

THE STATE OF NEW HAMPSHIRE

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March 14, 2019

Debra A. Howland, Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

Re: DW 18-090 – Pennichuck East Utility, Inc. (“PEU” or “Company”)
Tariff Changes re: Small Diameter Private Fire Protection Non-Metered Service
Staff Recommendation relative to Subsequent Tariff Change

Dear Ms. Howland:

On March 5, 2019, PEU filed proposed Twenty-First Revised Tariff Page 38 relative to a requested change in the effective date for eligibility into PEU’s recently approved “grandfathered” meter charge for customers serviced by a 1” meter with private fire protection from December 31, 2018 to February 23, 2019. An order suspending the tariff has not been issued. Staff is recommending that the Commission allow the tariff to become effective on April 4, 2019, thirty days after the petitioner’s filing.

On January 24, 2019, the Commission issued *Nisi* Order No. 26,213, which approved changes to the non-metered private fire protection rates and terms for PEU’s customers. Included in those changes was an effective prohibition of future so-called “Option 1”¹ service installations, and also the establishment of a grandfathered monthly meter charge for existing Option 1 customers whose fire protection was installed and in service prior to December 31, 2018. Due to the issuance date of the Commission’s *Nisi* Order, however, the grandfather deadline of December 31, 2018, did not become effective until February 24, 2019. Further, between December 31 and February 24, three additional Option 1-type services were installed by PEU customers. The Company believes that due to the resulting differential between the intended and actual effective dates for eligibility, it would be inequitable to exclude these three customers from the grandfathered rate class.

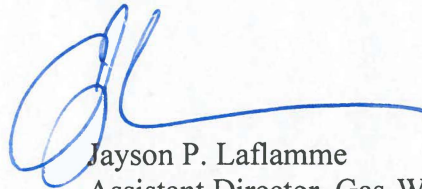
¹ An “Option 1” service installation is one whereby a single service line of 1 ½” or larger is installed in order to provide both domestic and fire suppression flows through a 1” meter.

March 14, 2019

Staff has reviewed PEU's proposed tariff revision and notes that there is no request for a change in the previously approved grandfathered meter charge of \$30.41 per month. The proposed change, rather, only extends the effective date for eligibility into the grandfathered rate class from December 31, 2018 to February 23, 2019 in order to allow inclusion of the three effected customers. As such, Staff believes that, since an order suspending the proposed tariff has not been issued, PEU's proposed tariff revision should be allowed to become effective on April 4, 2019, as it would be just and reasonable and in the public interest. (*See Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities*, Order No. 25,852 at 2 (December 15, 2015) (“[in] the absence of such suspension, the tariff amendments would become effective 30 days after filing under RSA 378:3”).

Thank you for your assistance with this matter. If you have any further questions, please do not hesitate to contact me.

Sincerely,



Jayson P. Laflamme
Assistant Director, Gas-Water Division

cc: Service List

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