Bow Lake Estates Water Works, Inc. at the February 25, 2010 Commission hearing show cause why it should not be placed into receivership.

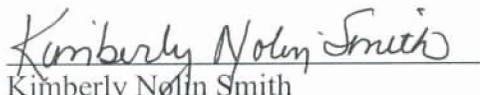
By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of December, 2009.


Thomas B. Getz
Chairman


Clifton C. Below
Commissioner


Amy L. Ignatius
Commissioner

Attested by:


Kimberly Nolin Smith
Assistant Secretary