

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 13-358

PENNICHUCK WATER WORKS, INC.

**Water Infrastructure and Conservation Adjustment 2014-16 Capital Projects
and 2014 Surcharge**

Summary Order *Nisi* No. 25,661 Granting Petition

May 5, 2014

Pennichuck Water Works, Inc. (PWW) provides water service to about 29,000 customers in southern New Hampshire. On December 23, 2013, PWW filed for approval of its proposed 2014-2015 capital projects under its Water Infrastructure and Conservation Adjustment (WICA) pilot program. The WICA program is intended to accelerate replacement of aging infrastructure and provides a rate recovery mechanism.

PWW sought approval of 2014 capital projects and preliminary approval for its 2015 projects. PWW also sought to impose a rate surcharge to recover projects constructed in 2013. The 2013 projects included replacement of water mains, hydrants, and service lines. Subsequent to its filing, PWW filed a motion seeking to modify its tariff and change filing deadlines and address notice issues. The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, is posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2013-13-358.html>.

On March 14, 2014, Staff recommended that the Commission approve PWW's capital budgets and surcharge. Staff recommended that the Commission approve: 1) revised 2014 capital projects having a construction budget of \$2,486,400, 2) approve on a preliminary basis 2015 projects totalling \$2,506,536, 3) approve a 0.67% rate surcharge to recover projects

constructed in 2013, and 4) tariff changes concerning filing deadlines and notice issues. Staff stated that the OCA agreed with its recommendations but took no position on the technical aspects of the filing.

The Commission approved PWW's 2014 WICA surcharge of 0.67% for service rendered on and after April 1, 2014, PWW's 2014 schedule of proposed WICA projects and capital budget. The Commission provided preliminary approval of PWW's schedule of 2015 proposed WICA projects and capital budget. The Commission also approved changes to PWW's tariff.

In order to ensure that all interested parties receive notice of this docket and have an opportunity to request a hearing, the Commission will delay the effectiveness of these approvals until May 28, 2014. All persons interested in responding to the Commission's approvals may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than May 21, 2014. Any party interested in responding to such comments and request for hearing shall do so no later than May 27, 2014. Following consideration of any comments and request for hearing received, the Commission may further extend the effective date of its approvals. The Commission's approvals shall become final and effective on May 28, 2014, unless the Commission orders otherwise.