# THE STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

#### **DW 18-026**

# ABENAKI WATER COMPANY, INC., HAMPSTEAD AREA WATER COMPANY, INC. and LAKES REGION WATER COMPANY, INC.

## **Return on Equity Petition**

#### **ORDER OF NOTICE**

On February 27, 2018, Abenaki Water Company, Inc. (Abenaki), Hampstead Area Water Company, Inc. (HAWC), and Lakes Region Water Company (Lakes Region) (collectively, Petitioners) filed a joint petition for a declaratory ruling or, in the alternative, a Commission rulemaking to provide for "an appropriate small size premium to be used by the Commission when determining the rates and authorized return on equity (ROE) for small satellite water systems serving fewer than 3,330 residents pursuant to RSA [Chapter] 378." The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <u>http://www.puc.nh.gov/Regulatory/Docketbk/2018/18-026.html</u>.

In support of their petition, the Petitioners presented the testimony of Donald J.E. Vaughan, Harold Morse, Stephen P. St. Cyr, and Pauline M. Ahern. Ms. Ahern's testimony presents the theoretical underpinnings of the Petitioners' preferred ratemaking methodology to incorporate the "small size premium" on ROE and rates.

The filing raises, <u>inter alia</u>, issues related to justness and reasonableness of rates pursuant to RSA Chapter 378, and whether the proposed ratemaking methodologies presented by the Petitioners would produce just and reasonable rates. Furthermore, as a threshold matter, the Commission has determined that it must decide the best procedural approach for this case, either: (1) a generic Commission investigation of this petition and the issues arising therefrom; (2) a declaratory judgment proceeding, as governed by the standards and procedures of N.H. Code Admin. Rules Puc 207.01; or, (3) a rulemaking. The Commission invites the Petitioners and other interested persons to provide arguments regarding the best approach at the prehearing conference for this matter. Each party has the right to have an attorney represent the party at the party's own expense.

# Based upon the foregoing, it is hereby

**ORDERED**, that a Prehearing Conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on April 13, 2017 at 10:00 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Code Admin. Rules Puc 203.15, and arguments regarding the best procedural approach to be taken by the Commission in this proceeding, as indicated above; and it is

**FURTHER ORDERED**, that, immediately following the Prehearing Conference, Abenaki, HAWC, Lakes Region, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition; and it is

**FURTHER ORDERED**, that pursuant to N.H. Code Admin. Rules Puc 203.12, Abenaki, HAWC, Lakes Region shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than April 4, 2018, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before April 11, 2018; and it is **FURTHER ORDERED**, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Abenaki, HAWC, Lakes Region and the Office of the Consumer Advocate on or before April 11, 2018, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, consistent with N.H. Code Admin. Rule Puc 203.17; and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before April 13, 2018.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of March, 2018.

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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.

Executive.Director@puc.nh.gov alexander.speidel@puc.nh.gov amanda.noonan@puc.nh.gov bob@lewisbuilders.com brian.buckley@oca.nh.gov donald.kreis@oca.nh.gov dvaughan@newenglandservicecompany.com james.brennan@oca.nh.gov jayson.laflamme@puc.nh.gov jrichardson@upton-hatfield.com ocalitigation@oca.nh.gov pradip.chattopadhyay@oca.nh.gov robyn.descoteau@puc.nh.gov stephenpstcyr@yahoo.com steve.frink@puc.nh.gov Tom@lakesregionwater.com

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### **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: DEBRAAHOWLAND

EXEC 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.