

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 20-064

PENNICHUCK WATER WORKS, INC.

**Emergency Petition for Financing Approval
Under the Federal Paycheck Protection Program**

Order Extending Submission Date

ORDER NO. 26,424

November 24, 2020

This order extends the deadline for Pennichuck Water Works, Inc., to submit a report regarding its federal Paycheck Protection Program financing, from October 1, 2020, until May 2, 2021.

I. BACKGROUND

On May 6, 2020, the Commission authorized Pennichuck Water Works, Inc. (PWW or the Company) to borrow up to \$2,543,662 from the Paycheck Protection Program (PPP). *Pennichuck Water Works, Inc.*, Order No. 26,354 (May 6, 2020). The PPP, administered by the federal Small Business Administration (SBA), originated from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. *Id.* at 2. The PPP is a “loan designed to provide a direct incentive for small businesses to keep their workers on the payroll.” *Id.* The funds borrowed are subject to partial or full loan forgiveness if certain requirements are met. *Id.*

Order No. 26,354 directed PWW to “submit detailed company financial information pertaining to the time period during which the PPP loan funds were used, including but not limited to analysis of the revenue shortfall the Company would experience during that time if the PPP loan funds were not available as a report to the Commission no later than October 1, 2020.” *Id.* at 9. The Commission also directed PWW to submit a copy of the request for loan

forgiveness that the Company submits to its lender, TD Bank, with that filing. *Id.* The purpose of the report is “to ensure that the direct benefit of the financing flows to PWW’s ratepayers.”

Id.

On October 28, 2020, PWW filed a Motion for Modification of Order No. 26,354 (Motion). The Company asked the Commission to extend the October 1, 2020, filing deadline to May 2, 2021. Motion at 3. PWW stated that the federal government and the SBA “have modified the rules and requirements under the PPP loan program, leading to delays in TD Bank’s ability to establish protocols for accepting applications for loan forgiveness.” *Id.* at 2. PWW included with its Motion an opinion from Melanson Heath, the Company’s accounting firm. Melanson Heath, advised PWW that it should not file its application for loan forgiveness until 2021. *Id.* Melanson Heath identified “three specific issues that require additional regulatory guidance before the application should be filed: (1) the taxability of the amount of loan forgiven; (2) the timing of forgiveness relative to which tax year will apply; and (3) the full time equivalent calculation related to the comparison and rehire periods.” *Id.*

Because of that advice, PWW decided that it would not file the loan forgiveness application until 2021. *Id.* The Company stated that, per the terms of the PPP loan, the deadline to file for loan forgiveness is May 2, 2021. *Id.* at 2-3. PWW further stated that it “cannot provide the Commission with the reports required under its Order” until it files for loan forgiveness. *Id.* at 2. Staff assented to the Motion. *Id.*

PWW’s Motion, as well as previous filings and orders, other than any information for which confidential treatment has been requested of or granted by the Commission, are posted at:

<https://www.puc.nh.gov/Regulatory/Docketbk/2020/20-064.html>.

II. COMMISSION ANALYSIS

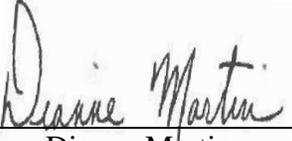
The Commission has the authority “to alter, amend, suspend, annul, set aside, or otherwise modify” its prior orders under RSA 365:28. The authority granted under this provision is to be “liberally construed.” *Appeal of the Office of the Consumer Advocate*, 134 N.H. 651, 657 (1991); *Meserve v. State*, 119 N.H. 149, 152 (1979).

We exercise our authority under RSA 365:28 to extend the deadline for PWW to file the required reports until after the Company files for loan forgiveness. We find that the uncertainties surrounding the application and impact of loan forgiveness faced by the Company justify its delay in filing for loan forgiveness. We also find that it would be premature to require PWW to file the required reports until it has filed for loan forgiveness. We will therefore, extend the deadline consistent with PWW’s request. The deadline for reporting the required information pursuant to Order No. 26,354 is extended from October 1, 2020, to May 2, 2021. Except as modified by this order, Order No. 26,354 remains unmodified and in full force and effect.

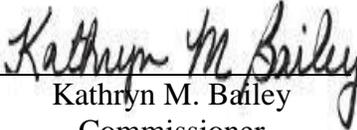
Based upon the foregoing, it is hereby

ORDERED, that Order No. 26,354 is modified to extend the reporting deadline to May 2, 2021, as discussed in the body of this order

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of November, 2020.

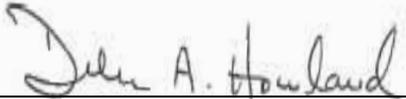


 Dianne Martin
 Chairwoman



 Kathryn M. Bailey
 Commissioner

Attested by:



 Debra A. Howland
 Executive Director

Service List - Docket Related

Docket#: 20-064

Printed: 11/24/2020

Email Addresses

ExecutiveDirector@puc.nh.gov
wfa@rathlaw.com
james.brennan@oca.nh.gov
steve.frink@puc.nh.gov
larry.goodhue@pennichuck.com
carolann.howe@pennichuck.com
jay.kerrigan@pennichuck.com
jayson.laflamme@puc.nh.gov
amanda.noonan@puc.nh.gov
ocalitigation@oca.nh.gov
Christa.Shute@oca.nh.gov
jjs@rathlaw.com
Christopher.tuomala@puc.nh.gov
smw@rathlaw.com
donald.ware@pennichuck.com
cbw@rathlaw.com