

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

**DW 18-054
DW 18-161**

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

**Investigation to Determine Rate Effects of Federal and State Corporate Tax Reductions
And Petition for Approval of
2019 Water Infrastructure and Conservation Adjustment**

**Summary of Order *Nisi* No. 26,245
Approving 2019 WICA Surcharge and Creation of Regulatory Liability Accounting for
Corporate Income Tax Adjustment**

May 2, 2019

On May 2, 2019, the Commission approved a temporary 2019 Water Infrastructure and Conservation Adjustment (WICA) surcharge of 6.72 percent for Aquarion Water Company of New Hampshire, Inc. (Aquarion), effective June 1, 2019, through December 31, 2019. The impact for a typical residential customer using an average 53,300 gallons per year is a monthly bill decrease of \$0.15, from a WICA surcharge of \$3.01 to \$2.86. The WICA surcharge will become a permanent rate of 7.5 percent on January 1, 2020. The impact for a typical residential customer as of January 1, 2020, will be a monthly bill increase of \$0.33, from a WICA surcharge of \$2.86 to \$3.19.

The Commission also approved the creation of a regulatory liability by Aquarion, as of January 1, 2018, to account for the impact of federal and state statutory income tax rate reductions. Those tax reductions resulted in an Excess Accumulated Deferred Income Tax liability owed to customers and a significant annual income tax expense savings from that included in the current revenue requirement for Aquarion. The Commission also approved the recording methods to address the tax law changes as agreed by the parties.

The Commission delayed the effectiveness of its order to ensure that interested persons and the public receive notice of the Commission's determination and have an opportunity to file comments or request a hearing. The Commission's Order and docket filings in these matters, other than any information for which confidential treatment is requested of or granted by the Commission, are available at <http://www.puc.state.nh.us/Regulatory/Docketbk/2018/18-054.html> and <http://www.puc.state.nh.us/Regulatory/Docketbk/2018/18-161.html>.

All persons interested in responding to the order 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 17, 2019. Any person(s) responding to such comments and requests for hearing shall do so no later than May 24, 2019. Following consideration of any comments and requests for hearing received, the Commission may further extend the final effective date of its order. The Order shall become final and effective on June 1, 2019, unless the Commission orders otherwise.