



HAMPSTEAD AREA

WATER COMPANY, INC

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DW 18-026

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February 23, 2018

Debra A. Howland
Executive Director & Secretary
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, N. H. 03301-2429

Re: Return on Equity Petition

Dear Ms. Howland:

On behalf of Abenaki Water Co. ("AWC"), Hampstead Area Water Company ("HAWC") and Lakes Region Water Company ("LRWC") collectively referred to as the Companies, enclosed is the original and six copies of the Companies' return on equity filing. A copy has been sent to Mr. Kreis, the Consumer Advocate.

The Return On Equity filing includes the following:

- (1) Petition of Companies
- (2) Direct testimony of Donald J. E. Vaughan for AWC
- (3) Direct testimony of Harold Morse for HAWC
- (4) Direct testimony of Stephen P. St. Cyr for HAWC
- (5) Direct testimony of Pauline M. Ahern, CRRA, for the Companies

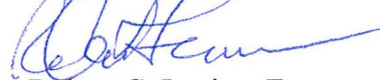
LRWC is preparing testimony in support of this Petition to be submitted separately as Exhibit 3 to this Petition. Attorney Justin C. Richardson will be filing his appearance on behalf of LRWC and will be copied on this filing.

The Companies acknowledge that the filing is somewhat unique in that it is a joint petition whereby the Companies have pooled together their resource and hired a cost of equity expert to review each company and to make a determination of an appropriate range of acceptable cost of equity for each company. In the case of HAWC and AWC, both companies have rate cases before the PUC. HAWC and AWC both plan to incorporate the results in this docket into their respective rate cases. HAWC and AWC anticipate that the return on equity docket can proceed concurrent with their rate case. It is impractical, inefficient, costly and impossible for AWC, HAWC and LRWC to do this on their own.

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The Companies respectfully request that the Commissioners schedule a prehearing conference and technical session on this matter. The Companies also anticipate being able to discuss and resolve any issues that may arise during the proceedings. Please do not hesitate to contact me with any questions or concerns. Thank you for your assistance in this filing.

Very Truly Yours

A handwritten signature in blue ink, appearing to read "Robert C. Levine", with a long horizontal flourish extending to the right.

Robert C. Levine, Esq.
General Counsel

RCL/ja
encl.

cc: HAWC Mgrs.
Don Vaughan
Thomas Mason
Justin C. Richardson, Esq.
Stephen P. St. Cyr
OCA