STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

Docket DW 22-029

Pennichuck Water Works, Inc.- Town of Hudson Special Contract

AFFIDAVIT OF WEB POSTING

I, Jay Kerrigan, Regulatory/Treasury Financial Analyst for Pennichuck Water Works, Inc. (PWW) hereby certify that Order No. 26,756 issued by the New Hampshire Public Utilities Commission on January 6, 2023, has been published and otherwise displayed on the Companies' web page. Please see the attached screen capture of the posting. Although web-posting of the order was not mandated, the Company posted the order to supplement its obligation to also publish the order in a statewide newspaper of general circulation.

The attached Attachment A is a true and accurate copy of the notice and order posted and viewable on the Company's website.

Signed as of this 17th day of January, 2023.

Jay Kerrigan

Regulatory/Treasury Financial Analyst



Legal Notice

NOTICE OF Public Hearing Epping Board of Selectmen Notice is hereby given that in

accordance with the requirements of RSA Chapter 91-A and 31:95-b that a public hearing during the Board of Selectmen meeting will be held on the 23rd day of January 2023 at 7:15 pm at the Epping Town Hall located at 157 Main Street in Epping, New Hamp-

The purpose of the public hearing is to accept funds from the State of New Hampshire Bridge Aide in the amount of \$136,540.25.

Posted at: Epping Web Site, Manchester Union Leader, Epping Town Hall (UL - Jan. 11)

Legal Notice

Public NoticeIronsides, L.L.C. DBA Ironsides - Delaware, with a principal place of business at 327 W. 4th Avenue, Suite 103, Hutchinson, Kansas 67501, hereby gives notice that as of December 31, 2022, it has ceased conducting business as a small loan lender in New Hampshire and has surrendered its license to the New Hampshire Bank Commissioner. For more information about pending transactions, contact Mellisa Massey at 327 W. 4th Avenue, Suite 103, Hutchinson, Kansas 67501 and 844-888-7338 (UL - Jan. 4, 11)

Legal Notice

MORTGAGEE'S NOTICE OF SALE OF REAL PROPERTY

By virtue of a Power of Sale contained in a certain mortgage given by **Steven C. Johnston** ("the Mortgagor(s)") to Mortgage Electronic Registration Systems, Inc. as nominee for Schaefer Mortgage Corporation, dated May 6, 2011 and recorded in the Hillsborough County Registry of Deeds in Book 8315, Page 2333, as modified by a certain modification agreement dated October 5, 2015, and recorded with said Hillsborough County Registry of Deeds in Book 8798, Page 1487, (the "Mortgage"), which mortgage is held by JPMorgan Chase Bank, N.A., the present holder of said Mortgage, pursuant to and in execution of said power and for breach of conditions of said Mortgage and for the purposes of foreclosing the same will sell at: Public Auction

March 8, 2023

11:00 AM Said sale being located on the mortgaged premises and having a present address of 22 Page Road, Litchfield, Hillsborough County, New Hampshire. The premises are more particularly described in the Mortgage.

For mortgagor's(s') title see deed recorded with the Hillsbor-ough County Registry of Deeds in Book 8315, Page 2331.

NOTICE
PURSUANT TO NEW HAMP-SHIRE RSA 479:25, YOU ARE HEREBY NOTIFIED THAT YOU HAVE A RIGHT TO PETITION THE SUPERIOR COURT FOR THE COUNTY IN WHICH THE MORT-GAGED PREMISES ARE SITUATED, WITH SERVICE UPON THE MORTGAGEE, AND UPON SUCH BOND AS THE COURT MAY REQUIRE TO ENJOIN THE SCHEDULED FORECLOSURE SALE.

The address of the mortgagee for service of process is 2 1/2 Beacon Street, Concord, NH 03301 and the name of the mortgagee's agent for service of process is CT Corporation.

You can contact the New Hampshire Banking Department by e-mail at nhbd@banking.nh.gov. For information on getting help with housing and foreclosure issues, please call the foreclosure information hotline at 1-800-437-5991. The hotline is a service of the New Hampshire Banking Department. There is no charge for this call.

The Property will be sold subject to all unpaid real estate taxes and all other liens and encumbrances which may be entitled to precedence over the Mortgage. Notwithstanding any title information contained in this notice, the Mortgagee expressly disclaims any representations as to the state of the title to the Property involved as of the date of the notice of the date of sale. The property to be sold at the sale is "AS IS WHERE IS". TERMS OF SALE

A deposit of Five Thousand (\$5,000.00) Dollars in the form of a certified check or bank treasurer's check or other check satisfactory to Mortgagee's attorney will be required to be delivered at or before the time a bid is offered. The successful bidder(s) will be required to execute a purchase and sale agreement immediately after the close of the bidding. The balance of the purchase price shall be paid within thirty (30) days from the sale date in the form of a certified check, bank treasurer's check or other check satisfactory to Mortgagee's attorney. The Mortgagee reserves the right to bid at the sale, to reject any and all bids, to continue the sale and to amend the terms of the sale by written or oral announcement made before or during the foreclosure sale. The description of the premises contained in said mortgage shall control in the event of an error in this publication.

Dated at Newton, Massachusetts, on January 9, 2023.

JPMorgan Chase Bank, N.A. By its Attorney, Lori Bolduc Harmon Law Offices, P.C PO Box 610389 Newton Highlands, MA 02461 617-558-0500

(UL - Jan. 11, 18, 25)

Legal Notice

MORTGAGEE'S NOTICE OF SALE OF REAL PROPERTY

By virtue and in execution of the Power of Sale contained in a certain mortgage given by Paul A.
Roger and Shirley I. Roger (the "Mortgagor") to Financial Freedom Senior Funding Corporation, A Subsidiary Of IndyMac Bank, F.S.B., and now held by Bank of New York Mellon Trust Company, N.A. as Trustee for Mort-

gage Assets Management Series
I Trust (the "Mortgagee"), said
mortgage dated June 19, 2006, and recorded in the Rockingham Registry of Deeds in Book 4672, Page 1474, as affected by a Judgment dated May 23, 2022 and recorded in the Rockingham County Registry of Deeds in Book 6445, Page 135; (the "Mortgage"), pursuant to and for breach of the conditions in said Mortgage and for the purpose of foreclosing the same will be sold at:

Public Auction on February 1, 2023 at 10:00 AM
Said sale to be held on the mortgaged premises hereinafter described and having a present address of 4 Goulds Hill Rd,

Newton, Rockingham County, NH

NOTICE

PURSUANT TO NEW HAMPSHIRE RSA 479:25, YOU ARE HEREBY NOTIFIED THAT YOU HAVE A RIGHT TO PETITION THE SUPERIOR COURT FOR THE COUNTY IN WHICH THE MORT-GAGED PREMISES ARE SITU-ATED, WITH SERVICE UPON THE MORTGAGEE, AND UPON SUCH BOND AS THE COURT MAY REQUIRE TO ENJOIN THE SCHEDULED FORECLOSURE

The name and address of the mortgagee's agent for service of process is Corporation Service Company d/b/a Lawyers Incorporating Service, 10 Ferry Street, Suite 313, Concord, NH 03301. For information on getting help with housing and foreclosure issues, please call the foreclosure information hotline at 800-437-5991. The hotline is a service of the New Hampshire banking department. There is no charge for this call. You can contact the New Hampshire Bank-

ing Department by e-mail at nhbd@banking.nh.gov.

The Property will be sold subject to all unpaid real estate taxes and all other liens and encumbrances, which may entitled to precedence over the Mortgage. Notwithstanding any title information contained in this notice, the Mortgagee expressly disclaims any representations as to the state of the title to the Property involved as of the date of the notice of the date of sale. The property to be sold at the sale is "AS IS WHERE IS".

TERMS OF SALE

A deposit of Five Thousand (\$5,000.00) Dollars in the form of a certified check, bank treasurer's check or other check satisfactory to Mortgagee's attorney will required to be delivered at or before the time a bid is offered. The successful bidder(s) will be required to execute a purchase and sale agreement immediately after the close of the bidding. The balance of the purchase price shall be paid within thirty (30) days from the sale date in the form of a certified check, bank treasurer's check or other check satisfactory to Mortgagee's attorney. The Mortgagee reserves the right to bid at the sale, to reject any and all bids, to continue the sale and to amend the terms of the sale by written or oral announcement made before or during the

foreclosure sale. Dated at Pawtucket, Rhode Island, on December 8, 2022.

Bank of New York Mellon Trust Company, N.A. as Trustee for Mortgage Assets Management Series I Trust By its Attorney, Jeffrey J. Hardiman Brock & Scott, PLLC 1080 Main Street, Suite 200 Pawtucket, RI 02860 (UL - Jan. 4, 11, 18)

Legal Notice

MORTGAGEE'S NOTICE OF SALE OF REAL PROPERTY

By virtue of a Power of Sale contained in a certain mortgage given by Lorraine A. Spataro ("the Mortgagor(s)") to Mortgage Electronic Registration Systems, Inc., as nominee for Quicken Loans, Inc., dated April 25, 2012 and recorded in the Merrimack County Registry of Deeds in Book 3312, Page 127, (the "Mortgage"), which mortgage is held by Federal National Mortgage Association, the present holder of said Mortgage, pursuant to and in execution of said power and for breach of conditions of said Mortgage and for the purposes of foreclosing the same will sell at:

Public Auction on March 8, 2023 at 1:00 PM

Said sale being located on the mortgaged premises and having a present address of 58 Airport Road, Concord, Merrimack County, New Hampshire. The premises are more particularly described in

TOWN OF BEDFORD NOTICE OF PUBLIC HEARING BEDFORD TOWN COUNCIL Wednesday, January 25, 2023 -7:00 PM Bedford Meeting Room 10 Meetinghouse Road, Bedford, NH

In accordance with RSA 31:95-b, the Bedford Town Council will conduct a public hearing for the purpose of receiving public testimony on the acceptance of \$381.538.28 of unanticipated bridge aid funds from the State of NH.

the Mortgage. For mortgagor's(s') title see deed recorded with the Merrimack County Registry of Deeds in Book 2098, Page 684.

NOTICE PURSUANT TO NEW HAMP-SHIRE RSA 479:25, YOU ARE HEREBY NOTIFIED THAT YOU HAVE A RIGHT TO PETITION THE SUPERIOR COURT FOR THE COUNTY IN WHICH THE MORT-GAGED PREMISES ARE SITU-ATED, WITH SERVICE UPON THE MORTGAGEE, AND UPON SUCH
BOND AS THE COURT MAY
REQUIRE TO ENJOIN THE
SCHEDULED FORECLOSURE

The address of the mortgagee for service of process is Federal National Mortgage Association (Fannie Mae), Legal Department,

Granite Park VII, 5600 Granite Parkway, Plano, TX 75024 and the name of the mortgagee's agent for service of process is Todd Barton.

You can contact the New Hampshire Banking Department by e-mail at nhbd@banking.nh.gov. For information on getting help with housing and foreclosure issues, please call the foreclosure information hotline 1-800-437-5991. The hotline is a service of the New Hampshire Banking Department. There is no

charge for this call.

The Property will be sold subject to all unpaid real estate taxes and all other liens and encumbrances which may be entitled to precedence over the Mortgage. Notwithstanding any title information contained in this notice, the Mortgagee expressly dis-

claims any representations as to the state of the title to the Property involved as of the date of the notice of the date of sale. The property to be sold at the sale is "AS IS WHERE IS".

TERMS OF SALE deposit of Five Thousand (\$5,000.00) Dollars in the form of a certified check or bank treasurer's check or other check satisfactory to Mortgagee's attorney will be required to be delivered at or before the time a bid is offered. The successful bidder(s) will be required to execute a purchase and sale agreement immediately after the close of the bidding. The balance of the purchase price shall be paid within thirty days from the sale date in the form of a certified check, bank treasurer's check or other check

satisfactory to Mortgagee's attorney. The Mortgagee reserves the right to bid at the sale, to reject any and all bids, to continue the sale and to amend the terms of the sale by written or oral announcement made before or during the foreclosure sale. The description of the premises contained in said mortgage shall control in the event of an error in this publication.

Dated at Newton, Massachusetts, on January 3, 2023.

Federal National Mortgage Association By its Attorney, Autumn Sarzana Harmon Law Offices, P.C. PO Box 610389 Newton Highlands, MA 02461 617-558-0500

(UL - Jan. 11, 18, 25)

STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION DW 22-029

PENNICHUCK WATER WORKS, INC.

Petition for Approval of Special Contract with Town of Hudson ORDER NISI APPROVING SPECIAL CONTRACT ORDER NO. 26,756 January 6, 2023

In this order, the Commission approves a new special contract reached between Pennichuck Water Works, Inc. (PWW, or the Company) and the Town of Hudson (Hudson, or the Town) for the wholesale supply of water from PWW to Hudson on a year-round basis

PWW filed its petition (Petition) in this docket on April 27, 2022. On May 3, 2022, the Town of Hudson filed a letter of support for the Petition. The New Hampshire Department of Energy (DOE) filed an appearance on April 28, 2022. The Office of the Consumer Advocate (OCA) filed a letter of participation on June 6, 2022. No petitions to intervene were filed. A prehearing conference was held on July 6, 2022. On November 14, 2022, PWW filed a settlement agreement (Settlement) reached with Hudson and DOE, and an amended proposed contract to reflect the terms of that Settlement. The signatories to the Settlement agreed that the amended contract supersedes all prior versions of the proposed contract.

All docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are available on the Commission's website at www.puc.nh.gov/Regulatory/Docketbk/2022/22-029.html.

In its Petition, PWW requested: (1) authorization to terminate its existing special contract with the Town of Hudson (Hudson, or the Town) for seasonal wholesale water supply; and (2) approval of a new special contract, pursuant to RSA 378:18, to supply water on a full-time basis year-round. In support of its Petition, PWW filed the direct testimony of Chief Operating Officer Donald L. Ware, with related attachments, a statement of special circumstances, and a copy of the proposed contract.

Under the existing 20-year contract, PWW provides Hudson with wholesale water supply on a seasonal basis and not to exceed 2 million gallons in a single day. Petition at 1, ¶2; Att. DLW-4 at Bates Page (BP) 3, ¶5(a). That contract was approved in Docket No. DW 05-143 by Order No. 24,611 on March 31, 2006. Petition at 1-2, ¶2. Section 10 of the existing contract requires a three-year notice period prior to termination, "except as may be determined by order of the [Commission]" or upon acquisition of PWW assets and facilities by a municipality. Att. DLW-4 at BP 5, ¶10-11. The existing contract also includes an option to negotiate a new price in the event the Town's usage requirements exceed the specified maximum daily volume of 2 million gallons per day. Att. DLW-4 at BP 4, ¶ 6.

According to the Petition, Hudson was required to shut down two out of three of its source wells on June 29, 2021, due to perfluorooctanoic acid (PFOA) contamination, because the wells were about to exceed the NH Department of Environmental Services (NHDES) PFOA standards. Ware Testimony at 5, lines 12-13 and 17-18. As a result, Hudson required additional water supply on a ull-time basis, which it began taking from PWW on June 30, 2021, at the current rates under the existing contract. *Id.* at 15.

Hudson hired a consultant to conduct a Cost of Service Study (COSS) to determine the appropriate rates for the contract, based on Hudson's changed water needs. *Id.* at 9, lines 4-6, and 15, lines 15-19. The COSS indicated that, if Hudson purchased a guaranteed minimum of 487,968 ccf (one hundred cubic feet) per year (approximately one million gallons of water per day), PWW could charge Hudson a fixed annual demand charge of \$457,083 and a reduced volumetric charge of \$1.0012 per ccf. *Id.* at 9, lines 7-10. Based on that level of usage, Hudson would become PWW's largest customer. *Id.* at 16, line 16. After the COSS was completed in early November 120.1 p. WWW and Ludson protected the terms of a present the COSS Id. at 19, line 120.1 p. Rep. 120.1 p. WWW and Ludson protected the terms of a present the contract with present the COSS Id. at 19, line 120.1 p. Rep. 120.1 p. 2021, PWW and Hudson negotiated the terms of a new wholesale water supply contract with rates based on the COSS. Id. at BP 13,

The Petition proposed that the new contract be approved with an effective date of July 1, 2021, the date on which PWW began to provide Hudson with water on a full-time basis, and an end-date of June 30, 2023, for the initial contract term, with three additional terms of two years each, unless written notice is provided at least 12 months prior to expiration of the initial term or any renewal term. Petition at 3, ¶4. Under the new contract, Hudson would guarantee a minimum annual purchase of 487,968 ccf, and PWW would bill Hudson monthly for the following charges:

- a monthly portion of the \$457,083 annual demand charge (i.e., \$38,090.25 per month);
- a meter charge of \$78.33; and
- a volumetric charge of \$1.0012 per ccf.

See Id. at 3, ¶4(b), (c), and at 5, ¶8. In addition, the proposed monthly fixed meter charge and volumetric charge would be subject to any approved Qualified Capital Project Adjustment Charges to ensure that the Town pays its share of expenses associated with the provision of service to Hudson. Ware Testimony at 10, lines 1-7, and 14, lines 3-8 and 21-23. The contract further provides for three two-year renewal terms to provide Hudson time to develop a plan for a new source of water supply. Id. at 15, lines 6-8 and 18, lines 13-16.

PWW also requested in its Petition a waiver of rule Puc 1606.02(a)(1), which requires a utility proposing a special contract to file the terms of the contract "at least 30 days before its proposed effective date." Petition at 6, 19. In support of its request, PWW asserted that a rule waiver permitting the contract rates to take effect retroactively would result in a credit to Hudson of approximately \$349,000 from the amount collected during the retroactive period, rather than an onerous "financial detriment" in the same amount, due to the difference between the current and proposed rates. Id. at 6-7, ¶¶10-11. Under the new contract, that overcollection will be reconciled back to customer bills over 12 months. Id. Finally, PWW requested authorization to terminate the existing contract, effective July 1, 2021, upon approval of the new, proposed contract. Petition at 8.

II. SETTLEMENT AGREEMENT

The Settlement signed by PWW, Hudson, and the DOE, as filed on November 14, 2022, amended a number of terms of the proposed contract filed by PWW with its Petition on April 27, 2022. Under the new, amended contract, PWW agrees to reserve 1.0 million gallons per day of capacity from its Nashua water treatment plant for Hudson, and Hudson agrees to pay a monthly meter charge, a monthly fixed charge, and a monthly volumetric charge. Settlement at 5. The monthly volumetric charges will be based on a minimum of 1,337 ccf per day (based on the number of billing days in the month), or actual volume of water used, whichever is greater. Id. In the event Hudson uses less than the minimum volume per day, the difference in billing will be carried forward into the next month as a credit. Id. The Town will be allowed to carry any usage credits over month-to-month, but not from one contract period to the next contract period. A contract period – or term – runs two years, commencing July 1 and ending June 30 of each two-year term. Id.

The new contract, as amended, will reflect the rates detailed in the updated COSS. Settlement at 6. The volumetric rate will be reduced from \$2.5610 in the 2006 contract to \$1.0093 in the new contract. Id. The annual fixed demand charge will increase from \$32,800 in the 2006 contract to \$457,441 under the new contract. Id. That increase is linked to the increase in Hudson's guaranteed purchase amount triggered by NHDES's requirement for Hudson to obtain a new supply source as of July 1, 2021. Id. Under the new contract, Hudson will be contributing more to PWW's general and administrative costs, thereby lowering G-M customer rates. Id. at 7.

The Settlement cites statements made by Mr. Ware in the course of discovery, in support of a new contract in lieu of tariffed rates, noting that: (a) Hudson has its own water storage and therefore does not require water to meet peak needs; (b) Hudson is contractually obligated to purchase a minimum amount of water from PWW; (c) unlike a general metered customer, Hudson will take water at a fixed rate rather than a variable rate; and (d) if PWW were to create a separate customer class in its general rate schedules for Hudson, it would be a class of one customer. Settlement Agreement at 7, ¶(d); Petition Att. DLW-3 (Statement of Special Circumstances); and Settlement Agreement, Att. B (PWW's response to DOE 2-1).

III. COMMISSION ANALYSIS

Pursuant to RSA 378:18, the Commission may, by order, permit a utility to charge rates that depart from the utility's standard tariff when special circumstances exist "which render such departure from the general schedules just and consistent with the public . See, e.g., Pennichuck Water Works, Inc., Order No. 26,597 (March 25, 2022) (approval of special contract for bulk water supply to remedy supply contamination at variable cost of production with a retroactive application of new rate and reconciliation of rates to address over or under collection). We find that approva of the special contract proposed in this proceeding by PWW and Hudson, as amended pursuant to the Settlement, is supported by the record and meets the applicable statutory standards.

The proposed new contract is based on certain changed circumstances, as outlined in PWW's Petition and the Settlement, including Hudson's lack of adequate water supply to serve its customers after NHDES required the Town to shut down two of its three wells due to contamination. Accordingly, the existing contract has been amended to reflect the costs for PWW to provide a substantial increase in wholesale water supply to Hudson on a year-round, full-time basis, rather than on a seasonal basis. The Petition provides a statement of special circumstances supporting approval of the proposed contract, including the fact that Hudson has its own water storage tanks and service infrastructure. See Attachment DLW-3 (Statement of Special Circumstances).

PWW requested a retroactive effective date of July 1, 2021 for the new contract, with a two-year initial term ending on June 30, 2023. As noted in the Petition and the Settlement, an effective date of July 1, 2021, reflects the date Hudson began taking service on a fulltime basis as a result of NHDES's directive to shut down two of the Town's three wells. Petition at 2-3, 6; Ware Testimony at 5 lines 12-13; Settlement at 4. Three extensions of two years each were included in the amended contract to provide the Town time to assess and implement a plan for replacing those sources of supply, and for PWW to assess the cost and capacity required to serve the Town on a full-time, year-round basis to avoid "a windfall [that] would result to PWW because the [current] rates were based on the cost to provide seasonal rather than full-time service." See Petition at 6, ¶9; Settlement at 6. As explained in the Petition, it was 1 "unknown if a special contract will be needed after the proposed contract and if so, what those terms would look like." Petition at 3, ¶4.

We find the retroactive reduction in PWW's contract rates for Hudson to be reasonable under the circumstances described in the Petition and clarified in the Settlement signed by PWV, the Town, and the DOE. Although the OCA expressed disapproval of the proposed retroactive date at the prehearing conference held on July 6, 2022 (Tr. at 13-14), no objections to the Settlement or amended contract were filed. We find that the proposed contract, as amended and supported by the Settlement, adequately addresses the supply issues raised in the Petition, and the corresponding cost impacts on the Town, the Company, and affected customers. Accordingly, we find the amended contract to be just and consistent with the public interest, as required by RSA 378:18.

We therefore approve the new contract between PWW and the Town of Hudson for effect from July 1, 2021 until June 30, 2023, with three automatic extensions of two-year terms unless either party provides written notice to the other, at least 12 months in advance of the renewal date, of an intent to decline renewal. In approving this contract, we expect both PWW and the Town of Hudson to seek and consider any further steps that may be warranted to lower costs and to avoid the potential shifting of fixed costs to other PWW customers.

Based upon the foregoing, it is hereby

ORDERED NISI, that, subject to the effective date below, the new special contract between PWW and the Town of Hudson, as presented and supported by the Settlement filed on November 14, 2022, is hereby APPROVED for effect on July 1, 2021, as set forth herein above;

FURTHER ORDERED, that a waiver of Puc 1606.02(a)(1) is GRANTED for purposes of accepting and implementing the new

special contract with an effective date of July 1, 2021; and it is FURTHER ORDERED, that the request of PWW to terminate its existing special contract with the Town of Hudson, upon implementation of the new contract approved herein, is **GRANTED**; and it is

FURTHER ORDERED, that PWW shall file a fully signed version of the approved new contract within 30 days of this Order Nisi;

FURTHER ORDERED, that PWW shall file by March 1, 2023, for review by the Commission and the New Hampshire Department of Energy, its reconciliation of the difference between the rates charged to the Town of Hudson under the current, existing special contract and the new special contract, as approved, for the billing period July 1, 2021, to the effective date of this Order Nisi; and it is

FURTHER ORDERED, that DOE is requested to file by April 3, 2023, a recommendation regarding PWW's reconciliation and any ver- or under-collection to be recovered from or refunded to Hudson for the term July 1, 2021, to the date of this Order Nisi; and it is

FURTHER ORDERED, that PWW shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than January 16, 2023, and to be documented by affidavit filed with the Clerk's Office on or before February 3, 2023; and it is

FURTHER ORDERED, that all persons interested in responding to this Order Nisi be notified that they may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than January 23, 2023, for the Commission's consideration; and it is

FURTHER ORDERED, that that any party interested in responding to such comments or request for hearing shall do so no later than January 30, 2023; and it is

FURTHER ORDERED, that this Order Nisi shall be effective on February 6, 2023, unless the Petitioner fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date. By order of the Public Utilities Commission of New Hampshire this sixth day of January, 2023.

> Pradip K. Chattopadhyay Commissioner

Carleton B. Simpson Commissioner

UNION LEADER CORPORATION

PO BOX 9555 **MANCHESTER, NH 03108**

PUBLISHER'S CERTIFICATE

STATE OF New Hampshire ss: COUNTY OF Hillsborough}

Personally appeared before the undersigned, a notary public within and for said county and State, ROSA GONZALEZ publisher representative of the New Hampshire Union Leader, a newspaper published at Hillsborough County, State of New Hampshire who, being duly sworn, state on oath that the 12-029 All # 143981 advertisement of:

LEGAL PREPAID ACCOUNTS

(Name of Institution)

a true copy of which is hereto annexed, was published in said newspaper on the following dates: 01/11/2023, , ,

Subscribed and sworn to before me this day 01/11/2023

My commission expires: 02

(Seal)

REAL ESTATE TRANSACTIONS

<u>City</u>	Address	Seller	Buyer	<u>Date</u>	Price	Property type
Mont Vernon	N/A	San-Ken Pro LLC	Phillip Ramsey and Nurit Rechnitz	12/29/22	871200	
<u>Nashua</u>	11 Adella Dr	Derek E. and Donna M. Brink	Dakotah R. Aro and Brian W. Guessetto	12/29/22	671000	1-Fam Res
Nashua	18 Albury Stone Cir Unit 18	Jose and Mariana Chavez	Linda S. Miller	12/29/22	385000	Condominium
Nashua	364 Amherst St	Bri Inc	Oak St Subway LLC	12/29/22	850000	Dept Store
Nashua	17 Bennington Rd	Louise A. Muller	Sunil K. Angadala	12/27/22	490000	1-Fam Res
<u>Nashua</u>	65 Bowers St	Crimson Properties LLC	Warren Jeng and Yeonhui Choi	12/30/22	509000	
Nashua	47 Dogwood Dr Unit 104	Rnc Realty LLC and Operator LLC	Diane L. Burdick	12/28/22	290000	Condominium
Nashua	Earley St	Lambert Marcia Est and Michael Lambert	Lauara L Lambert RET and Laura L. Lambert	12/27/22	225000	
Nashua	44 Houde St	Susan A Beem RET and Susan A. Beem	Steven M. and Mason S. Markham	12/28/22	375000	1-Fam Res
Nashua	55 Kinsley St	Wayne Bolduc	Savannah Eliza	12/30/22	65000	Dept Store
Nashua	10 Learned St	Krisanthi Mikaels and Eric P. Sanford	William S. and Nicaury M. Nunez	12/29/22	427000	1-Fam Res
Nashua	6 Midhurst Rd Unit 612	Gerald Rizzo	Yi Xie and Binwei Weng	12/30/22	195000	Condominium
Nashua	2 Millbrook Dr	Kayla Tirrell	Jason L. and Tammy Reveal	12/30/22	415000	1-Fam Res
Nashua	1 Monroe St	Lambert Marcia Est and Michael Lambert	Lauara L Lambert RET and Laura L. Lambert	12/27/22	225000	1-Fam Res
Nashua	Palm St	Wayne Bolduc	Savannah Eliza	12/30/22	65000	
Nashua	2 Strawberry Bank Rd 4	Bank Of America Na	Ibrahim Isik and Yu-Hsiou Liu	12/29/22	202000	Condominium
Nashua	7 Taggart Dr Unit H	Oyungerel Zagdsuren	Taggart Salon Pro LLC	12/27/22	125000	Office Condo
Nashua	9 Testament Cir Unit 8	Etchstone Pro Inc	Cusack Ft and Kenneth Cusack	12/29/22	664933	Condominium
Nashua	20 Walden Pond Dr Unit 20	Natalia Fomicheva	Nancy A. Lindbloom	12/30/22	400000	Condominium
Nashua	95 Walden Pond Dr Unit 95	Gloria A Paquin Irt and Jeffrey A. Paquin	Colleen M. Bolton	12/30/22	375000	Condominium
Pelham	57 Garland Dr	FSF&JMPassalaquaFtandDarleneRoberge	Sean M. Moon and Erika E. Speight	12/29/22	466333	1-Fam Res

Sales information is published in summarized form for your information only. These listings are not a legal record and do not include all details of each sale. Names shown are usually the first to appear on the deed. Any sale might have involved additional parties or locations. Prices listed are usually based on tax stamps. Prices for sales involving public agencies may not be accurate. Refer to actual public documents before forming opinions or relying on this information. Sales information is published under copyright license from Real Data Corp. 603-669-3822. Additional information on these and prior sales is available at www. real-data. com. Copyright 2023. All rights reserved.

STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DW 22-029 PENNICHUCK WATER WORKS, INC.

Petition for Approval of Special Contract with Town of Hudson

ORDER *NISI* APPROVING SPECIAL CONTRACT ORDER NO. 26,756
January 6, 2023

In this order, the Commission approves a new special contract reached between Pennichuck Water Works, Inc. (PWW, or the Company) and the Town of Hudson (Hudson, or the Town) for the wholesale supply of water from PWW to Hudson on a year-round basis.

PWW filed its petition (Petition) in this docket on April 27, 2022. On May 3, 2022, the Town of Hudson filed a letter of support for the Petition. The New Hampshire Department of Energy (DOE) filed an appearance on April 28, 2022. The Office of the Consumer Advocate (OCA) filed a letter of participation on June 6, 2022. No petitions to intervene were filed. A prehearing conference was held on July 6, 2022. On November 14, 2022, PWW filed a settlement agreement (Settlement) reached with Hudson and DOE, and an amended proposed contract to reflect the terms of that Settlement. The signatories to the Settlement agreed that the amended contract supersedes all prior versions of the proposed contract.

All docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are available on the Commission's website at www.puc.nh.gov/Regulatory/Docketbk/2022/22-029.html.

I. PETITION

In its Petition, PWW requested: (1) authorization to terminate its existing special contract with the Town of Hudson (Hudson, or the Town) for seasonal wholesale water supply; and (2) approval of a new special contract, pursuant to RSA 378:18, to supply water on a full-time basis year-round. In support of its Petition, PWW filed the direct testimony of Chief Operating Officer Donald L. Ware, with related attachments, a statement of special circumstances, and a copy of the proposed contract.

Under the existing 20-year contract, PWW provides Hudson with wholesale water supply on a seasonal basis and not to exceed 2 million gallons in a single day. Petition at 1, ¶2; Att. DLW-4 at Bates Page (BP) 3, ¶5(a). That contract was approved in Docket No. DW 05-143 by Order No. 24,611 on March 31, 2006. Petition at 1-2, ¶2. Section 10 of the existing contract requires a three-year notice period prior to termination, "except as may be determined by order of the [Commission]" or upon acquisition of PWW assets and facilities by a municipality. Att. DLW-4 at BP 5, ¶¶10- 11. The existing contract also includes an option to negotiate a new price in the event the Town's usage requirements exceed the specified maximum daily volume of 2 million gallons per day. Att. DLW-4 at BP 4, ¶ 6.

According to the Petition, Hudson was required to shut down two out of three of its source wells on June 29, 2021, due to perfluorooctanoic acid (PFOA) contamination, because the wells were about to exceed the NH Department of Environmental Services (NHDES) PFOA standards. Ware Testimony at 5, lines 12-13 and 17-18. As a result, Hudson required additional water supply on a full-time basis, which it began taking from PWW on June 30, 2021, at the current rates under the existing contract. *Id.* at 15.

Hudson hired a consultant to conduct a Cost of Service Study (COSS) to determine the appropriate rates for the contract, based on Hudson's changed water needs. *Id.* at 9, lines 4-6, and 15, lines 15-19. The COSS indicated that, if Hudson purchased a guaranteed minimum of 487,968 ccf (one hundred cubic feet) per year (approximately one million gallons of water per day), PWW could charge Hudson a fixed annual demand charge of \$457,083 and a reduced volumetric charge of \$1.0012 per ccf. *Id.* at 9, lines 7-10. Based on that level of usage, Hudson would become PWW's largest customer. *Id.* at 16, line 16. After the COSS was completed in early November 2021, PWW and Hudson negotiated the terms of a new wholesale water supply contract with rates based on the COSS. *Id.* at BP 13, lines 18-23.

The Petition proposed that the new contract be approved with an effective date of July 1, 2021, the date on which PWW began to provide Hudson with water on a full- time basis, and an end-date of June 30, 2023, for the initial contract term, with three additional terms of two years each, unless written notice is provided at least 12 months prior to expiration of the initial term or any renewal term. Petition at 3, ¶4.

Under the new contract, Hudson would guarantee a minimum annual purchase of 487,968 ccf, and PWW would bill Hudson monthly for the

• a monthly portion of the \$457,083 annual demand charge (i.e., \$38,090.25 per month);

- a meter charge of \$78.33; and
- a volumetric charge of \$1.0012 per ccf.

See *Id.* at 3, ¶4(b), (c), and at 5, ¶8. In addition, the proposed monthly fixed meter charge and volumetric charge would be subject to any approved Qualified Capital Project Adjustment Charges to ensure that the Town pays its share of expenses associated with the provision of service to Hudson. Ware Testimony at 10, lines 1-7, and 14, lines 3-8 and 21-23. The contract further provides for three two-year renewal terms to provide Hudson time to develop a plan for a new source of water supply. *Id.* at 15, lines 6-8 and 18, lines 13-16.

PWW also requested in its Petition a waiver of rule Puc 1606.02(a) (1), which requires a utility proposing a special contract to file the terms of the contract "at least 30 days before its proposed effective date." Petition at 6, ¶9. In support of its request, PWW asserted that a rule waiver permitting the contract rates to take effect retroactively would result in a credit to Hudson of approximately \$349,000 from the amount collected during the retroactive period, rather than an onerous "financial detriment" in the same amount, due to the difference between the current and proposed rates. *Id.* at 6-7, ¶¶10-11. Under the new contract, that overcollection will be reconciled back to customer bills over 12 months. *Id.* Finally, PWW requested authorization to terminate the existing contract, effective July 1, 2021, upon approval of the new, proposed contract. Petition at 8.

II.SETTLEMENT AGREEMENT

The Settlement signed by PWW. Hudson, and the DOE, as filed on November 14, 2022, amended a number of terms of the proposed contract filed by PWW with its Petition on April 27, 2022. Under the new, amended contract, PWW agrees to reserve 1.0 million gallons per day of capacity from its Nashua water treatment plant for Hudson. and Hudson agrees to pay a monthly meter charge, a monthly fixed charge, and a monthly volumetric charge. Settlement at 5. The monthly volumetric charges will be based on a minimum of 1,337 ccf per day (based on the number of billing days in the month), or actual volume of water used, whichever is greater. Id. In the event Hudson uses less than the minimum volume per day, the difference in billing will be carried forward into the next month as a credit. Id. The Town will be allowed to carry any usage credits over month-to-month, but not from one contract period to the next contract period. A contract period - or term – runs two years, commencing July 1 and ending June 30 of each two-year term. ld.

The new contract, as amended, will reflect the rates detailed in the updated COSS. Settlement at 6. The volumetric rate will be reduced from \$2.5610 in the 2006 contract to \$1.0093 in the new contract. Id. The annual fixed demand charge will increase from \$32,800 in the 2006 contract to \$457,441 under the new contract. Id. That increase is linked to the increase in Hudson's guaranteed purchase amount triggered by NHDES's requirement for Hudson to obtain a new supply source as of July 1, 2021. Id. Under the new contract, Hudson will be contributing more to PWW's general and administrative costs, thereby lowering G-M customer rates. Id. at 7.

The Settlement cites statements made by Mr. Ware in the course of discovery, in support of a new contract in lieu of tariffed rates, noting that: (a) Hudson has its own water storage and therefore does not require water to meet peak needs; (b) Hudson is contractually obligated to purchase a minimum amount of water from PWW; (c) unlike a general metered customer, Hudson will take water at a fixed rate rather than a variable rate; and (d) if PWW were to create a separate customer class in its general rate schedules for Hudson, it would be a class of one customer. Settlement Agreement at 7, ¶(d); Petition Att. DLW-3 (Statement of Special Circumstances); and Settlement Agreement, Att. B (PWW's response to DOE 2-1).

III. COMMISSION ANALYSIS

Pursuant to RSA 378:18, the Commission may, by order, permit a utility to charge rates that depart from the utility's standard tariff when special circumstances exist "which render such departure from the general schedules just and consistent with the public interest". *See, e.g.,* Pennichuck Water Works, Inc., Order No. 26,597 (March 25, 2022) (approval of special contract for bulk water supply to remedy supply contamination at variable cost of production with a retroactive application of new rate and reconciliation of rates to address over or under collection). We find that approval of the special contract proposed in this proceeding by PWW and Hudson, as amended pursuant to the Settlement, is supported by the record and meets the applicable statutory standards.

The proposed new contract is based on certain changed circumstances, as outlined in PWW's Petition and the Settlement, including Hudson's lack of adequate water supply to serve its customers after NHDES required the Town to shut down two of its three wells due to contamination. Accordingly, the existing contract has been amended to reflect the costs for PWW to provide a substantial increase in wholesale water supply to Hudson on a year-round, full-time basis, rather than on a seasonal basis. The Petition provides a statement of special circumstances supporting approval of the proposed contract,

including the fact that Hudson has its own water storage tanks and service infrastructure. *See* Attachment DLW-3 (Statement of Special Circumstances).

PWW requested a retroactive effective date of July 1, 2021 for the new contract, with a two-year initial term ending on June 30, 2023. As noted in the Petition and the Settlement, an effective date of July 1, 2021, reflects the date Hudson began taking service on a full-time basis as a result of NHDES's directive to shut down two of the Town's three wells. Petition at 2-3, 6; Ware Testimony at 5 lines 12-13; Settlement at 4. Three extensions of two years each were included in the amended contract to provide the Town time to assess and implement a plan for replacing those sources of supply, and for PWW to assess the cost and capacity required to serve the Town on a full-time, year-round basis to avoid "a windfall [that] would result to PWW because the [current] rates were based on the cost to provide seasonal rather than full-time service." See Petition at 6, ¶9; Settlement at 6. As explained in the Petition, it was "unknown . . . if a special contract will be needed after the proposed contract and if so, what those terms would look like.' Petition at 3 ¶4

We find the retroactive reduction in PWW's contract rates for Hudson to be reasonable under the circumstances described in the Petition and clarified in the Settlement signed by PWW, the Town, and the DOE. Although the OCA expressed disapproval of the proposed retroactive date at the prehearing conference held on July 6, 2022 (Tr. at 13-14), no objections to the Settlement or amended contract were filed. We find that the proposed contract, as amended and supported by the Settlement, adequately addresses the supply issues raised in the Petition, and the corresponding cost impacts on the Town, the Company, and affected customers. Accordingly, we find the amended contract to be just and consistent with the public interest, as required by RSA 378:18.

We therefore approve the new contract between PWW and the Town of Hudson for effect from July 1, 2021 until June 30, 2023, with three automatic extensions of two-year terms unless either party provides written notice to the other, at least 12 months in advance of the renewal date, of an intent to decline renewal. In approving this contract, we expect both PWW and the Town of Hudson to seek and consider any further steps that may be warranted to lower costs and to avoid the potential shifting of fixed costs to other PWW customers.

Based upon the foregoing, it is hereby

ORDERED NISI, that, subject to the effective date below, the new special contract between PWW and the Town of Hudson, as presented and supported by the Settlement filed on November 14, 2022, is hereby **APPROVED** for effect on July 1, 2021, as set forth herein above; and it is

FURTHER ORDERED, that a waiver of Puc 1606.02(a)(1) is **GRANTED** for purposes of accepting and implementing the new special contract with an effective date of July 1, 2021; and it is

FURTHER ORDERED, that the request of PWW to terminate its existing special contract with the Town of Hudson, upon implementation of the new contract approved herein, is **GRANTED**; and it is

FURTHER ORDERED, that PWW shall file a fully signed version of the approved new contract within 30 days of this Order *Nisi*; and it is

FURTHER ORDERED, that PWW shall file by March 1, 2023, for review by the Commission and the New Hampshire Department of Energy, its reconciliation of the difference between the rates charged to the Town of Hudson under the current, existing special contract and the new special contract, as approved, for the billing period July 1, 2021, to the effective date of this Order *Nisi*; and it is

FURTHER ORDERED, that DOE is requested to file by April 3, 2023, a recommendation regarding PWW's reconciliation and any over- or under-collection to be recovered from or refunded to Hudson for the term July 1, 2021, to the date of this Order *Nisi*; and it is

FURTHER ORDERED, that PWW shall cause a copy of this Order *Nisi* to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than January 16, 2023, and to be documented by affidavit filed with the Clerk's Office on or before February 3, 2023; and it is

FURTHER ORDERED, that all persons interested in responding to this Order *Nisi* be notified that they may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than January 23, 2023, for the Commission's consideration: and it is

FURTHER ORDERED, that that any party interested in responding to such comments or request for hearing shall do so no later than January 30, 2023; and it is

FURTHER ORDERED, that this Order *Nisi* shall be effective on February 6, 2023, unless the Petitioner fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date.

By order of the Public Utilities Commission of New Hampshire this sixth day of January, 2023.

Carleton B. Simpson Commissioner
Pradip K. Chattopadhyay, Commissioner

Ogden Newspapers of New Hampshire, LLC PUBLISHERS OF

The Telegraph

ESTABLISHED 1832

MEMBER OF THE ASSOCIATED PRESS Main Office

> 110 Main Street, Suite 1 Nashua, NH 03060 (603) 882-2741

AFFIDAVIT OF PUBLICATION

I, Monique Savoie, The Telegraph and Cabinet Press Public Notice
Representative, hereby certify that the Advertisement/Notice for
Pennichuck Water Works was inserted in
The Telegraph, a weekly newspaper, published
in Nashua, County of Hillsborough, State of New Hampshire on
January 15, 2023 and was distributed to the Publication's full
circulation.\(\frac{1}{2}\)
// · ~ / ·
Monique Savare
Telegraph/Cabinet Press Public Notice Representative
9 1 1
STATE OF NEW HAMPSHIRE, Hillsborough, ss.
Subscribed and sworn to before me, Matthew A. Burdelle
Subscribed and sworn to before me, I take of Subscribed
this Jan. 17 7023
this Source Foods
1 Will 10 Julion
MATTHEW A. BURDETTE Notary Public
NOTARY PUBLIC
State of New Hampshire My Commission Expires
June 15, 2027