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DEPARTMENT OF ENERGY 21 S. Fruit St., Suite 10 Concord, N.H. 03301-2429

April 28, 2023

Daniel C. Goldner, Chair Public Utilities Commission 21 S. Fruit Street Concord, NH 03301-2429

Re: DW 20-117 Hampstead Area Water Company, Inc. Request for Change in Rates, DOE Memorializing Oral Motion made during April 12, 2023 Hearing --Motion to Strike Confidential Settlement Discussion.

Dear Chairman Goldner:

A hearing was held in this docket on April 12, 2023. At that time, the Department made a series of oral motions to strike confidential material discussed at settlement. The Department files this letter to memorialize the oral motion made at hearing for Commission consideration.

The New Hampshire Department of Energy ("DOE" or "the Department") wishes to preserve the confidential nature of settlement discussions. In the course of the hearing, Hampstead Area Water Company Inc ("HAWC" or "the Company") made public its understanding of confidential settlement discussions between HAWC and the Department of Energy ("Department" or "DOE"). Specifically, confidential settlement conversations may or may not have focused on whether costs associated with any Step I adjustment are appropriately recovered as "rate case expenses" and may or may not have deferred any resolution to Step II discussions. Pursuant to NH Code of Administrative Rules Puc 203.20(a), settlement discussions are confidential and shall not be disclosed. Accordingly, the Department immediately objected to HAWC's statements, and –at hearing--HAWC agreed to strike those comments. Accordingly, the Department respectfully requests that HAWCs comments be stricken.

The Department notes that the Commission also raised questions regarding potential rate case expenses at Step I at the conclusion of the hearing and noted that a separate docket had been opened for HAWC Step II. *See* Dkt. No. DW 23-020. HAWC and the Department's settlement conversations relative to Step I were completed before the Commission opened the Step II docket. In the past, Step I and Step II have been part of the underlying docket addressing the request for a permanent change in rates.

The Department <u>supports</u> recovery of reasonable rate case expenses in this instance for Step I. Given that the Commission has opened a separate docket, HAWC and the Department will await direction from the Commission in the pending order on the *Step I Settlement Agreement* with regard to the recovery of Step I rate case expenses. Consistent with the Commission's current practice, this letter is being filed solely in electronic form.

Sincerely,

/s/ Mary E. Schwarzer

Mary E. Schwarzer Staff Attorney/Hearings Examiner

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