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Please reply to: Concord Office

January 18, 2022

VIA ELECTRONIC MAIL

Daniel C. Goldner, Chairman
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

**Re: Petition of Pennichuck Water Works, Inc. for Approved
Modification of Accounting Treatment of Leases
Docket DW 21-137**

Dear Chairman Goldner:

On November 12, 2021, Pennichuck Water Works, Inc., (“Company”) filed a Petition for Approved Modification of Accounting Treatment of Leases in Docket No. DW 21-137. On December 21, 2021, the Commission issued a Commencement of Adjudicative Proceeding and Notice of Hearing, as well as hearing guidelines setting a hearing on the merits for Friday, January 21, 2022. On January 13, 2022, the Company filed an amended petition to provide clarification of the accounting standard modification requested, as well as additional references to the accounting standards, PUC rules and references to the State of New Hampshire Uniform System of Accounts for Water Utilities.

In preparation for the upcoming hearing, the Company consulted again with its outside auditors who advised the Company of the need to file this petition seeking approval of modified accounting treatment of leases. The Company and external auditor have discussed application of the amended accounting treatment in ASC 842 for almost three years regarding the impacts of straight-line accrual and capitalized treatment of leases.

The Company was advised yesterday by its auditor, that since the lease expenses are allowed pursuant to the Uniform Chart of Accounts for Water Utilities, consistent with PUC Rule 607.01, the Company may continue the cash accrual recognition of its long-term leases on its profit and loss statement. It will need to gross up the leases on books but with no impacts on the income statement for either GAAP or regulatory purposes. Therefore, the Company does not need Commission approval under this petition, the amended petition, or this docket.

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Daniel C. Goldner, Chairman, NH Public Utility Commission

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The Company therefore respectfully requests to withdraw its pending petition for the approved modified accounting treatment of leases in DW 21-137 and asks that the Commission close Docket No. DW 21-137. Accordingly, the Company requests that the Commission please cancel the planned hearing scheduled for Friday, January 21, 2022.

This electronic filing is submitted in accordance with the Commission's Commencement of Adjudicatory Proceedings and Notice of Hearing issued on December 21, 2021 in Docket DW 21-137, and the Secretarial Letter dated March 17, 2020. The Company thanks the Commission and Department of Energy Staff for their time and consideration in reviewing these filings on an expedited manner.

Please let me know if you have any questions or concerns. Thank you for your attention to this matter.

Sincerely,



James J. Steinkrauss

Enc.

Cc: Service List (via electronic mail)
Commission Moderator (via electronic mail)