THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DW 16-448

ABENAKI WATER AND ROSEBROOK WATER COMPANIES, INC.

Petition for Transfer of Utility Assets and for Other Relief

ORDER OF NOTICE

On April 19, 2016, Rosebrook Water Company, Inc. ("Rosebrook"), and Abenaki Water Co., Inc. ("Abenaki"), filed with the New Hampshire Public Utilities Commission (Commission) a joint petition seeking: (1) approval to transfer Rosebrook's water utility assets and franchise to Abenaki pursuant to RSA 374:22 and RSA 374:30; (2) permission for Rosebrook to cease operating as a public utility; (3) approval for Abenaki to issue up to $400,000 in long term debt; and (4) permission for Abenaki to modify its existing tariff to provide for monthly billing.

The petition and subsequent docket filings, other than information for which confidential treatment is requested of, or granted by the Commission, will be posted to the Commission's website at http://www.puc.nh.gov/Regulatory/Docketbk/2016/16-448.html

Rosebrook is a New Hampshire corporation and regulated water utility that provides service to its customers in Bretton Woods, New Hampshire and the Township of Crawford's Purchase. Abenaki is a New Hampshire corporation authorized to operate as a public water utility and a public sewer utility in the State of New Hampshire. Abenaki provides water and sewer utility service to customers in Belmont and water utility service to customers in Bow. Abenaki issues bills on a monthly basis. Abenaki is a wholly-owned subsidiary of New England Service Company, Inc. ("NE Service"), a publicly traded Connecticut corporation. NE Service

operates four water utilities in Connecticut, Massachusetts, and New Hampshire with about 8,500 customers. NE Service is not a party to this proceeding.

The Petitioners represent that the purchase price of $400,000 is the net book value of Rosebrook, plus a ten percent premium as stated in the pre-filed testimony of Donald Vaughan. Vaughn is the president and CEO of NE Service. The sale is contingent upon Commission approval and other typical closing conditions.

Contemporaneously with the acquisition of Rosebrook's assets, Abenaki seeks financing approval of up to $400,000 in long term debt to facilitate the purchase. Abenaki also seeks to change Rosebrook's approved tariff from a quarterly billing to a monthly billing. The joint petitioners are not seeking any changes in rates.

The filing also raises, *inter alia*, issues related to the following: 1) why the previously approved transaction involving the transfer of Rosebrook's stock from BW Land Holdings LLC to REDUS NH Water Co., LLC failed to close following the Commission's approval of the transaction (*See* Order No. 25,686 (Jul. 1, 2014)); 2) whether and to what extent have customers suffered any harm due to Rosebrook's failure to make system improvements during the period July 2014 to present; and 3) whether it is in the "public good" to approve the proposed sale of Rosebrook's assets, the terms of the sale, and the purchase price to be paid, including any acquisition premium under RSA 374:30; 4) the Commission's duty to keep informed as to Abenaki and Rosebrook's capitalization, management and operations and with respect to their compliance with all provisions of law, orders of the Commission and charter requirements under RSA 374:4; 5) Abenaki's "financial, managerial and technical expertise" to operate as a utility in Rosebrook's franchise area under RSA 374:22; 6) Rosebrook's request to cease operating as a

utility under RSA 374:28; 7) Abenaki's request for approval of long term financing under RSA 369:1; and 8) Abenaki's request for tariff revisions under RSA 378:3.

Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that a Prehearing Conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on June 1, 2016 at 10:00 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Code Admin. Rules Puc 203.15 shall be considered; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, Rosebrook, Abenaki, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition and establish a procedural schedule; and it is

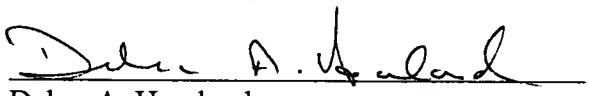
FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, the joint petitioners shall notify all persons desiring to be heard at this hearing by mailing a copy of this Order of Notice no later than May 18, 2015, to all of Rosebrook's current and known prospective customers as well as the Clerk of the Town of Carroll, New Hampshire, by first class U.S. Mail, postmarked no later than May 19, 2016 and documented by affidavit filed with the Commission on or before May 27, 2016; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a petition to intervene with copies sent to the joint petitioners and the Office of the Consumer Advocate on or before May 27, 2015, such petition stating the facts demonstrating how its rights,

duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Code Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before June 1, 2016.

By order of the Public Utilities Commission of New Hampshire this eleventh day of May, 2016.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.