

CHAIRMAN
Martin P. Honigberg

COMMISSIONERS
Kathryn M. Bailey
Michael S. Giaino

EXECUTIVE DIRECTOR
Debra A. Howland

STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION
21 S. Fruit St., Suite 10
Concord, N.H. 03301-2429

TDD Access: Relay NH
1-800-735-2964

Tel. (603) 271-2431

FAX No. 271-3878

Website:
www.puc.nh.gov

July 18, 2019

NHPUC 18JUL'19PM1:19

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit St., Suite 10
Concord, NH 03301

Re: DW 19-091, Pennichuck Water Works, Inc.
Petition for Declaratory Ruling and Request for Mediation
Staff Report Following July 17, 2019, Technical Session

Dear Ms. Howland:

Pursuant to a Secretarial Letter issued on June 13, 2019, in the above-mentioned docket, a technical session was held on July 17. The Commission ordered the technical session so that the parties could discuss how to best proceed in the docket and attempt agreement on the process for the Commission to employ. The Commission further directed Commission Staff (Staff) to file a letter reporting the results of that technical session. This letter serves as Staff's report to the Commission.

By way of background, Pennichuck Water Works, Inc. (PWW or the Company), filed a petition for declaratory ruling and request for mediation on May 13, 2019. PWW requested, in its petition, the Commission rule that the Qualified Capital Project Adjustment Charge and rate case expenses are component of volumetric charges authorized by a special contract, between itself and the Town of Hudson (Hudson), and are recoverable. The Company, alternatively, requested the Commission oversee mediation between the parties, or to conduct an investigation into this matter.

Hudson filed a partial motion to dismiss PWW's petition on May 23, and argued a declaratory ruling by the Commission is not the appropriate relief. Hudson, instead, asserted that the appropriate process to decide the issues raised is arbitration administered by the Commission, pursuant to the special contract. On June 3, PWW filed its objection to Hudson's motion to dismiss. Given the procedural process dispute between the parties, the Commission issued its Secretarial Letter.

The Company, counsel for Hudson, and Staff attended the technical session. After lengthy discussion regarding the procedural process, the parties in attendance agreed further discussion between Hudson and PWW were necessary. The parties in attendance, furthermore, agreed that

an additional technical session should be scheduled to provide additional time to consider the procedural process and further discuss the issues involved.

At this time, Staff, on behalf of both PWW and Hudson, requests that the Commission schedule an additional technical session for July 25, 2019, at 9 AM, to be held at the Commission. Staff, furthermore, notes that Hudson's May 23, 2019, motion to intervene remains outstanding. Staff supports Hudson's intervention as the motion and their interest as a party to the special contract at issue fulfills the requirements of RSA 541-A:32 and N.H. Code Admin. Rules Puc 203.17. Staff, additionally, notes that PWW does not object to Hudson's intervention. Pennichuck Water Works, Inc., Objection to Hudson's Motion to Dismiss, June 3, 2019, at 1. As such, Staff respectfully requests the Commission to grant Hudson's motion to intervene.

Please do not hesitate to contact me if you have any questions or concerns regarding this matter. Thank you for your attention.

Sincerely,



Christopher R. Tuomala, Esq.
Staff Attorney/Hearings Examiner

cc: Service List (Electronically)

Executive.Director@puc.nh.gov

amanda.noonan@puc.nh.gov

Christopher.tuomala@puc.nh.gov

dlefevre@tarbellpa.com

donald.kreis@oca.nh.gov

jayson.laflamme@puc.nh.gov

mab@nhbrownlaw.com

ocalitigation@oca.nh.gov

steve.frink@puc.nh.gov