

STATE OF NEW HAMPSHIRE

COMMISSIONER
Jared S. Chicoine

DEPUTY
COMMISSIONER
Christopher J. Ellms, Jr.



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

TDD Access: Relay
NH
1-800-735-2964

Tel. (603) 271-3670

Website:
www.energy.nh.gov

September 20, 2023

Daniel C. Goldner, Chairman
New Hampshire Public Utilities Commission
21 South Fruit Street
Concord, New Hampshire 03301

Re: Docket No. DW 23-066
Pennichuck East Utilities, Inc. and Pittsfield Aqueduct Company, Inc.
Petition for Waiver of Short-Term Debt Limit and for Increase to Short Term Debt
Department of Energy, Technical Statement of Anthony J. Leone

Dear Chairman Goldner:

Enclosed for filing in this matter is the New Hampshire Department of Energy's (DOE) Technical Statement of Anthony J. Leone in the above-captioned docket. This cover letter and the enclosed technical statement with attachments represent the DOE's filing with the Public Utilities Commission in this matter, pursuant to the parties' agreed-upon procedural schedule approved by the Commission in a procedural order dated August 15, 2023.

N.H. Code Admin. Rule Puc 608.05 limits the short-term debt of a water utility to 10 percent of the utility's net fixed plant unless the Commission authorizes an increase of that limit. In the instant petition, Pennichuck East Utility, Inc. (PEU) and Pittsfield Aqueduct Company, Inc. (PAC) (collectively, Petitioners) seek a waiver of the short-term debt limit and request Commission approval of a temporary increase to the short-term debt limit to 18 percent as the limit applies to the Petitioners.

The filing was made pursuant to Puc 201.05, which authorizes the Commission to waive a Commission rule if the Commission makes certain findings. The pertinent section of Puc 201.05 reads as follows:

- “(a) The commission shall waive the provisions of any of its rules, except where precluded by statute, upon request by an interested party, or on its own motion, if the commission finds that:
- (1) The waiver serves the public interest; and
 - (2) The waiver will not disrupt the orderly and efficient resolution of matters before the commission.
- (b) In determining the public interest, the commission shall waive a rule if:

- (1) Compliance with the rule would be onerous or inapplicable given the circumstances of the affected person; or
- (2) The purpose of the rule would be satisfied by an alternative method proposed.”

As Mr. Leone indicates in the attached technical statement, the Petitioners capital spending for utility plant is financed, for the most part, with debt. That being the case, the Petitioners carry a higher level of short-term debt than most water utilities. While the short-term debt is consolidated into long-term debt on a regular basis, the result remains that the Petitioners regularly exceed the short-term debt limit. The DOE agrees with the Company that a temporary increase in the short-term debt limit is in the public interest to assure that the Company continues to have access to funds to make necessary plant improvements and replacements for delivering water services to its customers.

The DOE also agrees that the waiver will not disrupt the orderly and efficient resolution of matters before the Commission. As Mr. Leone indicates, past Commission approvals of waivers have not impeded proceedings before the Commission. Further, as pointed out by Mr. Leone, the Petitioners will continue to apprise the Commission when short-term debt exceeds 15 percent of the applicable metric.

Based on this analysis, the DOE concludes that the Petitioners request for a waiver and temporary increase to the applicable short term debt limit meets the requirements of Puc 201.05 and supports approval of the filing in this matter.

With the filing of this letter and the enclosed technical statement with attachment, the DOE believes a complete record has been provided for consideration by the Commission in this matter, pursuant to RSA 12-P:2, IV.

Consistent with the Commission’s current practices, this letter and accompanying technical statement with attachment are being filed only in electronic form.

Respectfully,

/s/ Suzanne Amidon

Suzanne G. Amidon
Staff Counsel/Department of Energy
Suzanne.G.Amidon1@energy.nh.gov

Enclosure

cc: Service List (Electronically)

Service List - Docket Related

Docket# : 23-066

Printed: 9/20/2023

Email Addresses

ClerksOffice@puc.nh.gov
Suzanne.G.Amidon1@energy.nh.gov
wfa@rathlaw.com
Energy-Litigation@energy.nh.gov
lori.douglas@pennichuck.com
julia.gagnon@pennichuck.com
larry.goodhue@pennichuck.com
carolann.howe@pennichuck.com
jay.kerrigan@pennichuck.com
jayson.p.laflamme@energy.nh.gov
anthony.j.leone@energy.nh.gov
ocalitigation@oca.nh.gov
jjs@rathlaw.com
George.Torres@Pennichuck.com
smw@rathlaw.com