

STATE OF NEW HAMPSHIRE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
ATKINSON AREA WASTE WATER RECYCLING, INC

DW 20-_____

PETITION FOR APPROVAL OF PERMANENT RATES AND PROPOSED TARIFF REVISIONS

The Petitioner, Atkinson Area Waste Water Recycling, Inc. (AAWW) respectively submits its petition to the N.H. Public Utilities Commission (Commission) for approval to establish permanent rates, and to approve proposed revisions to the company's tariff to reflect changes in federal tax law related to Contributions in Aid of Construction. In support of this Petition, AAWW says:

1. AAWW is presently franchised in an area of Atkinson, New Hampshire. All the entities named in this Petition are closely held companies owned by related parties.
2. Atkinson Farm, LLC (AF), a New Hampshire limited liability company wholly owned by Christine Lewis Morse, Jonathan T. Morse, and Elizabeth A. Morse in their respective family trusts, is the parent company for Atkinson Concessions, Inc, d/b/a Atkinson Resort & Country Club (ACI). AF owns the land that ACI is located on, as well as the waste water treatment facility that is sited there also.
3. The waste water treatment system currently supplies service to ACI and will supply service to a development of residential condominium units being constructed on the AF property by Lewis Builders Development, Inc. (LBDI). This development will be known as Atkinson Heights and is within the Company's franchise area. This franchise was granted under docket DE-90-214 in the Commission Order number 20,298, dated November 12, 1991.

4. In 2007, AF obtained approval from the Town of Atkinson Planning Board to develop Atkinson Heights, which will be an age restricted (55+) residential condominium project. The project will total Two Hundred and Eighty-Eight (288) residential condominium units consisting of Nine (9) mid-rise buildings containing Thirty-Two (32) units each.
5. The initial customer base from these units is calculated for two buildings or Sixty-Four (64) units. Coupled with ACI, this makes for Sixty-Five (65) initial customers. (See Pre-filed testimony of Harold Morse, attached as Exhibit 3).
6. LBDI constructed the physical plant in 2001 on property owned by AF. The physical plant is a sewage treatment facility, consisting of four wetlands treatment cells and a sewage treatment lagoon. This treatment facility was approved by DES on April 1, 2002
7. LBDI constructed an expansion of the existing facility, a storage pond, to accommodate the anticipated development on the AF parcel in 2009.
8. AAWW proposes an increase in revenue including step increase by \$56,443.00, a 94% increase. This would result in average annual revenue of \$53,415 for Commercial \$979.77 for Residential on a per customer basis.
9. The current rates do not allow AAWW to meet its anticipated operation expenses and earn its proposed rate of return.
10. In support of its request for a rate increase, the Company provides the following information, as more completely detailed in the Pre-Filed Testimony of Stephen P. St. Cyr (Exhibit 2) and the Financial Appendices attached thereto.
11. It is appropriate at this time to increase permanent rates for AAWW, and this would represent the first rate increase in over twelve years. AAWW is proposing rates as follows:

- a. Base charge for residential customers of \$210.15 per year and a consumption charge of \$16.87 per 100 cubic feet of usage
 - c. Base charge of \$5,837.42 per year for commercial customers with a consumption charge of \$16.87, per 100 cubic feet of usage. (See Exhibit 2, Pre-filed Testimony of Stephen P. St. Cyr and Exhibit 3, Rates Schedules attached his testimony)
 - d. Collection of tax from developers and customers who make Contributions In Aid of Construction (CIAC) to the Company. (See Exhibit
12. That the Company has applied the proposed rate increase to all its metered customers. (See Proposed Tariff Rate Change Page, Exhibit 4). The Company also submits proposed revisions to its tariff to reflect changes to tax law for CIAC pursuant to Puc 1603.05. (See Exhibit 4). A new tariff is being submitted due to spacing from the proposed revisions and cleaning up pages of the current tariff pursuant to Puc 1603.05(a)(2).
13. In summary, the Company is requesting a permanent revenue increase of \$56,443, effective December 1, 2020. The permanent revenue increase of \$56,443 enables the Company to earn a proposed 5.50% rate of return on its investment, reflected in a proforma rate base of \$99,837. The Company is also requesting the proposed new tariff, attached as Exhibit 4, be approved.
14. It would be in the public good to have an increase in permanent rates and to approve the proposed tariff revisions. AAWW provides the following in support:
 - a. The rate filing schedules are attached in the Financial Exhibits (submitted collectively and attached to Exhibit 2, the Pre-Filed Testimony of Stephen P. St. Cyr). As can be seen by the Pre-Filed Testimony of Stephen P. St Cyr and the

attached Exhibits, the rate increase is warranted due to the need for increased revenue.

- b. AAWW is requesting this system wide permanent rate increase be effective as of December 1, 2020.
- c. The new tariff reflecting revisions to the Company's existing tariff to allow the Company to collect taxes generated from CIAC it receives.
- d. For all the reasons set out hereinabove, it would be in the public good for AAWW to have a new system wide rate increase and to approve the proposed new tariff.

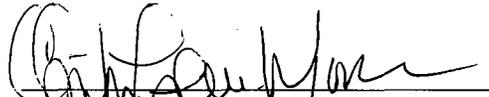
15. That AAWW requests that the Commission by appropriate order grant the AAWW, approval for permanent rates to be established as proposed and the new tariff as proposed.

WHEREFORE your Petitioner prays:

- A. That the Commission find that it would be in the public good:
 - 1. That permanent rates as proposed be approved.
 - 2. That the proposed new tariff be approved.
- B. That the Commission, by appropriate order, grant permission:
 - 1. That permanent rates as proposed be approved.
 - 2. That the proposed new tariff be approved.
- C. That the Commission make such further findings and orders as may be appropriate on the circumstances.

Dated the 10th day of July 2020.

Respectfully submitted,
ATKINSON AREA WASTE WATER, INC.

A handwritten signature in black ink, appearing to read "Christine Lewis Morse", written over a horizontal line.

Christine Lewis Morse
Vice President