

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 11-021

ORDER OF NOTICE

Lakes Region Water Company, Inc. (LRWC) is a public water utility that serves approximately 1,615 customers in the Towns of Campton, Conway, North Conway, Freedom, Gilford, Moultonborough, Ossipee, Tamworth, Thornton, Tuftonboro, Wolfeboro, and the City of Laconia. On January 25, 2011, LRWC filed a petition pursuant to RSA Chapter 369 for approval of \$216,547 in long term debt incurred by LRWC in the ordinary course of business during the years 2004, 2006, 2007, 2008, 2009, and 2010. The petition and subsequent docket filings, other than information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2011/11-021.html>.

According to the pre-filed testimony of Mr. Stephen P. St. Cyr, the debt was incurred in connection with the acquisition of the following equipment at the terms and interest rate noted:

Year	Lender	Description	Amount
2004	GEHL Finance	Mustang Excavator 5-Year Term, 3%	\$20,350
2006	Laconia Savings Bank	Sierra 5-Year Term, 7.49%	\$40,918
2007	Key Equipment	Meter Reader 2-Year Term, 13%	\$9,049
2007	Citizen's Bank	Sierra 5-Year Term, 8.49%	\$13,479
2007	Santander (Formerly Sovereign Bank)	Silverado 6-Year Term, 6.39%	\$32,670
2008	St. Mary's Bank	Chevrolet Colorada 5-Year Term, 5.75%	\$18,026
2008	Bank of America Capital Lease	Copier 4-Year Term, 5.2%	\$5,689

2009	St. Mary's Bank	Chevrolet Colorada 4-Year Term, 5.9%	\$18,865
2009	GEHL Finance	Mustang Excavator 5-Year Term, 0%	\$26,200
2010	Ford Motor Credit	F350-XL Dump Truck 5-Year Term, 7.89%	\$31,301

LRWC states the financings are consistent with the public good because the equipment and vehicles were used in LRWC's operations to meet the service needs of its customers. LRWC seeks to defer and amortize over 20 years the cost to pursue and obtain financing approval; LRWC would then add these costs to the annual cost of debt reflected in the weighted, average interest rate.

LRWC is also seeking approval to include in its rates the plant additions constructed with these financings, which will be considered in Docket No. DW 10-141, LRWC's permanent rate case. Accordingly, the Commission has consolidated the instant financing docket with Docket No. DW 10-141, LRWC's rate case along with two other LRWC proceedings, Docket No. DW 10-043 pertaining to approval of LRWC's affiliate agreement with LRW Water Services, Inc. and Docket No. DW 07-105 relative to an investigation into LRWC's quality of service. . A hearing on the merits has been set for December 15, 1011.

The filing raises, inter alia, issues related to RSA 369 and the terms and conditions of the debt financing and the use of the funds. Each party has the right to have an attorney represent them at their own expense.

Based upon the foregoing, it is hereby

ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, the Commission shall notify all persons desiring to be heard at the December 15, 2011 hearing by publishing a copy of this Order of Notice on its web site as of the date of this order; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Lakes Region Water Company, Inc. and the Office of the Consumer Advocate on or before November 4, 2011, such petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Code Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said Objection on or before November 18, 2011.

By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of October 2011.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 11-021-1 Printed: October 25, 2011

FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:
- DEBRA A HOWLAND
EXECUTIVE DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.