



Marcia A. Brown  
*Attorney at Law*

*Environmental Law ■ Utility Law*

April 16, 2020

VIA ELECTRONIC DELIVERY

Debra A. Howland, Executive Director  
N.H. Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301

Re: Docket No. DW 19-084 – Pennichuck Water Works, Inc.  
Report on Compliance with Order No. 26,348

Dear Director Howland:

On April 14, 2020, the Commission issued Order No. 26,348 suspending the Pennichuck Water Works, Inc.'s ("PWW") temporary rate tariffs and setting a web-enabled hearing for May 13, 2020 for issue. The order also required PWW to: (1) send notice to all of its customers of the proposed temporary rates no later than April 15, 2020; and (2) publish a copy of the order on PWW's website no later than one day after the date of issue. Pursuant to the Commission's Secretarial Letters dated March 17 and 23, 2020, PWW is informing the Commission of its satisfaction of the notice requirements.

PWW published the Commission's order on its website on April 14<sup>th</sup>. PWW perfected notice to its customers using both electronic and hardcopy means. On April 14, 2020, PWW posted notice on its Facebook page. It also posted a customer notice on its web site, along with a list of answers to frequently asked questions. These are attached. The customer notice was modeled after notices approved by the Commission in previous rate cases. PWW was able to obtain Staff's review and comments on the notice, for which PWW is thankful given the very short turnaround time. That quick response enabled PWW's vendor, Curtis 1000, Inc., to immediately commence printing the notice on the morning of April 14<sup>th</sup>. Twenty thousand customer notices were able to be printed and mailed on April 15, 2020. The remaining 6,404 notices were mailed this morning. PWW believes the above notifications and posting of the Commission's order satisfy the requirements in Order No. 26,348.

Thank you in advance for your assistance with this filing.

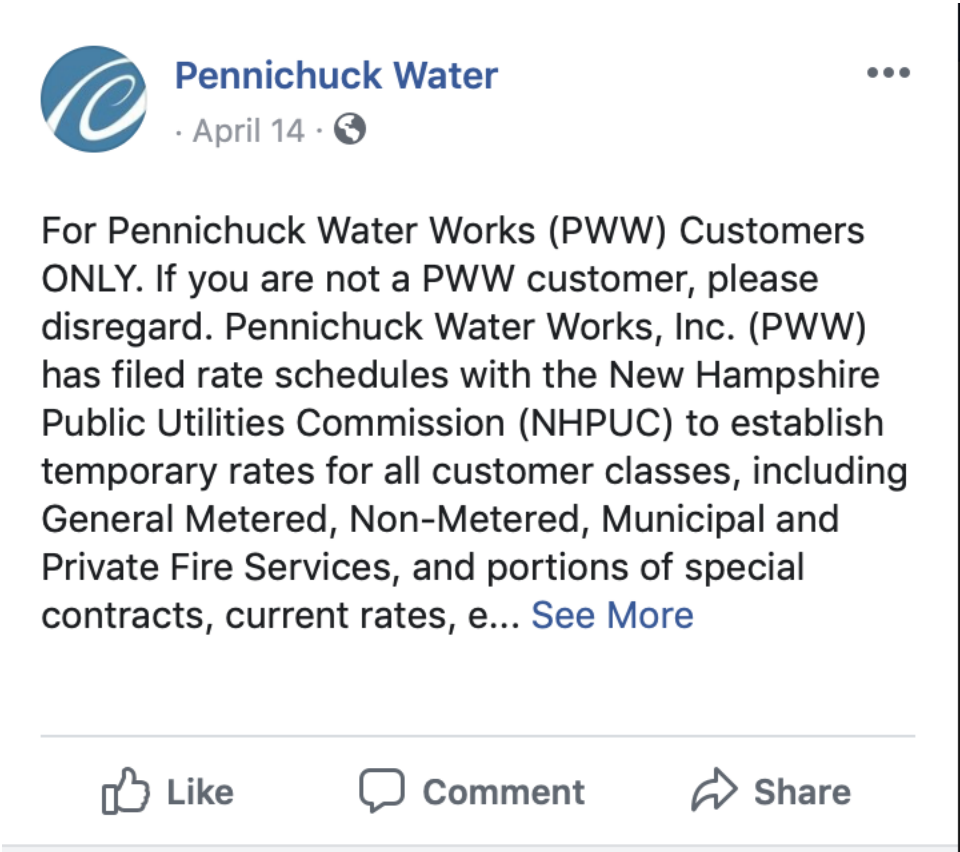
Very Truly Yours,



A handwritten signature in cursive script that reads "Marcia A. Brown".

Marcia A. Brown




cc: Electronic Docket-Related Service

Pennichuck Water Works, Inc.’s Facebook notice:



 **Pennichuck Water** · April 14 · 

For Pennichuck Water Works (PWW) Customers ONLY. If you are not a PWW customer, please disregard. Pennichuck Water Works, Inc. (PWW) has filed rate schedules with the New Hampshire Public Utilities Commission (NHPUC) to establish temporary rates for all customer classes, including General Metered, Non-Metered, Municipal and Private Fire Services, and portions of special contracts, current rates, e... [See More](#)

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Pennichuck Water Works, Inc.’s home page notice: <https://pennichuck.com/>

## WHAT’S NEW

### [Updates to the Pennichuck Water Works, Inc. \(PWW\) Rate Case](#)

Pennichuck Water Works, Inc. (PWW) has filed rate schedules with the New Hampshire Public Utilities Commission to establish its current rates for all customer classes, including General Metered, Non-Metered, Municipal and Private Fire Services, and portions of special contracts, as temporary rates, effective March 16, 2020. Please visit your district in [My Water System](#) or select the following links to review the [Notice to our Customers](#), the [New Hampshire Public Utilities Commission order website](#), and [Frequently Asked Questions](#) regarding this filing. **Please notice that this is for our Pennichuck Water Works (PWW) customers ONLY.**

**Temporary Rates Sought**  
**PENNICHUCK WATER WORKS, INC.** DW 19-084 Pennichuck Water Works, Inc. Attachments to 4/16/20 Letter  
Page 2 of 3

On March 16, 2020, Pennichuck Water Works, Inc. (PWW) filed temporary rate schedules with the New Hampshire Public Utilities Commission (Commission) to establish its current rates for all customer classes, including General Metered, Non-Metered, Municipal and Private Fire Services, and portions of special contracts, as temporary rates, effective March 16, 2020. PWW argued that it is under-earning and eligible for temporary rates pursuant to RSA 378:27. The establishment of temporary rates is significant because RSA 378:29 permits a utility to recoup the difference between the income it obtains charging temporary rates and the income the utility would have obtained if it had charged the final rates during the period that the temporary order was in effect. The filing can be accessed at: <https://www.puc.nh.gov/Regulatory/Docketbk/2019/19-084.html>. In its permanent rate case, PWW has asked for an overall permanent increase of 11.91%. The permanent increases requested by PWW by customer class as part of the rate petition filed in July of 2019 were as follows:

- General Metered - 7.85%
- Non-Metered - 7.85%
- Municipal Fire - 24.20%
- Private Fire - 72.09%

For example, the increase sought for PWW residential General Metered customers would result in a change to the average bill as follows:

<b>Average Residential Monthly Bill</b>				
<b>Based on Average Monthly Usage of 7.77 CCF (100 Cubic Feet)</b>				
	Customer Charge Based on 5/8" meter	Volumetric Charge per CCF	Volumetric Charge	Total Monthly
Current Rates	\$22.58	\$3.66	\$28.44	\$51.02
Proposed Permanent Rate	\$24.35	\$3.95	\$30.69	\$55.04

The Commission has scheduled a web-enabled remote hearing on May 13, 2020 at 9:00 a.m. Members of the public can access the hearing at: <https://nhgov.webex.com/nhgov/onstage/g.php?MTID=eb81d10462841c2ccd8176159f75c9db9> Parties will be provided additional instructions prior to the hearing. Persons having difficulty obtaining access to this remote event should notify the Commission by calling (603) 271-2431. Any party seeking to intervene in the proceeding shall submit to the Commission a petition to intervene electronically to the service list for this docket on or before May 11, 2020, such petition stating the facts demonstrating how its rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17. The petition should be filed electronically using the service list for Docket No. DW 19-084 accessed at: <https://www.puc.nh.gov/PublicReports/ViewServList.aspx>. Any party objecting to a petition to intervene shall make the objection on or before May 13, 2020, using the service list for this docket.

**For more information please refer Pennichucks website**  
**([www.pennichuck.com](http://www.pennichuck.com)) or call**  
**Pennichuck Water Works at 1-800-553-5191**

**Frequently Asked Questions Regarding our Temporary Rates**

**1.) What is the purpose behind the Temporary Rate Order process?**

This is part of the overall permanent rate process that the Company filed and noticed in August of 2019. This order for temporary rates, as filed by the Company, was done to set the date for which the new permanent rate, once authorized, can be collected back to.

**2.) What rates are being authorized by this Temporary Rate Order?**

This order is only related to the setting of the date for which permanent rates can be earned back to, once those new rates are established. The rates being authorized as of March 16, 2020 are at the Company's "current rates." As such, no impact on the rates included in your current bills will occur, until such time that new permanent rates are authorized from the current rate case, sometime later this year.

**3.) When will I see the new permanent rates on my bill?**

New permanent rates will not be included on your bills until sometime this Fall, once new permanent rates are authorized and ordered by the Commission. At that time, the order would authorize new permanent rates going forward, as well as the ability to recoup the value of those rates back to the Temporary Rate date established as of March 16, 2020. The recoupment of these rates back to the March 16, 2020 date will in all likelihood (as has always been done in past rate cases) be billed and earned over a period of time on a going forward basis, once new permanent rates are included. As a rule, from past rate cases, this has been a period of 12 months after new permanent rates are approved.

**4.) Are these Temporary Rates something in addition to the new Permanent Rates the Company is pursuing in its rate case, as was noticed to customers in August of 2019?**

No, these Temporary Rates are not in addition to those new Permanent Rates. They are a subset of those new Permanent Rates, once authorized.