

NH.PUC*01/02/76*[77560]*61 NH PUC 1*New England Telephone and Telegraph Company

[Go to End of 77560]

Re New England Telephone and Telegraph Company

DE 75-227, Order No. 12,098

61 NH PUC 1

New Hampshire Public Utilities Commission

January 2, 1976

PETITION for authority to place and maintain submarine plant crossing; granted.

TELEPHONES, § 2 — Construction of submarine cable line — Authorization.

[N.H.] The commission authorized a telephone company to construct a submarine plant crossing where it found that the proposed construction was necessary to meet the reasonable requirements of the public, and that the license sought could be exercised by the company without substantially affecting the public rights and the waters crossed.

BY THE COMMISSION:

Order

Whereas, by petition filed December 4, 1975, New England Telephone and Telegraph Company seeks a license pursuant to RSA 371:17-20 to place and maintain submarine plant crossing under Lake Winnepesaukee in the town of Moultonboro; and

Whereas, the petitioner represents that the proposed construction will cross approximately 745 feet of the lake from Pole No. 70/295 on the shoreline in Moultonboro to Pole No. 70/297 on Black Island, property of Camp Winnauki in Moultonboro; and

Whereas, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public, for future growth in New England Telephone Company's Center Harbor exchange, and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and the waters crossed; it is

Ordered, that a license be, and hereby is, granted to New England Telephone and Telegraph Company to place and maintain a submarine crossing under Lake Winnepesaukee in the town of Moultonboro, all in accordance with the above description which is contained on a plan on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this second day of January, 1976.

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NH.PUC*01/20/76*[77561]*61 NH PUC 2*Claremont Gas Light Company

[Go to End of 77561]

Re Claremont Gas Light Company

DR 75-196, Order No. 12,108

61 NH PUC 2

New Hampshire Public Utilities Commission

January 20, 1976

ORDER by commission authorizing gas company to file revised tariffs.

1. RATES, § 303 — Base cost of fuel — Decrease in surcharge — Gas company.

[N.H.] The commission directed a gas company to resubmit its tariff rates to reflect the higher base cost of propane fuel as this action would not result in total revenues beyond those requested by the company's own proposal, and an increase in basic rates would result in a proportionate decrease in the surcharge rate. p. 2

2. RATES, § 303 — Fuel surcharge — Gas company.

[N.H.] Where all other gas companies instate calculated their surcharges by a relationship between total costs of propane above the base cost and total sales during prescribed a period instead of a relationship based on cost-per-gallon increases, the commission directed a gas company to revise its procedures and make appropriate changes to its tariff in order to bring them into conformity with the other companies. p. 3

APPEARANCES: Herbert Lieberman for the petitioner.

BY THE COMMISSION:

Report

The Claremont Gas Light Company on September 15, 1975, filed Third Revised Pages 13, 14, 15, and 16 of its tariff, NHPUC No. 9 — Gas, proposing increased rates to become effective on October 15, 1975.

On October 6, 1975, Order No. 12,025 was issued suspending the above mentioned filing pending investigation and decision thereon.

On December 4, 1975, the commission issued an order of notice providing for a hearing to be

held at the office of the commission on January 8, 1976. The petitioner published notice of the proposed rates and of the hearing date in a newspaper having general circulation in the area affected as directed by the commission.

The filing proposed a flat increase of \$29,134 or approximately 15 per cent across the board exclusive of fuel surcharge and provided for a rate of return of 4.98 per cent. No change was proposed in the use of 15.8 cents as the base cost of fuel.

The petitioner presented exhibits and testimony, that, together with data on file with this commission, indicates that even with the proposed filing, the company's expected earnings level would still only produce a minimum rate of return.

[1] Questioning by staff resulted in oral testimony by the company's witness that the existing base cost of propane of 15.8 cents per gallon is no longer realistic. The price has averaged over 25 cents per gallon since August, 1975, and the company envisions no reduction in prices in the future. We believe that a new base cost of fuel of 25 cents per gallon should be established to allow the basic rates to more accurately reflect present day fuel costs of the company

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and, coincidentally, to return the fuel surcharge to a level which will realistically reflect the fluctuations in the cost of propane. Accordingly, our order will direct the company to resubmit their tariff rate pages to reflect the higher base cost. It should be noted that this action will not result in total revenues beyond those requested in the company's own proposal, and that customer bills should not increase beyond what was intended in the proposal, since the increase in basic rates will result in a proportionate decrease in the surcharge rate.

[2] Following the hearing, staff also reviewed with company officials the method by which monthly surcharge rates are calculated and reported to the commission. The current tariff allows a fuel surcharge increase or decrease of 0.125 per cent per therm for each 0.1 cent per gallon increase or decrease in the price of propane. Although the end result to the customer is the same, this method varies from that used by all other New Hampshire gas companies in that those companies arrive at the surcharge by a relationship between total costs of propane above the base cost and total sales during a prescribed period instead of a relationship based on cost-per-gallon increases. We have directed Claremont to revise their procedures, and make the appropriate changes to their tariff pages, to bring them into conformity with the other companies.

It appears to be consistent with the public interest to permit the tariff revisions, subject to the changes noted above, to become effective with all current bills rendered on or after the effective date allowed. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Third Revised Pages 13, 14, 15, and 16 of Claremont Gas Light Company tariff, NHPUC No. 9 — Gas, which was filed on September 15, 1975, providing for a 15 per cent increase in basic rates (exclusive of fuel surcharge) be, and hereby are, rejected; and it is

Further ordered, that Original Page No. 12-1 of Claremont Gas Light Company tariff,

NHPUC No. 9 — Gas be, and hereby is, rejected; and it is

Further ordered, that new revised tariff pages be filed setting forth new rates adjusted to a new base price of propane at 25 cents per gallon designed to produce added revenue of \$29,134 annually; and it is

Further ordered, that a revised tariff page be filed to set forth the provisions of the fuel cost adjustment; and it is

Further ordered, that upon receipt of, and approval of, such revised tariff pages, a supplemental order of authorization will be issued.

By order of the Public Utilities Commission of New Hampshire this twentieth day of January, 1976.

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NH.PUC*01/20/76*[77562]*61 NH PUC 4*Meriden Telephone Company, Inc.

[Go to End of 77562]

Re Meriden Telephone Company, Inc.

DR 75-204, Order No. 12,109

61 NH PUC 4

New Hampshire Public Utilities Commission

January 20, 1976

PETITION of telephone company to have suspended rates temporarily put in effect; granted.

RATES, § 85 — Suspended rates — Temporary effect pending decision.

[N.H.] The commission granted a telephone company's request to have its suspended rates put into temporary effect pending final commission decision regarding the company's annual revenues, providing that the company furnish the commission with a bond to secure repayment to the customers of the difference between the amounts collected under temporary rates, and those rates which the commission may find should have been in effect during the continuance of the temporary rates.

APPEARANCES: Frank D. Chellis, William C. Grabel, and Robert J. Collins for the petitioner.

BY THE COMMISSION:

Report

These proceedings were initiated when Meriden Telephone Company, Inc., a public utility providing telephone service in New Hampshire filed revisions to its filed tariff, NHPUC No. 4

— Telephone, requesting an increase in its annual gross revenues of \$7,834. The commission suspended the proposed rate increase (Order No. 12,038, dated October 21, 1975) and subsequently held a duly noticed hearing at its offices on January 13, 1976.

In sworn testimony, company witness Collins requested that if the commission could not immediately decide on permanent rates that it alternatively prescribe temporary rates. The commission finds that the evidence supports the request for temporary rates.

The uncontradicted testimony of the witness established that the company has sustained operating losses in previous years, has the need to replace short-term financing with long-term debt and has to improve the equity situation of the company in order to be competitive in the capital markets and to maintain its credit with lending institutions. For these reasons the commission will allow an increase in gross annual revenues on a temporary basis until such time as it finally determines what level of revenues are just and reasonable on a permanent basis. Accordingly, rates may be charged by the company to reflect an increase in annual revenues of \$7,834 to become effective with all current billings rendered on or after February 1, 1976. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the rates and charges set forth in First Revised Sheets 1 and L-2 of Section 2 and First Revised Sheet 2 of Section 4 in tariff, NHPUC No. 4 of Meriden Telephone Company, Inc.,

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which were suspended on October 21, 1975, by commission Order No. 12,038, may now become effective as temporary rates for all service rendered on or after February 1, 1976; and it is

Further ordered, that Meriden Telephone Company, Inc., give public notice of these changes by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company; and it is

Further ordered, that pursuant to RSA 378:30 Meriden Telephone Company, Inc., furnish this commission with a bond to secure the repayment to the customers of said public utility of the difference, if any, between the amounts collected under such temporary rates and the rates which the commission finds should have been in effect during the continuance of such temporary rates.

By order of the Public Utilities Commission of New Hampshire this twentieth day of January, 1976.

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NH.PUC*01/27/76*[77563]*61 NH PUC 5*F & P Management Company, Inc. d/b/a Wentworth Cove Water Company

[Go to End of 77563]

Re F & P Management Company, Inc. d/b/a Wentworth Cove Water Company

IE 14,439, Order No. 12,112

61 NH PUC 5

New Hampshire Public Utilities Commission

January 27, 1976

PETITION by a water company to operate as a public utility in a municipality; granted.

CERTIFICATES, § 125 — Authority to operate in a municipality — Water company.

[N.H.] The commission granted a water company authority to operate as a public utility in a limited area of a municipality.

BY THE COMMISSION:

Order

Whereas, F & P Management Company, Inc., d/b/a Wentworth Cove Water Company (Wentworth), a water public utility coming under the jurisdiction of this commission, by a petition filed September 12, 1975, seeks authority to operate as a public water utility in a limited area in the city of Laconia; and

Whereas, the Wentworth represents that it is able and willing to supply water service in the service area requested, under terms and conditions and rates that will be on file at this commission; and

Whereas, after investigation and consideration, this commission is satisfied that the granting of the petition will be for the public good; it is

Ordered, that Wentworth be, and hereby is, authorized to operate as a

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public water utility in a limited area in the city of Laconia, said area bounded and described as follows:

Beginning on the northeasterly side of Route 11B at the southwesterly corner of land now or formerly of Gurney, and thence running along the northeasterly side of said Route 11B a total distance of 1,160 feet, more or less, to land now or formerly of Marquis; thence turning and running on a course of north 29 degrees seven minutes 55 seconds east a distance of 333.93 feet; thence running on a course of north 29 degrees 19 minutes 14 seconds east, in part along said land now or formerly of Marquis and land of 1001 Elm Street, Inc., a total distance of 1,253 feet, more or less, to the southwesterly side of Wentworth Cove road; thence turning and running on a course of south 70 degrees 13 minutes zero seconds east along said Wentworth Cove road a

distance of 262 feet to a point; thence turning and running on a course of south 40 degrees 20 minutes 24 seconds east along said Wentworth Cove road a distance of 60.41 feet to a point; thence turning and running on a course of south nine degrees 20 minutes 50 seconds east still along Wentworth Cove road a distance of 108.84 feet to a point; thence continuing along the westerly side of Wentworth Cove road a distance of 100 feet, more or less, to a point on the easterly boundary of Lot No. 6 as shown on plan hereinafter described; thence running on a course of south three degrees 34 minutes ten seconds west along said Wentworth Cove road a distance of 458.13 feet to a point; thence turning and running on a course of south 27 degrees 48 minutes 57 seconds east a distance of 304.72 feet to a point; thence turning and running on a course of south 62 degrees 11 minutes three seconds west along the southeasterly boundary of Lot No. 1 as shown on said plan a distance of 160 feet, more or less; thence turning and running on a course of south 27 degrees ten minutes 36 seconds east a distance of 249.19 feet; thence turning and running on a course of south 62 degrees 11 minutes three seconds west along land now or formerly of Grappone a distance of 429 feet, more or less; thence turning and running on a course of south 50 degrees three minutes 15 seconds east still along land now or formerly of Grappone a distance of 389.73 feet to a point; thence turning and running on a course of south 29 degrees nine minutes 30 seconds west a distance of 236.03 feet to a point; thence continuing on a course of south 29 degrees 32 minutes zero seconds west a distance of 94.08 feet to the point of beginning;

said area is also outlined on maps on file in the office of the commission; and for this purpose to construct the necessary facilities; and it is

Further ordered, that its tariff, entitled NHPUC No. 1 — Water, setting forth rates and terms and conditions covering service in the area, shall become effective with the date of this order; and that three signed and executed copies, plus seven additional copies, of said tariff be filed with this commission immediately upon receipt of this order.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of January, 1976.

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NH.PUC*01/28/76*[77564]*61 NH PUC 7*Mountainvale Industries, Inc.

[Go to End of 77564]

Re Mountainvale Industries, Inc.

DT 75-34, Supplemental Order No. 12,113

61 NH PUC 7

New Hampshire Public Utilities Commission

January 28, 1976

SUSPENSION by commission of common carrier's license to operate for noncompliance with the state statute provisions.

CERTIFICATES, § 149 — Suspension of certificate — State insurance statute — Common carrier.

[N.H.] The commission suspended a common carrier's certificate of public convenience and necessity due to the carrier's failure to comply with state statute provisions as applying to the filing of evidence of insurance.

BY THE COMMISSION:

Supplemental Order

Whereas, Mountainvale Industries, Inc., of Conway, New Hampshire, was authorized, pursuant to RSA 375-B:4, to operate as an irregular route common carrier of property by motor vehicle between points and places in New Hampshire, through Order No. 11,377, Property Carrier Certificate of Public Convenience and Necessity No. 350, dated April 11, 1974, in the transportation of mobile home and modular sections between all points and places in Carroll county on the one hand and all points and places in the state of New Hampshire on the other; and

Whereas, due to failure to comply with the provisions of RSA 375-B:12, as applying to the filing of evidence of insurance; it is

Ordered, that Order No. 11,377, dated April 11, 1974, containing Property Carrier Certificate of Public Convenience and Necessity No. 350, be, and hereby is, suspended until further order of this commission.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of January, 1976.

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NH.PUC*01/30/76*[77565]*61 NH PUC 7*Northern Utilities, Inc.

[Go to End of 77565]

Re Northern Utilities, Inc.

DF 75-230, Order No. 12,115

61 NH PUC 7

New Hampshire Public Utilities Commission

January 30, 1976

PETITION for authority to issue first mortgage bonds; granted.

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SECURITY ISSUES, § 44 — First mortgage bonds — Authorization.

[N.H.] The commission granted a utility company authority to issue first mortgage bonds in order to pay off the company's short-term notes, for further purchase and construction of property, to defray the expenses of the issue, and for other corporate purposes.

APPEARANCES: Joseph S. Ransmeier and Milton F. Todd, assistant treasurer and assistant controller, for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition filed December 16, 1975, Northern Utilities, Inc., a corporation duly organized and existing under the laws of the state of New Hampshire (the "company") seeks authority, pursuant to the provisions of RSA 369, to issue and sell for cash \$2.5 million aggregate principal value of first mortgage bonds (the "bonds"). These bonds are to consist of two issues which may be designated as the "Portland bonds" and the "Allied bonds" respectively. The Portland bonds are to be issued in the aggregate face amount of \$1.8 million under an original indenture dated as of November 1, 1960, of Portland Gas Light Company (a predecessor of the company) to First National Bank of Portland (now Maine National Bank), trustee, as heretofore supplemented by four supplemental indentures and as to be supplemented by a fifth supplemental indenture substantially in the form of Proof No. 3 thereof as filed with the commission after the hearing, Proof No. 1 having been submitted at the hearing (such original indenture as so supplemented and to be supplemented being hereafter referred to as the "Portland indenture"). The Allied bonds are to be issued in the face amount of \$700,000 under an original indenture of mortgage dated as of July 1, 1944, between Allied New Hampshire Gas Company (now Northern Utilities, Inc.) and Schroder Trust Company, trustee, as heretofore supplemented and amended by seven supplemental indentures and as to be supplemented by an eighth supplemental indenture substantially in the form of Proof No. 4 thereof as filed with the commission after the hearing, Proof No. 2 having been submitted at the hearing (such original indenture, as so supplemented and to be supplemented, being hereafter referred to as the "Allied indenture"). The Portland bonds are to be further identified as the company's first mortgage bonds, Series D, 10 per cent, and the Allied bonds as the company's first mortgage bonds, 10 per cent Series due 1976-91.

Hearing was held on the petition on December 18, 1975. At the hearing, the company submitted evidence that from October 1, 1972, through September 30, 1975, it had made capital expenditures for capital additions and improvements in its Maine division in the aggregate value of \$1,880,000 and in its New Hampshire division of \$1,045,000 and that such additions and improvements had been financed in major part by short-term loans, aggregating \$2.4 million as of September 30, 1975. The company further represented that it had net additional property available for the issuance of bonds under both its Portland and Allied indentures in amounts in excess of the sums required to support the issues proposed.

Excluding short-term notes payable to banks and long-term debt payable

within one year, the company's capital structure was represented to include 54 per cent debt, 19 per cent preferred stock capital, and 27 per cent common equity. While common equity has increased during the past year, the company pays no common stock dividend and, in the present condition of the capital markets, it would be difficult, if not virtually impossible, for it to attract additional common stock investment on reasonable terms. The company proposes to apply approximately \$2.4 million of the \$2.5 million proceeds of the bonds to repayment of its outstanding, short-term notes to banks. If short-term indebtedness is included in the computation of the company's capital ratios, the issuance of the bonds will have a negligible effect upon them since it simply substitutes long-term indebtedness for short-term.

The company proposes to sell the bonds directly to New England Mutual Life Insurance company, without the use of an underwriter, at par, to bear interest at the rate of 10 per cent per annum pursuant to a bond purchase agreement substantially in the form of Proof No. 4 of such an instrument as filed with the commission subsequent to the hearing, an earlier proof of which was submitted at the hearing. The bonds are to mature quarterly, beginning with an \$18,000 installment at the time of the first quarterly payment in 1976, and gradually increasing so that the final installment at the end of the 15-year term of the issue will be \$79,000. The effect of this arrangement is to provide a substantially level cash requirement for combined principal and interest payments.

The bonds are to be guaranteed, both as to principal and interest to the extent of up to 90 per cent of any net loss by the United States of America acting through the Farmers Home Administration. There was evidence that the 10 per cent interest rate provided by the bonds is advantageous to the company at this time compared to the cost of debt on other recent issues of gas utilities.

In the petition, the company raised a question as to the jurisdiction of this commission over the issuance of the Portland bonds. At the hearing the company did not press this issue and it did not present sufficient evidence upon which this commission could conclude that no portion of the proceeds of the Portland bonds would be applied to improvement of the company's public utility properties in New Hampshire, or for repayment of short-term indebtedness, the proceeds of which have been so applied, so that this commission cannot conclude that it is without jurisdiction as to the issue of the Portland bonds under the standards of RSA 369:8.

Authorization for this proposed financing has been voted by the directors of the company, and the petitioner has submitted evidence of such authorization.

Upon investigation and consideration, the commission is satisfied that the proceeds from the proposed financing will be expended to pay off short-term notes outstanding at the time the bonds are issued, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the company's business, for further purchase and construction of such property, and for payment of the expenses of the issue; and finds that the issue and sale of the bonds, including both the Portland bonds in the amount of \$1.8 million and the Allied bonds in

the amount of \$700,000 upon the terms proposed will be consistent with the public good.

Our order will issue affirming the jurisdiction of this commission with respect to the Portland bonds and authorizing their issue and sale together with the Allied bonds, for cash and at par, to New England Mutual Life Insurance Company in the respective amounts of \$1.8 million and \$700,000, or the aggregate amount of \$2.5 million payable quarterly from 1976 to 1991, bearing interest at the rate of 10 per cent of their face amount, and otherwise in accordance with the terms proposed.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that this commission take jurisdiction as to the issue and sale by Northern Utilities, Inc. (the "company") of its "Portland bonds" as hereinafter described; and it is

Further ordered, that the company be and hereby is authorized to issue and sell for \$1.8 million and \$700,000 cash, respectively, its first mortgage bonds, Series D, 10 per cent due 1976-91 (the "Portland bonds") and its first mortgage bonds, 10 per cent Series due 1976-91 (the "Allied bonds") together below referred to as the "bonds," at par to New England Mutual Life Insurance Company and otherwise in accordance with the terms of a purchase agreement for the bonds between the company and New England Mutual Life Insurance Company; and it is

Further ordered, that the company be and hereby is authorized to mortgage its present and future Allied division properties in New Hampshire and present Maine division properties in Maine, tangible and intangible, including franchises, as security for Allied and Portland bonds, respectively; and it is

Further ordered, that the proceeds from the sale of the bonds shall be used (a) to pay off short-term notes of the company owed to banks, the proceeds of which will have been expended in the purchase and construction of property used and useful in the company's public utility business; (b) for further purchase and construction of such property and to reimburse its treasury for such expenditures; (c) to defray the expenses of the issue; and (d) for other proper corporate purposes; and it is

Further ordered, that the company be and hereby is authorized to execute and deliver all such applications and commitments as may be required by Farmers Home Administration to obtain its guarantee for the payment of principal and interest on the bonds to the extent of 90 per cent of any net loss of such principal and interest; and

Further ordered, that on January 1st and July 1st of each year the company shall file with this commission a detailed statement duly sworn to by its president or treasurer, showing the disposition of the net proceeds of the bonds until the whole of the said proceeds shall have been duly accounted for.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of January, 1976.

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NH.PUC*02/03/76*[77566]*61 NH PUC 11*Northern Utilities, Inc.

[Go to End of 77566]

Re Northern Utilities, Inc.

IR 14,436, Order No. 12,122

61 NH PUC 11

New Hampshire Public Utilities Commission

February 3, 1976

APPLICATION by gas company for approval of special contract rates; granted.

RATES, § 212 — Special contract rates — Gas company.

[N.H.] The commission approved a gas company's special contract for service to a private company at rates other than those fixed by its schedule of general application where the commission found that special circumstances under the terms and conditions of the contract were just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Northern Utilities, Inc., a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 26 with Kane-Gonic Brick Company effective on December 1, 1975, for service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this third day of February, 1976.

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NH.PUC*02/04/76*[77567]*61 NH PUC 11*W & E Artesian Well Company, Inc.

[Go to End of 77567]

Re W & E Artesian Well Company, Inc.

Intervenor: Windham Estates Association

DR 74-144, Supplemental Order No. 12,126

61 NH PUC 11

New Hampshire Public Utilities Commission

February 4, 1976

APPLICATION by water company for increase in rates; granted as modified.

VALUATION, § 250 — Contributions in aid of construction — Extension — Water company.

[N.H.] The commission adjusted a water company's rate base to exclude certain plant and equipment financed by contributions in aid of construction.

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APPEARANCES: James A. Sayer, for the petitioner; Martin J. McMahon, Jr., for Windham Estates Association.

BY THE COMMISSION:

Report

On September 18, 1974, W & E Artesian Well Company, Inc., a duly organized New Hampshire corporation, operating as a public water utility in the town of Windham, filed with this commission certain revisions to its tariff, NHPUC No. 1 — Water (First Revised Pages 16 and 17) providing for increased rates.

On October 2, 1974, this commission under authority granted in RSA 378:6 issued its Order No. 11,583 suspending the proposed rates.

A hearing was held in Concord on February 6, 1975. The company presented testimony and other evidence indicating a need for an increase of \$12,356. The company used its fiscal year 1973 as the test year. Mr. Sayer, attorney for W & E Artesian Well Company, Inc., made a short opening statement of the history of the water company. In 1969 the company had to petition for a franchise as a public utility because it had extended to more than thirty customers. This necessitated the forming of a corporation which was called W & E Well Company. The company operated at a loss for the years 1970, 1971, and 1973, and in 1972 at a profit, but below the cost of capital.

Certain issues arose on the financial statement of W & E Artesian Well Company in regard to the rate base. Testimony and evidence was submitted that an amount of \$23,625, which represents the construction cost of the Sherndor extension, was paid to the petitioner, Mr. Barlow. To properly reflect this transaction an adjustment has been made on the books of the company to increase mains by \$12,425, to decrease notes payable by \$11,200, and to increase contributions in aid of construction by \$23,625.

In support of its request for increased revenues the company submitted adjustments to its operation and maintenance expenses showing an increase of \$5,864. Of this amount, \$1,500 was

pro formed for repairing fifteen water meters at an estimated cost of \$100 per meter. Our investigation finds this to be excessive, and in our opinion a figure of \$20 per meter is reasonable. We find that \$300 is adequate for this item. Also pro formed was \$1,000 for preventive maintenance. We have disallowed this adjustment, believing that the amount of \$1,664 pro formed for maintenance labor should be adequate.

The New Hampshire profit tax was computed at 6 per cent and the rate should have been 7 per cent for an increase of \$73.

We find 11 per cent cost of equity as reasonable. If two-tenths of one per cent is added to the pro forma cost of money of 9.7 per cent, we find a fair rate of return of 9.9 per cent is a just and reasonable return for the company.

Rate Base

The company's submitted rate base was \$101,901 (September 17, 1974). At the hearing on February 7, 1975, the protestant's attorney objected to the inclusion in the rate base of certain plant and equipment financed by contributions to the company rather than by internally generated funds or debt. Specifically, there was evidence that one Armstrong paid \$23,625 to Barlow of

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the company under an agreement as a contribution in aid of construction.

Subsequent to the hearing the commission required the further submission of a detailed rate base calculation to be accompanied by an audit certificate and a reconciliation of contribution in aid of construction. This was done in an attempt to resolve points of contention at the hearing.

On November 7, 1975, the company filed a motion accompanied by a resubmitted calculation of rate base and a reconciliation of its contribution in aid of construction. The resubmission was unaccompanied by an audit certificate as explained by the motion because funds for the audit were not available.

The resubmission reflected an adjustment of the disputed \$23,625 indicating that the so-called Sherndor extension was a contribution in aid of construction. The actual adjustment is made as noted earlier in this report. Thus the rate base is accordingly reduced. The commission finds the adjusted rate base to be \$89,791.

Revenue Requirements

To establish just and reasonable rates to produce a return of 9.9 per cent upon the company's adjusted average rate base of \$89,791, a revenue increase of \$10,483 is necessary, computed on the following basis for the test year ended December 31, 1973.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>At Present Rates</i>	<i>At Allowed Rates</i>
<i>Company's</i>	<i>Commission's</i>
<i>Adjusted</i>	<i>Adjusted</i>
<i>Results</i>	<i>Results</i>
 <i>Operating Revenues</i>	 \$ 9,230

<i>Revenue Deductions</i>	
<i>Operation and Maintenance</i>	8,425
<i>Depreciation</i>	3,866
<i>Amortization</i>	142
<i>Taxes - N.H. Profit Tax</i>	338
<i>Other</i>	252
<i>Total Revenue Deductions</i>	<u>\$12,685</u>
<i>Net Operating Income</i>	(\$3,455)
 <i>Average Rate Base</i>	 \$89,791
 <i>Rate of Return</i>	 0

Rates

Revised rates were submitted to increase annual revenues in the amount of \$12,356, or an increase of 133.9 per cent, which would produce an 8.7 per cent return on its rate base as submitted. Certain adjustments were made to the rate base as specified in this report and we have found the total revenue requirement to be \$19,713, which is an increase of \$10,483, or 114 per cent, applied evenly across the board to its metered and unmetered rates, such revision to produce an increase of \$10,483 to its annual revenues, and to become effective with current bills rendered on or

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after January 1, 1976. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part thereof; it is

Ordered, that the revisions of its tariff, NHPUC No. 1 — Water, as filed by W & E Artesian Well Company, Inc., on September 18, 1974, which revisions were suspended by commission Order No. 11,583 dated October 2, 1974, be, and hereby are, rejected; and it is

Further ordered, that, in accordance with the increase in rates authorized by this report and order, W & E Artesian Well Company, Inc., file new tariff pages as follows:

First Revised Page 16, Issued in Lieu of Original Page 16

First Revised Page 17, Issued in Lieu of Original Page 17 setting forth therein rates designed to produce an annual increase in gross revenue of \$10,483, such rates reflecting an equal percentage increase across the board on the present rate for all classes of service; and it is

Further ordered, that the revised tariff pages incorporating the above changes be filed to become effective with all service rendered on or after February 15, 1976, such tariff pages to carry the notation "Issued in compliance with Order No. 12,126 in case DR 74-144"; and it is

Further ordered, that W & E Artesian Well Company, Inc., give public notice of these new rates by publishing the same once prior to the effective date in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this fourth day of February, 1976.

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NH.PUC*02/04/76*[77568]*61 NH PUC 14*City of Dover Water Department

[Go to End of 77568]

Re City of Dover Water Department

DR 75-215, Supplemental Order No. 12,127

61 NH PUC 14

New Hampshire Public Utilities Commission

February 4, 1976

APPLICATION by municipal water department for increase in rates; granted.

BY THE COMMISSION:

Supplemental Order

Whereas, the city of Dover Water Department, a public utility engaged in the business of supplying water service in the state of New Hampshire insofar as it provides water service in limited areas in the towns of Madbury, Rollinsford, and Somersworth, on October 31, 1975, filed with this commission a proposed increase in the rates charged to its customers in these towns in the amount of 25 per cent for effect December 1, 1975; and

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Whereas, said filing for the proposed increase was suspended by the commission's Order No. 12,055, dated November 12, 1975 pending investigation by the commission; and

Whereas, the city of Dover at its council meeting held January 28, 1976, voted in the majority to increase the water rates to the water customers within the city of Dover, in the amount of 25 per cent effective March 1, 1976; and

Whereas, this commission, after investigation and consideration, finds that the increase in rates sought is necessary and consistent with the public good, and no comments or objections by the public were received; it is

Ordered, that Order No. 12,055 issued November 12, 1975, be, and hereby is revoked; and it is

Further ordered, that the proposed increase in water rates filed on October 31, 1975, by the city of Dover Water Department for effect in the towns of Madbury, Rollinsford, and Somersworth be, and hereby is, permitted to become effective with all current bills rendered on or after March 1, 1976; and it is

Further ordered, that the city of Dover Water Department give public notice of these new rates by publication of this order in a newspaper having general circulation in the area.

By order of the Public Utilities Commission of New Hampshire this fourth day of February,

1976.

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NH.PUC*02/06/76*[77569]*61 NH PUC 15*Wolfeboro Rail Road Company, Inc.

[Go to End of 77569]

Re Wolfeboro Rail Road Company, Inc.

DT 76-14, Order No. 12,130

61 NH PUC 15

New Hampshire Public Utilities Commission

February 6, 1976

COMMISSION order granting railroad company authority to operate pursuant to lease agreement.

LEASES, § 9 — Commission jurisdiction — Railroad.

[N.H.] The commission authorized a railroad company to operate a line between Concord and Lincoln under the provisions of a lease agreement between the railroad and the state.

BY THE COMMISSION:

Order

Whereas, the line of railroad between Concord and Lincoln has been acquired by the state by eminent domain proceeding; and

Whereas, pursuant to the provisions of RSA 372-A, this commission has been authorized by the governor and council to enter upon a lease agreement with the

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Wolfeboro Rail Road Company, Inc., to transport freight and passengers on all or a portion of the line between Concord and Lincoln, including the Lakeport branch; and

Whereas, the said Wolfeboro Rail Road Company, Inc., has formed a corporation and operates a railroad pursuant to the provisions of RSA 294 and is authorized to operate the rail line purchased from the Boston and Maine Corporation between Wolfeboro and Sanbornville (see Order No. 10,355 dated August 11, 1971, DT 6073); and

Whereas, the commission is of the opinion that the public convenience and necessity requires the operation of the railroad line between Concord and Lincoln; it is

Ordered, that Wolfeboro Rail Road Company, Inc., be, and hereby is, authorized to operate

the line of railroad between Concord and Lincoln under the provisions of a lease agreement between said railroad and the state of New Hampshire; and it is

Further ordered, that the provisions of this order shall become effective February 2, 1976.

By order of the Public Utilities Commission of New Hampshire this sixth day of February, 1976.

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NH.PUC*02/09/76*[77570]*61 NH PUC 16*Hillsboro Water Company, Inc.

[Go to End of 77570]

Re Hillsboro Water Company, Inc.

DE 74-58, Order No. 12,131

61 NH PUC 16

New Hampshire Public Utilities Commission

February 9, 1976

PETITION by water company to operate a public utility in a limited area; granted.

CERTIFICATES, § 77 — Grant of certificate — Prospects of success — Water company.

[N.H.] The commission granted a water company authority to operate as a public utility where the company's proposed financing and capital structure, projection of income, expense, and cash flow indicated the project would be a financially sound water utility.

APPEARANCES: Luke S. O'Neill, Jr., for the petitioner.

BY THE COMMISSION:

Report

On September 5, 1974, Hillsboro Water Company, Inc., a New Hampshire corporation with its principal place of business at Hillsboro, New Hampshire, filed with this commission a petition requesting authority to operate as a public water utility in a limited area in the town of Hillsboro.

On May 2, 1974, a hearing was held on the aforementioned petition at the office of the commission in Concord, following publication in a newspaper

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having general circulation in the area. At the hearing the petitioner represented that Hillsboro Water Company, Inc., is a subsidiary of Emerald Lake Shores, Inc., and was started about ten

years ago. Emerald Lake Shores, Inc., has developed a vacation and recreational community on Emerald Lake, formerly known as Gould Pond, in Hillsboro, to which community Hillsboro Water Company, Inc., will provide service.

The proposed financing and capital structure, and the petitioner's projection of income, expense, and cash flow indicate that the project will be a financially sound water utility. Based on the testimony and financial data submitted we are of the opinion that the petitioner would financially be able to furnish water service as contemplated.

The petitioner has now obtained partial approval of its water supply system from the New Hampshire Water Supply and Pollution Control Commission, as detailed in correspondence dated January 29, 1976, from that commission. It is understood that approval to serve additional lots within the approved franchise area, beyond those designated in the above mentioned letter, must be obtained from the New Hampshire Water Supply and Pollution Control Commission.

Upon investigation and consideration of the evidence submitted, the commission is of the opinion that granting the authority sought will be consistent with the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Hillsboro Water Company, Inc., be, and hereby is, authorized to operate as a public water utility in a limited area in the town of Hillsboro, said area bounded and described as follows:

Beginning at the Northeast corner of the junction of Bog road with the highway leading from Gould Pond to what is known as Davis Four Corners; thence

1. Northerly by said Bog road a distance of 2,175 feet, more or less, to a point; thence
2. Easterly a distance of 700 feet to Nelson Brook; thence
3. Northerly along said brook a distance of 300 feet to Cross road, so-called; thence
4. Northwesterly along the northerly sideline of said Cross road a distance of 260 feet, more or less, to a point; thence
5. Northerly a distance of 2,430 feet to a point; thence
6. Easterly along a stone wall a distance of 716 feet to Patten Hill road; thence
7. Southerly along the westerly sideline of Patten Hill road a distance of 410 feet to land now or formerly of Reece; thence
8. Westerly along said Reece land a distance of 83.63 feet to a point; thence
9. Southerly along said Reece land a distance of 27 feet to a point; thence
10. Westerly along said Reece land a distance of 204.63 feet to a point; thence
11. Southerly along said Reece land a distance of 88.11 feet to a point; thence
12. Easterly along said Reece land a distance of 222 feet to Patten Hill road; thence
13. Southerly along Patten Hill road a distance of 726.99 feet to a point; thence

14. Easterly a distance of 1,400 feet, more or less, to a point; thence

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15. East southeasterly a distance of 1,800 feet to a point; thence

16. Westerly a distance of 760 feet to a point; thence

17. Southerly 763 feet to the northerly line of Gould Pond road; thence

18. Southerly 40 feet crossing Gould Pond road; thence

19. Southerly 278 feet to the northerly shore of Gould Pond; thence

20. Easterly along the northerly shore of Gould Pond a distance of 800 feet, more or less, to a point; thence

21. Northerly a distance of 200 feet, more or less, to the southerly line of Gould Pond road; thence

22. Easterly and northeasterly along the southerly line of Gould Pond road a distance of 1,100 feet, more or less, to a stone wall; thence

23. Southeasterly along said stone wall a distance of 1,600 feet, more or less, to a turn in the stone wall; thence

24. Southwesterly along the wall a distance of 100 feet to another turn in the stone wall; thence

25. Southeasterly along the wall a distance of 500 feet to another turn in the stone wall; thence

26. Westerly along the wall a distance of 100 feet to the end of the stone wall; thence

27. Southeasterly a distance of 500 feet to a point; thence

28. Westerly a distance of 120 feet to a point; thence

29. Southerly a distance of 700 feet to a point; thence

30. Westerly a distance of 3,500 feet to a point; thence

31. Northerly a distance of 2,400 feet to a point; thence

32. Southwesterly, crossing Nelson Brook, a distance of 600 feet to a point; thence

33. Northwesterly a distance of 1,000 feet to the point of beginning; said area outlined on a map on file in the office of this commission, marked DE 74-58, Exh 5 and for this purpose to construct the necessary facilities; and it is

Further ordered, that its tariff, NHPUC No. 1 — Water, setting forth rates, terms, and conditions covering service in the area, shall become effective with the date of this order; and that three signed and executed copies, plus seven additional copies, of said tariff be filed with this commission immediately upon receipt of this order.

By order of the Public Utilities Commission of New Hampshire this ninth day of February, 1976.

[Go to End of 77571]

Re Rate Structures of New Hampshire Electric Utilities

Intervenor: Volunteers Organized in Community Education

DR 75-20, Order No. 12,133

61 NH PUC 18

New Hampshire Public Utilities Commission

February 9, 1976

MOTION by intervenors requesting permission to use commission copy of transcripts; denied.

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PROCEDURE, § 19 — Availability of commission records — Property rights.

[N.H.] The commission ruled that information transcribed and gathered by a court stenographer embodied information whose economic value depended on factors other than the mere physical possession of the transcript, and that where such information was gathered and arranged at cost and sold as a commodity, it may properly be protected under the law of property.

BY THE COMMISSION:

Report

Volunteers Organized In Community Education ("VOICE") an intervenor in these proceedings filed a motion with this commission on January 30, 1976, requesting that it should be permitted to use the commission copy of transcripts prepared by Robert E. Patnaude and Associates, court reporters, and to reproduce the same on its own arrangements at lower costs. No hearing was held on this matter but a report is issued herewith, this being a matter of first impression before the commission.

Like the superior court, this commission provides for an official court stenographer to be present at all proceedings of the commission. Reference may be made to RSA 519:26 regarding the appointment of stenographers by the superior court. This commission has an administrative rule of practice and procedure which provides as follows:

The State of New Hampshire Public Utilities Commission Rules Section I Rules of Practice and Procedure B. Formal Requirements 11. Transcripts

"When the commission desires a transcript of the evidence of any hearing to assist in its deliberation thereon, it shall order an original and one carbon copy of said transcript. One shall be filed with and become the property of the commission, the other shall be for the petitioner. The cost of said transcripts will be charged to the petitioner. *If other parties to the proceedings desire transcripts, they will make their own arrangements therefor with the reporter. The reporter's charges for attendance and expense will be charged to the petitioner.*" (Emphasis added.)

In addition, in this proceeding, the commission by letter dated December 19, 1975, notified all parties to this proceeding that "the commission has arranged to obtain an original and one copy of the stenographic record of these proceedings. The original shall remain in the commission filed as its permanent record and the copy that we obtain will be available for your (Warren E. Waters, Esquire) use. All of the other parties of the proceeding are being advised by copy of this letter that they are to make their own arrangements for copies of transcripts which they desire through Robert E. Patnaude and Associates, Court Reporters, at 5 Sunset Avenue, Derry, New Hampshire, 03038, telephone 432-3337."

This commission has a contract with Robert E. Patnaude and Associates regarding his attendance at hearings of this commission for the purpose of producing all oral testimony. Patnaude is an official court stenographer properly licensed and bonded as a certified shorthand reporter (CSR) pursuant to RSA 331-B. Patnaude and his employees are responsible for the accuracy of the contents of the transcripts.

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Thus, it appears to be important for the stenographer who prepares the transcript to have control over it and its preparation, republication, and further dissemination. If the stenograph did not have this control of the product he has prepared, he would have to be at some point relieved of the responsibility for the prepared material.

It seems to the commission that the question involved is not whether VOICE has a right to the contents of the transcripts (which it has) but whether the information recorded, compiled, and gathered in the pages of those transcripts is somehow protected under the law of property. The information transcribed and gathered in the transcripts embodies information whose economic value depends on factors other than the mere physical possession of the transcript. The factors of time, effort, and expense are also part of its value. The transcripts have, in fact, been gathered and arranged at a considerable cost and with a considerable effort by the stenographer and sold by him as a commodity to the parties of the proceeding. The stenographer is in the business of gathering such information at expense to himself for the purpose of subsequent publication and sale. Where information is gathered and arranged at some cost and sold as a commodity, we feel it may properly be protected under the law of property. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the motion filed by Volunteers Organized In Community Education ("VOICE"), an intervenor in these proceedings and filed on January 30, 1976, be and hereby is,

denied.

By order of the Public Utilities Commission of New Hampshire this ninth day of February, 1976.

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NH.PUC*02/10/76*[77572]*61 NH PUC 20*Public Service Company of New Hampshire

[Go to End of 77572]

Re Public Service Company of New Hampshire

IE 14,374, Sixth Supplemental Order No. 12,134

61 NH PUC 20

New Hampshire Public Utilities Commission

February 10, 1976

APPROVAL by the commission of a utility's special contract.

RESEARCH, development, and demonstration — Special contract.

[N.H.] The commission approved a utility's special contract to be used in its electric thermal storage device load research program.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order

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No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Neil Parkhurst and Kenneth Cannaday, d/b/a P&C Construction Company and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this tenth day of February, 1976.

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NH.PUC*02/10/76*[77573]*61 NH PUC 21*Public Service Company of New Hampshire

[Go to End of 77573]

Re Public Service Company of New Hampshire

IE 14,374, Seventh Supplemental Order No. 12,135

61 NH PUC 21

New Hampshire Public Utilities Commission

February 10, 1976

APPROVAL by the commission of a utility's special contract.

RESEARCH, development, and demonstration — Special contract.

[N.H.] The commission approved a utility's special contract to be used in its electric thermal storage device load research program.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Franklin B. and Dorothy Fillmore and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this tenth day of February, 1976.

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NH.PUC*02/10/76*[77574]*61 NH PUC 22*Manchester Gas Company

[Go to End of 77574]

Re Manchester Gas Company

DR 75-207, Order No. 12,138

61 NH PUC 22

New Hampshire Public Utilities Commission

February 10, 1976

APPLICATION by gas company for temporary rate increase; granted.

RATES, § 85 — Temporary increase — Gas company.

[N.H.] The commission found that a gas company needed some measure of relief, and it prescribed as temporary rates, the company's present rates plus 9 5 per cent, pending further hearing and investigation by the commission.

APPEARANCES: John R. McLane for the petitioner.

BY THE COMMISSION:

Report

On October 27, 1975, the Manchester Gas Company, a duly organized New Hampshire corporation, operating as a public utility in the city of Manchester and in the towns of Goffstown, Hooksett, and Bedford, filed a proposed revision of the company's tariff, NHPUC No. 12 — Gas, to become effective November 26, 1975. The proposed increase was designed to produce an increase in revenue of \$381,374 or 9.14 per cent. Specifically, Rate "D" was to be increased by 9.24 per cent; Rate "G" was to be increased by 10.11 per cent.

The proposed increase in rates was suspended until further order of this commission by virtue of Order No. 12,056 dated November 13, 1975, and on December 17, 1975, a petition for temporary rates was filed. On January 26, 1976, an order of notice providing that a public hearing be held at the office of the commission in Concord at 26 Pleasant Street at ten o'clock in the forenoon of February 3, 1976. No one appeared in opposition to the proposal at the hearing.

The company represents that under its present rates it is receiving a rate of return of only 8.10 per cent on its average rate base at September 30, 1975, contrasted with the rate of return of 9.52 per cent allowed by the commission's Third Supplemental Order No. 11,668, dated December 13, 1974, in DR 74-70. Approximately one-half of the increase in revenues resulting from the proposed rates is required to increase the actual to the allowable rate of return.

The company further represented that because of the nationwide natural gas supply situation, it has taken steps to assure an adequate supply of gas and has advised the commission and staff of its actions. The steps include utilization of underground storage wells in Pennsylvania, reduction in interruptible gas sales and diversion of the gas to the underground storage wells, and construction of an LNG satellite facility in Manchester. These steps as well as a 9 per cent wage increase resulting from collective bargaining with the unions have resulted in substantial expenditures not contemplated in the prior rate case and without counterbalancing revenue gains. The remaining one-half of the increase in revenues resulting

from the proposed rate increase is required to compensate for the foregoing loss of revenue and increased expenses.

The following schedule reflects the Manchester Gas Company's capital structure, cost of capital, and required rate of return as of September 30, 1975.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

(A) Line No.	(B)	(C) Amount	(D) Rate Cost (%)
1	Debt -		
2	Mortgage Bonds:		
3	5% Series	\$ 144,000	5%
4	6% Series	1,000,000	6
5	8.25% Series	960,000	8.25
6	Secured Notes-Amoskeag	275,000	9.25
7	Secured Notes-Manchester	30,867	8.75
8	Unsecured Short-term Notes	650,000	8
9	Total Debt	\$3,059,867	7.40
10	Preferred Stock	\$ 698,600	7.0
11	Common Equity:		
12	Common Stock	\$1,079,285	
13	Surplus	1,470,510	
14	Total Common Equity	\$2,549,795	13.0
15	Total	\$6,308,262	9.62
16	Factor		.20
17	Total Cost of Capital	\$6,308,262	9.82

Revenue Increase

To establish just and reasonable rates to produce a return of less than the cost of capital of 9.82 per cent upon the company's average rate base of \$6,101,450, a revenue increase of \$381,374 is necessary.

The following schedule reflects the computation of the revenue increase as of September 30, 1975.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Line No. (A)	(B)
1.	Average Rate Base \$ 6,101,450
2.	Cost of Capital 9.82%
3.	Net Utility Operating Income Required \$ 599,162
4.	Less: Actual Net Utility Operating Income 494,176
5.	Deficiency in Net Utility Operating Income \$ 104,986
6.	Revenue Requirements:
7.	Operating Income(\$104,986 ÷ .4836) \$ 217,092
8.	LNG Storage Tank Lease Costs 59,500
9.	Wage Adjustments 59,300
10.	Liability Insurance Premiums 36,650
11.	Postage 7,000

12.	State Unemployment Taxes	8,000
13.	Blue Cross-Blue Shield and Dental Expenses	9,433
14.	Minimum Revenue Deficiency	<u>\$ 396,975</u>

It is evident that this company needs some measure of relief and this commission will prescribe as temporary rates, effective as of the date of this order, the present rates plus 9.5 per cent pending further hearing and investigation by this commission. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the present rates and charges set forth in Manchester Gas Company tariff, NHPUC No. 12, plus 9.5 per cent, may and hereby are permitted to become effective as temporary rates on all bills rendered on or after the date of this order; and it is

Further ordered, that Manchester Gas Company give public notice of these changes by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company; and it is

Further ordered, that pursuant to RSA 378:30 Manchester Gas Company, furnish this commission with a bond to secure the repayment to the customers of said public utility of the difference, if any, between the amounts collected under such temporary rates and the rates which the commission finds should have been in effect during the continuance of such temporary rates.

By order of the Public Utilities Commission of New Hampshire this tenth day of February, 1976.

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NH.PUC*02/11/76*[77575]*61 NH PUC 24*Hudson Water Company

[Go to End of 77575]

Re Hudson Water Company

DR 75-180, Order No. 12,139

61 NH PUC 24

New Hampshire Public Utilities Commission

February 11, 1976

ORDER by commission authorizing temporary rates for water company.

RATES, § 85 — Temporary rates — Water company.

[N.H.] The commission authorized a water company to increase its rates by 25 per cent on a temporary basis until such time as the commission would determine a just and reasonable level

of revenues on a permanent basis.

APPEARANCES: John R. McLane, Jr.

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BY THE COMMISSION:

Report

These proceedings were initiated when Hudson Water Company, a New Hampshire corporation operating as a public water utility in New Hampshire, filed revisions to its filed tariff, NHPUC No. 7 — Water, providing for an increase in its estimated annual revenues from \$399,316 at present rates to \$531,038, or an increase of \$131,767. The commission suspended the proposed rate increase by Order No. 12,001, dated September 12, 1975.

Subsequently the company submitted a petition requesting the commission to prescribe, for the duration of the proceedings, the presently effective rates as temporary rates, to be effective as such as of September 15, 1975.

Evidence submitted by the company to the commission and sworn testimony at public hearings held in Hudson on January 6, 1976, and February 3, 1976, clearly indicate that the current earnings rate is substantially below the rate of return authorized by this commission in the previous rate case (1974). Accordingly, the commission will allow an increase in gross annual revenues (for Hudson customers) in the amount of \$ 100,000 on a temporary basis until such time as it determines a just and reasonable level of revenues on a permanent basis.

To implement the above, a temporary increase in rates of 25 per cent, is authorized for all Hudson customers, effective with all current billings rendered on or after March 1, 1976. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that an increase of 25 per cent in the rates and charges set forth in Sixth Revised Pages 17 and 19 and Seventh Revised Page 21 of Hudson Water Company tariff, NHPUC No. 7 — Water, may now become effective as temporary rates (for Hudson customers) with all bills rendered on or after March 1, 1976; and it is

Further ordered, that Hudson Water Company give public notice of these changes by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company; and it is

Further ordered, that pursuant to RSA 378:30, Hudson Water Company furnish this commission with a bond to secure the repayment to the customers of said public utility of the difference, if any, between the amounts collected under such temporary rates and the rates which the commission finds should have been in effect during the continuance of such temporary rates.

By order of the Public Utilities Commission of New Hampshire this eleventh day of

February, 1976.

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NH.PUC*02/11/76*[77576]*61 NH PUC 26*Town of Meredith

[Go to End of 77576]

Re Town of Meredith

DT 75-169, Order No. 12,140

61 NH PUC 26

New Hampshire Public Utilities Commission

February 11, 1976

PETITION for authority to reopen a railroad grade crossing; granted.

CROSSINGS, § 67 — Protection and safety — Railroad grade crossing.

[N.H.] Discussion by commission of safety features necessary in order to allow the reopening of railroad grade crossing.

APPEARANCES: Bradbury Sprague, chairman of the board of selectmen, for the town of Meredith; Lendall Mattice for the Boston and Maine Corporation.

BY THE COMMISSION:

Report

By petition filed July 30, 1975, the town of Meredith seeks authority to reopen Main Street crossing situated just south of the location of the former Meredith railroad station. Hearing thereon was held at Concord on December 4, 1975, and a view of the location was taken by the commission in the afternoon of the same date.

The location of this crossing is at the foot of a long steep grade for northbound vehicles on which a curve bears to the right at a point approximately 600 feet from the crossing. The grade levels somewhat from this curve to within about 100 feet from the crossing from which point the highway dips sharply to the level of the crossing.

Upon a joint petition of the state highway department and the proprietors of the Boston and Maine Railroad an overhead bridge was constructed and U.S. Route 3 was relocated at a location about 600 feet south of the grade crossing. Upon completion of this project in September, 1948, the grade crossing was closed to vehicular traffic and left open only for pedestrians. (28 NH PSC 16, 1946.)

At the time of the relocation of the highway the section along U.S. Route 3 south of the crossing, known as Ladd Hill, was sparsely settled and there were no intersecting streets on the

approach from the south. Since then this area has been developed. Intersecting streets have been constructed and dwellings built for about 34 families with a very likely possibility of ten more in a new development.

Access to this area is now available from the present U.S. Route 3 and from N.H. Highway No. 104 which intersects U.S. Route 3 on the hillside above the developed area. However, with the heavy grade involved in getting to these highways, coupled with the fact that very heavy traffic occupies these arteries, sometimes 15,000 cars per day, residents in the area claim that it is at times impossible to get from the area to these highways.

The fire chief of the town lives on Terrace avenue and finds that in emergency cases he is subject to serious delays in getting out. The chief of police, who also lives in the area, relates that there are times when it is impossible to get out and in cases of slippery traveling

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it is impossible to get up the hill to these highways.

By reopening the crossing it would be possible for vehicles to proceed downhill to the level of the town without serious delay and return via U.S. Route 3 with righthand turns into the Ladd Hill area.

Other representatives of the town included the town manager and a doctor; all of whom are in favor of opening the crossing to vehicular traffic.

The proposal is protested by a representative of the Boston and Maine Corporation, which is presently operating freight service in the area, although the railroad line involved is presently owned by the state, it having filed eminent domain proceedings for acquisition. (October 30, 1975.)

Historically, this crossing was protected by a flagman until automatic signals were installed by Order No. 3274 of this commission, dated March 30, 1937. (NH PSC 151.) In that order it was required that a sign be installed and maintained reading, "Danger R.R. Crossing 700 Feet" in letters at least six inches high outlined with white reflectorized letters, said sign to be placed adjacent to and clearly visible from the highway approaching said crossing approximately 700 feet south thereof. This was to warn motorists approaching on the steep descending grade of the location of the crossing prior to any opportunity to observe flashing lights which were installed in lieu of the crossing flagman.

The topographical condition of the highway has changed very little during the intervening years. The grades are the same. One side track has been removed from the crossing so that there are now two sets of track instead of three although the north switch of the passing track is located a few feet north of the crossing so that the rails are well within the fouling point rather than being parallel.

Train operations have been reduced from twelve regular train movements on week days in 1946 to an average of less than one per day at the present time because service to Meredith is provided only upon demand. It is expected, however, that with the reopening of the Lincoln Paper Mill by the New England Pulp and Paper Company there will be freight service provided through this area at least three times per week.

Passenger train service has not been operated for the past ten years and there is no immediate possibility of its being reinstated.

The question of safety at this crossing is one of paramount concern due to the fact that it is at the foot of a steep hill. Upon approaching the crossing from the north, visibility for southbound trains is excellent, but it is restricted for northbound trains by the location of the freight house building in the northeast quadrant of the intersection. Upon approaching from the south the view for south bound trains is obstructed by brush along the west side of the highway and on the east the view for northbound trains is restricted by the location of a dwelling and the attendant grade to a level area thereby limiting the sight distance until reaching a point very close to the crossing.

After viewing the location the commission is sympathetic with the desires of the residents of the area to have better access to the town, but is concerned with the safety even though rail movements are very light. The hazards are considered severe enough to require standard octagonal reflectorized stop signs to be installed at a point not less than 15 feet from the crossing at each approach

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and a special reflectorized sign at a point on the south approach reading, "Slow Stop Ahead R.R. Crossing Danger" at a point from 500 to 600 feet of the crossing. Said sign to be yellow background with black letters not less than five inches in height.

The commission is also of the opinion that a street light should be installed at the south side of the crossing for sufficient illumination of the presence of railroad equipment when approaching from the south. The statutory railroad cross buck sign should be installed at the crossing and whistle posts should be located at a point 800 feet each side of the crossing.

While it is realized that the opening of the crossing is not expected to result in particularly heavy use, the commission is nevertheless concerned about its safety even though its use will be largely concerned with persons who are familiar with the area and its condition. It is expected that the town will clean and keep clean of brush the southwest quadrant of the crossing to afford the best possible visibility, also that the grass or brush will not be permitted to grow in the southwest quadrant to provide additional limitations to the visibility which is at best presently limited.

The use of stop signs must be considered as mandatory and the town should exercise every means at its disposal to assure that traffic obeys these signs. The commission will expect its staff to monitor the conditions and the enforcement of the requirements herein provided. If it is found that there is laxness in so doing additional safeguards will be required or steps taken to close the crossing.

Our order will issue accordingly, and will provide for all of the costs of the reopening of this crossing, the installation of signs, whistle posts, and other requirements to be borne by the town of Meredith.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the crossing formerly known as Main street just south of the railroad station platform in Meredith be and hereby is, permitted to be reopened for vehicular traffic; and it is

Further ordered, that the cost of construction of the crossing, the installation of stop signs, and the installation of special reflectorized signs as set forth in the report to be installed at a point 500 to 600 feet south of the crossing shall be borne by the town of Meredith; and it is

Further ordered, that street lights shall be installed and maintained to adequately illuminate any railroad equipment occupying the crossing from both approaches; and it is

Further ordered, that the town of Meredith shall clear and keep clear the growth of brush in the southwest quadrant of the crossing to provide an adequate view of the approaching trains.

By order of the Public Utilities Commission of New Hampshire this eleventh day of February, 1976.

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NH.PUC*02/13/76*[77577]*61 NH PUC 29*Concord Electric Company

[Go to End of 77577]

Re Concord Electric Company

DR 75-177, Supplemental Order No. 12,142

61 NH PUC 29

New Hampshire Public Utilities Commission

February 13, 1976

PETITION by an electric company for outdoor lighting fuel surcharge adjustment; granted.

RATES, § 362 — Outdoor lighting — Fuel surcharge adjustment.

[N.H.] The commission authorized an electric company to apply its fuel surcharge adjustment to its outdoor lighting customers in order to prevent any undue preference to any particular class of customers.

APPEARANCES: Joseph S. Ransmeier and Franklin Hollis for the petitioner.

BY THE COMMISSION:

Report

Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on July 29, 1975, filed with this commission certain revisions to its tariff, NHPUC No. 6 — Outdoor Lighting — Rate OL providing for certain changes to be hereinafter described. The proposed effective date of these tariff revisions was

September 1, 1975. On August 13, 1975, the commission suspended the effective date of these tariff revisions pending further investigation (Order No. 11,961). A duly noticed hearing was held at the office of the commission on Tuesday, September 9, 1975.

The revised tariff pages filed by the company proposed three changes from their existing tariffs: (1) to make the utility's fuel adjustment clause applicable to its outdoor lighting (OL) service classification; (2) to add high pressure sodium, vapor lights to the tariff schedule of available fixtures; and (3) to modify slightly the tariff provisions with respect to suspended service credits.

When the company filed its fuel adjustment clause tariff provisions in the late spring of 1972, the applicability of the fuel adjustment to the OL rate was omitted. Vernon E. Chandler, Jr., assistant vice president of the company, testified that the rationale for this decision at the time was that the fuel charge rate per kilowatt-hour for the company would be small and would produce an insignificant revenue which would not, at that time, have justified the cost of billing and collecting that small revenue. Mr. Chandler testifies, and the commission takes judicial notice of the fact, that since the spring of 1972 the price of fuel has risen to a higher level. The amount of revenue that now would be collected if the fuel adjustment charge were applied to the OL rate would be significant and well worth the administrative cost involved in billing and collecting said revenue.

The reason for the proposed tariff change with regard to the offering of high pressure sodium vapor lighting for the first time in the OL rate schedules is based upon the company's determination (as testified to by Mr. Chandler) that such lights are more efficient than

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mercury vapor fixtures with regard to the output in lumens per kilowatt. These new lights also have a pleasing color characteristic and have become popular.

The proposed tariff change with regard to suspended service credit is based upon a determination by the company to recognize customers' conservation efforts by means of a credit on their OL rate for lights temporarily disconnected. A different monthly credit will be provided for each of the different lights offered including the new fixtures being proposed.

Since the company filed its fuel clause in the spring of 1972 this commission has since allowed the Public Service Company of New Hampshire to charge fuel costs above base to its outdoor lighting customers. It is in the interest of the public, generally, and based upon RSA 378:10 not to allow any public utility to give any undue or unreasonable preference or advantage regarding any particular description of service. Therefore, in the interest of uniformity and consistency of electric utilities, the commission is inclined to grant the petition.

We find, therefore, that based upon the testimony presented at this hearing and with subsequent consideration that the company should be allowed to apply a fuel surcharge to its outdoor lighting customers that this would prevent any undue preference to any particular class of customers to be excused from their fair share of the burden of the increased fuel costs that the company must pay from time to time to the Public Service Company of New Hampshire. Allowing this petition would bring about a fair and desirable uniformity and consistency of the electric utilities in this state in billing for this type of service and would be in the public interest.

Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Order No. 11,961 dated August 13; 1975; suspending certain revisions of Concord Electric Company tariff, NHPUC No. 6 (First Revised Pages 26, 27, and 28) Outdoor Lighting Rate OL, is hereby vacated, effective February 15, 1976; and it is

Further ordered, that these revisions contained in First Revised Pages 26, 27, and 28 of Concord Electric Company tariff, NHPUC No. 6 be, and hereby are, permitted to become effective as of February 15, 1976, with all current billings rendered on or after the aforementioned date; and it is

Further ordered, that Concord Electric Company give public notice of these changes by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of February, 1976.

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NH.PUC*02/13/76*[77578]*61 NH PUC 31*Exeter and Hampton Electric Company

[Go to End of 77578]

Re Exeter and Hampton Electric Company

DR 75-178, Supplemental Order No. 12,143

61 NH PUC 31

New Hampshire Public Utilities Commission

February 13, 1976

PETITION by an electric company for outdoor lighting fuel surcharge adjustment; granted.

RATES, § 362 — Outdoor lighting — Fuel surcharge adjustment.

[N.H.] The commission authorized an electric company to make three changes to its existing tariffs: (1) to make the utility's fuel adjustment clause applicable to its outdoor lighting service classification; (2) to add high pressure sodium vapor lights to the tariff schedule of available fixtures; and (3) to modify slightly the tariff provisions with respect to suspended service credits.

APPEARANCES: Joseph S. Ransmeier, and Franklin Hollis for the petitioner.

BY THE COMMISSION:

Report

Exeter and Hampton Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on July 29, 1975, filed with this commission certain revisions to its tariff, NHPUC No. 11 — Outdoor Lighting — Rate OL providing for certain changes to be hereinafter described. The proposed effective date of these tariff revisions was September 1, 1975. On August 13, 1975, the commission suspended the effective date of these tariff revisions pending further investigation (Order No. 11;962). A duly noticed hearing was held at the office of the commission on Tuesday, September 9, 1975.

The revised tariff pages filed by the company proposed three changes from their existing tariffs: (1) to make the utilities fuel adjustment clause applicable to its outdoor lighting (OL) service classification; (2) to add high pressure sodium vapor lights to the tariff schedule of available fixtures; and (3) to modify slightly the tariff provisions with respect to suspended service credits.

When the company filed its fuel adjustment clause tariff provisions in the late spring of 1972, the applicability of the fuel adjustment to the OL rate was omitted. Vernon E. Chandler, Jr.' assistant vice president of the company, testified that the rationale for this decision at the time was that the fuel charge rate per kilowatt-hour for the company would be small and would produce an insignificant revenue which would not, at that time, have justified the cost of billing and collecting that small revenue. Mr. Chandler testifies, and the commission takes judicial notice of the fact, that since the spring of 1972 the price of fuel has risen to a higher level. The amount of revenue that now would be collected if the fuel adjustment charge were applied to the OL rate would be significant and well worth the administrative cost involved in billing and collecting said revenue.

The reason for the proposed tariff change with regard to the offering of high-pressure sodium vapor lighting for the first time in the OL rate schedules is

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based upon the company's determination (as testified to by Mr. Chandler) that such lights are more efficient than mercury vapor fixtures with regard to the output in lumens per kilowatt. These new lights also have a pleasing color characteristic and have become popular.

The proposed tariff change with regard to suspended service credit is based upon a determination by the company to recognize customers' conservation efforts by means of a credit on their OL rate for lights temporarily disconnected. A different monthly credit will be provided for each of the different lights offered including the new fixtures being proposed.

Since the company filed its fuel clause in the spring of 1972 this commission has since allowed the Public Service Company of New Hampshire to charge fuel costs above base to its outdoor lighting customers. It is in the interest of the public generally, and based upon RSA 378:10 not to allow any public utility to give any undue or unreasonable preference or advantage regarding any particular description of service. Therefore, in the interest of uniformity and consistency of electric utilities, the commission is inclined to grant the petition.

We find, therefore, that based upon the testimony presented at this hearing and with

subsequent consideration that the company should be allowed to apply a fuel surcharge to its outdoor lighting customers that this would prevent any undue preference to any particular class of customers to be excused from their fair share of the burden of the increased fuel costs that the company must pay from time to time to the Public Service Company of New Hampshire. Allowing this petition would bring about a fair and desirable uniformity and consistency of the electric utilities in this state in billing for this type of service and would be in the public interest. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Order No. 11,962 dated August 13, 1975, suspending certain revisions of Exeter and Hampton Electric Company tariff, NHPUC No. 11 (First Revised Pages 27, 28, and 29) Outdoor Lighting Rate OL, is hereby vacated, effective February 15, 1976; and it is

Further ordered, that these revisions contained in First Revised Pages 27, 28, and 29 of Exeter and Hampton Electric Company tariff, NHPUC No. 11 be, and hereby are, permitted to become effective as of February 15, 1976, with all current billings rendered on or after the aforementioned date and it is

Further ordered, that Exeter and Hampton Electric Company give public notice of these changes by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of February, 1976.

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NH.PUC*02/13/76*[77579]*61 NH PUC 33*New Hampshire Electric Cooperative, Inc.

[Go to End of 77579]

Re New Hampshire Electric Cooperative, Inc.

DR 75-182, Supplementary Order No. 12,144

61 NH PUC 33

New Hampshire Public Utilities Commission

February 13, 1976

PETITION by an electric company for outdoor lighting fuel surcharge adjustments; granted.

RATES, § 362 — Outdoor lighting — Fuel surcharge adjustment.

[N.H.] The commission authorized an electric cooperative to apply a fuel surcharge adjustment to its outdoor lighting service.

APPEARANCES: Frederick S. Hall for the petitioner.

BY THE COMMISSION:

Report

New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on August 1, 1975, filed with this commission certain revisions to its tariff NHPUC No. 6

Outdoor Lighting — Rate ML providing for certain changes to be hereinafter described. The proposed effective date of these tariff revisions was August 31, 1975. On August 13, 1975, the commission suspended the effective date of these tariff revisions pending further investigation (Order No. 11,966). A duly noticed hearing was held at the office of the commission on Tuesday, September 9, 1975.

The revised tariff page filed by the company proposes to apply the company's fuel surcharge to all lighting service provided under Rate ML. In proposing this change, Maurice Muzzey, budget director of the company, testified that for the past two years the company had not applied the fuel surcharge to outdoor lighting. Mr. Muzzey characterized this as a discrimination against other regular lighting customers who are required to pay such a surcharge for their electric usage. He also indicated that with the increase in the cost of fuel the amount of revenue proposed to be received by applying the surcharge to Rate ML is also increasing. By exhibit, this amount was shown to be in excess of \$30,000 on an annual basis.

Recently the commission granted Public Service Company of New Hampshire authority to apply the fuel surcharge to outdoor lighting and is, concurrently with this decision, allowing Concord Electric Company and Exeter and Hampton Electric Company to do the same. It is in the interests of the public, generally, and based upon RSA 378:10 not to allow any public utility to give any undue or unreasonable preference or advantage regarding any particular description of service. Therefore, in the interest of uniformity and consistency of electric utilities, the commission is inclined to grant the petition.

We find, therefore, that based upon the testimony presented at this hearing and with subsequent consideration that the company should be allowed to apply a fuel surcharge to its outdoor lighting customers that this would prevent any undue preference to any particular class

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of customers to be excused from their fair share of the burden of the increased fuel costs that the Co-op must pay from time to time to the Public Service Company of New Hampshire and others. Allowing this petition would bring about a fair and desirable uniformity and consistency of the electric utilities in this state in billing for this type of service and would be in the public interest. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Order No. 11,966 dated August 19, 1975, suspending a revision of New

Hampshire Electric Cooperative, Inc., tariff, NHPUC No. 6 (First Revised Page 28) Outdoor Lighting Rate ML, is hereby vacated, effective February 15, 1976; and it is

Further ordered, that the revision contained in First Revised Page 28 of New Hampshire Electric Cooperative, Inc., tariff, NHPUC No. 6, be, and hereby is, permitted to become effective as of February 15, 1976, with all current billings rendered on or after the aforementioned date; and it is

Further ordered, that New Hampshire Electric Cooperative, Inc., give public notice of this change by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of February, 1976.

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NH.PUC*02/13/76*[77580]*61 NH PUC 34*Claremont Gas Light Company

[Go to End of 77580]

Re Claremont Gas Light Company

DR 75-196, Supplemental Order No. 12,147

61 NH PUC 34

New Hampshire Public Utilities Commission

February 13, 1976

COMMISSION order permitting gas company's tariff to become effective.

BY THE COMMISSION:

Supplemental Order

Whereas, Claremont Gas Light Company, was ordered by this commission in Order No. 12,108 ([1976] 61 NH PUC 2, *supra*), to file new revised tariff pages setting forth new rates adjusted to a new base price of propane at 25 cents per 34 gallon designed to produce added revenues of \$29,134 annually; and

Whereas, said company was required to file a revised tariff page setting forth the provisions of the fuel cost adjustment: and

Whereas, the company has provided those revised pages and the commission is now satisfied that such pages are in order; it is

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Ordered, that First Page No. 12-1 and Fourth Page Nos. 13, 14, 15, and 16 of Claremont Gas Light Company tariff NHPUC No. 9 — Gas, be and hereby are, permitted to become effective with all current bills rendered on or after the date of this order.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of February, 1976.

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NH.PUC*02/13/76*[77581]*61 NH PUC 35*Granite State Electric Company

[Go to End of 77581]

Re Granite State Electric Company

DR 75-229, Order No. 12,148

61 NH PUC 35

New Hampshire Public Utilities Commission

February 13, 1976

APPLICATION by electric company for adjustment to its purchased power adjustment clause; granted as modified.

APPEARANCES: Philip H. R. Cahill and William S. McDade for the petitioner.

BY THE COMMISSION:

Report

On December 5, 1975, Granite State Electric Company (the company) a public utility engaged in the business of supplying electric service in the state of New Hampshire, filed with this commission Original Page 16-D of its tariff, NHPUC No. 8 — Electricity, providing for purchased power cost adjustment No. 4 in the amount of \$683,589 per year (0.22 cents per kwh) to be effective January I, 1976. On December 16, 1975, Order No. 12,086 was issued which suspended the aforementioned filing. A duly noticed hearing was held at the office of the commission on Tuesday, February 10, 1976.

At the hearing, the company filed amended Original Page 16-D of its tariff (effective date, March 1, 1976) providing for an increased cost of purchased power of \$580,067 (0.19 cents per kwh) which is less than the \$683,589 requested in the original filing. The company explained that the reduction is due to a freezing of certain portions of the wholesale tariff filings by the Federal Power Commission.

The purchased power adjustment clause presently in effect permits the Granite State Electric Company to pass through to its customers the increased cost of electricity purchased from the New England Power Company (NEPCo), Granite's sole supplier. The rate structure of NEPCo is under the jurisdiction of the Federal Power Commission and a recent ruling by that commission on NEPCo's R-10 rate filing, resulted in the increased cost of \$580,067 to Granite State.

The commission finds that purchased power cost adjustment No. 4 as submitted by the company will serve to offset the increased purchased power cost

which will become effective March 1, 1976, and that this tariff will not increase the company's rate of return. The consumer is protected by clauses contained in the company's purchased power cost adjustment provisions providing that if there is a decrease in the wholesale price charged by NEPCo, the company will promptly file notice of an adjustment to reflect it, and if, at the conclusion of the NEPCo proceeding before the Federal Power Commission, refunds are made by NEPCo to the company, equivalent refunds will be made to the company's customers to the extent that company has collected under this adjustment. The company's tariff filing will cause the purchased power cost adjustment No. 4 increase to be applied in equal amounts to each kwh sold of 0.19 cent per kwh. The increase represented thereby may only be applied for all electric service rendered to customers on or after March 1, 1976. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Original Page 16-D of the Granite State Electric Company tariff, NHPUC No. 8 — Electricity, providing for a purchased power cost adjustment No. 4, filed December 5, 1975, effective January 1, 1976, and which tariff page was suspended by Order No. 12,086 dated December 16, 1975, is now made effective as adjusted downward to 0.19 cents per kwh at the hearing, with all service rendered on and after March 1, 1976; and it is

Further ordered, that Granite State Electric Company give public notice of this purchased power adjustment clause by publishing a copy of this order upon receipt in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of February, 1976.

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NH.PUC*02/19/76*[77582]*61 NH PUC 36*Public Service Company of New Hampshire

[Go to End of 77582]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,149

61 NH PUC 36

New Hampshire Public Utilities Commission

February 19, 1976

CONDEMNATION proceeding connected with a proposed nuclear generating station.

EMINENT DOMAIN, § 10 — Agreement relating to condemnation — Fee simple determinable.

[N.H.] Pursuant to an agreement entered into by an electric company and owners of certain property, the commission ordered the property in question to be condemned in fee simple determinable, accepting the reserving to the condemnee the right to use and manage the condemned premises for the purpose of conservation and preservation of wildlife and plantlife.

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BY THE COMMISSION:

Order

Whereas, the Public Utilities Commission, by its Order No. 11,781 dated March 19, 1975, authorized the Public Service Company of New Hampshire to condemn certain land in fee simple absolute, said land being situated in Seabrook, New Hampshire, and Hampton Falls, New Hampshire, and hereinafter more particularly described; and

Whereas, aggrieved parties, namely the Audubon Society and the Society for the Protection of New Hampshire Forests, took an appeal to the supreme court from the above mentioned decision of the commission; and

Whereas, the company and the societies, subsequent to oral argument before the supreme court but prior to any determination by that court entered with this commission an agreement relating to the condemnation of certain parcels of land; and

Whereas, there are no other parties to this proceeding interested in the particular parcels of land which were the subject of the appeal to the supreme court; it is

Ordered, that premises owned by the Society for the Protection of New Hampshire Forests — Parcel No. 75 (Seabrook) and premises owned by the Audubon Society of New Hampshire — Parcel No. 90 (Seabrook), Parcel Nos. 109, 110, 115, 120, 125, and 138 (Hampton Falls) are hereby authorized to be condemned by the Public Service Company of New Hampshire pursuant to the powers of eminent domain (RSA 371); and it is

Further ordered, that the premises hereby authorized to be condemned shall be condemned in fee simple determinable; and it is

Further ordered, that the premises to be condemned remain the property of the condemnor or its successors, trustees, or assigns or its or their lessees or licensees for so long as they or any of them are engaged in applications for approvals from public authorities for electric generating facilities at a site off Rocks road, near Hampton Marsh, in Seabrook, New Hampshire, or are engaged in the construction, operation, or maintenance thereof or are engaged in the decommissioning thereof or the protection thereof after decommissioning to the extent that post decommissioning protection is required by the United States Nuclear Regulatory Commission or its successor or other governmental agencies and the interest condemned shall determine and revert to the condemnee at such time as the condemnor, or its successors, trustees, or assigns or its or their lessees or licensees are no longer so engaged. Excepting and reserving to the condemnee the right to use and manage the condemned premises for the purposes of

conservation and preservation of wildlife and plant life situate thereon, including field trips and biological surveys by members of the condemnee; provided, however, that the right hereby reserved is subject to the right of the condemnor, or its successors, trustees, assigns or its or their lessees or licensees, in its or their absolute discretion to determine, without notice, from time to time and at any and all times, all activities on the premises including exclusion or removal of personnel and property therefrom temporarily, or for particular periods of time, or indefinitely or permanently; and it is

Further ordered, that the condemnor

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and its successors, trustees, assigns and its and their lessees or licensees shall not install or construct any building or structure on, or excavate or otherwise disturb, the surface of the premises, or take any other action on the premises which would disturb the natural state of the surface thereof; and it is

Further ordered, that commission Order No. 11,781 dated March 19, 1975, is modified by this order only insofar as this order respects the specific parcels herein described; and it is

Further ordered, that in every other manner and respect commission Order No. 11,781 shall remain in full force and effect.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of February, 1976

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NH.PUC*02/19/76*[77583]*61 NH PUC 38*Northern View Water Company, Inc.

[Go to End of 77583]

Re Northern View Water Company, Inc.

IE 14,380, Order No. 12,150

61 NH PUC 38

New Hampshire Public Utilities Commission

February 19, 1976

PETITION by water company for authority to operate as a public utility; granted

CERTIFICATES, § 125 — Water company.

[N.H.] The commission authorized a water company to operate as a public utility in a limited area in the town where it found that the granting of the petition would be for the public good.

BY THE COMMISSION:

Order

Whereas, Northern View Water Company, Inc., a water public utility under the jurisdiction of this commission, by a petition filed July 30, 1975, seeks authority to operate as a public utility in a limited area in the town of Pembroke; and

Whereas, Northern View Water Company, Inc., represents that it is able and willing to supply water service in the area requested, under terms, conditions and rates that will be on file at this commission; and

Whereas, after investigation and consideration, this commission is satisfied that the granting of the petition will be for the public good; it is

Ordered, that Northern View Water Company, Inc., be, and hereby is, authorized to operate as a water public utility in a limited area in the town of Pembroke, said area bounded and described as follows:

Land owned and formerly owned by Ralph W. and Claire P. Scott located on the northerly side of Chichester road, also known as Burroughs road, in the town of Pembroke, and containing approximately 110 acres; said land being

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further described on deeds and maps on file in the office of this commission and for this purpose construct the necessary facilities; and it is

Further ordered, that its tariff, entitled NHPUC No. 1 — Water, setting forth rates, terms, and conditions covering service in the area, shall become effective with the date of this order, and that three signed and executed copies, plus seven additional copies, of said tariff, be filed with this commission immediately upon receipt of this order.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of February, 1976.

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NH.PUC*02/19/76*[77584]*61 NH PUC 39*Gas Service, Inc.

[Go to End of 77584]

Re Gas Service, Inc.

DR 76-12, Order No. 12,151

61 NH PUC 39

New Hampshire Public Utilities Commission

February 19, 1976

APPLICATION by gas company for an increase in rates; suspended pending commission

investigation.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc., a public utility engaged in the business of supplying gas service in the state of New Hampshire, on February 2, 1976, filed with this commission Section 2, First Revised Pages 4, 5, 6, 7 and Second Revised Page 8 for their Nashua division; and Section 4, First Revised Pages 4, 5, 6, and 7 for their Laconia division, of NHPUC No. 5 — Gas, providing for an increase in gas rates effective March 3, 1976; and

Whereas, it appears to this commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Section 2, First Revised Pages 4, 5, 6, 7 and Second Revised Page 8 for their Nashua division; and Section 4, First Revised Pages 4, 5, 6, and 7 for their Laconia division, of tariff, NHPUC No. 5 — Gas, be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of February, 1976.

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NH.PUC*02/20/76*[77588]*61 NH PUC 43*Public Service Company of New Hampshire

[Go to End of 77588]

Re Public Service Company of New Hampshire

IE 14,374, Eighth Supplemental Order No. 12,155

61 NH PUC 43

New Hampshire Public Utilities Commission

February 20, 1976

ORDER approving special contract for electric thermal storage device load research program.

RESEARCH, development, and demonstration — Special contract.

[N.H.] The commission approved a utility's special contract to be used in its electric thermal storage device load research program.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Bruce R. Dunphey and Jeannie M. Dunphey and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this twentieth day of February, 1976.

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NH.PUC*02/23/76*[77585]*61 NH PUC 40*Rules and Regulations Prescribing Standards for Water Utilities

[Go to End of 77585]

Re Rules and Regulations Prescribing Standards for Water Utilities

DE 3757, Supplemental Order No. 12,152

61 NH PUC 40

New Hampshire Public Utilities Commission

February 23, 1976

ORDER by commission requiring water companies to give notice prior to disconnection of service.

PAYMENTS, § 11 — Landlord and tenants — Discontinuance of service — Water company.

[N.H.] In case of a proposed discontinuance of service by a water company, the commission ordered the company to give notice before the landlord is actually disconnected and thereafter the commission will have the discretion to direct the manner in which the disconnection shall be executed

BY THE COMMISSION:

Supplemental Order

Whereas, the commission in the exercise of its general rule-making powers, pursuant to RSA 365.8 and in accordance with RSA 541-A, the Administrative Procedures Act, and after a duly noticed public hearing held on February 13, 1976; it is

Ordered, that the rule attached hereto and entitled "Special Customer Situations. Accounts Involving a Landlord — Residential Tenant Relationship" is hereby adopted and added to the commission's existing rules and regulations governing water utilities; and it is

Further ordered, that since this represents an addition to the commission rules, all other rules remain in full force and effect and are unchanged by this addition.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of February, 1976.

Rules and Regulations Prescribing Standards for Water Utilities (Additional provision added to § 8 of these rules)

8. *Discontinuance of Service*

b. By Company

4. *Accounts Involving a Landlord — Residential Tenant Relationship.* In the specific instance of a proposed discontinuance of service by the company of an account involving a landlord — residential tenant relationship, the company shall notify the commission of its disconnect action. Such notice to the commission shall be given to the commission if no payment arrangement can be made and before the landlord is actually disconnected. Thereafter, the commission shall have the discretion to direct the manner in which the disconnection shall be executed, such as, but not limited to, a requirement that as many residential tenants as reasonably possible be notified of the disconnect action which will affect them.

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NH.PUC*02/23/76*[77586]*61 NH PUC 41*Rules and Regulations Prescribing Standards for Gas Utilities

[Go to End of 77586]

Re Rules and Regulations Prescribing Standards for Gas Utilities

DE 3978, Sixth Supplemental Order No. 12,153

61 NH PUC 41

New Hampshire Public Utilities Commission

February 23, 1976

ORDER by commission requiring gas companies to give notice prior to disconnection of service.

PAYMENTS, § 11 — Landlord and tenants — Discontinuance of service — Gas company.

[N.H.] In case of a proposed discontinuance of service by a gas company, the commission ordered the company to give notice before the landlord is actually disconnected and thereafter the commission will have the discretion to direct the manner in which the disconnection shall be executed.

BY THE COMMISSION:

Supplemental Order

Whereas, the commission in the exercise of its general rule-making powers, pursuant to RSA 365:8 and in accordance with RSA 541-A, the Administrative Procedures Act, and after a duly noticed public hearing held on February 13, 1976; it is

Ordered, that the rule attached hereto and entitled "Special Customer Situations. Accounts Involving a Landlord — Residential Tenant Relationship" is hereby adopted and added to the commission's existing rules and regulations governing gas utilities; and it is

Further ordered, that since this represents an addition to the commission rules, all other rules remain in full force and effect and are unchanged by this addition.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of February, 1976.

Rules and Regulations Prescribing Standards for Gas Utilities (Additional provision added to § 9 of these rules)

9. Discontinuance of Service

C. Special Customer Situations

1. *Accounts Involving a Landlord Residential Tenant Relationship.* In the specific instance of a proposed discontinuance of service by the company of an account involving a landlord — residential tenant relationship, the company shall notify the commission of its disconnect action. Such notice to the commission shall be given to the commission if no payment arrangement can be made and before the landlord is actually disconnected. Thereafter, the commission shall have the discretion to direct the manner in which the disconnection shall be executed, such as, but not limited to, a requirement that as many residential tenants as reasonably possible be notified of the disconnect action which will affect them.

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NH.PUC*02/23/76*[77587]*61 NH PUC 42*Rules and Regulations Prescribing Standards for Electric Utilities

[Go to End of 77587]

Re Rules and Regulations Prescribing Standards for Electric Utilities

DE 3335, Eighth Supplemental Order No. 12,154

61 NH PUC 42

New Hampshire Public Utilities Commission

February 23, 1976

ORDER by commission requiring electric companies to give notice prior to disconnection of service.

PAYMENTS, § 11 — Landlord and tenants — Discontinuance of service — Electric company.

[N.H.] In case of a proposed discontinuance of service by a electric company, the commission ordered the company to give notice before the landlord is actually disconnected and thereafter the commission will have the discretion to direct the manner in which the disconnection shall be executed.

BY THE COMMISSION:

Supplemental Order

Whereas, the commission in the exercise of its general rule-making powers, pursuant to RSA 365:8 and in accordance with RSA 541-A, the Administrative Procedures Act. and after a duly noticed public hearing held on February 13, 1976; it is

Ordered, that the rule attached hereto and entitled "Special Customer Situations. Accounts Involving a Landlord — Residential Tenant Relationship,' is hereby adopted and added to the commission's existing rules and regulations governing electric utilities; and it is

Further ordered, that since this represents an addition to the commission rules, all other rules remain in full force and effect and are unchanged by this addition.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of February, 1976.

Rules and Regulations Prescribing Standards for Electric Utilities (Additional provision added to § 8 of these rules)

8. *Discontinuance of Service*

C. Special Customer Situations

1. *Accounts Involving a Landlord — Residential Tenant Relationship.* In the specific instance of a proposed discontinuance of service by the company of an account involving a landlord — residential tenant relationship, the company shall notify the commission of its disconnect action. Such notice to the commission shall be given to the commission if no payment arrangement can be made and before the landlord is actually disconnected. Thereafter, the commission shall have the discretion to direct the manner in which the disconnection shall be executed, such as, hut not limited to, a requirement that as many residential tenants as reasonably possible be notified of the disconnect action which will affect them.

=====

NH.PUC*02/23/76*[77589]*61 NH PUC 43*Granite State Electric Company

[Go to End of 77589]

Re Granite State Electric Company

DF 74-22, 25th Supplemental Order No. 12,156

61 NH PUC 43

New Hampshire Public Utilities Commission

February 23, 1976

EXEMPTION from commission regulations permitting electric utility to issue and renew bonds and notes.

SECURITY ISSUES, § 38 — Necessity of authorization by commission — Exemption from commission regulations.

[N.H.] The commission granted an electric company an exemption from its regulation permitting the company to issue and renew bonds, notes, or other evidence of indebtedness payable less than twelve months from the date of issuance.

Page 43

BY THE COMMISSION:

Supplemental Order

Whereas, by Twenty-fourth Supplemental Order No. 11,754 of this commission dated March 4, 1975, Granite State Electric Company was granted an exemption from commission regulations permitting it to issue and renew, from time to time, its bonds, notes, or other evidence of indebtedness payable less than twelve months after the date thereof, in an aggregate amount thereof outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or removal) not in excess of \$9 million which exemption expired March 31, 1976, unless such period is extended by order of this commission; and

Whereas, Granite State Electric Company, on February 10, 1976, sought authority to continue the exemption in said Order No. 11,754 to March 31, 1977, to issue its short-term notes in an amount not to exceed \$9.5 million; and

Whereas, this commission, after investigation and consideration, finds that said request is consistent with the public good; it is

Ordered, that Granite State Electric Company, without first obtaining the approval of this commission be, and hereby is, authorized from time to time to issue and renew its notes, bonds, and other evidences of indebtedness payable less than twelve months from the date thereof, in an aggregate amount thereof outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal) not in excess of \$9.5 million; and it is

Further ordered, that the exemption contained herein shall expire March 31, 1977, unless extended by order of this commission; and it is

Further ordered, that on January 1st and July 1st in each year, said Granite State Electric Company shall file with this commission a detailed statement, duly sworn to by its treasurer, showing the disposition of the proceeds of said notes, bonds, or other evidences of indebtedness.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of February, 1976.

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NH.PUC*02/23/76*[77590]*61 NH PUC 44*New England Power Company

[Go to End of 77590]

Re New England Power Company

DF 74-23, Seventh Supplemental Order No. 12,157

61 NH PUC 44

New Hampshire Public Utilities Commission

February 23, 1976

EXEMPTION from commission regulations permitting electric utility to issue and renew bonds and notes.

Page 44

SECURITY ISSUES, § 38 — Necessity of authorization by commission — Exemption from commission regulations.

[N.H.] The commission granted an electric company an exemption from its regulation permitting the company to issue and renew bonds, notes, or other evidence of indebtedness payable less than twelve months from the date of issuance.

BY THE COMMISSION:

Supplemental Order

Whereas, by Sixth Supplemental Order No. 11,758 of this commission, dated March 5, 1975, New England Power Company was granted an exemption from commission regulations to issue and renew, from time to time, its bonds, notes, or other evidence of indebtedness, payable less than twelve months after the date thereof, in an aggregate amount outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal), not in excess of \$130 million which exemption expires March 5, 1976, unless such period is extended by order of this commission; and

Whereas, New England Power Company on February 10, 1976, sought authority to continue the exemption in said Order No. 11,758 to March 31, 1977, to issue its short-term notes in an amount not to exceed \$83 million; and

Whereas, this commission, after investigation and consideration, finds that said request is consistent with the public good; it is

Ordered, that New England Power Company, without first obtaining the approval of this commission be and hereby is, authorized, from time to time, to issue and renew its notes, bonds, or Other evidence of indebtedness payable less than twelve months from the date thereof, in an aggregate amount thereof outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal), not in excess of \$83 million; and it is

Further ordered, that the exemption contained herein shall expire March 31, 1977, unless extended by order of this commission; and it is

Further ordered, that on January 1st and July 1st in each year said New England Power Company shall file with this commission a detailed statement, duly sworn to by its treasurer showing the disposition of proceeds of said notes, bonds, or other evidence of indebtedness until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of February, 1976.

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NH.PUC*03/02/76*[77591]*61 NH PUC 46*W & E Artesian Well Company, Inc.

[Go to End of 77591]

Re W & E Artesian Well Company, Inc.

DR 74-144, Supplemental Order No. 12,164

61 NH PUC 46

New Hampshire Public Utilities Commission

March 2, 1976

MOTION for rehearing of rate case; denied.

[1] PROCEDURE, § 21 — Hearing and notice — Harmless error.

[N.H.] The commission ruled that, had there been any error on its part in failing to allow a hearing on the issue of water company's submission of rate base figures without an audit certificate' it believed that it was a harmless error, did not prejudice the actual outcome of a rate case, and would have had a minimal effect on the ultimate resolution of the case. p. 46

[2] PROCEDURE, § 22 — Hearing and notice — Necessity for additional hearings.

[N.H.] The commission held that it was the proper party to determine whether or not a sufficient quality and quantity of evidence existed upon which it could make a reasoned decision and therefore it dismissed protestant's request for additional hearings. p. 47

BY THE COMMISSION:

Supplemental Report

On February 23, 1976, this commission received a motion for rehearing filed by Martin J. McMahon, Jr., on behalf of Windham Estates Association, protestant in this rate case. The motion generally objected to the decision of this commission in Order No. 12,126 dated February 4, 1976 (61 NH PUC 11, *supra*).

Among other allegations, the motion for rehearing states that the commission failed to act on a document submitted by the protestant in this case on November 25, 1975. That document contains a series of objections concerning matters raised in this case. The motion for rehearing also states that the commission failed to act on the protestant's request for further hearings before granting any rate increase.

Although the commission report and order did not specifically respond to the objections of the protestant, the commission did, in fact, consider those objections. The commission also did, in fact, consider the request of the protestant for further hearings prior to granting any rate increase. The commission decided after such consideration that no further hearings were necessary and that figures submitted after the original hearing answered objections raised by the protestants at the hearing.

[1] At issue in this case and subsequent to the formal hearing was the commission request that the company resubmit a recalculated rate base accompanied by an audit certificate. The commission subsequently allowed the resubmission of rate base figures without an audit certificate based upon the company's statement that it had no funds available for an audit. The motion for rehearing states that the protestant should have been allowed to hear evidence on the issue of whether or not the commission request for an audit certificate should be waived. If there was any error on the part of the commission

Page 46

in failing to allow a hearing on this single issue, we believe that it was a harmless error, did not prejudice the actual outcome of the case and would have had a minimal effect, if any, on the ultimate resolution of this rate matter.

[2] Regarding the protestant's allegation that we failed to act on their request for additional hearings before granting any rate increase, the commission feels that it is in the position to determine whether or not sufficient quality and quantity of evidence exists upon which it can make a reasoned decision. We considered the protestant's request in this regard and found there to be no need for additional hearings. Again if this was in error we believe it to be a harmless error not prejudicing or affecting the actual outcome. Accordingly, we find no reason to grant a rehearing in this matter. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that after full consideration of the allegations in the motion for rehearing filed February 23, 1976, and after weighing the reasons presented in said motion, the commission is of the opinion and the order is, that said motion for rehearing be, and hereby is, denied.

By order of the Public Utilities Commission of New Hampshire this second day of March, 1976.

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NH.PUC*03/05/76*[77592]*61 NH PUC 47*Rules and Regulations Prescribing Standards for Electric Utilities

[Go to End of 77592]

Re Rules and Regulations Prescribing Standards for Electric Utilities

DE 3335, Ninth Supplemental Order No. 12,169

61 NH PUC 47

New Hampshire Public Utilities Commission

March 5, 1976

ORDER amending commission rules and regulations.

SERVICE, § 190 — Deposits with provision for refund and interest — Electric utilities.

[N.H.] Amendment to commission rules authorizing utility to require deposit from customers before rendering service, and providing for interest and refunds of said deposits.

BY THE COMMISSION:

Supplemental Order

Whereas, pursuant to the provisions of RSA 365:8 and in accordance with RSA 541-A, the Administrative

Page 47

Procedures Act, and after a duly noticed public hearing held on February 27, 1976; it is

Ordered, that the rule attached hereto and entitled "Deposits" is hereby adopted, effective March 5, 1976; and it is

Further ordered, that the previous Rule 4 as adopted under Order No. 6429 dated July 1, 1954, is hereby amended, effective March 5, 1976.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1976.

Rules and Regulations Prescribing Standards for Electric Utilities (Amendment to § III, Rule 4)

III. Service Provisions

4. Deposits

A utility, to protect against loss, may require a satisfactory deposit before rendering service to any customer. This deposit shall not be less than \$5 nor more than the estimated bill for a period of thirty days in excess of the normal billing period. Interest shall be paid on deposits held six months or more at rates specified in the tariff. Deposits, plus accrued interest thereon, less any amount due the company, will be refunded (a) upon termination of service, or (b) when satisfactory credit relations over not less than thirty-six months have been established. When a deposit is applied against an account which has been terminated, interest shall cease to be accumulated on the balance at the date of termination.

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NH.PUC*03/05/76*[77593]*61 NH PUC 48*Rules and Regulations Prescribing Standards for Gas Utilities

[Go to End of 77593]

Re Rules and Regulations Prescribing Standards for Gas Utilities

DE 3978, Seventh Supplemental Order No. 12,170

61 NH PUC 48

New Hampshire Public Utilities Commission

March 5, 1976

ORDER amending commission rules and regulations.

SERVICE, § 190 — Deposits with provision for refund and interest — Gas utilities.

[N.H.] Amendment to commission rules authorizing utility to require deposit from customers before rendering service, and providing for interest and refunds of said deposits.

BY THE COMMISSION:

Supplemental Order

Whereas, pursuant to the provisions of RSA 365:8 and in accordance with RSA 541-A, the Administrative

Procedures Act, and after a duly noticed public hearing held on February 27, 1976; it is

Ordered, that the rule attached hereto and entitled "Deposits" is hereby adopted, effective March 5, 1976; and it is

Further ordered, that the previous Rule 4 as adopted under Order No. 7790 dated January 11, 1962, is hereby amended, effective March 5, 1976.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1976.

Rules and Regulations Prescribing Standards for Gas Utilities (Amendment to § III, Rule 4)

III. Service Provisions

4. Deposits

A utility, to protect against loss, may require a satisfactory deposit before rendering service to any customer. This deposit shall not be less than \$5 nor more than the estimated bill for a period of thirty days in excess of the normal billing period. Interest shall be paid on deposits held six months or more at rates specified in the tariff. Deposits, plus accrued interest thereon, less any amount due the company will be refunded (a) upon termination of service or (b) when satisfactory credit relations over not less than thirty-six months have been established. When a deposit is applied against an account which has been terminated, interest shall cease to be accumulated on the balance at the date of termination.

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NH.PUC*03/05/76*[77594]*61 NH PUC 49*Rules and Regulations Prescribing Standards for Telephone Utilities

[Go to End of 77594]

Re Rules and Regulations Prescribing Standards for Telephone Utilities

DE 3595, Second Supplemental Order No. 12,171

61 NH PUC 49

New Hampshire Public Utilities Commission

March 5, 1976

ORDER amending commission rules and regulations.

SERVICE, § 190 — Deposits with provision for refund and interest — Telephone utilities.

[N.H.] Amendment to commission rules authorizing utility to require deposit from customers before rendering service, and providing for interest and refunds of said deposits.

BY THE COMMISSION:

Supplemental Order

Whereas, pursuant to the provisions of RSA 365:8 and in accordance with RSA 541-A, the Administrative

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Procedures Act, and after a duly noticed public hearing held on February 27, 1976; it is Ordered, that the rule attached hereto and entitled "Deposits" is hereby adopted, effective March 5, 1976; and it is

Further ordered, that the previous Rule 4 as adopted under Order No. 6947 dated February 14, 1957, is hereby amended, effective March 5, 1976.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1976.

Rules and Regulations Prescribing Standards for Telephone Utilities (Amendment to § III, Rule 4)

III. Service Provisions

4. Deposits

A utility, to protect against loss, may require a satisfactory deposit before rendering service to any customer. This deposit shall not be less than \$5 nor more than the estimated bill for a period of thirty days in excess of the normal billing period. Seasonal customers may be required to make a cash deposit equal to the estimated cost of the seasonal use. Interest shall be paid on deposits held six months or more at rates specified in the tariff. Deposits, plus accrued interest thereon, less any amount due the company, will be refunded (a) upon termination of service or (b) when satisfactory credit relations over not less than thirty-six months have been established. When a deposit is applied against an account which has been terminated, interest shall cease to be accumulated on the balance at the date of termination.

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NH.PUC*03/05/76*[77595]*61 NH PUC 50*Rules and Regulations Prescribing Standards for Water Utilities

[Go to End of 77595]

Re Rules and Regulations Prescribing Standards for Water Utilities

DE 3757 Third Supplemental Order No. 12,172

61 NH PUC 50

New Hampshire Public Utilities Commission

March 5, 1976

ORDER amending commission rules and regulations.

SERVICE, § 190 — Deposits with provision for refund and interest — Water utilities.

[N.H.] Amendment to commission rules authorizing utility to require deposit from customers before rendering service, and providing for interest and refunds of said deposits.

BY THE COMMISSION:

Supplemental Order

Whereas, pursuant to the provisions of RSA 365:8 and in accordance with RSA 541-A, the Administrative

Page 50

Procedures Act, and after a duly noticed public hearing held on February 27, 1976; it is Ordered, that the rule attached hereto and entitled "Deposits" is hereby adopted, effective March 5, 1976; and it is

Further ordered, that the previous Rule 4 as adopted under Order No. 7434 dated January 7, 1960, is hereby amended, effective March 5, 1976.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1976.

Rules and Regulations Prescribing Standards for Water Utilities (Amendment to § III, Rule 4)

III. Service Provisions

4. Deposits

A utility, to protect against loss, may require a satisfactory deposit before rendering service to any customer. This deposit shall not be less than \$5 nor more than the estimated bill for a period of thirty days in excess of the normal billing period. Seasonal customers may be required to make a cash deposit equal to the estimated cost of the seasonal use. Interest shall be paid on deposits held six months or more at rates specified in the tariff. Deposits, plus accrued interest thereon, less any amount due the company, will be refunded (a) upon termination of service, or (b) when satisfactory credit relations have been established over a period of not less than thirty-six months. When a deposit is applied against an account which has been terminated, interest shall cease to be accumulated on the balance at the date of termination.

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NH.PUC*03/05/76*[77596]*61 NH PUC 51*Rules and Regulations Prescribing Standards for Electric Utilities

[Go to End of 77596]

Re Rules and Regulations Prescribing Standards for Electric Utilities

DE 3335, Tenth Supplemental Order No. 12,173

61 NH PUC 51

New Hampshire Public Utilities Commission

March 5, 1976

ORDER amending commission rules and regulations.

SERVICE, § 213 — Discontinuance of service — Customer conference.\

[N.H.] The commission ruled regarding customer conferences prior to discontinuance of service.

BY THE COMMISSION:

Supplemental Order

Whereas, pursuant to the provisions

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of RSA 365:8 and in accordance with RSA 541-A, the Administrative Procedures Act, and after a duly noticed public hearing held on February 27, 1976; it is

Ordered, that the rules attached hereto relative to discontinuance of service and entitled "Time of Customer Request for Conference" and "Continuance of Service" are hereby adopted, effective March 5, 1976; and it is

Further ordered, that the previous Rules 5 and 6 as adopted under Order No. 11,546 dated August 30, 1974, are hereby amended, effective March 5, 1976.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1976.

Rules and Regulations Prescribing Standards for Electric Utilities (Amendment to § 8, Rules 5 and 6)

8. *Discontinuance of Service*

A. Residential Customers

5. *Time of Customer Request for Conference.* A customer must request a conference with the utility prior to the date of disconnect which is specified in the disconnect notice. If a customer calls on the disconnect date he is not entitled to a meeting with the utility. If a customer calls the company either one or two days before the disconnect date the meeting shall be scheduled no later than three business days after the request. The conference with the utility shall be conducted in person, in writing, or by telephone as the customer may elect.

6. *Continuance of Service.* The utility shall continue service for three days after the

conference if the conference was conducted in person. If the conference was conducted in writing or by telephone the utility shall continue service for five days after the conference. If the customer is dissatisfied with the utilities' decision and requests a meeting with the public utilities commission within the three- or five-day period (whichever is applicable) then the utility shall continue service until final decision of the public utilities commission review.

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NH.PUC*03/05/76*[77597]*61 NH PUC 52*Rules and Regulations Prescribing Standards for Gas Utilities

[Go to End of 77597]

Re Rules and Regulations Prescribing Standards for Gas Utilities

DE 3978, Eighth Supplemental Order No. 12,174

61 NH PUC 52

New Hampshire Public Utilities Commission

March 5, 1976

ORDER amending commission rules and regulations.

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SERVICE, § 213 — Discontinuance of service — Customer conferences.

[N.H.] The commission ruled regarding customer conferences prior to discontinuance of service.

BY THE COMMISSION:

Supplemental Order

Whereas, pursuant to the provisions of RSA 365:8 and in accordance with RSA 541-A, the Administrative Procedures Act, and after a duly noticed public hearing held on February 27, 1976; it is

Ordered, that the rules attached hereto relative to discontinuance of service and entitled "Time of Customer Request for Conference" and "Continuance of Service" are hereby adopted, effective March 5, 1976; and it is

Further ordered, that the previous Rules 5 and 6 as adopted under Order No. 11,547 dated August 30, 1974, are hereby amended, effective March 5, 1976.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1976.

Rules and Regulations Prescribing Standards for Gas Utilities (Amendment to § 9, Rules 5 and 6)

9. *Discontinuance of Service*

A. Residential Customers

5. *Time of Customer Request for Conference.* A customer must request a conference with the utility prior to the date of disconnect which is specified in the disconnect notice. If a customer calls on the disconnect date he is not entitled to a meeting with the utility. If a customer calls the company either one or two days before the disconnect date the meeting shall be scheduled no later than three business days after the request. The conference with the utility shall be conducted in person, in writing, or by telephone as the customer may elect. 6. *Continuance of Service.* The utility shall continue service for three days after the conference if the conference was conducted in person. If the conference was conducted in writing or by telephone the utility shall continue service for five days after the conference. If the customer is dissatisfied with the utilities' decision and requests a meeting with the public utilities commission within the three- or five-day period (whichever is applicable) then the utility shall continue service until final decision of the public utilities commission review.

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NH.PUC*03/05/76*[77598]*61 NH PUC 54*Columbia Water Company, Inc.

[Go to End of 77598]

Re Columbia Water Company, Inc.

IE 14,398, Order No. 12,175

61 NH PUC 54

New Hampshire Public Utilities Commission

March 5, 1976

PETITION by water company for authority to operate as a public utility; granted.

CERTIFICATES, § 125 — Operation within town limits — Water company.

[N.H.] The commission authorized a water company to operate as a public utility within the limits of a town.

BY THE COMMISSION:

Order

Whereas, Columbia Water Company, Inc., a public water utility under the jurisdiction of this commission pursuant to RSA 362:4, by a petition filed January 21, 1976, seeks authority under

RSA 374:22 and 26 to operate as a water public utility in a limited area in the town of Columbia; and

Whereas, the selectmen of the town of Columbia by their letter dated February 2, 1976, expressed no objection to the establishment of a water utility franchise by the petitioner; and

Whereas, Columbia Water Company, Inc., represents that it is able and willing to supply water service in the service area requested as a public utility under terms, conditions, and rates on file with this commission; and

Whereas, after investigation and consideration, this commission is satisfied that the granting of the petition will be for the public good; it is

Ordered, that the exemption from public utility statutes granted to Columbia Water Company' Inc., by this commission's Order No. 11,997 dated September 12, 1975, be and hereby is, revoked; and it is

Further ordered, that Columbia Water Company, Inc., be, and hereby is, authorized to operate as a water public utility in a limited area in the town of Columbia, said area bounded and described as follows:

Commencing at a point on the westerly side of U. S. Route 3, approximately four miles north of the southerly line of the town of Columbia, at its intersection with U.S. Route 3; thence westerly to the right of way of the Maine Central Railroad, a distance of 537 feet more or less; thence northerly on the easterly side of said railroad right of way a distance of 2,200 feet more or less; thence southerly and easterly a distance of 686 feet to the westerly side of said U. S. Route 3; thence southerly along the westerly side of said U. S. Route 3 a distance of 1,200 feet to the point of beginning;

said area being outlined on maps on file in the office of this commission, and for this purpose to construct the necessary facilities; and it is

Further ordered, that Columbia Water Company, Inc., tariff, entitled NHPUC No. 1 — Water, setting forth rates, terms, and conditions covering service in the area, shall become effective

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with the date of this order; and that three signed and executed copies, plus seven additional copies, of said tariff be filed with this commission immediately upon receipt of this order.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1976.

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NH.PUC*03/05/76*[77599]*61 NH PUC 55*Stan's Van Service, Inc.

[Go to End of 77599]

Re Stan's Van Service, Inc.

IT 14,463, Order No. 12,176
61 NH PUC 55
New Hampshire Public Utilities Commission
March 5, 1976

ORDER by commission requiring carrier to show cause why certificate should not be revoked.

CERTIFICATES, § 149 — Revocation — Failure to comply with conditions.

[N.H.] The commission ordered a carrier to show cause why its certificate should not be revoked for noncompliance with the terms and conditions as authorized in the certificate issued to the originator of the service.

BY THE COMMISSION:

Order

Whereas, Stan's Van Service, Inc., was authorized to acquire household goods certificate of public convenience and necessity No. 51 from Sheldon S. Theall Moving, Inc., of Laconia (Order No. 11,999, DT 75-75); and

Whereas, the order required the base of operations to be conducted in the vicinity of Laconia which was the base of operation as authorized in the certificate issued to the originator of the service; and

Whereas, following the issuance of said Order No. 11,999 correspondence with the commission staff and an investigation made by commission inspectors indicates that there is no base of operations in the vicinity of Laconia; and

Whereas, it appears that the base of operations of the company is in Nashua, New Hampshire; it is

Ordered, that Stan's Van Service, Inc., be, and hereby is, cited to appear at the office of this commission on March 26, 1976, at 10:00 A.M. to show cause, if any there be, why the authority in commission Order No. 11,999 should not be revoked for noncompliance with the terms and conditions of said order.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1976.

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NH.PUC*03/10/76*[77600]*61 NH PUC 56*Public Service Company of New Hampshire v Homer F. McMurray et al.

[Go to End of 77600]

Public Service Company of New Hampshire v Homer F. McMurray et al.

DE 5615, Second Supplemental Order No. 12,178

61 NH PUC 56

New Hampshire Public Utilities Commission

March 10, 1976

PETITION for right of way of transmission lines across privately owned land and assessment of damages incurred; granted in part.

[1] EMINENT DOMAIN, § 9 — Original award damages — Erroneous description.

[N.H.] The commission found that an original award of damages covered all land that had been taken for a utility's easement regardless of an erroneous description of the land in the previous order. p. 56

[2] EMINENT DOMAIN, § 9 — Erroneous description — Additional award.

[N.H.] The commission ordered landowners to be reimbursed by an additional amount of money for the expenses they incurred in resolving an erroneous description in a previous commission order. p. 57

APPEARANCES: Lawrence F. Spellman for Public Service Company of New Hampshire; Joseph M. Kerrigan for Homer F. and Dorothy L. McMurray.

BY THE COMMISSION:

Report

By petition, filed June 1, 1971, Public Service Company of New Hampshire seeks to amend prior orders issued in 1970 on the grounds that the description of the land taking set forth in Order No. 9,913 was incorrectly stated. The petitioner seeks to have the easement correctly described and the landowners reimbursed for additional expenses incurred in revaluing and resurveying their premises. Earlier hearings on this matter were postponed subsequently to a duly noticed hearing on October 30, 1975, at the commission's office in Concord.

As explained by the petitioner, damages for the easement across the McMurray's bog were agreed to. Two routes across the bog were proposed and the commission found that the damages would be the same for either route, leaving the choice between Routes I and II to the landowners. Route II was chosen and it is the final survey of this route which was subsequently found to be in error.

The landowners represent that the commission's award was based on less land than is now actually being considered in the new description, that they should be reimbursed for the expenses of proving the erroneous description, and that Public Service Company of New Hampshire

violated the restrictions and conditions placed on the company in exercising its rights under the easement.

[1] The commission is satisfied that the original award of damages covered all land that is now claimed by the McMurrays regardless of the erroneous description. The erroneous description was made after the award which covered either Route I or Route II, as the landowners

Page 56

were given the opportunity to choose.

[2] The commission finds that the McMurrays are entitled to an additional award for the expenses incurred in resolving the erroneous description. At the hearing Dr. McMurray reported total expenses of \$3,203.65, which was augmented by a subsequent telephone call reporting an additional \$300 of legal expense. The commission questions the extent of the clearing and the necessity for the number and quality of boundary markers placed. It is difficult to determine precisely the proper adjustment of the \$3,503.65, but the commission is satisfied that an award of \$2,494.20 will adequately compensate the landowners.

A field investigation, on the day following the hearing, by the chief engineer of this commission accompanied by Dr. McMurray and representatives of Public Service Company of New Hampshire, was made to determine whether the company had complied with the cutting and clearing restrictions and limitations of the commission's earlier order. On the basis of this investigation the commission is satisfied that the company complied with the selective cutting and clearing provisions. Apparently, selective cutting was interpreted differently by Dr. McMurray than intended by the commission. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that so much of Supplemental Order No. 9,913 as describes Parcel 1 and Parcel 2 be, and hereby is, changed to read as follows:

Parcel 1

Beginning at a point in the northerly line of New Hampshire Route 101A, 390.42 feet south 48 degrees — 30 minutes — 30 seconds east of New Hampshire Highway Department concrete bound; thence, north 31 degrees — ten minutes — 50 seconds east, 1,735.56 feet to an angle point; thence north 48 degrees — 25 minutes — 20 seconds east, 574 feet, more or less, to a point at land of Essex Investment Corporation, the last two courses being by land of McMurray; thence easterly by the edge of a bog and land of said Essex Investment Corporation, 190 feet, more or less, to a point; thence south 48 degrees — 25 minutes — 20 seconds west, 635 feet more or less, to an angle point; thence south 31 degrees — ten minutes — 50 seconds west, 1,746.74 feet to a point in the northerly line of said New Hampshire Highway 101A, the last two courses being by land of McMurray; thence northwesterly by the northerly line of said highway, 171.79 feet to the point of beginning; containing approximately 9.1 acres.

Parcel 2

Beginning at a stone bound located on the easterly property line of land now or formerly of Essex Investment Corporation at the southwesterly corner of land now or formerly of P.D. and S.A. Delude and the northwesterly corner of land of McMurray; thence south 63 degrees — 16 minutes — east, 60.82 feet by land of said Delude to a point; thence south 48 degrees — 25 minutes — 20 seconds west, 109.99 feet by other land of McMurray to a point at land now or formerly of Essex Investment Corporation; thence north 15 degrees — 34

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minutes east, 104.18 feet by land of Essex Investment Corporation to the point of beginning; containing 0.071 acres; and it is

Further ordered, that Public Service Company of New Hampshire shall pay to Homer F. and Dorothy L. McMurray for reasonable expenses incurred in resolving an erroneous easement description in Order No. 9913 the sum of \$2,494.20; and it is

Further ordered, that the award of \$10,375 set forth in Order No. 9861 covers, in total, the payment for rights of way and easements described over Parcels I and II above; and it is

Further ordered, that Public Service Company of New Hampshire has been found to be in compliance with the selective cutting and clearance provisions set forth in Order No. 9861.

By order of the Public Utilities Commission of New Hampshire this tenth day of March, 1976.

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NH.PUC*03/12/76*[77601]*61 NH PUC 58*Stan's Van Service, Inc.

[Go to End of 77601]

Re Stan's Van Service, Inc.

IT 14,463, Supplemental Order No. 12,179

61 NH PUC 58

New Hampshire Public Utilities Commission

March 12, 1976

APPLICATION by carrier for continuance of show cause proceeding; granted.

BY THE COMMISSION:

Supplemental Order

Whereas, the commission, in its Order No. 12,176 ([1976] 61 NH PUC 55, *supra*), cited Stan's Van Service, Inc., to appear at the office of the commission on March 26, 1976, at 10:00 A.M. to show cause, if any there be, why the authority in commission Order No. 11,999 should not be revoked; and

Whereas, the commission has received a motion from counsel for Stan's Van Service, Inc., dated March 9, 1976, requesting a continuation of the hearing to a later date due to prior scheduling of commitments; it is

Ordered, that Stan's Van Service, Inc., be, and hereby is, cited to appear at the office of this commission on April 30, 1976, at 10:00 A.M. to show cause, if any there be, why the authority in commission Order No. 11,999 should not be revoked for noncompliance with the terms and conditions of said order.

By order of the Public Utilities Commission of New Hampshire this twelfth day of March, 1976.

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NH.PUC*03/15/76*[77602]*61 NH PUC 59*Town of Bow v Boston and Maine Corporation

[Go to End of 77602]

Town of Bow v Boston and Maine Corporation

Intervenor: Public Service Company of New Hampshire

DT 74-173, Order No. 12,181

61 NH PUC 59

New Hampshire Public Utilities Commission

March 15, 1976

ORDER by commission providing for a ten-ton load limit on a bridge.

CROSSINGS, § 22 — Commission — Replacement of bridge.

[N.H.] Where funds were not available from a bankrupt railroad corporation to replace a bridge which the commission found was obsolete for modern traffic, the commission, rather than closing the bridge, found that the removal of a ten-ton load limit sign and the replacement with a five-ton load limit sign was appropriate.

APPEARANCES: Lela Maynard, chairman of the board of selectmen, for the town of Bow; John E. O'Keefe for the Boston and Maine Corporation; Russell Winslow, general counsel, for the Public Service Company of New Hampshire.

BY THE COMMISSION:

Report

By petition filed September 9, 1974, the selectmen of the town of Bow seek the closing of an overhead bridge which crosses the track of the Boston and Maine Corporation in the town of

Bow. Hearing thereon was held at Concord on October 30, 1974.

River road extends from New Hampshire Highway Route 3A in a southerly direction and crosses the railroad track by Bridge No. 67.26, approximately 1.5 miles north of the Bow-Hooksett line. From this point River road extends in a southerly direction east of the railroad track and recrosses the track via a grade crossing about one-half mile north of the Merrimack river bridge in Hooksett. On that portion of the 2.5 mile section east of the railroad track it serves several private residences and the Bow generating plant of the Public Service Company.

The bridge is constructed of wood. The foundation was constructed in the late 1800's and the super structure was rebuilt in 1943. It consists of eight wooden stringers covered with a three-inch plank deck. Its clear span is 27 feet three inches and the clearance above the rails is 17 feet ten inches. Its overall width is 17 feet. The width of the travelled way is 15 feet eight inches.

The town of Bow has rebuilt and improved sections of River road, both north and south of the overhead bridge. There is, however, some 1,500 feet of highway which has not been improved and which involves the overhead bridge and its approaches.

Witnesses from the town of Bow include the chairman of the board of selectmen, the administrative assistant

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to the selectmen, and the chief of police. They claim that the bridge is unsatisfactory in that the approaches provide an "S" curve and the visibility is limited by the ascending grades on each approach. It is their position that the bridge should either be rebuilt or it should be discontinued entirely and a grade crossing substituted in its place. In taking this position witnesses for the town claim that all kinds of vehicles pass over the bridge, including school buses, heavy trucks, road maintenance and plowing vehicles and that several accidents have occurred during the past five years.

A witness for the Public Service Company appeared objecting to the closing of the bridge unless a grade crossing is to be authorized in its place. This position is taken because emergency access to the Public Service plant is nearest via the highway leading to the bridge, even though there are other accesses to the plant via a grade crossing to the south thereof. Access via the Johnson road, one of these, however, is via a fairly steep grade and at times is impassable. It is stated that since the plant was constructed and opened in 1960 there have been five occasions when an ambulance has been called to the area. It is represented that of the approximately 73 employees working at the Bow plant 40 per cent use the northerly access via the bridge.

There is another firm known as Profile Electronics on the north side of the bridge and considerable traffic passes over this structure.

The town of Bow school board petitioned its selectmen for some action regarding the bridge. This resulted in the department of highway and public works engineer's report posting the five-ton limit. The town expressed reluctance to maintain the bridge in winter due to the weight of fully equipped snowplows. The town also was reluctant to allow its school bus to pass over the bridge.

Following an inspection of the bridge by engineers of the state department of public works and highways it was stated that the bridge should be limited to a five-ton load. However, these inspections indicated that if three-inch plank runners were placed over the present deck the load limit could be increased to eight tons.

The commission arranged to take a view of the site and did so on May 6, 1975. Commission staff also made an inspection on September 24, 1974.

The bridge appears obsolete for modern traffic. It appears to be in poor condition with poor approaches, inadequate siting distances, inadequate side railings, and a general overall deterioration of the top of the planking which was visible from the onsite inspections. Traffic of all types is increasing over the bridge and the general safety of the vehicular travel over the bridge would improve with maintenance and repair.

Both signs are presently posted and create confusion for the traveling public. The chief of police in Bow indicates that vehicles well over ten tons use the bridge more frequently now than ever before. The apparent attitude of the traveling public is that the bridge is there, therefore, use it. The span of the bridge is relatively short and apparently travel over it does not cause concern to the traveling public, because they feel they can shoot across this short span.

The testimony in this proceeding indicates a substantial difference in the posted speed as between highway and railroad engineers which results in confusion to the public. The commission is inclined to feel that the five-ton recommendation as submitted by highway

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engineers should be accepted, and that the ten-ton sign as posted by the railroad be removed.

Testimony further indicates that the bridge is substandard so far as modern highway construction and maintenance is concerned and that it should be replaced rather than to permit its elimination and a highway railroad grade crossing substituted therefor.

Recognizing that the funds are not available from the bankrupt railroad, corporation and that the town should not be required to bear the full amount of the cost the commission feels that no order should be issued relative to its replacement. However, there may be federal funds available for highway safety to improve locations such as this and the commission recommends that serious consideration be given to application for and the use of these funds for repair or replacement of the River road bridge. Our order will issue providing for the removal of the ten-ton load limit sign.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Boston and Maine Corporation be, and hereby is, required to remove all signs providing for a ten-ton load limit on Bridge No. 67.26 in the town of Bow and substitute therefor a five-ton limit sign until the condition of the bridge is such that other limits shall be established and posted.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of March, 1976.

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NH.PUC*03/18/76*[77603]*61 NH PUC 61*Public Service Company of New Hampshire

[Go to End of 77603]

Re Public Service Company of New Hampshire

DE 76-5, Order No. 12,185

61 NH PUC 61

New Hampshire Public Utilities Commission

March 18, 1976

PETITION for authority to construct and maintain electric transmission lines; granted.

ELECTRICITY, § 7 — Authorization for transmission lines — Public interest.

[N.H.] The commission authorized an electric company to construct and maintain electric transmission lines where it found proposed construction was necessary to meet the reasonable requirements of the public and the licenses sought could be issued and exercised by the company without substantially affecting the public rights and waters crossed.

BY THE COMMISSION:

Order

Whereas, by petition filed January 23,

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1976, Public Service Company of New Hampshire seeks licenses pursuant to RSA 371:17-20 to construct and maintain electric transmission lines over and across Glen Lake inlet, the south branch of the Piscataquog river and the north branch of the Piscataquog river in the town of Goffstown; Beaver Pond in the town of Deering; the Contoocook river in the towns of Hillsborough and Deering; and the north branch of the Contoocook river and the Contoocook river in the town of Hillsborough, New Hampshire; and

Whereas, the petition represents that the proposed construction will cross approximately 240 feet of Glen Lake inlet in the town of Goffstown; approximately 56 feet of the south branch of the Piscataquog river in the town of Goffstown; approximately 63 feet of the north branch of the Piscataquog river in the town of Goffstown; approximately 3,040 feet of the Beaver Pond in the town of Deering; approximately 136 feet of the Contoocook river in the towns of Hillsborough and Deering; approximately 272 feet of the north branch of the Contoocook river in the town of Hillsborough; and approximately 105 feet of the Contoocook river in the town of Hillsborough;

for the purpose of reconstructing its Greggs to Jackman (Goffstown-Hillsborough) 115 kv transmission line because of the age and condition of the line, which was original constructed prior to 1930; and

Whereas, following due notice other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the licenses sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

Ordered, that licenses, be and hereby are, granted to Public Service Company of New Hampshire to construct and maintain electric transmission lines over and across Glen Lake inlet, the south branch of the Piscataquog river and the north branch of the Piscataquog river in the town of Goffstown; Beaver Pond in the town of Deering; the Contoocook river in the towns of Hillsborough and Deering; and the north branch of the Contoocook river and the Contoocook river in the town of Hillsborough, New Hampshire, all in accordance with the descriptions which are contained on a plan on file at the office of this commission.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of March, 1976.

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NH.PUC*03/18/76*[77604]*61 NH PUC 63*Norman F. Doucette et al. d/b/a Doucette Brothers

[Go to End of 77604]

Re Norman F. Doucette et al. d/b/a Doucette Brothers

DT 76-23, Order No. 12,186

61 NH PUC 63

New Hampshire Public Utilities Commission

March 18, 1976

PETITION for authority to transfer contract carrier permit; granted.

BY THE COMMISSION:

Order

Whereas, Norman F. and Howard D. Doucette, d/b/a Doucette Brothers were issued property carrier public interest permit No. 934 under Order No. 11,092 dated September 13, 1973, authorizing operations as a contract carrier between all points and places in Coos, Grafton, and Carroll counties; and

Whereas, Norman Doucette is now deceased, Howard Doucette desires the transfer of the said permit from the partnership to himself; and

Whereas, pursuant to RSA 375-B:10 the commission is of the opinion that the transfer should

be allowed; it is

Ordered, that Norman F. and Howard D. Doucette, d/b/a Doucette Brothers be, and hereby are, authorized transfer property carrier public interest permit No. 934 as issued under Order No. 11,092 dated September 13, 1973, to Howard Doucette, and upon consummation of the transfer to discontinue operations thereunder; and it is

Further ordered, that the said Howard Doucette be, and hereby is, authorized to receive the said property carrier public interest permit No. 934 and to continue operations thereunder; and it is

Further ordered, that said operations shall comply with the provisions of RSA 375-B and the rules and regulations prescribed by the public utilities commission pursuant thereto.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of March, 1976.

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NH.PUC*03/19/76*[77605]*61 NH PUC 63*Rule-making Proceeding

[Go to End of 77605]

Re Rule-making Proceeding

IT 14,442, Order No. 12,187

61 NH PUC 63

New Hampshire Public Utilities Commission

March 19, 1976

ADOPTION by commission of rule regarding opposition to transportation applications.

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CERTIFICATES, § 162 — Procedure — Complaint against operation.

[N.H.] Commission rule requiring any interested party who desires to oppose any transportation application for operating authority to record such opposition with the commission.

BY THE COMMISSION:

Order

Whereas, pursuant to the provisions of RSA 365:8 and in accordance with RSA 541-A, the Administrative Procedures Act, and after a duly noticed public hearing held on March 5, 1976; it is

Ordered, that the rule attached hereto and entitled "Notice of Opposition to Transportation Applications" is hereby adopted and added to the commission's existing rules and regulations governing practice and procedure before the commission; and it is

Further ordered, that since this new rule represents an addition to the commission rules, all other rules remain in full force and effect and are unchanged by this addition.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of March, 1976.

Rules of Practice and Procedure (Additional provision added to § C of these rules)

C. Hearings, Procedure, and Conduct

16. Notice of Opposition to Transportation Applications

Any interested party who desires to oppose any transportation application for operating authority shall record such opposition with the office of the commission at any time prior to seven days before hearing date of that transportation application. Such notice of opposition shall take the form of a letter to the commission indicating the name of the party in opposition, indicating the intention to appear and stating the reason for the opposition. Such letter must be received at the office of the commission sometime prior to seven days before the hearing. This rule shall apply to all applications for operating authority under RSA 375-A, RSA 375-B, and RSA 376.

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NH.PUC*03/26/76*[77606]*61 NH PUC 64*Robert E. Young, d/b/a Brown's Express

[Go to End of 77606]

Re Robert E. Young, d/b/a Brown's Express

Intervenors: Graf Brothers, Inc., and Ross Express, Inc. et al.

DT 75-233, Order No. 12,194

61 NH PUC 64

New Hampshire Public Utilities Commission

March 26, 1976

APPLICATION for authority to operate as a regular route common carrier; granted.

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CERTIFICATES, § 136 — Modification and amendment of certificate — Expansion of service area.

[N.H.] The commission modified a common carrier's certificate of authority where industrial

growth in recent years had expanded beyond the limits of the former certificate's authority.

APPEARANCES: Robert E. Young, pro se; Niel Young, pro se; James J. Murphy for Graf Brothers, Inc.; Charles A. DeGrandpre for Ross Express, Inc.; Richard F. Niebling, Representative from District 13 in Exeter.

BY THE COMMISSION:

Report

By application filed December 29, 1975, Robert E. Young, d/b/a Brown's Express of Exeter, New Hampshire, seeks authority to extend its common carrier service presently operated under Property Carrier Certificate of Public Convenience and Necessity No. 32 to the towns of Barrington, Madbury, Durham, Rollinsford, Newington, Newcastle, Rye, Greenland, Plaistow, Newton, South Hampton, and Seabrook and the cities of Rochester, Somersworth, Dover, and Portsmouth. Other points included in the application were Gonic and Westville, but these points are within the city of Rochester and the town of Plaistow respectively and are not to be considered individually. Hearing thereon was held at Concord on February 2, 1976, and February 16, 1976, was set as the due date for memorandums of law for argument to be filed by interested parties.

Following the hearing, the application was amended to include only the towns of Plaistow, Newton, Seabrook, South Hampton, Greenland, Rye, Newcastle, Newington, Londonderry, Bedford, Hooksett and the city of Portsmouth. By this amendment the towns of Barrington, Madbury, Rollinsford, and Durham and the cities of Rochester, Somersworth, and Dover are withdrawn.

Applicant purchased Brown's Express from its previous owner Romeo E. Levesque in December of 1974. It is engaged in providing a general express service for several business firms in the city of Manchester, especially those engaged in automotive parts, electrical supply houses, and new furniture and appliances who have occasion to dispatch relatively small shipments to customers in the southeastern section of the state. Present operations consist of six regular and several alternate routes; (1) between Raymond and Manchester serving intermediate points and the off-route point of Auburn; (2) between Raymond and East Kingston, serving all intermediate points and the offroute point of Brentwood; (3) between East Kingston and Newmarket, serving all intermediate points and the offroute point of Stratham; (4) between Exeter and North Hampton, serving all intermediate points; (5) between Hampton and Hampton Falls serving all intermediate points and (6) between Exeter and Raymond, serving all intermediate points. The highways over which regular route operations are conducted are N.H. Routes 101, 107, 108, 1A, and 88 and U.S. Route 1. Alternate routes operated are portions of New Hampshire Highway 101, 108, 152, 155, 125, and 101 bypass.

A tariff of proposed charges filed with the application indicates that the service will include automotive parts, electrical commodities, leather and allied

products, chemicals, food items, paper products, paint and paint supplies, rugs, linoleum, tile and flooring supplies, machine parts, plumbing supplies, farm implements, household appliances, television sets, and household furnishings as sold by wholesalers and retailers, and blood in plastic containers.

Emphasis was placed upon a service which will provide a same-day delivery which is not generally available to the territory embraced in the application.

Applicant has two trucks, a station wagon, and a pick up and has a part-time driver for use whenever more than one vehicle is required. In addition to this he has his mother and sister who can assist whenever necessary to provide the service required by the customers.

The operation generally consists of pickups in the Manchester area and travelling to Epping at which point the load may be separated when necessary and taken to the various points in smaller vehicles to assure same day delivery.

The application is supported by 11 letters presented by applicant from various individuals and it is also supported by another carrier who operates in the Merrimack river valley providing a similar service to points between Campton to Nashua and intermediate points. It is also supported by a representative from Rockingham District 13 who has been acquainted with the applicant for a long period of years and feels that the application should be granted to give the applicant a greater opportunity to expand his business and support his family.

Chief support for the application is in the form of letters from the Weather Guard, Inc.; Seamans Distributors of Manchester; McLane and Taylor Warehousing and Storage of Manchester; RSL Distributors; the Vermont-New Hampshire Red Cross Blood Center; the Drew-it Corporation and Redco of Hampton. Other shippers whom applicant would serve are the Genest Ford Company in Hooksett; Nelson Small at Grenier Airport in Londonderry; Kenniston in Exeter desires floor covering from Bedford; the Grant's Store in Bedford and the Public Service Company in Hooksett. Since the hearing developments have occurred by which the Grant's Stores are going out of business. Whether another outlet will replace that source is unknown at this time.

Niel Young, a Laconia city councilman and representative from District 8 in Belknap county is engaged in providing the same-day delivery service as above indicated and is also in support of the application. It is his position that a fast service should be available for customers who desire the same-day delivery for the various articles which are desired to be transported by the applicant. This individual states that free enterprise is necessary for the public needs and feels that if the carrier desires to provide the service he should be authorized to do so. Upon cross-examination he also indicated that he might be interested in applying for service in the city of Portsmouth. possibly within a year's time.

The application is opposed by Graf Brothers, Inc., and the Ross Express, Inc. Testimony was not presented on behalf of the Graf Brothers although in cross-examining the applicant it was brought out that the main purpose in filing the application is to obtain a larger destination area for its present customers rather than an expanded number of new customers.

Strenuous opposition is expressed by

Charles E. Ross, Jr., president of Ross Express, Inc. This corporation operates exclusively within New Hampshire with a property carrier certificate of public convenience and necessity authorizing operations throughout the whole state. This witness indicates that competition is intense in the type of service considered herein. This carrier has sought authority from the Interstate Commerce Commission to register the state certificate thereby permitting an interchange of shipments with interstate authorized carriers for delivery in New Hampshire. This application, however, has been denied and is now in the process of appeal before the federal courts. This carrier has 15 trucks operating each day. It has 33 pieces of equipment, including straight trucks, tractors, and trailers. Because of business conditions, some of this equipment is presently idle and four of its employees have recently been let go because of lack of work. At present there are twenty-nine employees but unless business picks up very soon, three more will have to be laid off.

This carrier claims that it has had the same number of customers but the volume has dropped and it has been necessary to reduce his work force. It is claimed that the territory involved in the instant application is in the very heart of the territory in which much of his service is provided.

It is also pointed out that this is the first application that this carrier has ever opposed and it is done so for the reason that more competition will very seriously affect his ability to continue. It is stated that in the third quarter of 1975, a loss of \$19,000 was experienced. It has recently been necessary to borrow \$45,000 to continue operating the business.

The application is also opposed by Dearborn's Motor Express, Inc., by correspondence, but no one appeared on behalf of this carrier at the hearing.

Supporting letters were received in two separate exhibits. Exhibit One contains four letters: one from the fire chief of Exeter, two from members of the applicant's family indicating a desire to assist in performing transportation whenever necessary and one from a part-time employee indicating his willingness to assist in providing the service. These letters were admitted without objection from interested parties.

The second exhibit consists of seven letters: each from different agencies. Three indicated that it is desired to use the applicant's service in the Portsmouth-Dover area, with two of these also indicating a desire for service to Rochester; two indicating that the granting of the application would make it possible to have service over the routes applied for and available, two indicating that it would use the service in the seacoast towns if it were available. One of the letters is from a corporation located in Northwood, a location which is neither in applicant's present authority nor contained in the application. This exhibit was admitted as evidence over the objection of the attorney for Ross Express because the signers were not available for cross examination and it is claimed that the statements made were not substantiated.

In submitting the amendment to the application the Dover-Rochester area is automatically eliminated, thus leaving only Portsmouth and the seacoast towns as those desired to be served in the amended application. The reason for eliminating Dover and Rochester and

adjacent towns when nearly 43 per cent of the letters referred to that area is not explained.

It is apparent from the testimony in this proceeding that the applicant, a comparatively new operator, who has secured by transfer a long established carrier, is desirous of adding territory to its present operations in the hope that the shippers whom he serves will generate sufficient business to overcome the reduction in business caused by general economic condition.

Appearances providing testimony on behalf of the applicant consists only of a representative to the general court and another carrier performing a service similar to that of the applicant, but in a territory which is not competitive with that presently applied for. Applicant's case depends largely upon the letters of support which have been previously described. It is not unusual for shippers to indicate a preference for additional service if they can secure the same by merely writing a letter favorable to such an applicant. It would seem also that if a lack of, or substandard service is being encountered they would be perfectly willing to appear in person to testify in support of whatever additional service is desired or at least so indicate in letters instead of just a very general statement of using a service if available.

The opposition generates from three carriers, one who protested by letter only, another who appeared and cross-examined witnesses but entered no testimony to support its position in opposition, and one, a carrier who is presently performing a substantial service within the state of which the area included in the instant application is an important part and who is totally dependent upon intrastate shipments to support its operation.

The testimony in this case indicates that the greatest demand for service exists in the Manchester area but the existing authority limits the operations to points within the city. Industrial expansion in recent years has spread to Londonderry, Bedford, and Hooksett, all contiguous to Manchester, which are desired for points of origin because of the location of customers formerly in Manchester.

Upon consideration of all the facts the commission is of the opinion that public convenience and necessity requires the addition of these towns to properly serve the shippers in the Manchester area. Our order will issue containing an appropriate certificate.

Order

Property Carrier Certificate of Public Convenience and Necessity No. 415

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Robert E. Young, d/b/a Brown's Express of Exeter be, and hereby is, authorized to operate in either direction as a regular route common carrier of property by motor vehicle as follows:

Transportation of general commodities of all types other than petroleum products in bulk, explosives and products of unusual value over the following routes:

1. Between Manchester and Bedford via U.S. Route 3
2. Between Manchester and the industrial area adjacent to Grenier Field in the town of Londonderry via New Hampshire Route 28, Harvey Road, and Perimeter Road; also via New Hampshire Route 3A and Newbury

Road to its intersection with Perimeter Road

3. Between Manchester and Hooksett via U.S. Route 3; and it is

Further ordered, that said operations shall comply with the provisions of RSA 375-B and the rules and regulations prescribed by the public utilities commission pursuant thereto.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of March, 1976.

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NH.PUC*03/30/76*[77607]*61 NH PUC 69*Chester Telephone Company, d/b/a Granite State Telephone

[Go to End of 77607]

Re Chester Telephone Company, d/b/a Granite State Telephone

DR 76-20, Order No. 12,196

61 NH PUC 69

New Hampshire Public Utilities Commission

March 30, 1976

PETITION by telephone company for authority to issue long-term notes; granted.

SECURITY ISSUES, § 58 — Purposes of capitalization — Improvement in quality of service — Telephone company.

[N.H.] The commission authorized a telephone company to issue long-term mortgage notes where it found that the authorization of the notes would result in an improvement of the quality of telephone service, and that the proposed issuance of the notes was consistent with the public good, since the projected expenditures would serve to satisfy the anticipated demands for the company's service.

APPEARANCES: John S. Holland for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed March 9, 1976, Chester Telephone Company, d/b/a Granite State Telephone, a telephone public utility operating under the jurisdiction of this commission, seeks authority, pursuant to the provisions of RSA 369, and any amendments thereto, to issue and sell its mortgage notes in the aggregate amount of \$1,625,000 to the Rural Electrification

Administration.

The petitioner alleges in its petition, and represented at the public hearing in Concord on March 24, 1976, that it has outstanding 124 shares of \$10 par value common stock; 100 shares of \$100 par value preferred stock and 35-year mortgage notes due to the Rural Electrification Administration in an aggregate amount of \$3,507,000. these mortgage notes bearing various dates from 1957 through 1973. Petitioner has no outstanding short-term notes.

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Petitioner has entered into an agreement with the Rural Electrification Administration to issue to it \$1,625,000, in mortgage notes, payable in equal quarterly payments over a 35-year period, with interest at 5 per cent per annum, included in the payments. Petitioner proposes to use the proceeds of this loan to (1) provide for growth from present and future establishments in all exchanges; (2) upgrade service to one and two party from one, two and four party in the exchanges of Weare, Hillsboro Upper Village, and Washington; (3) construct a headquarters addition, two central dial office additions, and a new garage; (4) purchase new toll ticketing equipment; and (5) make related system improvements.

The petitioner filed the required resolution of the stockholders as well as the minutes of a special meeting of stockholders authorizing the proposed financing. Also filed as exhibits at the hearing were the company's contemplated construction, estimated cost of financings, balance sheets, and interest, pro forma income statement — Schedule A — tax schedule, capitalization ratios on year-end balances, cost of capital on year-end balances, resolution of stockholders authorizing the financing, supplement to supplemental mortgage and security agreement, mortgage note, and telephone loan contract agreement.

At the hearing petitioner submitted the balance sheet as of December 31, 1975, as per books and proformed to reflect the proposed financing. No increase in rates are necessary to support the construction for which this money is being obtained.

Upon consideration and investigation of the evidence and exhibits submitted, this commission finds that the authorization sought herein will result in an improvement of the quality of telephone service in the area served by the company. The commission is further of the opinion that the proposed issuance of these notes, upon the terms and for the purposes outlined in the hearing, is consistent with the public good since the projected expenditures will serve to satisfy anticipated demands for the company's services. We find that the improvement of the quality of telephone service and the requisite planning for anticipated customer demands are contingent upon the proposed financing. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Chester Telephone Company, d/b/a Granite State Telephone, be and hereby is, authorized to issue and sell its mortgage notes in a principal amount not exceeding \$1,625,000 to the Rural Electrification Administration; said notes to bear interest at the rate of 5 per cent per annum, and to be payable over a term of thirty-five years from the date of issuance; and it is

Further ordered, that on, January 1st and July 1st in each year, Chester Telephone Company,

d/b/a Granite State Telephone, shall file with this commission, a detailed statement, duly sworn to by its treasurer, showing the disposition of the proceeds of said notes, until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the public Utilities Commission of New Hampshire this thirtieth day of March, 1976.

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NH.PUC*04/05/76*[77608]*61 NH PUC 71*Manchester Water Works

[Go to End of 77608]

Re Manchester Water Works

DE 76-31, Order No. 12,199

61 NH PUC 71

New Hampshire Public Utilities Commission

April 5, 1976

PETITION for authority to extend water mains; granted.

SERVICE, § 178 — Factors affecting duty to extend — Franchise — Water company.

[N.H.] The commission granted a water company authority to extend its mains where no other water utility had franchise rights in the area and the commission found that the granting of the petition would be for the public good.

BY THE COMMISSION:

Order

Whereas, Manchester Water Works, a water public utility operating under the jurisdiction of this commission, by a petition filed March 31, 1976, seeks authority under RSA 374:22 and 26 as amended, to extend its mains and service further into the town of Goffstown; and

Whereas, no other water utility has franchise rights in the area sought, and the petitioner submits that the area will be served under its regularly filed tariff; and

Whereas, the board of selectmen, town of Goffstown, has stated that it is in accord with the petition; and

Whereas, after investigation and consideration, this commission is satisfied that the granting of the petition will be for the public good; it is

Ordered, that Manchester Water Works be, and hereby is, authorized to extend its mains and service further into the town of Goffstown in the area herein described, and as set forth on a map

on file in the commission offices, as follows:

An area bounded by existing franchise limits along the westerly side of Daniel Plummer road, from Mast road to St. Anselm drive, on the south by the northerly line of St. Anselm drive, from Daniel Plummer road to Route 114, on the west by the easterly line of Route 114, from St. Anselm drive to Mast road, on the north by all existing franchise limits south of the south line of Mast road, from 114 to Daniel Plummer road; and also to include an area bounded by existing franchise limits along the westerly side of Daniel Plummer road; from the northerly line of St. Anselm drive, southerly to land now or formerly of Mehlhorn; thence westerly along the northerly most line of Slehlhorn property to west line of said Mehlhorn property; thence southerly along existing franchise limit, and Mehlhorn's westerly most property line 499 feet more or less to land now or formerly of Papp; thence westerly along the northerly most property line of Papp property 280 feet more or less to easterly line of Route 114; thence northerly along easterly right-of-way line of Route 114 to northerly line of St. Anselm drive; thence easterly along said line of St. Anselm drive to existing franchise limit west of the intersection of Daniel Plummer road, and the point of beginning

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and for these purposes to construct and maintain the necessary lines and apparatus.

By order of the Public Utilities Commission this fifth day of April, 1976.

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NH.PUC*04/14/76*[77609]*61 NH PUC 72*Concord Electric Company

[Go to End of 77609]

Re Concord Electric Company

DR 76-34, Order No. 12,205

61 NH PUC 72

New Hampshire Public Utilities Commission

April 14, 1976

ELECTRIC company's purchase power adjustments suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire on April 7, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 6 — Electricity, providing for a purchased power adjustment, effective April 26, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Original Page 14A of tariff, NHPUC No. 6 — Electricity of Concord Electric Company be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of April, 1976.

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NH.PUC*04/14/76*[77610]*61 NH PUC 73*Exeter and Hampton Electric Company

[Go to End of 77610]

Re Exeter and Hampton Electric Company

DR 76-35, Order No. 12,206

61 NH PUC 73

New Hampshire Public Utilities Commission

April 14, 1976

ELECTRIC company's purchase power adjustments suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Exeter and Hampton Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on April 7, 1976, filed with this commission certain revision of its tariff, NHPUC No. 11 — Electricity, providing for a purchased power adjustment, effective April 26, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Original Page 15A of tariff, NHPUC No. 11 — Electricity, of Exeter and Hampton Electric Company be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of April, 1976.

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NH.PUC*04/15/76*[77611]*61 NH PUC 73*Manchester Water Works

[Go to End of 77611]

Re Manchester Water Works

IR 14,485, Order No. 12,208

61 NH PUC 73

New Hampshire Public Utilities Commission

April 15, 1976

PETITION by water company, for increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Manchester Water Works, a public utility engaged in the business of supplying water service in the state of New Hampshire, on March 26, 1976, filed with this commission tariff, NHPUC: No. 3 — Water, providing for an increase in rates to become effective June 11, 1976; and

Whereas, it appears to this commission that the rights and interests of the public affected require that the effective date thereof be suspended, pending investigation and decision thereon; it is

Ordered, that tariff, NHPUC No. 3 —

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Water, of Manchester Water Works be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of April, 1976.

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NH.PUC*04/15/76*[77613]*61 NH PUC 93*Pittsfield Aqueduct Company

[Go to End of 77613]

Re Pittsfield Aqueduct Company

IF 14,497, Order No. 12,210

61 NH PUC 93

New Hampshire Public Utilities Commission

April 15, 1976

PETITION for authority to issue long-term debt; granted.

SECURITY ISSUES, § 94 — Long-term debt — Mortgages — Water company.

[N.H.] A water company was authorized to borrow \$120,000 of long-term debt, and was authorized to mortgage its present and future properties in order to secure the payment of the loan authorized.

BY THE COMMISSION:

Order

Whereas, the Pittsfield Aqueduct Company by petition dated April 15, 1976, has requested the approval of this commission by RSA 369 for the authority to borrow \$120,000 in long-term debt; and

Whereas, the company at a hearing on August 26, 1975, in DR 75-135, a petition for an increase in rates, submitted testimony and exhibits referring to the need to increase its long-term debt authorized by a similar amount; and

Whereas, after investigation and consideration by the commission it appears that authority for an increase in long-term debt is in the interest of the public served by the company; it is

Ordered, that the Pittsfield Aqueduct Company be, and hereby is, authorized to borrow \$120,000 in long-term debt at a rate of 9 per cent with four quarterly repayments of 53,664.24 each year for the next fifteen years commencing December 31, 1976; and it is

Further ordered, that the company be, and hereby is, authorized to mortgage its present and future properties, tangible and intangible, including franchises to secure the payment of the loan authorized herein.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of April, 1976.

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NH.PUC*04/16/76*[77612]*61 NH PUC 74*New England Telephone and Telegraph Company

[Go to End of 77612]

Re New England Telephone and Telegraph Company

DR 75-164, Order No. 12,209 14 PUR4th 295

61 NH PUC 74

New Hampshire Public Utilities Commission

April 16, 1976

PETITION by telephone company for increase in rates; granted as modified.

1. RATES, § 120.1 — Historical test-year data — Telephone company.

[N.H.] The commission used a 12-month actual test-year period to determine a telephone company's reasonable rates and charges where it found that the test-year approach was the most accurate measure of the relationship between investment and earnings. p. 76.

2. VALUATION, § 25 — Rate base — Average investment during test year — Telephone company.

[N.H.] The commission adhered to its prior practice, and used an average rate base for a telephone company. p. 77.

3. VALUATION, § 192.1 — Excluded property — Deferred income taxes — Telephone company.

[N.H.] The commission excluded a telephone company's deferred income taxes from its rate base where the commission found that the accumulated deferred taxes represented cost-free capital and should not be a part of the rate base upon which the company could derive an additional return. p. 77.

4. VALUATION, § 192.1 — Excluded property — Investment tax credit reserves — Telephone company.

[N.H.] The commission excluded the investment tax credit reserves of a telephone company from the company's rate base where these reserves represented funds supplied to the company by customers. p. 77.

5. RETURN, § 26.2 — Cost of debt capital — Short-term debt — Telephone company.

[N.H.] In setting a telephone company's cost of debt at 7.09 per cent for its long-term debt, and 7.50 per cent for its short-term debt, the commission found that it was proper to include the cost of short-term debt in arriving at a total cost of debt capital where a review of the company's recent financial history and financial policy showed that short-term debt had been used as a permanent source of financing. p. 79.

6. RETURN, § 46 — Deferred income taxes — Capital structure — Telephone company.

[N.H.] The commission disallowed a telephone company's deferred income taxes as a zero-cost component of the company's capital structure where it found that an inclusion of deferred taxes reduced the debt and equity levels and, therefore, distorted the true capital structure of a company. p. 80.

7. RETURN, § 26.4 — Cost of equity capital — Telephone company.

[N.H.] The commission found that a fair and adequate rate of return on a telephone company's common equity was 12.5 per cent where the company had shown sales

stability, thus stable revenues, which in turn indicated the ability to maintain stable dividends, consistency in operations, and the ability to plan for the future. p. 81.

8. EXPENSES, § 87 — Payments under contract with parent telephone company — Good faith.

[N.H.] The commission allowed a telephone company's license contract expense where it found that the independent and unilateral action of the parent telephone company to voluntarily reduce the license fee twice in the past was indicative of a general intent to be compensated only for services actually rendered, and where the commission found that the services provided by the parent company were worth the cost paid for those services. p. 85.

9. EXPENSES, § 26 — Advertising — Telephone company.

[N.H.] The commission found that a telephone company's advertising expenses were reasonable and allowable as a charge against the ratepayers where, at the present time, and from facts appearing in the record, the advertising practices and policies of the company were consistent with the statutory mandate to supply adequate service and facilities. p. 88.

10. EXPENSES, § 104 — Salaries and wages — Concession service — Telephone company.

[N.H.] The commission found the concession service offered to telephone company employees to be just and reasonable where the service was part of the wages the company paid to its employees and was a well-known method of compensation adopted by many other companies when dealing with products sold to their employees; in addition such an offer to employees was allowed by statute. p. 89.

11. RETURN, § 35 — Factors affecting reasonableness — Attrition allowance — Telephone company.

[N.H.] The commission granted a telephone company an attrition allowance of two-tenths of one per cent in order that the company's allowed rate of return would not be eroded by the impact of increased operating expenses and/or plant investment due to inflation. p. 89.

12. RETURN, § 36 — Factors affecting reasonableness — Quality of service — Telephone company.

[N.H.] The commission noted that the quality of telephone company's service had improved substantially from its 1972 decision, and it noted that its authorization for an increase in rates in this decision was based in part upon the recognition that the higher quality of service should continue and that further improvements should be made where possible. p. 90.

APPEARANCES: McLane, Graf, Greene, Raulerson & Middleton, professional association, by G. Peter Guenther and Robert Wells for the petitioner; Cleveland. Waters and Bass by Warren E. Waters, special counsel to the commission for the public utilities commission; D.A. Rock, state senator.

BY THE COMMISSION:

Report

Background

These proceedings were initiated on July 25, 1975, when the New England Telephone and Telegraph Company (sometimes hereinafter referred to as the "company"), a public utility engaged in the business of providing communications services in the state of New Hampshire and other New England states, filed with this commission substantial revisions to its tariffs, NHPUC Nos. 70 and 73. These proposed tariff revisions provide for the implementation of a 25.6 per cent composite increase to the present rates and were designed to generate an annual gross revenue increase of \$17,550,000. In this filing, the company requested that the rates become effective on August 23, 1975.

Pursuant to the authority vested in the commission by RSA 378:6, on July 25, 1975, by its Order No. 11,936, the commission suspended the proposed

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rate increase pending an investigation and public hearings on the question of the reasonableness of the proposed rates and charges, as authorized by the provisions of RSA 378:5.

An order of notice dated September 9, 1975, provided that public hearings begin on September 30, 1975, at the Angela Annicchiarico Memorial Music Theatre in Concord, New Hampshire. These duly noticed hearings commenced on schedule. The first three sessions of the hearings, September 30, 1975, October 1, 1975, and October 2, 1975, were held at the theatre auditorium. Additional hearings were held at the offices of the commission on November 18, 1975, December 9, 1975, January 14, 1976, January 15, 1976, February 5, 1976, March 11, 1976, and March 16, 1976. An evening public hearing was held on March 22, 1976, in Nashua at the New Hampshire Vocational-Technical Institute.

On the first day of the hearings, September 30, 1975, counsel for the company outlined the evidence which the company intended to present. He asserted that inflationary forces reaching annual rates in excess of 10 per cent have pushed up the prices of all goods and services. At the same time, he said, the company has been making very substantial capital investments at ever increasing unit costs.

Counsel pointed out that the company has tried to minimize the effect of rising prices upon its operation and that its earnings have grown much more slowly than its capital investment resulting in a rate of return for the 12-month period ending March 31, 1975, of 6.84 per cent, well below the 9.07 per cent rate of return last authorized by this commission in its Order No. 11,570 dated September 25, 1974.

Counsel argued that for the foregoing reasons — i.e., the increase in expenses for goods and services, the more expensive per unit increases in capital investment, the lag in the earnings growth and the failure to actually realize the allowed rate of return — it has requested the commission to take jurisdiction under RSA 378:7 and that the commission determine the just and lawful rates and charges to be charged by the company for its services.

We take jurisdiction and proceed pursuant to general legal principles of public utility law that a public utility is entitled to a return on its investment commensurate with returns on investments of other enterprises of similar risk, and sufficient to allow the company to operate successfully, to maintain its financial integrity and to attract capital.

The Test Year

[1] The purpose of a "test year" is to provide a reasonable basis for estimating the future operating expenses and return requirements of a company, as a guide in determining future revenue requirements and utility rates. The test-year investment, revenues and expenses properly developed, provide the basis for determining the total cost of rendering utility service, that is, revenue requirements. Tariffs are then designed to produce these total revenue requirements. A recently past test year thus serves as a guide for the establishment of rates for the future.

In this case, the company contends the historical test-year approach is unsuccessful (especially in inflationary times). They contend that investment costs and expenses do not remain constant during a period of rapid inflation and, therefore, the company in reality

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never actually has earned its rate of return. The company presented the, commission with data consisting of projections for the 12-month period ending with each calendar quarter from June 30, 1975, through July 30, 1977. They projected net telephone earnings and average net investment for this purpose.

Staff contends that the company's projections are susceptible to error and, therefore, not a reliable basis for rate making. Staff principally addressed itself to the matter of ongoing expenses and revenues to arrive at a plausible and reasonably realistic indication of what the future might obtain. Volumes of data requests sought information to aid in the analysis of future expectations of the company. After presentation of all this evidence and after hearing repeated staff statements regarding the infirmities of such data as an indicator for the future, the commission concludes that the traditional approach to rate regulations — i.e., the test-year approach — is the most accurate to measure the relationship between investment and earnings. Future predictions necessarily involve speculation and the commission rejects this approach.

In addition to the use of a test year of twelve months actual operating results the commission will consider the average of those actual results for this rate case analysis. It has been the recorded observation of the staff over a decade that local and toll revenues peak consistently in June, July, and August of each year. Also, the company engages in estimating monthly revenue and adjusting their estimates in subsequent months (this results in reported peaks and valleys). Thus, short periods of time are not an accurate indicator of overall results. The commission, therefore, uses the 12-month actual test-year period averaged to produce a more realistic measure of company trends in operations.

The commission in other rate cases has recognized the need for adjustments to historical test-year data when the facts justify such adjustments. The commission has provided for an attrition allowance (see Re New England Teleph. & Teleg. Co. DR 74-94) and adjustments to the test-year period for known changes that will take place after the test-year period closes (see Re Public Service Company of New Hampshire, DR 6081). These adjustments have proven logical, just and reasonable and the commission will adhere to its historical test-year approach making adjustments as the facts justify.

In this case, actual figures were first filed for the twelve months ending March 31, 1975.

During the progression of this case, actual figures of investment, expenses, and revenue for the 12-month period ending December 31, 1975, have been filed. The commission finds that the test-year period January 1, 1975, through December 31, 1975, is a reasonable and proper test year to be used as a standard for the determination of the level of the company's reasonable rates and charges.

Rate Base

[2-4] In this proceeding we must determine the appropriate rate base of the company upon which we should test the adequacy of its earnings during the test year. The higher the rate base, the more the revenue requirements of the company will be.

The rate base is developed by determining the cost of plant used and useful in providing the company's service, deducting the accumulated reserve for depreciation, adding certain additional

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amounts which may be required to reflect other continuing requirements of service provisions which might be funded by investors, such as the investment in materials and supplies, inventories and cash working capital and then deducting certain other amounts to reflect that portion of the company's plant which has been financed by funds provided by its customers. Also, certain adjustments may be made to reflect known changes which will affect the provision of service, in the near-term future.

The company proposes the use of a year-end rate base while the staff urges use of a rate base computed on average investment during the chosen test year. The reasons for the commission's choosing an average rate base are well settled (52 NH PUC Book II, pp. 5.5, 56). The commission will adhere to the use of its average rate base approach.

The sole purpose of developing a rate base is to determine the average investment upon which the company is to earn a fair rate of return. The rate base provides the basis for determining the return element that a company should receive on its investment. This return element reflects the cost of capital; that is, the payment which must be made to investors to compensate them for the company's continuing use of investor-supplied capital but clearly the return must not include payment to the utility for the continuous use of cost-free capital supplied by other than investors.

Thus, the element of deferred income taxes, in addition to being excluded from the capital structure, also is deducted from the rate base. These accumulated deferred taxes represent cost-free capital received from customers and applied to general corporate purposes. The ratepayers ought not to be required to pay a return on funds that they themselves have furnished. They should not, therefore, be a part of the rate base upon which the company derives an additional return.

In addition, the investment tax credit reserves are likewise deducted from rate base. This sum also represents funds supplied to the company by customers. These funds are collected from the customers for the payment of the company's income tax in full but as a result of the credit they are not paid in full. These accumulated amounts represent cost-free capital provided by the ratepayer. Again, the ratepayers ought not to be required to pay a return to the company on funds

which they, themselves, have furnished. Consequently, these amounts should be deducted from rate base.

We find that an average rate base for the test year 1975, in an amount of \$171,160,000 is reasonable and proper to test rates in this proceeding, as shown by the following table:

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

TABLE I
NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY
NEW HAMPSHIRE INTRASTATE OPERATIONS
AVERAGE RATE BASE
YEAR 1975

Line
(A)

1. Telephone Plant in Service (100.1)
2. Telephone Plant Under Construction (100.2)
3. Property Held for Future Telephone Use (100.3)

4. Average Telephone Plant
5. Less: Depreciation Reserve (171)

6. Average Net Telephone Plant
7. Plus: Working Capital (Customer Deposits Excluded)
8. Accumulated Investment Tax Credits
9. Accumulated Deferred Income Taxes (176)

10. Rate Base

Fair Rate of Return

The primary issue in this case is the reasonableness of the intrastate rates and charges of the company to its telephone subscribers in New Hampshire. The reasonableness of the company's rates must be tested by the standard rate of return. Therefore, the main issue bearing upon the reasonableness of rates and charges is the question of what is the fair rate of return. This, in large measure, is predicated upon the cost of capital.

There are three important issues, then, that we must resolve in determining the fair rate of return:

1. The cost of debt capital
2. The cost of equity capital
3. The capital structure of the company

Cost of Debt

[5] Daniel K. Hardenbergh, financial supervisor of the company, in his computation of the cost of capital, used a figure of 7.04 per cent for the embedded cost of the company long-term debt (company Exh B, p. 14). Mr. Hardenbergh did not reflect in his calculations the cost of short-term debt since it must be refinanced in the near-term future with either long-term debt or

equity. Mr. Hardenbergh believes that the temporary nature of short-term borrowing coupled with widely fluctuating cost rates would, if used, produce an unreliable test of the required fair rate of return (company Exh A, p. 22).

Mr. Hardenbergh calculated the total of the company's long-term debt issued outstanding to be 51,566,667,743. In order to carry these long-term securities the company incurs annual debt charges computed by Mr. Hardenbergh to be \$110,319,340. Mr. Hardenbergh divided the annual charges by the total long-term debt resulting in the embedded cost of debt figure used of 7.04 per cent.

Commission expert Trawicki of

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Touche, Ross & Co. adjusted the principal amount of long-term debt for the unamortized debt discount, premium, and expense. This resulted in \$1,555,347,723 of long-term debt, dividing the annual debt charges as found by Hardenbergh by this adjusted long-term debt figure embedded cost of debt of 7.09 per cent (staff Exh 50, Schedule 3). This is slightly higher than the company's calculation but we accept Mr. Trawicki's figure of 7.09 per cent.

We find that long-term debt comprises 46.2 per cent of the total capital structure. The company uses a figure of 33.9 per cent for long-term debt but we find that this is not supported by any historical figure. We agree with the calculation of witness Trawicki (staff Exh 50, Schedule 1) wherein he averages eight known quarters of actual figures to arrive at an average long-term debt component of capital structure. We think this approach is reasonable and that the figure 46.2 per cent is representative of the company's actual long-term debt situation.

Unlike Mr. Hardenbergh, Mr. Trawicki computed the cost of short-term debt. He noted that the company has three sources of short-term debt: (1) advances from AT&T, (2) bank loans, and (3) commercial paper. He noted that the advances are made at the lowest prime rate, assumed that the company could also continue to take bank loans at the prime rate 7.25 — 7.5 per cent and used the current 5.9 per cent rate on 90-day commercial paper. The composite rate then in the vicinity of 7 per cent was adjusted to 7.5 per cent considering the uncertainty noted by Hardenbergh in the actual cost rates for this type of financing.

We find it is proper to include the cost of short-term debt component in arriving at a total cost of debt capital. It is appropriate because a review of the company's recent financial history and financial policy shows that short-term debt has been used as a permanent source of financing. The company uses its short-term credit until such times as it becomes advantageous to change to permanent long-term debt financing. The company's financing prospectuses state that constant use of short-term debt is part of its financial policy (staff Exh 50, p. 21).

The commission will use witness Trawicki's unrebutted computation of a short-term debt factor of the company's capital structure. The short-term debt is thus determined by averaging the actual short-term debt levels existing in each of eight successive quarters ending September 30, 1975. Schedule 1 attached to staff Exh 50 sets forth the computation. The commission will use a 4.1 per cent short-term debt factor for inclusion in the capital structure at a rate of 7.5 per cent as determined by witness Trawicki.

We, therefore, find the company's cost of debt to be 7.09 per cent for its long-term debt and 7.50 per cent for its short-term debt.

Capital Structure

[6] The company includes deferred income taxes as a zero-cost component of its capital structure. We do not allow this treatment notwithstanding recent decisions in Rhode Island, Massachusetts, and Vermont holding to the contrary. The commission finds that its prior treatment of deferred taxes as a deduction from rate base is sound.

Deferred taxes must be either included in capital structure or deducted from rate base. To do neither would be

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extremely favorable to the company; to do both would be very unfavorable. Whichever treatment is chosen, however, the resulting effect on revenue requirements is similar. Including deferred taxes in capital structure lowers the rate of return and thus the revenue requirement, all else remaining equal. Deducting deferred taxes from rate base lowers that figure and thus the revenue requirement, all else remaining equal. The difference in the reductions to revenue requirement by either method is minimal and does not compel a change of approach on this issue.

The company requests the inclusion of deferred taxes in the capital structure. We maintain that inclusion of deferred taxes reduces the debt and equity levels and, therefore, distorts the true capital structure. Inclusion, we think, will distort the true cost of debt and equity to the company. Accordingly, we disallow deferred taxes as a zero-cost component of the capital structure and we find the company capital structure as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Long-term and Intermediate Debt	46.2%
Short-term Debt	4.1
	50.3
Equity	49.7
Total Capital	100.0%

Cost of Equity

[7] It is difficult to compute the cost of equity capital. This element of cost does not admit to precise measurement because it involves the future earnings expectation of investors. The calculation, therefore, is not an exact science and becomes judgmental. Approximations and estimates are used after considering numerous factors. Several methods were used by the witnesses in this proceeding. Mr. Hardenbergh used three methods in determining cost of equity capital: (1) Comparison of risks method (company Exh A, p. 12); (2) Market-based investor-expectation approach (company Exh A, p. 26); and (3) Equity premium approach (company Exh A, p. 37).

The *comparison of risk method* yielded a cost of common equity in the range of 13.5 per cent and 15 per cent as computed by Mr. Hardenbergh. His computation under this method involved

consideration of several factors, among them: risk analysis, capital structure, business risk, interest coverage, and cost of debt.

The *market-based investor-expectation approach* yielded a cost of common equity in the range of 14.1 per cent and 15.5 per cent as computed by Mr. Hardenbergh. His computation under this method involved consideration of several factors, among them: market-to-book ratios, dividend yield, and company earnings per share.

The *equity premium approach* yielded a cost of common equity in the range of 13.75 per cent and 15 per cent as computed by Mr. Hardenbergh. His computation under this method involved consideration of one factor primarily: the historical relationship between equity return and cost rates of new debt securities.

Mr. Trawicki used two methods in determining cost of equity capital: (1) the comparison of risks method and (2) the discounted cash-flow method.

The *comparison of risks method* yielded a cost of common equity of 12.5 per cent as computed by Mr. Trawicki. His finding was based on an analysis of historical data of approximately 200 individual companies over a period of ten years (1965-74) as provided in a data base maintained by Investors Management Services, a division of Standard

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and Poor. His finding was also based upon growth and stability indices and operating ratios to measure business risk. Mr. Trawicki used capital structures, interest coverages, market-to-book ratios, and AFC as a fraction of earnings to measure financial risk.

The discounted cash-flow method yielded a cost of common equity of 12.58 per cent as computed by Mr. Trawicki. His findings are based on dividend yields, investor expected growth rate, and market pressure and fluctuation. This method is summarized in the following formula:

[Equation below may extend beyond size of screen or contain distortions.]

Cost Rate of Equity = Dividend Yield + Growth

The element of dividend yield is the product of the dividend per share divided by the market price per share and the element of growth is comprised of the anticipated annual growth rate in dividends per share.

All of these methods have one goal in common: they all seek to determine what it is the investor requires by way of future returns, in order to induce him to provide his capital to the utility.

Mr. Trawicki testified that company dividends per share have remained unchanged for the last five years (staff Exh 50, p. 29) at a level of \$2.36 per share. For the last ten years a slight growth has occurred but as Mr. Hardenbergh points out, the quarterly dividend rate of the company has not changed since the third quarter of 1966 — nearly nine years ago (company Exh A, p. 8). Mr. Hardenbergh testified that an investor looks for growth and that if the company cannot grow it may lose future investors to competing companies with better dividend per share

credentials. Mr. Trawicki stated that dividends per share is an indication of overall risk and an indicator of an investors certainty regarding yield (the common stock yield being the dividend on the stock divided by the price of that stock). He stated also that an investor who is able to anticipate his cash income (yield) is exposed to less risk.

Mr. Hardenbergh testified that the company has not been able to keep pace with other utilities and industrials in the area of earnings growth. The company earnings per share growth, according to Mr. Hardenbergh, is merely 0.6 per cent a year (company Exh A, p. 8). Mr. Hardenbergh states that this poor earnings growth performance relatively speaking has had a negative impact on the company's ability to increase its quarterly dividend and on the market price of the stock. Mr. Hardenbergh further states that the cumulative effect of the poor earnings growth, the lack of growth, the lack of growth in dividends and the resulting depressed market price for their stock has all combined to negatively affect the common equity holders in the company. Mr. Trawicki admits to the decline in earnings per share (staff Exh 50, p. 28).

We take judicial notice of financial information relating to the company, released from company headquarters, and received at this office upon request, on March 19, 1975. The information (covering a comparison of the three months ended February 29, 1976, with the three months ended February 28, 1975) indicates an increase in earnings per average share of nine cents from \$2.48 to \$2.57. Company counsel in his transmittal letter explains that recent rate increases in Rhode Island and Massachusetts and other older rate increases in Maine and New Hampshire affect this statement of earnings.

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Mr. Hardenbergh stated that market price is a prime indication of investor reaction to past earnings records and his confidence and acceptance of earnings expectations. Mr. Hardenbergh points out that the company market-to-book ratio has been below that of the competition (company Exh A, p. 9). Mr. Trawicki confirms this but goes on to say that relatively speaking, all other utilities have experienced a decrease in market-to-book ratios indicating an undesirable and unfavorable trend throughout the entire utility industry (staff Exh 50, p. 31).

Mr. Hardenbergh indicates that high operating ratios involve greater risk to an investor. A drop in revenues or increase in expenses or taxes in a company with a high operating ratio will decrease the company income to a greater degree than for a company with a lower operating ratio. Mr. Trawicki agrees with this analysis indicating that companies with high operating ratios are more subject to fluctuations in profitability. According to Trawicki, the company's ratio falls between the industrials (higher) and other utilities (lower). He testified that the company's ratio is considerably lower than the industrials and similar to the other utilities. Mr. Trawicki testified also that other factors such as predictability (of dividends per share) and sales stability — i.e., revenues — should be considered to balance the operating ratio analysis. Mr. Trawicki in his testimony (staff Exh 50, p. 28) indicates that like other utilities, the New England company has had a high degree of sales stability during the last five and ten years.

Mr. Hardenbergh testified that the company's interest coverage has substantially deteriorated

in both absolute and relative position to industrials and other utilities (company Exh A, p. 19). The coverage drop, he stated, affects the credit rating of the company in capital markets and cites a Standard & Poor's rating supporting his contention (May, 1975). Mr. Trawicki acknowledges the decline in coverage but indicates that the company has maintained a coverage greater than the gas and electric composites (staff Exh 50, p. 30).

The company's security holders bear a greater financial risk as the proportion of debt increases. This occurs because a greater amount of earnings must be paid to bond holders as interest. A company in its policy to provide a balanced capital structure must account for this financial risk. This risk varies over time with new financing in the market place and is balanced by a company's business risk. Mr. Trawicki points out (staff Exh 50, pp. 29, 30) that the company has used less common equity than other utilities, thereby assuming more financial risk.

Mr. Trawicki testified that when companies include allowance for funds during construction in reported earnings, this has an undesirable effect on cash generation and is looked on as being a lower quality than real earnings from operations. Mr. Trawicki testified (staff Exh 50, p. 32) that the company's AFDC as a percentage of reported earnings is considerably lower than for electric utilities, thus indicating a considerably lesser relative risk for this indicator than for the electric industry.

Discounted Cash Flow

Mr. Trawicki analyzed the dividend yield on the company stock (staff Exh 50, Schedule 17) and estimated the investors expected growth rate in arriving at a cost of common equity by the DCF

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method. The dividend yield (dividend rate per share divided by market price) was calculated for 1970 through and including 1975 (annualized). Mr. Trawicki noted that the dividend yield increased in 1972, 1973, 1974, and 1975 largely due to the effects of recession, inflation, political turmoil, and specific investor disenchantment with utility stocks in 1974 and 1975. All of these factors reduced market price, i.e., with a constant dividend, as noted earlier, the yield increased. Mr. Trawicki, therefore, used an average yield for a 33-month period from January 1, 1973, through September 30, 1975. The resulting figure used is 8.33 per cent.

Mr. Trawicki testified that growth rate factors (earnings per share, dividends per share, and book value per share) have shown no growth at all over the last five years. He stated that informed investors would not expect this trend of nongrowth to continue. Looking at the company as one of the "Bell" companies, one might reasonably expect a growth similar to the other "Bell" companies. Also looking into the past one might reasonably expect the Bell companies, after a period of adversity, to return to the kind of growth it had known over the long run. These reasonable growth expectations coupled with the calculation of yield lead Mr. Trawicki to recommend a 12.58 per cent return on common equity under this DCF method, 0.08

per cent higher than the rate determined by his risk analysis.

The company historically has a business risk — i.e., operating ratios — relatively less than industrials and similar to other telephone companies. The company has assumed a financial risk — i.e., a high debt capital structure — higher than the industrial composite but considerably lower than the gas and electric composites as indicated by its capital structure and fixed charge coverages.

Based on the foregoing analysis we find that a fair and adequate rate of return on common equity is 12.5 per cent. The company has had stable dividends for many years and this produces certainty for investors. The company has shown sales stability, thus stable revenues, which in turn indicates the ability to maintain those stable dividends, consistency in operations and the ability to plan for the future.

This increase in the return on common equity will benefit the existing equity holders who have experienced a lack of growth in company earnings and will restore their confidence in the financial integrity of the company, and further the company's credit and ability to attract capital will also improve.

Summary — Fair Rate of Return

We compute the rate of return in this case as follows, using the figures established in the foregoing analysis.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Cost</i>	<i>Per Cent of TotalCost</i>		<i>Weighted</i>
Equity	49.7	12.5%	6.212%
Debt			
Long	46.2	7.09	3.275
Short	4.1	7.50	.327
	<hr/>		
Total Capital	50.3		
	100.0		9.81%

It is our determination, based on all the evidence in this case, that a 9.81 per cent overall rate of return is just and reasonable, and that this rate is necessary for the company to continue to meet the ever-increasing needs of its customers. We find that this allowed rate of return of 9.81 per cent should provide sufficient earnings to assure the financial integrity of the company and permit it to attract the necessary capital.

Revenue Requirements

Revenue requirements for a regulated utility equal total cost of providing service, inclusive of all operating expenses, depreciation, taxes, and a fair rate of return.

Company and staff exhibits compute revenue deficiency in the following manner. First, required revenue is computed by multiplying rate base times rate of return; second, the test-year net telephone earnings are adjusted to reflect known changes and disallowed expenses; and, third, adjusted net telephone earnings are subtracted from the required revenue to yield the revenue deficiency. The revenue deficiency adjusted for income taxes, as above, is the additional or increased amount of revenue the company must be

allowed to collect on an annual basis going forward. Before developing the required revenue requirements of the company, we will consider four elements of operating expenses: the license contract expense, the wage expense, the advertising expense, and the concession service expense.

Operating Expenses

[8] Operating expenses include, generally, wages, salaries, maintenance, advertising, charitable contributions plus annual charges for depreciation and operating taxes. Specifically, in this case, because we are dealing with the New England Telephone and Telegraph Company, we must examine the license contract expense of the company.

By this agreement the American Telephone and Telegraph Company (hereinafter sometimes referred to as "AT&T") grants certain rights and agrees to furnish certain services to the New England company, for which the New England company agrees to pay a specific rate. American Telephone and Telegraph Company is a corporation comprised of only two departments which are the long lines department serving the interstate telephone network and the general department providing services to the operating companies such as the New England company. The services provided are research and fundamental development, advice and assistance in financial matters and the protected right to use all telephone and telephonic devices and systems. For these services the New England company will pay to AT&T a sum equal to each licensee's allocated share of total costs including a return on investment associated with providing license contract services but not the exceed 2.5 per cent of the New England company's local and toll revenues less uncollectibles. The 2.5 per cent rate has been effective since notification by AT&T on June 3, 1974. Prior to that and for many years, it was one per cent.

The allocated license contract costs which represent the license fee for the twelve months ending March 31, 1975, are \$18,345,984 for the New England company, \$1,539,719 for the state of New Hampshire and \$884,647 for New Hampshire intrastate (Exh W, Part VI,

Line 4, Columns B, C, and D respectively).

This commission, in Docket No. D-964 (Order No. 1780 dated March 25, 1926 [PUR1926E 186]) allowed as an operating expense a payment by the New England company to its parent company (AT&T) in an amount equal to 4.5 per cent of its (the New England company's) gross earnings under a license contract first established in 1902. In 1930 the license contract was restated and the payment thereunder reduced to 2.5 per cent of operating revenues of the operating telephone companies. This is the same contract and the same payment percentage that is in effect today and which is urged as an allowable operating expense in this case.

It is notable, however, that when payments received by AT&T exceeded the costs for providing those services, the payment percentage of the operating telephone companies was voluntarily and unilaterally reduced by the parent. In 1929, AT&T issued a letter of waiver to the operating companies indicating the payment percentage to be 1.5 per cent. In 1948 another letter of waiver reduced the percentage to one per cent. This seems ample proof to us that AT&T did not intend to make this a profit operation but rather one which recovered the cost of providing services. The evidence of intention indicates, we believe, the lack of any bad faith on the part of the American company.

On June 3, 1974, AT&T issued a letter rescinding the earlier waivers thus returning the payment percentage to the original contract level of 2.5 per cent. Due to a large deficit brought upon by increased costs, and greater demands for its services AT&T could no longer provide services at the waiver percentage of one per cent.

The services actually provided by AT&T to the New England company are extensive. Reference may be made to the voluminous list of those services attached to and made a part of company Exh AA. American Telephone and Telegraph Company would not be able to provide these extensive services for no payment. Indeed, our own staff in testimony urging denial of the total license contract expense recognized that AT&T should be allowed to recover the fair value of its services rendered. We think the fair value of these services is properly and appropriately recovered by AT&T under the license contract allocation process.

Four other New England states have recently considered the license contract expense. Vermont allowed the expense and stated that the arrangement has a reasonable cost basis but was concerned that many of the advanced technologies, services and efficiencies do not inure to the benefit of their almost totally rural state. Rhode Island also allowed the expense. Maine disallowed any increases in the license fee and Massachusetts also disallowed any increase over the one per cent figure previously used. We believe that the record before us shows the necessary benefit of the services listed in company Exh AA. New Hampshire, although somewhat like Vermont in its countryside characteristics does have many urban centers and is projected to have substantial increases in population in the years ahead. Whereas Vermont may not have the opportunity to take advantage of certain advanced technologies, New Hampshire can and has benefited. Indeed, our city of Nashua has a new ESS telephone network, a system made available by AT&T research and technology and installed with assistance

from specially trained parent company personnel. The city of Concord is the site of the next ESS network and this trend demonstrates the substantial benefit which inures to the New Hampshire public from the assistance of the American company. We think that the services provided and/or performed by the American company are almost indispensable to the New England company. We have no hesitancy in finding that they are worth to New England what they cost. And, availability of such services reduces the cost of providing adequate and modern service.

Some services under the license contract such as the assistance in developing and installing the new ESS system in Nashua have a direct benefit to New Hampshire customers. Other services, such as the servicing of AT&T securities, have only what we would consider a tangential benefit. We are concerned that not every category of service was examined at our hearing and that not every allocation was scrutinized but we recognize that an in depth inquiry such as this would likely have to be a separate and specialized body. Indeed, we have learned, and we take judicial notice of the fact that the National Association of Regulatory Utility Commissioners report on service charges by American Telephone and Telegraph to the Associated Bell Telephone Companies and Long Lines Department (New York, 1945) has studied this issue. Also, we take judicial notice of the fact that the Department of Justice

1(1) has also studied this issue. The NARUC study completed in 1945 and the Department of Justice report in 1958 were conducted while the one per cent license contract fee was in effect. Now that the 2.5 per cent minimum fee has been reinstated, based upon an allocation method which is not entirely clear, it is perhaps time again for an independent study to be done by one of these specialized groups. This commission as well as the commissions from Vermont, Maine, Massachusetts, and Rhode Island are dealing with the same company and the same contract and there is a compelling logic that there should be a certain consistency in these matters. The result, however, of a series of recent New England rate cases is an inconsistency of treatment on this issue. This is a

further reason for the need of an independent and current study of this aspect of the company operations. It is not without some reluctance that we allow the license contract fee as presented for approval by petitioner. We emphasize, however, that the independent and unilateral action of AT&T to voluntarily reduce the license fee twice in the past is indicative of a general intent to be compensated only for services actually rendered. Indeed, testimony indicates that AT&T carried a deficit under the previous license fee percentage of one per cent for several years. We emphasize also that the services provided are worth the cost paid for those services. We believe that the arrangement has a reasonable cost basis. We, therefore, allow the expense and support any study which would clarify the allocation method utilized in this license contract. We find further support in a United

States Supreme Court decision, Missouri ex rel. Southwestern Bell Teleph. Co. v Missouri Pub. Service Commission, 262 US 276, PUR1923C 193, 67 L Ed 981, 43 S Ct 544. The court in that case held that the Missouri commission was in error to disallow the license contract as an operating expense. The court stated:
 "There is nothing to indicate bad faith. So far as appears, plaintiff in error's board of directors has exercised a proper discretion about this matter requiring business judgement. It must never be forgotten that while the state may regulate with a view to enforcing reasonable rates and charges, it is not the owner of the property of public utility companies and is not clothed with the general power of management incident to ownership."

Wage Expense

Staff initially recommended a substantial ongoing intrastate expense reduction of payroll and other related costs (staff Exh 42, pp. 27, 30) based upon an attempt to compute the amount of ongoing wages as charged expense. The purpose of this method was to assess the future effect of wage expense on the company. Subsequent to company cross-examination on this issue (Tr Vol 8) staff filed supplemental testimony (staff Exh 43) in which staff recommended the commission adopt the actual wage expense experienced by the company for the twelve months ended September 30, 1975, rather than engage in predictions and assessments of future events. This revised recommendation eliminated an earlier substantial downward adjustment of wage and fringe expenses.

Advertising Expense

[9] Bell system advertisements concern various specific aspects of the Bell system operations. An advertisement regarding how to save money on your interstate telephone bill would be a charge against AT&T Long Lines Department and not charged directly to the New England company (staff Exh 34). An advertisement regarding research and technology is likewise not directly charged to the New England company but in this case rather to Western Electric (staff Exh 35). Advertisements of these subject matters are outside our jurisdiction whether they are institutional, general, conservational, or promotional. Some advertisements, however, are solely the product of the management of the New England company and are charged, therefore, directly to it, and then

allocated among the various states in which the company operates. The New Hampshire total advertising expense for the calendar year 1975 as reported in the company annual report is \$264,650. The issue involved here is whether or not advertising expense should be allowed for rate-making purposes; i.e., should the expense be charged against the ratepayer. We think that at the present time and from facts appearing in this record, that the advertising practices and policies of the company in this state are consistent with the statutory mandate to supply adequate service and facilities at just and reasonable rates. Although telephone company advertising objectives are similar to those of other utilities, we recognize that the company must compete with non-regulated suppliers of telephone equipment and other facilities.
Telephone

companies also advertise to educate their customers to new products and services and less costly ways to employ all available services. This expense for this advertising is just and reasonable in our opinion and, therefore, allowable as a charge against the ratepayer.

Concession Service Expense

[10] The commission finds the concession service offered to employees to be just and reasonable. The service is part of the wages petitioner pays to its employees and is a well-known method of compensation adopted by many companies when dealing with products sold to their own employees. In addition, such an offer to employees is allowed by statute (RSA378:15).

Attrition

[11] The commission finds that an attrition allowance is needed to see to it that the allowed rate of return is not eroded by the impact of increased operating expenses and/or plant investment that will probably occur. An increase in either operating expenses or plant investment or both at a faster rate than revenues increase would cause an erosion in the company's earnings power. We are in an inflationary period and it is reasonable to expect that costs will continue to increase. The evidence indicates that in the third quarter of 1976 the company will be renegotiating a labor contract which will inevitably result in an increased wage expense to the company. The company also has plans, according to the evidence, in the near future, to make some substantial increases in plant investment. These items are certain to occur although they are not quantifiable at the present time. The certainty of such occurrences leads us to grant the company an attrition allowance of two-tenths of one per cent. After having carefully considered all the evidence presented by the company and by the staff, we conclude that, to establish just and reasonable rates to a return of 9.81 per cent upon an average rate base of \$171,160,000, a revenue increase of \$12,976,000 is necessary. The following table computes these revenue requirements:

TABLE II

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY
 STATE OF NEW HAMPSHIRE
 INTRASTATE OPERATIONS
 DEVELOPMENT OF REVENUE REQUIREMENT
 USING YEAR 1975, ADJUSTED TO A COMMISSION BASIS
 (000) OMITTED

1. Net Telephone Earnings Adjustments:

\$ 11,710	
2. 1975 Wage Increase (Part not in Effect)	\$ (539)
3. January, 1976 Benefit Changes	(137)
4. 1976 Committed Wages	(254)
5. Estimated 1976 Cost of Living Adjustment	(390)
<hr/>	
(5.649 per cent)	
(1,320)	
<hr/>	
10,390	
6. 1975 Exchange Reclassification (Part not in Effect)	146
7. February and October, 1975 Layoffs	145
<hr/>	
(Part Not in Effect)	
291	
<hr/>	
8. Earnings with Adjustments	
10,681	
9. Rate of Return at 9.81 per cent Required Results	
16,791	
10. Deficiency	16,791
Less	10,681
<hr/>	
6,110	
11. Revenue Deficiency (Line 10 ÷ .4836)	
12,634	
12. Attrition Allowance (0.2 per cent)	
342	
<hr/>	
13. Revenue Requirement	
\$ 12,976	

We conclude, therefore, that an increase in revenues in the amount of \$12,976,000 is the increase to which the company is entitled on this record, considering the overall operation of the

company as measured by our standards.

Tariff Considerations

In view of the revenue requirements we have determined for the company, the company will be allowed by our order to submit a new tariff to replace the one filed in this proceeding, which new tariff will be designed to provide an additional \$12,976,000 in intrastate revenues based on the test year ending December 31, 1975.

In our order we shall direct the company to file a new tariff designed to produce the increase authorized herein. We shall not attempt to specify the precise level of each of the many rates for service set forth in the tariff. We do have some general comments which we feel will offer guidance in establishing the increased rates which upon filing will be subject to our final review and approval. We specifically find that increasing the coin telephone rate from ten cents to 20 cents is not justified and will not be allowed. The increase in the semipublic service charge from \$5 to \$10 should be moderated.

Four-party service should be reduced from its proposed level in the proportion that the authorized increase is reduced from the proposal.

Those services such as WATS which have certain elements of flat rate charges and impose a relatively high use on the system should be at a compensatory level.

With respect to toll service, we note substantial disparity between intra and interstate time schedules, definitions, and rate levels. While it may not be entirely possible to obtain complete parity between rates for these two services at this time, it seems to us that in the interest of simplicity and customer convenience, time schedules and definitions can and should be made comparable.

Quality of Service

[12] In our 1972 decision granting a rate increase to this company (57 NH PUC Book II, 47) we indicated further attention would be given to the quality of service and that the authorized increase would support necessary construction to bring about service improvements.

Since the 1972 decision, the following improvements are noted:

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

	1972	1976	Per Cent Change
<i>Held Orders</i>			
Main Service	132	52	-60.1
Regrades	1,981	211	-89.3
<i>Service Order Completions</i>			
Missed for Company reasons	6.0%	3.1%	-48.3
Missed for Customer reasons	5.0	7.1	+42.0
<i>Customer Trouble Reports</i>			
Per 100 Stations	5.4	3.97	-26.5
<i>Dial Service</i>			
Dial Tone Speed per cent over three seconds in busy hour	0.6%	0.3%	-50.0

Dial Service Local per cent equipment and overflows out	0.8	0.4	-50.0
DDD Service per cent equipment block and fail-in	3.8	1.7	-55.3
<i>Operator Service</i>			
Per cent toll and assistance answers over ten seconds	9.7%	9.5%	- 2.1
Directory Assistance – per cent answers over ten seconds	14.5%	15.2%	+ 4.8

These service improvements as measured by the above indices are significant and substantial, and appear to reflect prudent and wise use of the increase allowed by this commission in 1972. Our authorization in this decision is based in part upon the recognition that the above level of service should continue and that further improvements be made where possible.

Summary of Report

I. Test Year

We find that the test year ending December 31, 1975, as adjusted, is a reasonable standard for the determination of the level of rates and charges.

II. Rate Base

We determine the rate base upon which the company is entitled to have the opportunity to earn a fair return to be \$171,160,000. This is average net investment for the test year.

III. Cost of Debt

We find the cost of debt capital to be 7.09 per cent.

IV. Capital Structure

We find the capital structure to be 46.2 per cent long-term debt, 4.1 per cent short-term debt, and 49.7 per cent equity.

V. Cost of Equity

We find the cost of equity capital to be 12.5 per cent.

VI. Fair Rate of Return

It is our determination based on all of the evidence in this case, that a 9.81 per cent overall rate of return is just and reasonable, and that this allowed rate of

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return of 9.81 per cent should provide sufficient earnings to assure the financial integrity of the company and to permit it to attract the necessary capital.

VII. Attrition

We allow a two-tenths of one per cent factor for attrition.

VIII. Expenses

We find that the license contract expense, the wage expense, the advertising expense, and the

concession service expense are just and reasonable.

IX. Revenue Requirements

We find an increase of \$12,976,000 in revenues is the increase to which the company is entitled to on this record.

X. Tariff Considerations

We disallow the proposed increase in the coin telephone rate from ten cents to 20 cents.

XI. Quality of Service

We find improvements in quality of service since the 1972 rate case.

All other matters in issue, which have not been dealt with specifically herein, either were not sufficiently developed in the record to require separate treatment in our report or have been resolved as being consistent with our decision herein. All requests, petitions and motions not specifically granted herein are hereby denied.

Our order, consistent with the above findings, will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the revisions of its tariffs, NHPUC Nos. 70 and 73 — Telephone, as filed by New England Telephone and Telegraph Company on July 24, 1975, to become effective August 23, 1975, providing for basic rate increases of \$17,475,000, and which were suspended by commission Order No. 11,936 dated July 25, 1975, be, and hereby are, rejected; and it is

Further ordered, that, in accordance with the tariff revisions authorized by this report and order, New England Telephone and Telegraph Company file new tariff pages, setting forth therein rates designed to produce an annual increase in gross revenue of \$12,976,000; and it is

Further ordered, that when said new filing has been approved by this commission a supplemental order will issue authorizing said tariff; and it is

Further ordered, that such tariff pages shall carry the notation issued in compliance with Order No. 12,209 in case DR 75-164; and it is

Further ordered, that New England Telephone and Telegraph Company give public notice of this rate increase by publishing the same once, prior to the effective date, in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of April, 1976.

FOOTNOTE

¹Consent Decree program of the Department of Justice (hearings before the antitrust subcommittee of the Committee in the Judiciary, House, 85th Congress, 2nd Session) (Washington, D.C., U.S. Government Printing Office, 1958, Part 11, Volume 11, Pages 2508-2520).

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NH.PUC*04/19/76*[77614]*61 NH PUC 93*Public Service Company of New Hampshire

[Go to End of 77614]

Re Public Service Company of New Hampshire

DE 76-13, Order No. 12,212

61 NH PUC 93

New Hampshire Public Utilities Commission

April 19, 1976

PETITION for authority to construct and maintain electric lines; granted.

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BY THE COMMISSION:

Order

Whereas, by petition filed February 5, 1976, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17-20 to construct and maintain electric lines over and across the Androscoggin river in the town of Gorham, New Hampshire; and

Whereas, the petition represents that the proposed construction will cross apx. proximately 425 feet of the river for the purposes of reconstructing the 34.5 kv electric transmission lines and cables over and across said river which are part of its 34.5 kv system connecting the Berlin substation in Berlin and the Gorham substation in Gorham; said reconstruction due to the age and condition of the lines; and

Whereas, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

Ordered, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain electric lines over and across the Androscoggin river in the town of Gorham, New Hampshire, all in accordance with the above description which is contained on a plan on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of April, 1976.

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NH.PUC*04/20/76*[77615]*61 NH PUC 94*New Hampshire Electric Cooperative, Inc.

[Go to End of 77615]

Re New Hampshire Electric Cooperative, Inc.

DR 76-33, Order No. 12,213

61 NH PUC 94

New Hampshire Public Utilities Commission

April 20, 1976

PETITION by electric company for revisions in its purchased power adjustment; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on April 13, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 6 — Electricity, providing for a purchased power adjustment, effective May 1, 1976; and

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Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Third Revised Page 11C-1 of tariff, NHPUC No. 6 — Electricity, of New Hampshire Electric Cooperative, Inc., be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twentieth day of April, 1976.

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NH.PUC*04/20/76*[77616]*61 NH PUC 95*Public Service Company of New Hampshire v Heirs of Ellen E. Spalding

[Go to End of 77616]

Public Service Company of New Hampshire v Heirs of Ellen E. Spalding

DE 76-28, Order No. 12,214

61 NH PUC 95

New Hampshire Public Utilities Commission

April 20, 1976

ORDER by commission appointing guardian ad litem.

BY THE COMMISSION:

Order

Whereas, the commission has before it a petition for condemnation filed on March 23, 1976, by the Public Service Company of New Hampshire; and

Whereas, said petition describes certain land proposed to be taken; and

Whereas, it appears from land records that there are persons having an interest therein who are unknown or whose residences are unknown; and

Whereas, it also appears that there are persons having an interest therein who may be under a disability but who are not under a legal guardianship; it is

Ordered, that pursuant to RSA 371:5 and RSA 371:6;

(a) Richard A. Hampe, 91 North State Street, Concord, New Hampshire, is appointed guardian ad litem for persons unknown and/or whose residences are unknown;

(b) John F. Teague, 10 Centre Street, Concord, New Hampshire, is appointed guardian ad litem for persons who may be under a disability but for whom no guardian has been appointed.

By order of the Public Utilities Commission of New Hampshire this twentieth day of April, 1976.

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NH.PUC*04/20/76*[77617]*61 NH PUC 96*Public Service Company of New Hampshire

[Go to End of 77617]

Re Public Service Company of New Hampshire

DSF 6205, Supplemental Order No. 12,215

61 NH PUC 96

New Hampshire Public Utilities Commission

April 20, 1976

APPLICATION by electric company for certificate of site and facility for a nuclear project; granted.

BY THE COMMISSION:

Supplemental Order

Whereas, the commission issued its report and Order No. 11,267 dated January 29, 1974, issuing the Public Service Company of New Hampshire a certificate of site and facility for its

proposed Seabrook nuclear power plant; and

Whereas, said report and order, pursuant to RSA 162-F:8 (I) and (II), incorporated the findings of both the commission, the site evaluation committee and other license granting responsibilities; and

Whereas, subsequent to the issuance of Order No. 11,267 the site evaluation committee has met pursuant to an order by the New Hampshire supreme court for the limited purpose of providing basic findings of fact to support the ultimate conclusions of the site committee as originally expressed in terms of the statutory language in RSA 162-F: I, (a) and (d); and

Whereas, the site committee has produced a document entitled "Basic Findings of Fact by the Bulk Power Site Evaluation Committee in Connection with the Proposed Nuclear Generation Facility at Seabrook, New Hampshire" and voted unanimously by the committee on December 30, 1975, and reaffirmed unanimously on April 12, 1976, after rehearing; it is

Ordered, that the document entitled "Basic Findings of Fact by the Bulk Power Site Evaluation Committee in Connection with the Proposed Nuclear Generation Facility at Seabrook, New Hampshire" and dated December 30, 1975, and attached hereto [omitted herein] be, and hereby is, incorporated into the original order No. 11,267 granting a certificate of site and facility; and it as

Further ordered, that in every other manner and respect Order No. 11,267 remains in full force and effect.

By order of the Public Utilities Commission of New Hampshire this twentieth day of April, 1976.

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NH.PUC*04/21/76*[77618]*61 NH PUC 97*Public Service Company of New Hampshire

[Go to End of 77618]

Re Public Service Company of New Hampshire

DE 76-22, Order No. 12,219

61 NH PUC 97

New Hampshire Public Utilities Commission

April 21, 1976

PETITION by electric company for licenses to maintain electric lines over and across public waters; granted.

ELECTRICITY, § 7 — Authorization for transmission lines — Public waters.

[N.H.] Due to the increased recreational use of certain waters in the state, the commission granted an electric company licenses for certain crossings of transmission lines across public

waters for which applications were not filed in the initial general licensing proceedings.

BY THE COMMISSION:

Order

Whereas, by petition filed March 12, 1976, Public Service Company of New Hampshire seeks licenses pursuant to RSA 371:17-21 as amended by Chap 21, Laws of 1967, for licenses to maintain electric lines over and across public waters in the state of New Hampshire; the location, construction, and design of which are shown on the 52 appendices attached to the petition; and

Whereas, the petition represents that it is necessary for the petitioner to maintain electric transmission and distribution lines of wires and cables over and across certain lakes, ponds, and streams in the state of New Hampshire which lines are part of its electric system throughout the state; and

Whereas, due to the increased recreational use of certain waters of the state, the petitioner has reviewed its construction and design of electric lines crossing lakes, ponds, and streams within the state of New Hampshire and determined that certain crossings for which applications were not filed in the initial general licensing proceedings of the commission in 1955 or thereafter now may require licenses as crossings of "public waters" pursuant to RSA 371:17-21; and

Whereas, following due notice no objections were raised by any of the interested parties to the petitioner's request and upon investigation of all the facts before the commission, it is found that the licenses hereby requested may be exercised without substantially affecting the public rights in said waters; it is

Ordered, that licenses, be and hereby are, granted to Public Service Company of New Hampshire for those crossings described in the 52 appendices of the petition which is on file at the office of this commission.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of April, 1976.

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NH.PUC*04/21/76*[77619]*61 NH PUC 98*New Hampshire Electric Cooperative, Inc.

[Go to End of 77619]

Re New Hampshire Electric Cooperative, Inc.

DR 76-33, Supplemental Order No. 12,220

61 NH PUC 98

New Hampshire Public Utilities Commission

April 21, 1976

PETITION by electric cooperative for revisions in its purchased power adjustment; granted.

 RATES, § 303 — Variable rates based on cost — Purchased power adjustment — Electric cooperative.

[N.H.] The commission granted an electric cooperative the authority to increase its purchased power adjustment where it found that the increase was necessary to permit the cooperative to maintain its present return on investment and would only serve to pass through the actual cost of the purchased power.

BY THE COMMISSION:

Supplemental Order

Whereas, the New Hampshire Electric Cooperative, Inc., by petition filed April 13, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 6 — Electricity, providing for an increased purchased power adjustment effective May 1, 1976; and

Whereas, the increase is occasioned by a Federal Power Commission order issued March 10, 1976, in Docket No. ER76-505 allowing Public Service Company of New Hampshire a rate increase applicable to its wholesale customers; and

Whereas, the Federal Power Commission order takes effect on April 11, 1976, subject to refund; and

Whereas, the New Hampshire Electric Cooperative, Inc., has a purchased power adjustment clause in its tariff which was previously investigated and approved by this commission after hearing; and

Whereas, this commission has no jurisdiction over the wholesale rate increase decided by the Federal Power Commission; and

Whereas, the commission by Order No. 12,213 dated April 20, 1976 (61 NH PUC 94, *supra*), suspended the company's request to increase the purchased power adjustment; and

Whereas, after full investigation and consideration of the company's filing it appears that the increase is necessary to permit the company to maintain its present return on investment and will only serve to pass through the actual cost of the purchased power expense; it is

Ordered, that New Hampshire Electric Cooperative, Inc., be, and hereby is, authorized to pass through to its customers the increase in purchased power as shown on their filed tariff.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of April, 1976.

=====

NH.PUC*04/21/76*[77620]*61 NH PUC 99*Concord Electric Company

[Go to End of 77620]

Re Concord Electric Company

DR 76-34, Supplemental Order No. 12,221

61 NH PUC 99

New Hampshire Public Utilities Commission

April 21, 1976

PETITION by electric company for revisions in its purchased power adjustment; granted.

RATES, § 303 — Variable rates based on cost — Purchased power adjustment — Electric.

[N.H.] The commission granted an electric company the authority to increase its purchased power adjustment where it found that the increase was necessary to permit the company to maintain its present return on investment and would only serve to pass through the actual cost of the purchased power.

BY THE COMMISSION:

Supplemental Order

Whereas, Concord Electric Company by petition dated April 7, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 6 — Electricity, providing for an increased purchased power adjustment effective April 26, 1976; and

Whereas, the increase is occasioned by a Federal Power Commission order issued March 10, 1976, in Docket No. ER76-505 allowing Public Service Company of New Hampshire a rate increase applicable to its wholesale customers; and

Whereas, the Federal Power Commission order takes effect on April 11, 1976, subject to refund; and

Whereas, the Concord Electric Company has a purchased power adjustment clause in its tariff which was previously investigated and approved by this commission after hearing; and

Whereas, this commission has no jurisdiction over the wholesale rate increase decided by the Federal Power Commission; and

Whereas, the commission by Order No. 12,205 dated April 14, 1976, (61 NHPUC 72, *supra*), suspended the company's request to increase the purchased power adjustment; and

Whereas, after full investigation and consideration of the company's filing it appears that the increase is necessary to permit the company to maintain its present return on investment and will only serve to pass through the actual cost of the purchased power expense; it is

Ordered, that Concord Electric Company be, and hereby is, authorized to pass through to its customers the increase in purchased power as shown on their filed tariff.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of

April, 1976.

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NH.PUC*04/21/76*[77621]*61 NH PUC 100*Exeter and Hampton Electric Company

[Go to End of 77621]

Re Exeter and Hampton Electric Company

DR 76-35, Supplemental Order No. 12,222

61 NH PUC 100

New Hampshire Public Utilities Commission

April 21, 1976

PETITION by electric company for revisions in its purchased power adjustment; granted.

RATES, § 303 — Variable rates based on cost — Purchased power adjustment — Electric company.

[N.H.] The commission granted an electric company the authority to increase its purchased power adjustment where it found that the increase was necessary to permit the company to maintain its present return on investment and would only serve to pass through the actual cost of the purchased power.

BY THE COMMISSION:

Supplemental Order

Whereas, the Exeter and Hampton Electric Company by petition dated April 7, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 11 — Electricity, providing for an increased purchased power adjustment effective April 26, 1976; and

Whereas, the increase is occasioned by a Federal Power Commission order issued March 10, 1976, in Docket No. ER76-505 allowing Public Service Company of New Hampshire a rate increase applicable to its wholesale customers; and

Whereas, the Federal Power Commission order takes effect on April 11, 1976, subject to refund; and

Whereas, the Exeter and Hampton Electric Company has a purchased power adjustment clause tariff which was previously investigated and approved by this commission after hearing; and

Whereas, this commission has no jurisdiction over the wholesale rate increase decided by the Federal Power Commission; and

Whereas, the commission by Order No. 12,206 dated April 14, 1976 (61 NH PUC 73, *supra*), suspended the company's request to increase the purchased power adjustment; and

Whereas, after full investigation and consideration of the company's filing it appears that the increase is necessary to permit the company to maintain its present return on investment and will only serve to pass through the actual cost of the purchased power expense; it is

Ordered, that Exeter and Hampton Electric Company be, and hereby is, authorized to pass through to its customers the increase in purchased power as shown on their filed tariff.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of April, 1976.

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NH.PUC*04/23/76*[77622]*61 NH PUC 101*Wolfeboro Municipal Electric Department

[Go to End of 77622]

Re Wolfeboro Municipal Electric Department

DR 76-39, Order No. 12,225

61 NH PUC 101

New Hampshire Public Utilities Commission

April 23, 1976

PETITION by electric company for revisions in its purchased power adjustment; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Wolfeboro Municipal Electric Department, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on April 22, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 4 — Electricity, providing for a purchased power adjustment, effective May 1, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that First Revised Page 9B-1 of tariff, NHPUC No. 4 — Electricity, of Wolfeboro Municipal Electric Department be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of April, 1976.

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NH.PUC*04/27/76*[77623]*61 NH PUC 101*New England Telephone and Telegraph Company

[Go to End of 77623]

Re New England Telephone and Telegraph Company

DR 75-164, Supplemental Order No. 12,227

61 NH PUC 101

New Hampshire Public Utilities Commission

April 27, 1976

COMMISSION order cancelling supplemental order, and further ordering publication of telephone company's new rates.

BY THE COMMISSION:

Supplemental Order

Whereas, New England Telephone and Telegraph Company has filed new tariff pages setting forth rates to produce an annual increase in gross revenues of \$12,975,000, as directed by commission

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Order No. 12,209 ([1976] 61 NH PUC 74, 14 PUR4th 295, *supra*); and

Whereas, after review and study of the proposed rates, the commission is satisfied that the company has complied with the provisions of Order No. 12,209; it is

Ordered, that the following listed tariff pages, filed with the commission on April 22, 1976, be, and hereby are, permitted to become effective with all telephone service rendered on and after May 1, 1976:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

NHPUC - No. 70	
Part II - Section 1	- Revision of Pages 1 through 6
Part III - Section 1	- Revision of Pages 1 through 9
- Section 4	- Revision of Page 1
- Section 5	- Revision of Pages 9 through 18, 20, 22, 23, 29, and 30
- Section 7	- Revision of Page 2
- Section 8	- Revision of Page 1
- Section 9	- Revision of Page 1
- Section 12	- Revision of Pages 2 through 9
- Section 13	- Revision of Page 1
- Section 15	- Revision of Pages 1, 2, and 4 through 17
- Section 16	- Revision of Pages 4 and 5
- Section 17	- Revision of Pages 4 through 18
- Section 18	- Revision of Pages 2, 3, and 4
- Section 20	- Revision of Page 1
- Section 22	- Revision of Page 2
- Section 23	- Revision of Pages 6 through 12
- Section 24	- Revision of Page 1
- Section 25	- Revision of Pages 1 through 4

- Section 27 - Revision of Page 1
- Section 28 - Revision of Pages 2 and 3
- Section 29 - Revision of Page 1
- Section 30 - Revision of Page 2
- Section 31 - Revision of Pages 1 and 2
- Section 40 - Revision of Pages 2 and 6 through 9

- Part IV - Private Lines - Revision of Pages 34 through 37, 42
 through 47, 49, 50, 51, 54, 55, 56, 61,
 62, 63, 64, 68, 69, and 76
- Part V - Message Toll - Revision of Pages 1, 2, and 3
- Part VI - WATS - Revision of Page 4

- NHPUC - No. 73

- Mobile - Revision of Pages 9 and 10;

and; it is

Further ordered, that Supplement Nos. 1 through 11, and 13, be, and hereby are, permitted to be cancelled, inasmuch as the material formerly in said supplements are now incorporated in the tariff changes approved above; it is

Further ordered, that publication of these new rates be made, in the usual manner, in a newspaper having general circulation in the territory affected.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of April, 1976.

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NH.PUC*04/27/76*[77624]*61 NH PUC 103*Wolfeboro Municipal Electric Department

[Go to End of 77624]

Re Wolfeboro Municipal Electric Department

DR 76-39, Supplemental Order No. 12,228

61 NH PUC 103

New Hampshire Public Utilities Commission

April 27, 1976

PETITION by electric company for revisions in its purchased power adjustment; granted.

RATES, § 303 — Variable rates based on cost — Purchased power adjustment — Electric company.

[N.H.] The commission granted an electric company the authority to increase its purchased power adjustment where it found that the increase was necessary to permit the company to maintain its present return on investment and would only serve to pass through the actual cost of the purchased power.

BY THE COMMISSION:

Supplemental Order

Whereas, Wolfeboro Municipal Electric Department, by petition filed April 22, 1976, filed with this commission certain revisions to its tariff, NHPUC No. 4 — Electricity, providing for an increased purchased power adjustment effective May 1, 1976; and

Whereas, the increase is occasioned by a Federal Power Commission order issued March 10, 1976, in Docket No. ER76-505 allowing the Public Service Company of New Hampshire a rate increase applicable to its wholesale customers; and

Whereas, the Federal Power Commission order takes effect on April 11, 1976, subject to refund; and

Whereas, Wolfeboro Municipal Electric Department has a purchased power adjustment clause in its tariff which was previously investigated and approved by this commission after hearing; and

Whereas, this commission has no jurisdiction over the wholesale rate increase decided by the Federal Power Commission; and

Whereas, the commission, by Order No. 12,225 dated April 23, 1976 (61 NHPUC 101 *supra*), suspended the company's request to increase the purchased power adjustment; and

Whereas, after full investigation and consideration of the company's filing it appears that the increase is necessary to permit the company to maintain its present return on investment and will only serve to pass through the actual cost of the purchased power expenses; it is

Ordered, that Wolfeboro Municipal Electric Department be, and hereby is, authorized to pass through to its customers the increase in purchased power as shown on their filed tariff.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of April, 1976.

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NH.PUC*04/30/76*[77625]*61 NH PUC 104*Granite State Electric Company

[Go to End of 77625]

Re Granite State Electric Company

DR 76-26, Order No. 12,230

61 NH PUC 104

New Hampshire Public Utilities Commission

April 30, 1976

APPLICATION by electric company for revisions to its outdoor lighting rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on March 22, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 8 — First Revised Pages 30, 31, 32, and Original Page 31-A — Outdoor Lighting Service Rate M, providing for changes in the present rates, effective May 1, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that First Revised Pages 30, 31, 32, and Original Page 31-A of tariff, NHPUC No. 8 — Outdoor Lighting Service Rate M of Granite State Electric Company be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of April, 1976.

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NH.PUC*04/30/76*[77626]*61 NH PUC 104*Gas Service, Inc.

[Go to End of 77626]

Re Gas Service, Inc.

IR 14,482, Order No. 12,231

61 NH PUC 104

New Hampshire Public Utilities Commission

April 30, 1976

APPLICATION by gas company for special contract rate; granted.

RATES, § 49 — Special contract — Gas company.

[N.H.] The commission approved a gas company's special contract for seasonal gas service at rates other than those fixed by its schedule of general application where the commission found that special circumstances existed that rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc., a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 18 with W. R. Grace & Company, organic chemicals division, to become effective April 1, 1976, for seasonal gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the date of this order.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of April, 1976.

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NH.PUC*04/30/76*[77627]*61 NH PUC 105*Gas Service, Inc.

[Go to End of 77627]

Re Gas Service, Inc.

IR 14,483, Order No. 12,232

61 NH PUC 105

New Hampshire Public Utilities Commission

April 30, 1976

APPLICATION by gas company for special contract rate; granted.

RATES, § 49 — Special contract — Gas company.

[N.H.] The commission approved a gas company's special contract for seasonal gas service at rates other than those fixed by its schedule of general application where the commission found that special circumstances existed that rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc., a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 20 with Johns-Manville Products

Corporation, to become effective April 1, 1976, for seasonal gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the date of this order.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of April, 1976.

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NH.PUC*04/30/76*[77628]*61 NH PUC 106*Gas Service, Inc.

[Go to End of 77628]

Re Gas Service, Inc.

IR 14,484, Order No. 12,233

61 NH PUC 106

New Hampshire Public Utilities Commission

April 30, 1976

APPLICATION by gas company for special contract rate; granted.

RATES, § 49 — Special contract — Gas company.

[N.H.] The commission approved a gas company's special contract for seasonal gas service at rates other than those fixed by its schedule of general application where the commission found that special circumstances existed that rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc., a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 21 with Pennichuck Water Works, to become effective April 1, 1976, for seasonal gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the date of this order.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of April,

1976.

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NH.PUC*04/30/76*[77629]*61 NH PUC 106*Gas Service, Inc.

[Go to End of 77629]

Re Gas Service, Inc.

IR 14,488, Order No. 12,234

61 NH PUC 106

New Hampshire Public Utilities Commission

April 30 1976

APPLICATION by gas company for special contract rate; granted.

RATES, § 49 — Special contract — Gas company.

[N.H.] The commission approved a gas company's special contract for seasonal gas service at rates other than those fixed by its schedule of general application where the commission found that special circumstances existed that rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Page 106

Order

Whereas, Gas Service, Inc., a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 19 with Hudson Sand and Gravel, Inc., to become effective April 1, 1976, for seasonal gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the date of this order.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of April, 1976.

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NH.PUC*04/30/76*[77630]*61 NH PUC 107*Gas Service, Inc.

[Go to End of 77630]

Re Gas Service, Inc.

IR 14,489, Order No. 12,235

61 NH PUC 107

New Hampshire Public Utilities Commission

April 30, 1976

APPLICATION by gas company for special contract rate; granted.

RATES, § 49 — Special contract — Gas company.

[N.H.] The commission approved a gas company's special contract for seasonal gas service at rates other than those fixed by its schedule of general application where the commission found that special circumstances existed that rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc., a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 17 with Brown Products, Inc., to become effective April 1, 1976, for seasonal gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the date of this order.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of April, 1976.

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NH.PUC*05/03/76*[77631]*61 NH PUC 108*Public Service Company of New Hampshire

[Go to End of 77631]

Re Public Service Company of New Hampshire

IE 14,374, Ninth Supplemental Order No. 12,237

61 NH PUC 108

New Hampshire Public Utilities Commission

May 3, 1976

APPROVAL by commission of electric company's special contract for electric thermal storage device load research program.

RESEARCH, DEVELOPMENT, AND DEMONSTRATION — Special contract.

[N.H.] The commission approved a special contract to be used by an electric company for its electric thermal storage device load research program.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Clare H. Packard and Marion P. Packard and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this third day of May, 1976.

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NH.PUC*05/03/76*[77632]*61 NH PUC 108*Northern Utilities, Inc.

[Go to End of 77632]

Re Northern Utilities, Inc.

IR 14,478, Order No. 12,238

61 NH PUC 108

New Hampshire Public Utilities Commission

May 3, 1976

APPLICATION by gas company for approval of special contract rates; granted.

RATES, § 49 — Special contract — Gas company.

[N.H.] The commission approved a gas company's special contract for gas service at rates other than those fixed by its schedule of general application where the commission found that special circumstances existed that rendered the terms and conditions of the

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contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Northern Utilities, Inc., Allied Gas division, a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Contract No. 27 with the Public Service Company of New Hampshire, for gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this third day of May, 1976.

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NH.PUC*05/04/76*[77633]*61 NH PUC 109*Pembroke Water Works

[Go to End of 77633]

Re Pembroke Water Works

IR 14,504, Order No. 12,240

61 NH PUC 109

New Hampshire Public Utilities Commission

May 4, 1976

APPLICATION by water company for an increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Pembroke Water Works, a public utility engaged in the business of supplying water

service in the state of New Hampshire, on April 19, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 1 — Water, Third Revised Page 15-A and Second Revised Page 16, providing for an increase in rates effective May 20, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Third Revised Page 15-A and Second Revised Page 16 of tariff, NHPUC No. 1 — Water, of Pembroke Water Works be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this fourth day of May, 1976.

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NH.PUC*05/05/76*[77634]*61 NH PUC 110*Continental Telephone Company of Maine

[Go to End of 77634]

Re Continental Telephone Company of Maine

DF 76-17, Order No. 12,241

61 NH PUC 110

New Hampshire Public Utilities Commission

May 5, 1976

PETITION by telephone company to issue promissory notes and cumulative preferred stock; granted.

SECURITY ISSUES, § 23 — Refunding or discharge of obligations — Promissory notes — Cumulative preferred stock — Telephone company.

[N.H.] The commission authorized a telephone company to issue promissory notes, cumulative preferred stock, and common stock, in order to pay off the company's short-term indebtedness and also to repay an advancement made by the parent telephone company.

BY THE COMMISSION:

Order

Whereas, Continental Telephone Company of Maine, a telephone utility serving principally in Maine with a small number of customers in New Hampshire (East Conway and Chatham), seeks authority, pursuant to USA 369, to issue and sell for cash, 10.25 per cent promissory notes, due February 1, 1996, in the principal amount of \$2 million; 10,000 shares of its 10.25 per cent

series cumulative preferred stock at the par value of \$100 per share; and 130,000 shares of its common stock and par value of \$10 per share to its sole stockholder and parent, Continental Telephone Corporation, a Delaware corporation; and

Whereas, Continental Telephone Company of Maine, represents that the proceeds from the proposed issue of promissory notes and cumulative preferred stock will be used to retire existing notes, and the proceeds from the issue of common stock will be used to repay Continental Telephone Corporation for its advance of \$1.3 million; and

Whereas, that following investigation and consideration, finds that the issuance of said financing is in the public interest, and consistent with the public good; it is

Ordered, that Continental Telephone Company of Maine be, and hereby is, authorized to issue and sell for cash, its 10.25 per cent promissory notes, in a principal amount not in excess of \$2 million due February 1, 1996; its 10.25 per cent series cumulative preferred stock, in an aggregate amount not to exceed 10,000 shares at a par value of \$100 per share; and its common stock, in the amount of 130,000 additional shares at its par value of \$10 per share to its sole stockholder, Continental Telephone Corporation; and it is

Further ordered, that the proceeds from the sale of the promissory notes and cumulative preferred stock, be applied, to the extent necessary to the payment of its short-term indebtedness in the amount of \$3 million, and the proceeds from the issue of common stock be issued to repay Continental Telephone Corporation for its advance of \$1.3 million; and it is

Further ordered, that Continental

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Telephone Company of Maine shall file with this commission a detailed statement, duly sworn to by its treasurer, showing the disposition of the proceeds of said promissory notes, cumulative preferred stock and common stock.

By order of the Public Utilities Commission of New Hampshire this fifth day of May, 1976.

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NH.PUC*05/05/76*[77635]*61 NH PUC 111*New Hampshire Electric Cooperative, Inc.

[Go to End of 77635]

Re New Hampshire Electric Cooperative, Inc.

IR 14,503, Order No. 12,242

61 NH PUC 111

New Hampshire Public Utilities Commission

May 5, 1976

APPLICATION by electric cooperative for special rate contract, granted.

RATES, § 49 — Special contract — Electric cooperative.

[N.H.] The commission approved an electric cooperative's special contract for electric service at rates other than those fixed by its schedule of general application where the commission found that special circumstances existed that rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 47 with Edward S. Keating and Austin C. Eaton, Jr., partners, d/b/a The Village at Loon Mountain, effective on the date service is first made available for electric service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this fifth day of May, 1976.

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NH.PUC*05/10/76*[77636]*61 NH PUC 112*Gas Service, Inc.

[Go to End of 77636]

Re Gas Service, Inc.

DR 76-12, Order No. 12,244

61 NH PUC 112

New Hampshire Public Utilities Commission

May 10, 1976

PETITION by gas company for an increase in rates; granted as modified.

VALUATION, § 301, — Fuel supplies — Gas company.

[N.H.] The commission decreased a gas company's rate base where it found that propane, butane, and liquefied natural gas could not be included in both material and supplies and operating and maintenance expense.

APPEARANCES: Charles H. Toll, Jr., for the petitioner.

BY THE COMMISSION:

Report

These proceedings were initiated when Gas Service, Inc. (the "company"), a public utility engaged in supplying gas service in certain areas in the state of New Hampshire filed with this commission on February 2, 1976, Section 2, First Revised Pages 4, 5, 6, and 7 and Second Revised Page 8 for their Nashua division and Section 4, First Revised Pages 4, 5, 6, and 7 for their Laconia division of NHPUC No. 5 — Gas, providing for an increase in rates effective March 3, 1976, in an amount of \$711,823 in annual revenues, said filing having been suspended by Order No. 12,151 dated February 19, 1976 (61 NH PUC 39, *supra*).

A duly noticed public hearing was held at the office of the commission on April 19, 1976.

Rate of Return

The company submitted 13 per cent as the cost of its common equity and we accept it as filed. We also accept the company's submitted capital structure and costs of its long-term and short-term debt.

We find that the fair rate of return to be applied to rate base is 9.8 per cent, in agreement with company Exh 13.

Rate Base

The company submitted a computation showing an average rate base of \$7,812,000.

We do not agree to including propane, butane and LNG in both material and supplies and operating and maintenance expense. Therefore, we are decreasing operation and maintenance by \$116,000 in the rate base as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Computation

Company Exh 1, Income Statement, Line 8, Operation and Maintenance, \$1,707,000 ÷ 1/8	= \$213,000
Company Exh 12, Rate Base, Line 12, Operation and Maintenance	329,000
Decrease	<u>\$116,000</u>

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The revised rate base is \$7,696,000 after the above adjustment, which the company's revenue requirements are to be based upon.

Revenue Requirements

Applying the fair rate of return, 9.8 per cent, to the rate base, \$7,696,000, the required net utility operating income becomes \$754,000.

We also grant the company an attrition allowance of two-tenths of one per cent (\$15,000).

The following table computes the revenue requirements.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

1. Net Utility Operating Income Pro Forma Adjustments		\$596,000
2. Net Adjustments per Exh 1, Line 16		(74,000)
3. Net Utility Operating Income After Adjustments		\$522,000
4. Rate of Return at 9.8 per cent Required Results		\$754,000
5. Deficiency	\$754,000	
Less	522,000	\$232,000
6. Revenue Deficiency (Line 7 ÷ 49.675)		\$457,000
7. Attrition Allowance (0.2%)		15,000
8. Revenue Requirement		\$482,000

We conclude, therefore, that an increase in revenue in the amount of \$482,000 is the increase to which the company is entitled, considering the overall operation of the company as measured by this commission.

Rates

The company shall promptly file revised rate schedules and tariff provisions to result in the change authorized in this report. The divisional allocation of new rates should be in proportion to those in the original filing.

Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Section 2, First Revised Pages 4, 5, 6, and 7 and Second Revised Page 8 for their Nashua division, and Section 4, First Revised Pages 4, 5, 6, and 7 for their Laconia division of Gas Service, Inc., tariff, NHPUC No. 5 — Gas, providing for an increase in rates are rejected; and it is

Further ordered, that revised tariff pages be submitted to produce revenues over and above those produced by the basic rates in tariff, NHPUC No. 5 — Gas, by the amount of \$482,000; and it is

Further ordered, that when such submissions have been approved by this commission, a supplemental order will issue accordingly.

By order of the Public Utilities Commission of New Hampshire this tenth day of May, 1976.

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NH.PUC*05/12/76*[77637]*61 NH PUC 114*Gas Service, Inc.

[Go to End of 77637]

Re Gas Service, Inc.

DR 76-12, Supplemental Order No. 12,251

61 NH PUC 114

New Hampshire Public Utilities Commission

May 12, 1976

COMMISSION order authorizing a telephone company's temporary rates to become permanent.

BY THE COMMISSION:

Supplemental Order

Whereas, Gas Service, Inc., in compliance with the commission's Order No. 12,244 ([1976] 61 NH PUC 112, supra) has filed revised pages of its tariff, NHPUC No. 5 — Gas, designed to produce an increase in rates of \$481,877 over rates presently in effect; and

Whereas, the \$481,877 increase has been determined in accordance with the commission's instructions contained in its report on this matter; it is

Ordered, that Section 2, Second Revised Pages 4-7 and Third Revised Page 8 (Nashua division) and Section 4, Second Revised Pages 4-7 (Laconia division) of Gas Service, Inc., tariff, NHPUC No. 5 — Gas, be, and hereby are, permitted to become effective with all bills rendered on or after May 12, 1976; and it is

Further ordered, that notice of said increase in rates be given by publication of this order in a newspaper having general circulation in the territory served, including a schedule of the new rates.

By order of the Public Utilities Commission of New Hampshire this twelfth day of May, 1976.

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NH.PUC*05/14/76*[77638]*61 NH PUC 114*Meriden Telephone Company

[Go to End of 77638]

Re Meriden Telephone Company

DR 75-204, Supplemental Order No. 12,257

61 NH PUC 114

New Hampshire Public Utilities Commission

May 14, 1976

APPLICATION by telephone company for an increase in rates; granted.

RATES, § 130 — Factors affecting reasonableness — Character of service — Telephone company.

[N.H.] The commission granted a telephone company a rate increase where it found that the company had made significant reductions in operating expenses while improving its service.

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APPEARANCES: Frank D. Chellis, William C. Grabel, and Robert J. Collins for the petitioner.

BY THE COMMISSION:

Supplemental Report

These proceedings were initiated when Meriden Telephone Company, Inc., a public utility providing telephone service in New Hampshire filed revisions to its filed tariff, NHPUC No. 4 — Telephone, requesting an increase in its annual gross revenues of \$7,834. The commission suspended the proposed rate increase (Order No. 12,038, dated October 21, 1975) and subsequently held a duly noticed hearing at its offices on January 13, 1976.

In sworn testimony company witness Collins requested that if the commission could not immediately decide on permanent rates that it alternatively prescribe temporary rates. The commission found that the evidence supported the request for temporary rates. Accordingly, the filed rates were made effective for all service rendered on or after February 1, 1976, under bond (Order No. 12,109, dated January 20, 1976 [61 NH PUC 4, supra]).

We now have actual operating results for the year 1975 and shall use this period for the test year.

Rate of Return

The company submitted a rate of return, based upon capital structure at June 30, 1976, of 9.99 per cent. The company used a 14.78 per cent cost of common equity.

We find that the fair rate of return on the company's common equity is 13.5 per cent. Updating the capital structure to December 31, 1975, we find the fair rate of return to be 9.6 per cent computed as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	Per Cent of Total	Weighted Rate Rate of Return	
Debt			
Long-term	49.3	8.5%	4.2%
Short-term	28.6	8.5	2.4
	<hr/>		<hr/>
Total	77.9		6.6
Common Equity	22.1	13.5	3.0
	<hr/>		<hr/>

Total 100.0 9.6%

We find that the allowed rate of return should provide sufficient earnings to assure the financial integrity of the company and permit it to attract the necessary capital.

Rate Base

We find the average rate base for the test year 1975, in an amount of \$271,000 is reasonable and proper to test rates in

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this proceeding, as shown by the following table:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Average Rate Base
Year 1975

Plant in Service
Less: Depreciation Reserve

Net Plant in Service
Working Capital

Average Rate Base

Revenue Requirements

Using 1975 as the test year it is clear that the company's requested increase of \$7,834 is more than justified. The company has made significant reductions in operating expenses, while improving service. Recent increases in toll rates should have some positive effect upon revenues.

Considering the above factors and the level of existing rates, the company has requested that the filed tariff, authorized as temporary rates, be made permanent. Should operations fail to achieve a financially sound level, a subsequent request could be filed.

We find that the temporary rates shall be made final and that previous billings under bond shall be released from such bond. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the rates and charges set forth in First Revised Sheet 1 of Section 2, First Revised Sheet L-2 of Section 3 and First Revised Sheet 2 of Section 4 in tariff, NHPUC No. 4 of Meriden Telephone Company, Inc., which became effective as temporary rates, under bond, on February 1, 1976, (commission Order No. 12,109), be, and hereby are, authorized to become effective as permanent rates; and it is

Further ordered, that the company be and hereby is released from the bond required in Order No. 12,109 and filed by them on January 30, 1976; and it is

Further ordered, that Meriden Telephone Company, Inc., give public notice of the permanent rates by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of May, 1976.

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NH.PUC*05/19/76*[77639]*61 NH PUC 116*Gas Service, Inc.

[Go to End of 77639]

Re Gas Service, Inc.

DR 76-12, Second Supplemental Order No. 12,259

61 NH PUC 116

New Hampshire Public Utilities Commission

May 19, 1976

COMMISSION order amending and modifying previous order.

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BY THE COMMISSION:

Supplemental Order

Whereas, the commission, by its report and Order No. 12,244 dated May 10, 1976 (61 NH PUC 112, supra), authorized Gas Service, Inc., to increase its rates in an amount of \$482,000 on an annual basis; and

Whereas, in the computation of revenue requirements the attrition factor provided for in the report and order to offset erosion in the earned rate of return was not tax effected; and

Whereas, it was the intention of the commission to tax effect the attrition factor by adding that factor to rate of return in determining revenue requirements; it is

Ordered, that the report and Order No. 12,244 dated May 10, 1976, be, and hereby is, amended and modified as follows:

1. The fair rate of return (9.8 per cent) plus the attrition factor (two-tenths of one per cent) shall be combined (10 per cent) and applied to the rate base to yield the required net utility operating income. This computation accounts for the full effect of taxes on net utility operating income when attrition occurs.

2. The revenue requirements are, therefore, modified and amended as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

1. Net Utility Operating Income	\$596,000
Pro Forma Adjustments	
2. Net Adjustments per Exh 1, Line 16	(74,000)
3. Net Utility Operating Income	<hr/>

After Adjustments		\$522,000
4. Required Net Operating Income (10 per cent Rate of Return Including a 0.2 per cent Attrition Factor)		769,000
5. Deficiency	769,000	
Less	522,000	247,000
6. Revenue Deficiency (Line 7 ÷ 49.675)		497,000
8. Revenue Requirement		\$497,000

and; it is

Further ordered, that revised tariff pages be submitted to produce revenues of \$497,000 rather than the \$482,000 previously authorized by Order No. 12,244; and it is

Further ordered, that when the new tariff pages are submitted and have been approved by the commission a supplemental order will issue; and it is

Further ordered, that in every other manner and respect Order No. 12,244 remains in full force and effect.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of May, 1976.

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NH.PUC*05/19/76*[77640]*61 NH PUC 118*Continental Telephone Company of New Hampshire, Inc.

[Go to End of 77640]

Re Continental Telephone Company of New Hampshire, Inc.

DR 75-220, Order No. 12,260

61 NH PUC 118

New Hampshire Public Utilities Commission

May 19, 1976

PETITION by telephone company for an increase in rates; granted as modified.

RETURN, § 35 — Economic conditions — Attrition allowance — Telephone company.

[N.H.] Where a telephone company had experienced an erosion in its realized rate of return due to inflation and substantial capital expenditures, the commission granted the company an attrition allowance of two-tenths of one per cent.

APPEARANCES: Charles H. Toll for the petitioner.

BY THE COMMISSION:

Report

On November 21, 1975, Continental Telephone Company of New Hampshire, Inc., a public utility engaged in the business of supplying telephone service in the state of New Hampshire, filed with this commission its tariff, NHPUC No. 10 — Telephone, providing for an increase in rates in the amount of \$267,908 effective December 21, 1975. The proposed rates were suspended by Order No. 12,069 dated November 28, 1975.

A duly noticed public hearing was held at the office of the commission on March 30, 1976. The company presented testimony and other evidence indicating that the actual rate of return being realized was below the company's cost of capital using the twelve months ended August 31, 1975. Also the company testified that it had experienced substantial increases in plant investment made in recent years and that there were substantial future investment requirements. These plant expenditures required the sale in 1975 of a \$1 million promissory note at 10.5 per cent and additional common stock in the amount of \$550,000, both issues authorized by this commission.

Since the original filing, data for the calendar year 1975 has been made available. We shall adopt the year 1975, properly adjusted, as the test year, reflecting the most recent data available.

Rate of Return

The company submitted as a fair rate of return a range of 10.81 per cent to 11.26 per cent, based upon capitalization at August 31, 1975. In arriving at this return the company testified to a rate of return on common equity ranging from 13.75 per cent to 14.75 per cent.

Updating comparative data submitted by the company and considering the parent-subsidiary relationship, we are of the opinion that the submitted range of rate of return on common equity is too high.

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We find that the fair rate of return on the company's common equity is 13.5 per cent. Updating the capital structure to December 31, 1975, we find the fair rate of return to be 10.6 per cent, computed as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	Amount	Total	Per Cent of Rate	Weighted Rate
Debt				
Long-term	\$2,462,000		51.8	8.5%
Short-term	300,000		6.3	8.5
Total	\$2,762,000		58.1	4.9%
Common Equity	\$1,994,000		41.9	13.5%
Total	\$4,756,000		100.0	10.6%

We find that the allowed rate of return should provide sufficient earnings to assure the financial integrity of the company and permit it to attract the necessary capital.

Rate Base

The company proposed the use of a year-end rate base. The reasons for the commission choosing an average rate base are well settled (57 NH PUC Book II, pp. 55, 56). The commission will adhere to the use of its average rate base approach.

We find the average rate base for the test year 1975 in an amount of \$4,138,000 is reasonable and proper to test rates in this proceeding, as shown by the following table:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

AVERAGE RATE BASE
YEAR 1975

Gross Plant (less interest
bearing CWIP)
Less Depreciation Reserve

Net Plant
Deferred Income Taxes
Allowance for Working Capital

Average Rate Base

Attrition

Since the prior rate increase, allowed in 1973, the company has experienced an erosion in its realized rate of return. The primary causes of inflation and substantial capital expenditures are still in existence. Accordingly, we grant the company an attrition allowance of two tenths of one per cent.

Revenue Requirements

Applying the overall fair rate of return, 10.8 per cent, including the attrition factor, to the average rate base, \$4,138,000, the required net operating income is \$447,000. The following table computes the revenue requirements:

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

DEVELOPMENT OF REVENUE REQUIREMENT
USING YEAR 1975

1. Net Operating Income, as Reported
- Adjustments
2. Increase Toll Revenues, Out of
Period Adjustments
3. 1976 Wage Increases
4. 1976 Benefit Increases
5. 1976 Postage Increase
6. Amortization Rate Case Expenses
7. New Depreciation Rates
8. Increase in Payroll Taxes
9. Net Adjustments
10. Normalize for Income Taxes
11. 1974 Federal Income Tax Adjustment
12. Earnings with Adjustments

- 13. Required Net Operating Income
(10.8 per cent Rate of Return including
a 0.2 per cent Attrition Factor)
- 14. Deficiency
- 15. Revenue Deficiency
- 16. Revenue Requirement

We conclude, therefore, that the company is entitled to an increase in revenues in an annual amount of \$219,000. The company will be allowed by our order to submit a new tariff designed to provide for this increase. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Continental Telephone Company of New Hampshire, Inc., tariff NHPUC No. 10 — Telephone, providing for an annual increase in rates of \$267,908 be, and hereby is, rejected; and it is

Further ordered, that Continental Telephone Company of New Hampshire, Inc., file a new tariff (NHPUC No. 11) designed to produce an increase in annual revenue of \$219,000, said reduced amount to be spread among the various rates in the same proportion as the original filing (NHPUC No. 10) as is reasonably and practically possible; and it is

Further ordered, that when said new filing has been approved by this commission a supplemental order will issue authorizing said tariff.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of May, 1976.

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NH.PUC*05/20/76*[77641]*61 NH PUC 121*Pembroke Water Works

[Go to End of 77641]

Re Pembroke Water Works

IR 14,504, Supplemental Order No. 12,263

61 NH PUC 121

New Hampshire Public Utilities Commission

May 20, 1976

PETITION by water company for an increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission, in Order No. 12,240 dated May 4, 1976 (61 NHPUC 109, supra), suspended the effective date of a proposed rate increase filed with this commission on April 19,

1976, by Pembroke Water Works; and

Whereas, after full investigation and consideration of the company's filing, it appears that a lifting of the suspension order is in the public interest; it is

Ordered, that Third Revised Page 15-A and Second Revised Page 16 of tariff, NHPUC No. 1 — Water, of Pembroke Water Works be, and hereby are, authorized to become effective with the date of this order.

By order of the Public Utilities Commission of New Hampshire this twentieth day of May, 1976.

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NH.PUC*05/21/76*[77642]*61 NH PUC 121*Rules and Regulations Governing Motor Carriers

[Go to End of 77642]

Re Rules and Regulations Governing Motor Carriers

IT 14,348, Order No. 12,264

61 NH PUC 121

New Hampshire Public Utilities Commission

May 21, 1976

ORDER amending commission rules and regulations.

BY THE COMMISSION:

Order

Whereas, pursuant to the provisions of RSA 375-B:17 I and II and in accordance with RSA 541-A, the Administrative Procedures Act, and after duly noticed public hearings held on July 7, 1975, and August 11, 1975, and upon full consideration of both oral and written suggestions by interested parties; it is

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Ordered, that the rules and regulations attached hereto and entitled "Rules and Regulations Governing Motor Carriers in the Transportation of Property for Hire" are hereby adopted, attached to the commission's existing rules and regulations as § VIII and shall become effective in accordance with the provisions of the Administrative Procedures Act; and it is

Further ordered, that the administrative rulings and forms relating to the operation of motor carriers in the transportation of property for hire by motor vehicle in New Hampshire as adopted and issued by Order No. 6795 dated May 8, 1956, are hereby superseded by these rules.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of May, 1976.

Section VIII

Rules and Regulations Governing Motor Carriers in the Transportation of Property for Hire

Preamble

Pursuant to the powers given under RSA 375-B:17 I and II the New Hampshire Public Utilities Commission issues the following rules and regulations. These rules and regulations further define and clarify the provisions of RSA 375-B and govern the operations of motor vehicles transporting property for hire under said statute. These rules and regulations are intended to supplement the statute and do not replace or substitute any of its provisions.

1. *Definitions*

a. Chapter: The word "chapter" as used herein shall refer to RSA 375-B, and amendments thereto.

b. Tariff: The term "tariff" as used herein applies to a publication setting forth the rates and charges for all transportation and accessorial services performed by a carrier.

c. Common Carrier: A "common carrier" is one who offers to perform a general for hire transportation service for any member of the general public who may apply for carriage of property within the territory or between the points it serves. Within the limits of its certificate and its holding out as specified in published tariffs, the common carrier cannot refuse service except under conditions set forth in his certificate. He must provide reasonably adequate service at reasonable rates without discrimination as to rates or services.

d. Public Convenience and Necessity: A finding of "public convenience and necessity" will include consideration of the following criteria:

1. Whether there is a substantial public need for the service.
2. Whether the new operation will serve a useful purpose responsive to public demand or need.
3. Whether the existing carriers can reasonably meet this need.
4. Whether the existing carriers have had an opportunity to transport all the traffic which they can handle adequately, economically, and efficiently.
5. Whether the entry of the proposed service would endanger or impair the operations of existing carriers contrary to the public convenience.
6. Whether the entry of the proposed service would lead to a wasteful duplication of service.
7. Whether the entry of a new service would endanger or impair the investment

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of the existing carriers in their facilities to the detriment of the public.

8. Whether or not the entry of a new competitive service may be in the public convenience where it may secure the benefits of improved service through competition without being unduly prejudicial to existing service by existing carriers.

9. Whether or not the entry of the proposed service would lead to unnecessary competition.

e. Contract Carrier: A "contract carrier" is one who transports for others but only under a special contract. He does not hold himself out to serve the general public. He may serve only one firm or person or he may serve several who are in the same type of business requiring similar kinds of specialized equipment and similar services not generally provided by common carriers. A contract carrier permit is essentially characterized by the offering of a specialized service with specialized equipment to certain customers.

f. Public Interest: A finding of "public interest" will include the consideration of the following criteria:

1. The number of shippers to be served by the applicant.

2. The nature of the service proposed including specifically the transportation service sought to be authorized and the specific identity of the commodities that will be shipped and received and the points from which and to which the property is to be transported and the proposed frequency of the use of the service.

3. The effect which granting the permit would have upon the services of the protesting carriers.

4. The effect of a denial upon the applicant and supporting shippers.

5. The changing character of the shippers' requirements including recognition of technological improvements, changing commercial conditions, the quality of the human environment, public health, safety, and general welfare of the community and other significant trends bearing upon the proposed service.

g. Commodities described in RSA 375-B:3 VI are exempt only when they are in an unprocessed state; i. e., washed sand, screened loam, and crushed stone are not considered as exempt commodities.

2. *Certificate of Insurance*

a. Pursuant to RSA 375-B:12 a certificate of cargo insurance is a prerequisite to operation by common or contract carriers. The policy must include the public utilities commission motor vehicle endorsement for common and contract carriers of property for hire on the public highways. Such endorsements may be obtained at the office of the commission and may be reproduced thereafter. To determine whether an indemnity bond or insurance policy adequately provides for the reasonable protection of the owner or owners of the property transported, the commission may, upon complaint or upon its own motion, investigate settlement of any claim or failure to adjust and may, from time to time require a carrier to report to the commission all outstanding claims against his operations.

b. A certificate reflecting coverage under a garageman's liability policy will be acceptable to the commission for holders of certificates or permits authorizing towing or wrecker service provided it indicates that coverage extends to vehicles while in tow on the public highways of this state.

3. Use of Trade Names

Motor carriers governed by these rules shall not conduct business under any trade name until there is filed with this commission a copy of the certificate of registration by the secretary of state pursuant to the provisions of RSA 349.

4. Change of Address

Motor carriers governed by these rules shall notify the commission in writing of any change of address within ten days of such change.

5. Name of Owner

All motor carriers governed by these rules shall display on both sides of each property carrying vehicle in a conspicuous place the name of the authorized carrier which appears on the certificate or permit. The identifying lettering on the vehicle will be of such a size as to be legible at a distance of 50 feet.

6. Transfers

Applications for transfer of a certificate or permit as required by § 10 shall be made in writing in the form of an individual or joint letter or petition. The petition shall request the approval of the commission for the transferor to transfer all or any portion of a certificate or permit and the transferee to be allowed to receive same. The transferee shall also file with the request a current statement of assets and liabilities and, if a certificate of public convenience and necessity is involved, it must indicate whether the same service and rates will be provided. The commission will not provide any form for transfers nor is there any filing fee for same.

The commission shall allow the transfer of a certificate or permit which does not expand the nature or scope of the certificate or permit sought to be transferred. Such nature and scope will be limited to the type of service and territory actually serviced by the transferor during a one-year period immediately preceding the date when the transfer application was received by the commission except as to interruptions of service over which transferor had no control. Those commodities not transported and areas not serviced during the one-year period immediately preceding the date of the public utilities commission's receipt of the transfer application, may not be included in the certificate or permit sought to be transferred.

No certificate or permit, nor any rights thereunder, are assignable nor shall they be transferred without the approval of the commission. Informal arrangements between carriers for operating on each others rights are strictly prohibited.

7. Leasing of Equipment

Any common or contract carrier who is properly certificated by this commission may lease equipment from another party by executing a written lease agreement, signed by the parties involved and subject to the following conditions; the lease shall

a. Contain a description of the type of vehicle, its registration number, and the company vehicle number assigned the equipment leased.

b. Provide for the exclusive possession, control, and use of the equipment and for the complete assumption of responsibility by the lessee in respect thereto for the duration of the

lease.

- c. Provide that the drivers of leased

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equipment shall not be employees of, nor under the control of, the lessor.

- d. Specify the date on which said lease begins and the extent of its duration.

e. Preclude the possession, control, or use of the equipment by anyone but the lessee for the duration of the lease.

A copy of or a certificate of lease shall be carried in the vehicle at all times during its operation and shall be produced on demand for inspection by an authorized representative of this commission.

All leased equipment shall have placards with the name of the lessee as provided under the name of owner requirement.

8. *Grandfather Rights*

Motor carriers presently holding authority obtained under § 4 as grandfather operators shall not expand in scope or service to a degree substantially different than that provided on or before December 1, 1966. Any such expanded service, either as to its authorized territory or the service performed, must be the subject of a new application for a certificate or permit to be issued under §§ 5 or 7 respectively.

9. *Tariffs — Filing and Form*

a. Issuing carriers shall file one copy of each tariff or supplement thereto with the commission.

b. Schedule of Rates: No common carrier shall operate as such without first filing with the commission the schedule of rates to be charged applying to the service to be rendered. Failure to do so within fifteen days, after receipt of a request in writing from the commission shall cause a suspension of the carrier's authority for a ten-day period without further notice.

c. All tariffs or supplements thereto shall be prepared in legible form on a suitable grade of white paper, approximately 8.5 × 11 inches in size. Tariff filings which conform to requirements of the Interstate Commerce Commission will be accepted by this commission. Each tariff shall have a title page which will show prominently the name of the company, firm, partnership, corporation, individual, or agent responsible, together with the address of the carrier and effective date thereof. Sufficient time must be allowed by common carriers to cover mailing delays in order that the tariff or supplement thereto may become effective on the date specified which is thirty days from the date received by the commission unless otherwise authorized by the commission.

d. Each tariff page or supplement page shall be designated by an individual number located in the upper right hand corner of the page, preceded by the abbreviation NHPUC, progressing from the last filed number by the same party or in the case of a new series, from number one. Each revised page shall show plainly in a prominent place the issue date and the effective date.

When a new tariff is issued canceling a previous tariff in proper numerical sequence it must be positively identified, as follows:

Example: NHPUC No. 2 cancels NHPUC No. 1

In addition, when a supplement is issued to a tariff it must positively identify the proper numerical sequence.

Example: Supplement No. 1 — To — NHPUC No. 1

e. No tariff may be continued in effect

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with more than 50 supplements. Each supplement shall indicate therein those previously issued supplements which remain in effect.

f. Each tariff shall plainly show all requisite details to explain fully the basis of all charges to be made and all rules and regulations governing the same and other details necessary for a complete understanding of the charges stated such as abbreviations and symbols.

g. The tariff shall show the governing rules. The commission will consider in this classification such rules as the carrier deems necessary:

I. To explain the application of the rates.

II. To restrict the accepting of articles for transportation too heavy or bulky.

III. To restrict the handling of articles of extreme value, those injurious or contaminating to other lading, hazardous materials, or explosives or inflammables.

IV. To define any similar restriction or rule necessary to keep the business within the scope of its undertaking. Under the explanation of the application of the rates, the commission recommends that rates be made to apply store door to store door or other recognized limits. Further service will be considered either as personal without charge or accessorial with charges, such charges to be published.

h. Commodity descriptions must be arranged insofar as possible in alphabetical order so that they may be easily located. An index showing where a commodity description may be found is recommended in any tariff of ten pages or more.

i. Rates may be shown in cents per mile, per 100 pounds, or per package, or may be stated in cents, or dollars and cents per ton of 2,000 pounds or per ton of 2,240 pounds, or on such other commercial units as may be defined in the rules governing the tariff. Rates and commodity descriptions should be clear, so that the applicable rate may be easily determined. Whenever a reasonable doubt exists as to the application of rates because of conflicting provisions or rates, the provision or rate which makes the lower total charge shall be assessed.

j. Rates may be on a mileage basis or on a point-to-point basis. If on a mileage basis, rates may be stated as a rate per mile or may be stated for varying blocks of mileages. Carriers publishing mileage rates should show in their tariff the mileages governing such rates based on the mileage over carrier's published route or refer to a governing mileage table. Point-to-point rates may be stated as applying from, to, in which case rates will apply only in one direction, or

may be stated as applying between points, in which case rates will apply in both directions. Where the intention is to limit the application of rates to less than the city or town limits, such limits should be described in the rule covering application of rates. In cases where a carrier to meet competition from a carrier using a shorter route between two points, he should prefix such rate with a small letter "c" to indicate a rate forced by competition.

k. Two or more common carriers subject to the chapter may publish joint rates and routes. The tariff publishing joint rates should show the names of the carriers joining in the rates and the routes covered. The divisions of the through rate accruing to each of the participating carriers is a matter of carrier agreement and need not be published. The restriction of the use of highway intent expressed by the general court, may be partially brought about by self-

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regulation and the commission recommends that each common carrier study a reciprocal interchange of traffic with other common carriers, especially where there is a duplication of service resulting in light loads, for two or more common carriers. The commission may point out to interested carriers such specific opportunities for reciprocal interchange as may come to its attention.

1. Section 16 provides for the filing of rates by contract carriers and prohibits such a carrier from charging an amount less than the rates on file with the commission. It is, therefore, necessary for contract carriers to file rates with the commission and a difference between the filing of rates by common or contract carriers is that the contract carriers are not required by statute to provide thirty days notice for filing changes with the commission.

10. Reclassification of Carriers

The commission may, upon its own initiative, upon petition of a carrier or other interested party reclassify carriers of property when it determines from an investigation or from any hearing held thereon that such reclassification is necessary.

11. Discontinuance of Operations

Whenever a carrier proposes to discontinue a regular route operation, such proposal shall be submitted to the commission in writing stating the reasons therefor and giving such public notice as the commission may require. If protests are received following the posting of such public notice, the commission may require a hearing at which the carrier will be expected to submit all relevant facts on which the proposed discontinuance is based.

12. Interstate Transportation

All certificates and permits issued by the ICC authorizing operations in New Hampshire must be registered under RSA 375-B:22 shall be in accordance with procedure authorized in PL 9-170, and amendments thereto. For this purpose, Uniform Application Form A or NHPUC T-14 may be used, together with an attached copy of the certificate or permit to be registered. Each subnumber of the main docket number identifying a certificate or permit is considered individually and must be accompanied by the fee of \$10 for each. This is a nonrecurring fee and is good for the life of the certificate or permit. If it should later be transferred by authority of the Interstate Commerce Commission, this commission must be notified thereof in writing,

whereupon the transfer will be made. The statute does not provide for a fee for such a transfer.

13. *Registration of Interstate Operated Vehicles*

Each vehicle operating pursuant to an Interstate Commerce Commission certificate or permit in interstate commerce into or through New Hampshire must be registered with the commission pursuant to RSA 375-B:23 by obtaining the one-inch square New Hampshire decal which in turn must be attached to the uniform cab card for each vehicle. A fee of \$5 is required annually for each vehicle registered in this manner. All registrations expire on February 1st following the date of issue.

Application for registration of interstate operated vehicles must be made to the public utilities commission on Uniform Form B application and vehicle identification as to the assignment of

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decals must be filed with the commission at the time of the application or from time to time as assignments are made.

Vehicles engaged in interstate commerce transporting exempt commodities for which no ICC certificate or permit is required are not required to be registered.

14. *Registration of Intrastate Operated Vehicles*

Application for common and contract carrier plates must be made to the motor vehicle division, department of safety.

Carriers having vehicles domiciled in New Hampshire and used principally between points in New Hampshire should be registered as common or contract carriers and obtain corresponding carrier plates from the motor vehicle division, department of safety. The fee is \$5 for each vehicle used in common carriage of property and \$3 for each vehicle used in contract carriage of property. Such registrations will expire coincidental with the corresponding registration certificate and number plates issued by the motor vehicle division of this state under RSA 260. Registrations in all instances must be issued in the name of the carrier which appears on its certificate or permit. In no case can they be issued to individuals, partnerships or corporations who do not hold a valid common carrier certificate of public convenience and necessity or a contract carrier permit.

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NH.PUC*05/28/76*[77643]*61 NH PUC 128*Public Service Company of New Hampshire

[Go to End of 77643]

Re Public Service Company of New Hampshire

Intervenors: Volunteers Organized in Community Education et al.

DR 76-46, Order No. 12,268

61 NH PUC 128

New Hampshire Public Utilities Commission

May 28, 1976

PETITION for authority to apply a fuel adjustment charge to monthly billings; granted.

RATES, § 303 — Fuel expenses — Recovery.

[N.H.] The commission granted an electric company's revised fuel adjustment clause which was due in part to increased purchases of energy by the company due to the outage from service of a generating station.

APPEARANCES: Ralph H. Wood, general counsel, for the petitioner; Peter Brown for VOICE; Senator D. Alan Rock for the committee studying the restructuring of the public utilities commission.

BY THE COMMISSION:

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Report

Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on May 18, 1976, filed with this commission 17th Revised Pages 15 and 16 of tariff, NHPUC No. 20 — Electricity, comprising the monthly calculation of the fuel adjustment clause for effect June 1, 1976. Hearing thereon was held at the office of the commission on May 19, 1976.

The commission historically has investigated and reviewed the monthly calculation of the fuel adjustment charge without hearing. Recently a great deal of public interest has been expressed in the fuel adjustment charge and in response to this public concern the commission has decided to hold public hearings on the monthly filings.

Witness Grady, research analyst of the Public Service Company, presented detailed testimony on the purpose of the fuel adjustment charge, its application pursuant to its provisions, the determination of the base cost of fuel, the derivation of each element of the fuel adjustment charge computation, and other related factors such as heat rate, heat content, and generation mix. Both witness Grady and witness John V. Salo, power supply manager of the Public Service Company, answered questions on cross-examination by intervenors Rock and Brown. Salo answered questions on matters not within the knowledge or scope of responsibility of witness Grady.

Witness Grady told the commission that based upon the calculation before the commission the fuel adjustment charge would be \$1.05 per 100 kwh applied to electricity usage in the month of June.

Intervenor Rock asked for the number of dollars of additional costs incurred in the month of

April and reflected in the month of June, 1976, as a result of increased purchases of energy by the company due to the outage from service of Merrimack Station Unit No. 2. The response to this inquiry was computed by the company and filed with the commission subsequent to the hearing. The company has reported that the additional cost resulting from the need to purchase energy during the outage in the month of April was \$106,273.

Intervenor Brown raised questions about plant efficiencies in monitoring the quality of the fuel burned. Witness Salo explained company procedure in testing samples of the fuel as it comes into the building to be burned. In this manner the company monitors the heat content of the burned fuel. This information is reflected in the monthly calculation of the fuel adjustment charge.

The record developed in this proceeding supports the conclusion that the calculation of the June, 1976, fuel adjustment charge is just and reasonable and properly computed. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that 17th Revised Pages 15 and 16, Public Service Company of New Hampshire tariff, NHPUC No. 20 — Electricity (upon which a public hearing was held on May 19, 1976), providing for a monthly fuel surcharge of \$1.05 per 100 kilowatt-hours for the month of June, 1976, be, and hereby are, permitted to become effective June 1, 1976; and it is

Further ordered, that public notice of

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this fuel surcharge be given by a onetime publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of May, 1976.

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NH.PUC*06/02/76*[77644]*61 NH PUC 130*New England Telephone and Telegraph Company

[Go to End of 77644]

Re New England Telephone and Telegraph Company

DE 76-62, Order No. 12,272

61 NH PUC 130

New Hampshire Public Utilities Commission

June 2, 1976

PETITION for a license to place and maintain submarine telephone cables; granted.

TELEPHONES, § 6 — Submarine cables — Telephone company.

[N.H.] The commission authorized a telephone company to construct and maintain a submarine cable crossing under state-owned public waters where it found that the proposed construction was necessary to meet the reasonable requirements of the public.

BY THE COMMISSION:

Order

Whereas, by petition filed May 14, 1976, New England Telephone and Telegraph Company seeks a license pursuant to RSA 371:17 — 20 to place and maintain a submarine plant crossing under Lake Winnepesaukee in the town of Gilford; and

Whereas, the petitioner represents that the proposed construction will cross approximately 40 feet of the lake, from Pole No. 45/14 on private property of Gilford Yacht Sales, Inc., to Pole No. 45/15 of William Morse and is designed to replace existing aerial telephone circuits in the New England company's Glendale exchange; and

Whereas, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public, and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and the waters crossed; it is

Ordered, that a license be, and hereby is, granted to New England Telephone and Telegraph Company to place and maintain a submarine plant crossing under Lake Winnepesaukee in the town of Gilford, all in accordance with the above description which is contained on a plan on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this second day of June, 1976.

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NH.PUC*06/02/76*[77645]*61 NH PUC 131*Newport Chamber of Commerce, Inc. d/b/a Newport Chamber of Commerce Transit

[Go to End of 77645]

Re Newport Chamber of Commerce, Inc. d/b/a Newport Chamber of Commerce Transit

DT 76-38, Supplemental Order No. 12,273

61 NH PUC 131

New Hampshire Public Utilities Commission

June 2, 1976

PETITION by transit company for permanent license to operate as a common carrier; granted.

BY THE COMMISSION:

Supplemental Order

Passenger Carrier Certificate No. 438

Whereas, Newport Chamber of Commerce, Inc., d/b/a Newport Chamber of Commerce Transit was issued Temporary Certificate No. 145 authorizing operations as a regular route common carrier of passengers by motor vehicle between points and places in the Newport — Mt. Sunapee region; and

Whereas, after public notice, no protest was received to the permanent operation over the described routes; it is

Ordered, that Newport Chamber of Commerce, Inc., d/b/a Newport Chamber of Commerce Transit be, and hereby is, authorized to engage in operations as a regular route common carrier of passengers, and baggage of passengers, by motor vehicle as follows:

Route 1 Terminal west on 103 to Knoll street to Fourth over Fourth and Third back down Knoll to Spring over Spring and Pine to Oak north on Oak street extension to North Newport. Each can North Newport road to airport then south on North Main to terminal. Route 2 Terminal west on 103 to Unity road to Birchwood Grove. Lorraine street to Dolores to Beverly to Unity road to Pollards Mills to Red School House Route 10 to terminal. Route 3 Terminal east on 103 to Mt. Sunapee traffic circle north on 1038 to Sunapee looping through the Upper Village past the post office to St. Joachim Church down through the Lower Village and out to Route 11 back to terminal. Route 4 Terminal east on 103 to Bradford road, west on Bradford road and Maple street to lights and back to terminal. Route 5 Routes 11 and 103 West to Claremont and back. Monday Terminal 103 to South Newbury and back (during the summer months the return shall Seasonal be via Rand's Pond road to Goshen then return via Route 10 to terminal). Tuesday Terminal 103 west to Unity road to East Unity road over the hill to Goshen to Rand's Pond road then Route 10 to terminal. Wednesday Terminal north tan Route 10 to Reney's store and return, including a stop each way at and Friday the airport. Thursday Terminal east on 11 to New London and back to terminal. Sunday Terminal east on 103 to state park and back to terminal. Run only during ski and swim seasons as practical;

and it is

Further ordered, that such authority is granted on a permanent basis; and it is

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Further ordered, that said operations shall comply with the rules governing the operation and equipment of motor vehicles in the common and contract carriage of passengers as prescribed by the public utilities commission.

By order of the Public Utilities Commission of New Hampshire this second day of June, 1976.

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NH.PUC*06/07/76*[77646]*61 NH PUC 132*Public Service Company of New Hampshire

[Go to End of 77646]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,279

61 NH PUC 132

New Hampshire Public Utilities Commission

June 7, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 155 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on June 11, 1975.

Parcel No. 155 shows record title in the Damon heirs. The company in its search for interested parties could not find any records pertaining to the Damon heirs.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

Counsel for the company indicated that appraiser Colt assigns a value to this land before the taking of \$50 and the value after the taking of \$35. The value, therefore, of the taking is \$15 with no damages to the remaining parcel (see Exh T).

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 155 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

The commission finds that the land in question, Parcel No. 155, is valued at \$15. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$15 in damages to the record owners of Parcel No. 1.55 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 155 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this seventh day of June, 1976.

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NH.PUC*06/07/76*[77647]*61 NH PUC 133*Public Service Company of New Hampshire

[Go to End of 77647]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,280

61 NH PUC 133

New Hampshire Public Utilities Commission

June 7, 1976

COMMISSION order selling damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown; Jerome Healey, selectman, for the town of Hampton Falls.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 153 (as required by RSA 371) by its Order No. 11,781, dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on June 11, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area, was duly qualified and accepted.

Parcel No. 154 according to Colt is a 1.5 acre panel on a peninsula jutting into Rock's river, sometimes also called Brown's river (see Exh R). It is flat, unimproved marsh land and quite near

Hampton Harbor. In Mr. Colt's opinion the highest and best use of this land is recreational and that its value before the

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taking is \$75. A small triangular piece of land (about 0.005 acres) remains untaken. Colt's opinion as to the value of the property after the taking is \$74. Mr. Colt indicated that there should be severance damages because the remaining piece of land has no value to the owner. In his opinion the total market value upon the land including severance damages is \$75.

Jerome Healey, selectman, testified that Parcel No. 153 with title in the town of Hampton Falls has a value for aesthetics rather than developmental purposes. Mr. Healey, a civil engineer by profession, objected to the taking which was the subject matter of the May 14, 1976, hearing on the issue of necessity. Sir Healey went on to testify that the town conservation commission has been offering \$100 per acre. He also gave the commission the information that the town of Rye sets a value of \$75 per acre on their marsh land. He indicated that the town of Hampton Falls currently assesses its marsh land at \$25 per acre at 35 per cent valuation which when factored out would bring the total value to 100 per cent valuation at about \$75 per acre.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 153 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view,

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 153, is valued at 575. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$75 in damages to the record owners of Parcel No. 153 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 153 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this seventh day of June, 1976.

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NH.PUC*06/07/76*[77648]*61 NH PUC 135*Public Service Company of New Hampshire

[Go to End of 77648]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,281
61 NH PUC 135
New Hampshire Public Utilities Commission
June 7, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown; Jerome Healey, selectman for the town of Hampton Falls.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 130 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on June 11, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area, was duly qualified and accepted.

Parcel No. 130 according to Colt is a irregularly shaped seven acre parcel of front unimproved marsh land covered with marsh grasses and bounded by Rock's river, sometimes also known as Brown's river (see Exh P). In Colt's opinion the highest and best use of this land is recreational and he placed a market value upon the land of 5350.

Jerome Healey, selectman, testified that Parcel No. 130 with title in the town of Hampton Falls has a value for aesthetics rather than developmental purposes. Mr. Healey, a civil engineer by profession, objected to the taking which was the subject matter of the May 14, 1976, hearing on the issue of necessity. Mr. Healey went on to testify that the town conservation commission has been offering \$100 per acre. He also gave the commission the information that the town of Rye sets a value of \$75 per acre on their marsh land. He indicated that the town of Hampton Falls currently assesses its marsh land at \$25 per acre at 35 per cent valuation which when factored out would bring the total value to 100 per cent valuation at about \$75 per acre.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 130 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Title examination revealed a tax sale to the town of Hampton Falls, but no issuance of a tax collector's deed to evidence title in the town. The company

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requested issuance of such a deed to clear record title.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 130, is valued at \$350. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$350 in damages to the record owners of Parcel No. 130 conditional upon the town of Hampton Falls issuing a tax collector's deed and in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 130 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this seventh day of June, 1976.

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NH.PUC*06/07/76*[77649]*61 NH PUC 136*Public Service Company of New Hampshire

[Go to End of 77649]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,282

61 NH PUC 136

New Hampshire Public Utilities Commission

June 7, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown; Jerome Healey, selectman for the town of Hampton Falls.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 107 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on June 11, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified

(see Exh K). No one contested

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and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area, was duly qualified and accepted.

Parcel No. 107 according to Colt is an irregularly shaped very flat four acre parcel of marsh land covered with marsh grasses and is flooded twice each month (see Exh O). In Mr. Colt's opinion the highest and best use for the land is recreational. Colt placed a market value upon the land of \$200.

Selectman Healey cross-examined Mr. Colt on comparative sales in the area. Healey indicated that other marsh land sold for \$100 to \$150 per acre in the same general area. Mr. Colt indicated that such higher priced sales occurred because of other circumstances such as proximity to a beach or public access to a beach. These circumstances increased the value of those parcels.

Jerome Healey, selectman, testified that Parcel No. 107 with title in the town of Hampton Falls has a value for aesthetics rather than developmental purposes. Mr. Healey, a civil engineer by profession, objected to the taking which was the subject matter of the May 14, 1976, hearing on the issue of necessity. Mr. Healey went on to testify that the town conservation commission has been offering \$100 per acre. He also gave the commission the information that the town of Rye sets a value of \$75 per acre on their marsh land. He indicated that the town of Hampton Falls currently assesses its marsh land at \$25 per acre at 35 per cent valuation which when factored out would bring the total value to 100 per cent valuation at about \$75 per acre.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 107 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

An erroneous tax collector's deed appeared in the chain of title. The company requested correction of the error by the town of Hampton Falls to clear the record.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 107, is valued at \$200. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$200 in damages to the record owners of Parcel No. 107 conditional upon receiving a corrected tax deed from the tax collector of the town of Hampton Falls and in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 107 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this seventh day of June, 1976.

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NH.PUC*06/07/76*[77650]*61 NH PUC 138*Public Service Company of New Hampshire

[Go to End of 77650]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,283

61 NH PUC 138

New Hampshire Public Utilities Commission

June 7, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown; Jerome Healey, selectman for the town of Hampton Falls.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 144 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on June 11, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area, was duly qualified and accepted.

Parcel No. 144 is an irregularly shaped eight acre parcel of marsh land on a peninsula that juts into Rock's river (sometimes also known as Brown's river) (see Exh Q). In Mr. Colt's opinion the highest and best use of this land is recreational and he placed a market value upon the land of \$400.

Selectman Healey cross-examined Mr. Colt upon the value of the land in relation to comparable sales in the area. Mr. Colt was familiar with the comparable parcels mentioned by Mr. Healey and indicated that the high price was due to the proximity of such land to Seabrook beach, where values are highest for property. This resulted in an additional increment in the price of the land. Healey testified that Parcel No. 144 with title in the town of Hampton Falls has a value for aesthetics rather than developmental purposes. Mr. Healey went on to testify that the town conservation commission has been offering \$100 per acre. He also gave the commission

the information that the town of Rye set a value of \$75 per acre on their marsh land. He indicated that the town of Hampton Falls currently assesses its marsh land at \$25 per acre at 35 per cent valuation which when factored out would bring the total value to 100 per cent valuation at about \$75 per acre.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 144 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Title examination revealed a tax sale

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to the town of Hampton Falls, but no issuance of a tax collector's deed to evidence title in the town. The company requested issuance of such a deed to clear record title.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 144, is valued at \$400. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered. that the Public Service

Company of New Hampshire be, and hereby is, ordered to pay the sum of \$115 in damages to the record owners of Parcel No. 144 conditional upon the town of Hampton Falls issuing a tax collector's deed and in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 144 of the actions that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this seventh day of June, 1976.

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NH.PUC*06/07/76*[77651]*61 NH PUC 139*Public Service Company of New Hampshire

[Go to End of 77651]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,284

61 NH PUC 139

New Hampshire Public Utilities Commission

June 7, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman Kenneth Kobinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown; Jerome Healey, selectman for the town of Hampton Falls.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 154 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on June 11, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested

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and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area, was duly qualified and accepted.

Parcel No. 154 according to Colt is a 2.5 acre boot shaped parcel on a peninsula which is level, unimproved marsh land with no access road. Colt's opinion is that the highest and best use for this land is recreational and that the value of the land before the taking is \$125. A small portion of land remains untaken (0.1 acre). In Mr. Colt's opinion the value of the land after the taking (2.4 acres) is \$120. In his opinion there is no necessity for severance damages in this case.

Jerome Healey, selectman, testified that Parcel No. 154 with title in the town of Hampton Falls has a value for aesthetics rather than developmental purposes. Mr. Healey, a civil engineer by profession, objected to the taking which was the subject matter of the May 14, 1976, hearing on the issue of necessity. Mr. Healey went on to testify that the town conservation commission has been offering \$100 per acre. He also gave the commission the information that the town of Rye sets a value of \$75 per acre on their marsh land. He indicated that the town of Hampton Falls currently assesses its marsh land at \$25 per acre at 35 per cent valuation which when factored out would bring the total value to 100 per cent valuation at about \$75 per acre.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 154 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Title examination of the premises revealed a tax sale to the town of Hampton Falls, but no issuance of a tax collector's deed to evidence title in the town. The company requested issuance of such a deed to clear record title.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 154, is valued at \$120. Our order

will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$120 in damages to the record owners of Parcel No. 154 conditional upon the town of Hampton Falls issuing a tax collector's deed and in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 154 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this seventh day of June, 1976.

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NH.PUC*06/08/76*[77652]*61 NH PUC 141*Public Service Company of New Hampshire

[Go to End of 77652]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,288

61 NH PUC 141

New Hampshire Public Utilities Commission

June 8, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and David Lieberman for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; Lawrence Cullen for Mr. and Mrs. Santasucci

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 100C (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on December 3, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area, was duly qualified and accepted.

Parcel No. 100C according to Colt is a 4.25 acre parcel upon which is located a rural

residential dwelling. Access to the dwelling is over an unpaved right of way called Dow lane. The dwelling is a single family, four-room house with aluminum windows, soft wood floors, enclosed porch, oil-fired hot water heater, gas heater, electric pump, and full basement comprising 848 square feet of living space. The dwelling is in good repair and watertight.

Colt also testified that there are three mobile homes located on the property paying rental to Santasucci, the owner. The property is zoned commercial but in Mr. Colt's opinion its highest and best use is residential. In arriving at his opinion of market value Mr. Colt used the market data approach comparing sales of similar sites to the subject premises. Mr. Colt rechecked his values by the income approach to determine his opinion of value.

The area taken (2.6 acres) included certain improvements; two mobile home sites, a 25-foot well, and two septic systems. Mr. Colt gave as his opinion the value before the taking of \$24,000 (4.25 acres). He valued the real estate after the taking of \$13,800 (1.64 acres). Thus, in his opinion the damages to be awarded to Santasucci for the land taken (2.6 acres) is \$10,200.

On cross-examination attorney Cullen questioned Mr. Colt on certain comparable sales in the areas; sale by Abrams in October, 1972, for a price of \$1,000 per acre; sale of a 0.4-acre parcel for a mobile home at \$5,500; a sale of 0.34-acre parcel at \$2,100; and a sale of a 0.6-acre parcel at \$1,500.

Cullen presented Albert Ross, a duly qualified appraiser, who gave as his

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opinion that the value of the Santasucci home was \$20,000 and that the remaining land including three mobile home sites was valued at an additional \$20,000 for a total value of \$40,000. Mr. Ross argued that there were no comparable sales sufficiently current upon which to make a comparison of values. Thus, Ross did not use the comparable sales method but did include in his appraisal the value of the expected rentals from the mobile home sites.

The taking includes two of the mobile home sites; and thus two-thirds of the value ascribed to the income producing portion of the land becomes the value of the taking in the opinion of Ross. (Two-thirds of \$20,000 = \$13,333.33.) Colt's opinion of the value of the taking as stated above is \$10,200. The commission, after considering both appraisals finds that fair and adequate damages to Santasucci for the taking of 2.6 acres is \$12,000.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of the Parcel No. 100C during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in the case.

This commission finds that the land in question, Parcel No. 100C, is valued at \$12,000. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to

pay the sum of \$12,000 in damages to the record owners of Parcel No. 100C in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 100C of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this eighth day of June, 1976.

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NH.PUC*06/08/76*[77653]*61 NH PUC 142*Public Service Company of New Hampshire

[Go to End of 77653]

Re Public Service Company of New Hampshire

DE 74-69 Order No. 12,289

61 NH PUC 142

New Hampshire Public Utilities Commission

June 8, 1976

COMMISSION order setting damages in condemnation proceeding.

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APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and David Lieberman for the petitioners; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; Lawrence Cullen for Mr. and Mrs. Hilliard.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 100C-1 (as required by RSA 371 by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on December 3, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area, was duly qualified and accepted.

Parcel No. 100C-1 according to Colt is a 8,600-square-foot parcel with characteristics very similar to the Santasucci property which is the subject of an earlier report of this commission. It was agreed by the parties that all of the evidence put upon the record in the Santasucci case (docket DE 74-69, Report and Order No. 12,288 dated June 8, 1976 [61 NH PUC 141, *supra*]) is incorporated here by reference. Based upon all of these factors and based upon similar

considerations Mr. Colt gave as his opinion the highest and best use of the property was recreational; that the value before the taking was \$2,000, that the value after the taking was zero, thus the damages in his opinion were \$2,000.

Appraiser Ross, duly qualified, concluded that the value of the land to be taken is \$5,000. He gives as his reason the fact that the parcel is closer to the roadway than the Santasucci parcel (No. 100C), that an existing driveway is capable of serving the land and that the land would not require any preparation. For these reasons Ross assigns a greater per square foot value to the Hilliard land than to the Santasucci land

The commission recognizes the validity of both appraisals and considers all of the testimony incorporated herein from the hearing on Parcel No. 100C. The commission finds that fair and adequate damages to Hilliard for the taking of 8,600 square feet is \$3,500.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 100C-1 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

The commission finds that the land in question, Parcel No. 100C-1, is valued at \$3,500. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$3,500 in damages to the record owners of Parcel No. 100C-1 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in

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Parcel No. 100C-1 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this eighth day of June, 1976.

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NH.PUC*06/08/76*[77654]*61 NH PUC 144*Public Service Company of New Hampshire

[Go to End of 77654]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,290

61 NH PUC 144

New Hampshire Public Utilities Commission

June 8, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 49 (as required by RSA 374) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on November 13, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area, was duly qualified and accepted.

Parcel No. 49 according to Colt is a large irregularly shaped 32.6-acre parcel with 125 feet frontage on Lafayette road (U.S. Route 1) and presently planned as a subdivision for mobile homes. The area of the taking is 12.9 acres with 19.7 acres remaining after the taking. The property includes several roads, water lines, hydrants, and telephone lines, none of which will be taken in these proceedings. Mr. Colt gave as his opinion that the highest and best use of the land before the taking was prime commercial and that its use as a mobile home park is an interim use because no buyer for the land has been found to develop it as a commercial area. Mr. Colt concluded that the present highest and best use of the land is as a mobile home park and that the value of the total parcel before the taking is \$246,500 (32.6 acres) and that the value of the land after the taking is \$241,100 (19.7 acres). Thus the damages to be awarded to the owner for the 12.9 acres taken is

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\$5,400. The owners, Leonard J. and Gloria Nangle, did not appear at the hearing.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 49 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 49, is valued at \$5,400. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$5,400 in damages to the record owners of Parcel No. 49 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 49 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this eighth day of June, 1976.

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NH.PUC*06/08/76*[77655]*61 NH PUC 145*Public Service Company of New Hampshire

[Go to End of 77655]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,291

61 NH PUC 145

New Hampshire Public Utilities Commission

June 8, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 54 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was

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held at the office of the commission on June 10, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area, was duly qualified and accepted.

Parcel No. 54 according to Colt is an eight-acre irregularly shaped parcel covered with marsh

grass and salt hay with a highest and best use as recreational land and placed a market value upon the land of \$400.

William and Vivian Treat, owners of this parcel, did not appear. The record indicates that the Exeter and Hampton Electric Company claims an interest by easement in this parcel, although the company records based upon a title examination show no such easement.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 54 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

The commission finds that the land in this Parcel No. 54 is valued at \$400. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$400 in damages to the record owners of Parcel No. 54 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 54 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this eighth day of June, 1976.

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NH.PUC*06/08/76*[77656]*61 NH PUC 146*Public Service Company of New Hampshire

[Go to End of 77656]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,292

61 NH PUC 146

New Hampshire Public Utilities Commission

June 8, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those

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under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem,

for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 156 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on June 11, 1975.

Title to Parcel No. 156 has been investigated by the petitioner in this case but no record owners could be found. Counsel for the company, therefore, files the report of appraiser Colt to the effect that the value of the parcel before the taking is \$1,500 and that the value after the taking is \$1,430. The value, therefore, of the taking is \$70 with no damages to the remaining parcel.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 156 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 156, is valued at \$70. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$70 in damages to the record owners of Parcel No. 156 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 156 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this eighth day of June, 1976.

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NH.PUC*06/08/76*[77657]*61 NH PUC 148*Public Service Company of New Hampshire

[Go to End of 77657]

Re Public Service Company of New Hampshire

DE 74-69

61 NH PUC 148

New Hampshire Public Utilities Commission

June 8, 1976

COMMISSION order setting damages in condemnation proceeding.

DAMAGES, § 1 — Acquisition of deeds — Consideration.

[N.H.] Where the record indicated that an electric company had acquired certain condemned parcels through the payment of valuable consideration to the company's real estate entity, the commission held that there was no need for it to make any determination of damages.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel Nos. 4, 19, 19A, 21 22, 30, 50, 65, 70, 80, 89, 92, 41, 79, 79A, 95, 96A, 100, 100A, and 100D (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on November 12, 1975.

The record indicates that the company has acquired all of the above listed parcels by deed. These deeds recite valuable consideration to Properties, Inc., the real estate entity of the company, and thus there is no need for the commission to make any determination of damages. No orders are necessary regarding these parcels. Deeds evidencing title in Properties, Inc., are filed with the commission and are recorded at the Rockingham county registry of deeds.

Guardians ad litem, George Findell, Jr., and E. Paul Kelly, filed the necessary reports to protect the interests of those they were representing in these cases.

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NH.PUC*06/08/76*[77658]*61 NH PUC 149*Public Service Company of New Hampshire

[Go to End of 77658]

Re Public Service Company of New Hampshire

DE 74-69

61 NH PUC 149

New Hampshire Public Utilities Commission

June 8, 1976

COMMISSION order setting damages in condemnation proceeding.

DAMAGES, § 1 — Acquisition of deeds — Consideration.

[N.H.] Where the record indicated that an electric company had acquired certain condemned parcels through the payment of valuable consideration to the company's real estate entity, the commission held that there was no need for it to make any determination of damages.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel Nos. 44, 53, 55, 56, and 57 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on June 10, 1975.

The record indicates that the company has acquired all of the above listed parcels by deed. These deeds recite a valuable consideration passing to Properties, Inc., the real estate entity of the company, and thus there is no need for the commission to make any determination of damages. No orders relating to these parcels are necessary.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

Deeds evidencing title in Properties, Inc., are filed with the commission and are recorded in the Rockingham county registry of deeds.

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NH.PUC*06/09/76*[77659]*61 NH PUC 149*Concord Natural Gas Corporation

[Go to End of 77659]

Re Concord Natural Gas Corporation

DR 76-66, Order No. 12,293

61 NH PUC 149

New Hampshire Public Utilities Commission

June 9, 1976

PETITION by gas company for authority to increase rates; suspended pending commission

investigation.

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BY THE COMMISSION:

Order

Whereas, Concord Natural Gas Corporation, a public utility engaged in the business of supplying gas service in the state of New Hampshire, on May 28, 1976, filed with this commission Sixth Revised Pages 13, 14, 15, and 16 (superseding Fifth Revised Pages 13, 14, 15, and 16) and Fourth Revised Page 17 (superseding Third Revised Page 17) of NHPUC No. 13 — Gas, providing for an increase in gas rates effective July 1, 1976; and

Whereas, it appears to this commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Sixth Revised Pages 13, 14, 15, and 16 (superseding Fifth Revised Pages 13, 14, 15, and 16) and Fourth Revised Page 17 (superseding Third Revised Page 17) of its tariff, NHPUC No. 13 — Gas be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this ninth day of June, 1976.

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NH.PUC*06/09/76*[77660]*61 NH PUC 150*Ashland Water Department

[Go to End of 77660]

Re Ashland Water Department

IE 14,538, Order No. 12,294

61 NH PUC 150

New Hampshire Public Utilities Commission

June 9, 1976

PETITION by water company to run temporary power line between railroad ties, granted.

ELECTRICITY, § 7 — Power lines — Water company.

[N.H.] The commission granted a municipal water company authority to lay and maintain a temporary power line between railroad ties for a period of five days for the purpose of testing the company's pumping facilities.

BY THE COMMISSION:

Order

Whereas, Ashland Water Department, a municipal water system in the town of Ashland, New Hampshire, on June 7, 1976, filed a request for permission to lay and maintain a temporary power line between the railroad ties of the Concord to Lincoln line (owned by the state and operated by the Wolfeboro Rail Road Company, Inc.) for a period of five consecutive days beginning September 6, 1976, and for five consecutive days in April, 1977, for the purpose of testing the pumping facilities at the town municipal water well; and

Whereas, it appears that there is no objection to this filing and it also appears that the proposed action by the

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Ashland Water Department is in the public interest; it is

Ordered, that the Ashland Water Department be, and hereby is, authorized to lay and maintain a temporary power line between the railroad ties of the Concord to Lincoln line (owned by the state and operated by the Wolfeboro Rail Road Company, Inc.) at a location where U. S. Route 3 crosses Interstate 93 at Exit 24 in Ashland; and it is

Further ordered, that the authority herein is granted on a temporary basis for five consecutive days beginning September 6, 1976, and for five consecutive days in April, 1977; and it is

Further ordered, that Ashland Water Department indemnify and hold the state of New Hampshire and the Wolfeboro Rail Road Company, Inc., harmless against any and all damages that may occur during the time this project is in process; and it is

Further ordered, that Ashland Water Department notify the Wolfeboro Rail Road Company, Inc., of the time when and the manner in which this project will be carried out so that there shall be no interference with operations of the Wolfeboro Rail Road Company, Inc.

By order of the Public Utilities Commission of New Hampshire this ninth day of June, 1976.

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NH.PUC*06/10/76*[77661]*61 NH PUC 151*White Rock Water Company Inc.

[Go to End of 77661]

Re White Rock Water Company Inc.

DR 76-21, Order No. 12,295

61 NH PUC 151

New Hampshire Public Utilities Commission

June 10, 1976

PETITION by water company for authority to increase rates; granted.

1. SECURITY ISSUES, § 73.1 — Loans to affiliated interests — Water company.

[N.H.] The commission approved a water company's loan to its parent where it found that, although transactions such as these were not a customary use of utility capital, the consumer had not been harmed by the transactions in this instance. p. 152.

2. RATES, § 171 — Uniformity — Rate schedule — Water company.

[N.H.] The commission held that a water company would more nearly approximate its rate increase by increasing its various blocks by 41.3 per cent on all steps of its prior approved rate schedule. p. 153.

APPEARANCES: Robert D. Branch for the petitioner; Peter W. Brown pro se and for numerous customers.

BY THE COMMISSION:

Report

White Rock Water Company, Inc., a public utility engaged in the business of supplying water service in a specific area of this state, on July 30, 1975, filed with this commission First Revised Pages 16 and 17 of its tariff, NHPUC No. 1

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Water, providing for an annual increase in revenues in the amount of \$4,082. Said filing was suspended by Order No. 11,991 dated September 9, 1975, and on April 6, 1976, a duly noticed hearing was held at the office of the commission.

Long-term Debt

[1] In 1971 the company borrowed \$30,000 at 9.5 per cent secured by a mortgage on its property. At approximately the same date the company loaned to its parent, Village House, Inc., \$17,400 of the loan proceeds at 6 per cent on an unsecured note. The loan to the parent was recorded from year to year in reducing amounts as the parent made various payments for the account of the company, offset by interest at 6 per cent. Although transactions such as these are not a customary use of utility capital, we find that the consumer has not been harmed by these transactions in this instance and to the date of this tariff filing.

Adjusting to a net capitalization after excluding the loan to the parent, reports on file with this commission indicate that in no year since at least 1970 has the company achieved a rate of return on rate base equal to or in excess of the company's adjusted cost of capital.

Rate of Return

The company submitted a rate of return of 10 per cent. Adjusting capitalization for the loan to the parent, taking judicial notice of recent decisions of this commission and with our knowledge of the capital markets in general, we find that the rate of return as claimed is at least justified for this proceeding.

Test Year

Exhibits were filed for the year 1974, with certain pro forma adjustments. Data for the year 1975 was available prior to the hearing date and we adopt this period as the test year.

Rate Base

Using an average rate base for the year 1975, we conclude that the rate base is \$76,083 computed as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>December 31, 1974</i>	<i>December 31, 1975</i>	<i>Average</i>
Gross Plant	\$83,974	\$84,743	
Depreciation	8,346	10,569	
Net Plant	\$75,628	\$74,174	\$74,901
Operation and Maintenance			1,182
Rate Base			\$76,083

Revenue Requirements

Intervenors' witness, Mr. Kanegsberg, questioned the validity of the company's revenue estimates and presented his own estimate of 1976 estimated revenue. We have adopted 1975 as the test year and have used actual revenues, as reported.

This corrects for the difference between the company's estimate and actual results. Added revenue in 1976 through increased usage and/or through additional metered customers would most likely serve only to offset additional expenses

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(LeMay, Exh 4) and amortization of rate case expenses (letter, Robert, D. Branch, April 28, 1976).

Using 1975 as the test year, it is clear that the requested increase of \$4,082 in annual revenues is justified on the record

Rates

[2] The company's original filing in this case sought an increase in annual revenues of \$4,082 which represented a 41.3 per cent increase; however, in filing its revised tariff sheets the increase in the various blocks of the rate varied from 40 per cent to 57 per cent. The rate structure now in effect was approved by this commission and we see no reason to change this structure, nor do we see any evidence to support such a change.

As stated above in this report, we shall allow an increase in annual revenue of \$4,082, or 41.3 per cent, and it is our judgment that the company will more nearly approximate that increase by increasing its presently effective rates by 41.3 per cent on all steps of the rate schedule. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the revision of its tariff, NHPUC No. 1 — Water, as filed by White Rock Water Company, Inc., on July 30, 1975, which revision was suspended by commission Order No. 11,991 dated September 9, 1975, be, and hereby are, rejected; and it is

Further ordered, that in accordance with the rates authorized by this report and order, White Rock Water Company, Inc., file new tariff pages as follows:

Second Revised Page 16, issued in lieu of First Revised Page 16

Second Revised Page 17, issued in lieu of First Revised Page 17 setting forth therein rates designed to produce an annual increase in gross revenue of \$4,082, such rates reflecting an equal percentage (41.3 per cent) increase across the board on the present rates for all classes of service; and it is

Further ordered, that the revised tariff pages incorporating the above changes be filed to become effective with all bills rendered after the effective date of this order, such tariff page to carry the notation "Issued in compliance with Order No. 12,295 in case DR 76-21"; and it is

Further ordered, that White Rock Water Company, Inc., give public notice of these new rates by publishing the same once, prior to the effective date, in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this tenth day of June, 1976.

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NH.PUC*06/10/76*[77662]*61 NH PUC 154*Gas Service, Inc.

[Go to End of 77662]

Re Gas Service, Inc.

DR 76-12, Third Supplemental Order No. 12,296

61 NH PUC 154

New Hampshire Public Utilities Commission

June 10, 1976

COMMISSION order allowing gas company's revised tariffs to become effective.

BY THE COMMISSION:

Supplemental Order

Whereas, the commission, by its Report and Order No. 12,244 dated May 10, 1976 (61 NH PUC 112, supra), authorized Gas Service, Inc., to increase its rates in an amount of \$482,000 on an annual basis; and

Whereas, the commission, by its Order No. 12.251 dated May 12, 1976 (61 NH PUC 114, supra), permitted Section 2, Second Revised Pages 4-7 and Third Revised Page 8 (Nashua division) and Section 4, Second Revised Pages 4-7 (Laconia division) of Gas Service, Inc., tariff,

NHPUC No. 5 — Gas, to become effective with all bills rendered on or after May 12, 1976; and

Whereas, the commission by Second Supplemental Order No. 12,259 dated May 19, 1976 (61 NH PUC 116, supra), authorized the company to submit revised tariff pages to produce revenues of \$497,000 rather than the \$482,000 previously authorized; and

Whereas, the company filed, on May 29, 1976, new tariff pages for its Nashua division to produce such additional revenues as to comply with said order; it is

Ordered, that Section 2. Second Revised Pages 4-7 and Third Revised Page 8 (Nashua division) be and hereby are, cancelled; and it is

Further ordered, that Section 2. Third Revised Pages 4-7 and Fourth Revised Page 8 (Nashua division) of Gas Service, Inc., tariff. NHPUC No. 5 — Gas, be. and hereby are, permitted to become effective with all bills rendered on or after the date of this order; and it is

Further ordered, that notice of said increase in rates be given by publication of this order in a newspaper having general circulation in the territory served, including a schedule of the new rates.

By order of the Public Utilities Commission of New Hampshire this tenth day of June, 1976.

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NH.PUC*06/10/76*[77663]*61 NH PUC 155*Manchester Gas Company

[Go to End of 77663]

Re Manchester Gas Company

DR 75-207, Order No. 12,297

61 NH PUC 155

New Hampshire Public Utilities Commission

June 10, 1976

PETITION by gas company for increase in rates; granted as modified.

1. VALUATION, § 223 — Uncompleted construction — Gas company.

[N.H.] The commission found that a gas company's unfinished construction should be excluded from its rate base. p. 156.

2. VALUATION, § 301 — Year-end inventory — Gas company.

[N.H.] The commission adopted the inclusion of a gas company's year-end gas stored underground, instead of an average figure, in recognition of the fact that to disregard the existence of the substantial investment would only lead to further attrition and requests for further rate relief. p. 156.

3. EXPENSES, § 109 — Property taxes — Gas company.

[N.H.] The commission did not accept the concept of estimating property tax rates due to the uncertainty involved in such estimation, and used the test-year figures for a gas company. p. 157.

4. RATES, § 85 — Temporary rates — Refund or surcharge — Gas company.

[N.H.] Where a gas company's temporary rates had been superseded by permanent rates, the commission ordered the company to submit a calculation of either a required refund or a surcharge to conform to its order. p. 158.

5. RATES, § 303 — Revision of base unit cost — Gas company.

[N.H.] A gas company was authorized to update the base unit cost of gas where there would be no change in the total customers' bills, nor would the change result in increased revenues to the company. p. 158.

APPEARANCES: John R. McLane for the petitioner.

BY THE COMMISSION:

Report

Manchester Gas Company, a duly organized New Hampshire corporation operating as a public utility in the city of Manchester and in the towns of Goffstown, Hooksett, and Bedford, on October 27, 1975, filed a proposed revision to its tariff, NHPUC No. 12 — Gas, to become effective November 26, 1975. The proposed increase was designed to provide an increase in annual gross revenue of \$381,374 or 9.14 per cent. The commission suspended the effective date of the proposed increase by its Order No. 12,056 dated November 13, 1975.

The company filed a petition for temporary rates dated December 17, 1975, and on February 3, 1976, the commission held a duly noticed public hearing on the issue of temporary rates. On February 10, 1976, Order No. 12,138 (61 NH PUC 22, supra) was issued providing for a temporary rate increase of 9.5 per cent. Subsequently, on May 18, 1976, a duly noticed public hearing was held on the issue of permanent rates.

The company at this time increased its requests for higher basic rates to approximately \$430,000 in annual revenues. The company relied upon financial data for the year ended March 31, 1976, and we accept this period as a proper test year, when properly adjusted.

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Rate of Return

The company filed the following cost of capital computation (see Schedule PG-6 by Giordano) including the 0.2 per cent attrition factor and we concur with this computation.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>Capitalization (000)</i>	<i>Cost Rate</i>	<i>Weighted</i>
Long-term Debt	\$2,048	30.63%	6.95%
Short-term Debt	1,165	17.43	8.28
Preferred Stock	699	10.45	7.0
Common Equity	2,774	41.49	13.0

\$6,686	100.00%
---------	---------

We find the fair rate of return to the company to be 9.7 per cent. This figure, plus an attrition factor (0.2 per cent), are combined (9.9 per cent) and applied to the rate base to yield the required net utility operating income.

Rate Base

[1, 2] The commission finds that unfinished construction of \$45,949 as of March 31, 1976, should be excluded from the rate base computation submitted by the company on its Schedule PG-5 prepared by Mr. Giordano. The commission adopts the inclusion of year-end gas stored underground, instead of average, for the sole purpose of this case and in recognition that to disregard the existence of the substantial investment thereby represented during a major portion of the test year can lead only to further attrition and requests for further rate relief in the future (Re Public Service Co. of New Hampshire, Order No. 11,684, Dec. 31, 1974).

[Graphic(s) below may extend beyond size of screen or contain distortions.]

RATE BASE

Gross Utility Plant
 Less: Unfinished Construction
 Less: Depreciation Reserves
 Less: Contributions in Aid of
 Construction

Net Utility Plant
 Materials and Supplies
 Two Months Operation
 and Maintenance
 Less: Customer Deposits
 Less: Deferred FIT Utility
 Less: Investment Tax Credit
 Gas Stored Underground

Total Rate Base

Thus, we find the rate base upon which the company's revenue requirements are to be based to be in the amount of \$6,361,000.

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Revenue Requirements

The company proposed numerous adjustments to the March 31, 1976, test year. We accept the adjustments to depreciation and to other state and local taxes. We also accept that operative revenue from gas should be reduced by the amount billed under the temporary surcharge. Regarding the adjustments to operation and maintenance, we think the rate base expense should be amortized over two years rather than one year.

[3] We do not accept the concept of estimating property tax rates and assessment due to the uncertainty involved in such estimations and, thus, we will use the test-year figures.

Income taxes must be adjusted based on all of the other adjustments as well as for \$3,000 for

income taxes which should be paid out of other nonoperating income.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	Base Year March 31, 1976	Adjustments	Pro Forma Year
Operating Revenue – Gas	\$4,797,038	\$(113,066)	\$4,683,972
Operating and Maintenance Purchased Gas	1,746,142		1,746,142
Other Operating and Maintenance	1,862,501	148,882	2,011,383
Depreciation	287,391	3,977	291,368
Amortization	155		155
Taxes			
Local Property	212,748		212,748
State Franchise and Business Property Taxes	42,000		42,000
Federal Income	217,867	(127,551)	90,316
Other State and Local	10,279	2,338	12,617
	-----	-----	-----
Total Revenue Deductions	\$4,379,083	\$ 27,646	\$4,406,729
Gas Operating Income	417,955	(140,712)	277,243
Miscellaneous Utility Income – Rents	146,770		146,770
	-----	-----	-----
Net Utility Operating Income	\$ 564,725	\$(140,712)	\$ 424,013

Based on the foregoing, we adjust the actual net utility operating income of \$565,000 to \$424,000 for purposes of determining the required increase in net utility operating income.

The revenue deficiency is calculated as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Required net utility operating income (rate base 6,361,000 × rate of return 9.9%)	\$630,000
Net utility operating income, adjusted	424,000

Required increase in net utility operating income (i.e., revenue deficiency)	206,000
Required increase in revenue after adjustment for taxes	(206,000 ÷ 0.4836)

The revenue deficiency (\$206,000) is adjusted for income taxes to yield the additional amount of revenue the company must be allowed to collect on an annual basis going forward. We conclude, therefore, that an increase in

revenues in the annual amount of \$426,000 is the increase in basic rates to which the company is entitled on this record.

Temporary Rates

[4] Temporary rates went into effect February 10, 1976, in accordance with Order No. 12,138. Upon receipt of this decision the company shall submit a calculation of either a required refund or surcharge to conform to this report.

Base Unit Cost of Gas Provision

[5] The company requested that the base unit cost of gas be updated and increased to more nearly reflect current costs. While there would be no change on the total customers' bills, the basic rates would reflect the higher current costs of natural and supplemental gases. Such a change would not result in increased revenues to the company.

The company shall submit a proposed revision of the base unit cost of gas sold, taking into account any under- or over-collection under the existing cost of gas adjustment. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Eighth Revised Page 12 and Seventh Revised Page 13 to Manchester Gas Company tariff, NHPUC No. 12 — Gas, providing for an increase in rates are rejected; and it is

Further ordered, that revised tariff pages be submitted to produce revenues over and above those produced by the basic rates in tariff, NHPUC No. 12 — Gas, by the amount of \$426,000; and it is

Further ordered, that the base unit cost of gas be updated and increased to more nearly reflect current fuel costs; and it is

Further ordered, that Revised Pages 18, 19, and 20 to Manchester Gas Company tariff, NHPUC No. 12 — Gas, be submitted to reflect the updated base unit costs of gas; and it is

Further ordered, that when such submissions have been approved by this commission, a supplemental order will issue accordingly.

By order of the Public Utilities Commission of New Hampshire this tenth day of June, 1976.

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NH.PUC*06/11/76*[77664]*61 NH PUC 158*Northern Utilities, Inc.

[Go to End of 77664]

Re Northern Utilities, Inc.

DE 76-72, Order No. 12,298

61 NH PUC 158

New Hampshire Public Utilities Commission

June 11, 1976

PETITION by utility for authority to extend gas line; granted.

SERVICE, § 199 — Extensions — Gas utility.

[N.H.] The commission granted the gas division of a utility permission to do business as a public gas utility within a limited area of the town where no other gas utility operated in the territory proposed.

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BY THE COMMISSION:

Order

Whereas, Northern Utilities, Inc., Allied Gas division, with its principal place of business in the city of Portsmouth and operating within various towns and cities in the state, under the jurisdiction of this commission, by petition filed May 24, 1976, seeks authority, pursuant to RSA 374: 26, as amended, to extend its lines and service into the town of Stratham, thus validating an existing situation; and

Whereas, no other gas utility operates in the territory proposed, acquiescence by the selectmen of Stratham has been received, and the petitioner submits that the area in question will be served under its regularly filed tariff; and

Whereas, after investigation and consideration, this commission is satisfied that granting of the petition will be for the public good; it is

Ordered, that permission be, and hereby is, granted to Northern Utilities, Inc., Allied Gas division, to do business as a public gas utility within a limited area of the town of Stratham, and for that purpose to construct the necessary lines and apparatus.

By order of the Public Utilities Commission of New Hampshire this eleventh day of June, 1976.

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NH.PUC*06/11/76*[77665]*61 NH PUC 159*Gas Service, Inc.

[Go to End of 77665]

Re Gas Service, Inc.

DR 6511, Supplemental Order No. 12,299

61 NH PUC 159

New Hampshire Public Utilities Commission

June 11, 1976

PETITION by gas company for authority to add new customers; granted.

SERVICE, § 183 — Factors affecting new customers — Shortage of supply.

[N.H.] The commission permitted a gas company to revise tariffs in order to serve new customers where the gas supply situation had improved for the company, due to usage patterns and the availability of additional storage facilities.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in 1973, by Order No. 11,021 in DR 6511 authorized Gas Service, Inc., to limit the addition of new customers, as set forth in Supplement No. 5, NHPUC No. 4 — Gas, in view of the availability of gas at that time; and

Whereas, the gas supply situation has now improved for Gas Service, Inc., due to usage patterns and the availability of additional storage facilities; and

Whereas, Gas Service, Inc., has filed revisions to its present limitations for the

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addition of new customers in the Nashua and Laconia divisions consistent with the present availability of gas supplies; and

Whereas, permitting such revised limitations on the adding of new customers to become effective on less than the thirty days statutory filing period would be in the public interest by making additional gas service available; it is

Ordered, that Section 1, Original Page 19, Gas Service, Inc., tariff, NHPUC No. 5 — Gas, effective July 24, 1973, be, and hereby is, cancelled; and it is

Further ordered, that Section 1. First Revised Page 19, Gas Service, Inc., tariff, NHPUC No. 5 — Gas, issued June 3, 1976, be, and hereby is, permitted to become effective as of the date of this order; and it is

Further ordered, that public notice of this order be made by publication in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this eleventh day of June, 1976.

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NH.PUC*06/11/76*[77666]*61 NH PUC 160*Lebanon Airport Development Corporation

[Go to End of 77666]

Re Lebanon Airport Development Corporation

DT 75-124, Supplemental Order No. 12,300

61 NH PUC 160

New Hampshire Public Utilities Commission

June 11, 1976

PETITION for authority to extend air transportation service; granted.

CERTIFICATES, § 136 — Modification and amendment of certificate — Change. in routes.

[N.H.] The commission granted an airport corporation authority to extend its air transportation service of persons, baggage, freight, and mail to include a new destination where the commission found that the extended service would be in the public interest.

BY THE COMMISSION:

Supplemental Order

Whereas, the commission, by its Order No. 11,905 dated July 1,1975, issued the Lebanon Airport Development Corporation aircraft certificate of public convenience and necessity No. 1 authorizing that corporation to engage in air transportation of persons, baggage, freight, and mail from Lebanon, New Hampshire, to Whitefield, New Hampshire, and return; and

Whereas, this commission, on June 3, 1976, received a request for the extension of said service from Whitefield, New Hampshire, to Berlin, New Hampshire; and

Whereas, after investigation by the commission, it appears that the service will be in the public interest; it is

Ordered, that aircraft certificate of public convenience and necessity No. 1

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issued to the Lebanon Airport Development Corporation be, and hereby is, expanded to include the air transportation of persons, baggage, freight, and mail from Whitefield, New Hampshire, to Berlin, New Hampshire, and return, such transportation to be restricted to the operation of aircraft of less than 12,500 pounds gross weight under the provisions of RSA 422:24a; and it is

Further ordered, that in every other manner and respect Order No. 11,905 shall remain in full force and effect.

By order of the Public Utilities Commission of New Hampshire this eleventh day of June, 1976.

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NH.PUC*06/11/76*[77667]*61 NH PUC 161*Manchester Gas Company

[Go to End of 77667]

Re Manchester Gas Company

DF 6499, Third Supplemental Order No. 12,301

61 NH PUC 161

New Hampshire Public Utilities Commission

June 11, 1976

PETITION by gas company for authority to issue stock dividend; granted.

SECURITY ISSUES, § 101 — Stock dividends — Gas company.

[N.H.] The commission authorized a gas company to declare and issue a stock dividend of three shares of \$5 par value common stock for each 100 shares presently outstanding, and further authorized the company to pay in cash, to the stockholders entitled to fractional shares, an amount based upon a value of \$7.50 per common share.

BY THE COMMISSION:

Supplemental Order

Whereas, Manchester Gas Company (the "company"), a New Hampshire corporation doing business as a gas public utility under the jurisdiction of this commission, by petition filed June 3, 1976, represents that as of April 30, 1976, the common stockholders' equity in the company was as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

400,000 shares \$5 par value authorized \$ 1,079,285
215,857 shares \$5 par value issued

Capital Surplus	345,025
Retained Earnings	1,415,893
	\$ 2,840,203

and

Whereas, the company proposes to issue no more than 6,476 shares, representing 3 per cent of the shares presently authorized and outstanding, to present stockholders at a rate of three additional shares for each 100 shares presently held; and

Whereas, the company asserts that it will be able to pay dividends at the

Page 161

current annual rate of 70 cents per share on both the presently outstanding stock and on the new shares to be issued, resulting in a dividend increase to present stockholders of 3 per cent and

Whereas, the company alleges that the stockholders entitled to fractional shares will be paid in cash on the basis of a value of \$7.50 per share, the quoted bid price as of the declaration date, March 25, 1976; and

Whereas, the company proposes that the record date for payment of this stock dividend will be the later of June 16, 1976, or ten days subsequent to the date of public utilities commission approval, and the company further proposes that the payment date be fourteen days thereafter; and

Whereas, in support of its petition, the company has appended to its petition certain financial statements, consisting of a balance sheet and income statement showing adjustments for financing, both of which are dated as of April 30, 1976 and the company further filed as an exhibit a copy of the corporate vote, authorizing said 3 per cent stock dividend which vote was adopted at a meeting of the directors of the Manchester Gas Company held on March 25, 1976; and

Whereas, the commission is satisfied, after having reviewed the allegations of the petition and the appended exhibits, that a public hearing on this petition is not necessary, and that payment of this common stock dividend will be consistent with the public good, and in conformity with the provisions of RSA 369:1; it is

Ordered, that the Manchester Gas Company be, and hereby is, authorized to declare and issue a stock dividend of three shares of \$5 par value common stock for each 100 shares presently outstanding; and it is

Further ordered, that Manchester Gas Company be, and hereby is, authorized to pay in cash, to the stockholders entitled to fractional shares, an amount based upon a value of \$7.50 per common share; and it is

Further ordered, that within thirty days after the date of payment of this stock dividend, said Manchester Gas Company shall file with this commission, a financial statement, duly sworn to by its treasurer, indicating appropriate entries on the company's balance sheet.

By order of the Public Utilities Commission of New Hampshire this eleventh day of June, 1976.

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NH.PUC*06/17/76*[77668]*61 NH PUC 162*Public Service Company of New Hampshire

[Go to End of 77668]

Re Public Service Company of New Hampshire

DE 76-70, Order No. 12,305

61 NH PUC 162

New Hampshire Public Utilities Commission

June 17, 1976

PETITION by electric company for a license to construct and maintain an electric line; granted.

ELECTRICITY, § 7 — Authorization for transmission lines.

[N.H.] The commission granted a license to an electric company to construct and maintain an electric transmission line where it found that the proposed construction was necessary to meet the reasonable requirements of the public.

BY THE COMMISSION:

Order

Whereas by petition filed June 4, 1976, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17 — 20 to construct and maintain electric lines under and across Opechee bay in the city of Laconia, New Hampshire; and

Whereas, the petition represents that the proposed construction will cross approximately 2,490 feet of the bay for the purpose of serving distribution loads directly from the 34.5 kv line authorized by Order No. 11,974 (DT 75-168) and to add a natural wire in connection with that use; and

Whereas, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

Ordered, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain electric lines under and across Opechee bay in the city of Laconia, all in accordance with the above description which is contained on a plan on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of June, 1976.

NH.PUC*06/23/76*[77669]*61 NH PUC 163*Manchester Water Works

[Go to End of 77669]

Re Manchester Water Works

Intervenors: Towns of Hooksett, Bedford, Auburn, Goffstown, and Manchester Property Owners and Tenants Association et al.

DR 76-41, Supplemental Order No. 12,311

61 NH PUC 163

New Hampshire Public Utilities Commission

June 23, 1976

PETITION by water company for an increase in rates; granted as modified.

1. COMMISSIONS, 27 — Limitations on jurisdiction — Jurisdiction over municipal corporations.

[N.H.] The commission found that where a municipal corporation operated outside the corporate limits it became a public utility

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subject to the jurisdiction of the commission. p. 164.

2. MUNICIPAL PLANTS, § 14 — Free water service — Municipal and charitable purposes.

[N.H.] Based upon the opinion of a city solicitor, and subject to judicial review, the commission found that a municipal company in the absence of an express provision in its charter requiring a city or any of its departments to pay water rents could furnish free water to various city departments and to charitable and educational institutions. p. 165.

APPEARANCES: Charles A. DeGrandpre and Robert Wells for the petitioner; David A. Brock for the towns of Hooksett, Bedford, Auburn, and Goffstown; Lloyd G. Basinow for the Manchester Property Owners and Tenants Association; E. B. Nickerson, selectman, for the town of Goffstown.

By the COMMISSION:

Report

Background

This proceeding was initiated on March 26, 1976, when Manchester Water Works filed for an increase in rates and certain other revisions in the terms and conditions of service applicable in areas served outside the municipal limits of Manchester. These proposed changes provided for the implementation of a 33.3 per cent increase in water rates for residential, commercial, and industrial customers and for private fire protection charges, and were designed to generate annual gross revenue increases of \$853,415 and \$20,679 respectively. The proposed rates for municipal fire protection call for an increase from \$90 to \$176, providing a gross annual revenue increase of \$16,942.

Pursuant to the authority vested in this commission by RSA 378:6 on April 15, 1976, by Order No. 12,208 (61 NH PUC 73, *supra*) we suspended the proposed rate increase pending an investigation and public hearings on the question of the reasonableness of the proposed rates and

charges, as authorized by the provisions of RSA 378:5. A hearing was held at the office of the commission in Concord on Thursday, May 13, 1976.

Jurisdiction

[1] Some uncertainty was expressed at the hearing regarding commission jurisdiction over municipal corporations, such as the Manchester Water Works. RSA 362:2 defines the term public utility and specifically excepts "municipal corporations operating within their corporate limits." By the terms of this statute, municipal corporations operating outside the corporate limits do not come within the exception and thus are included as public utilities. Such is the case with Manchester Water Works. They are a municipal corporation operating outside of their corporate limits, specifically in the towns of Auburn, Bedford, Goffstown, Hooksett, and Londonderry, and thus are considered a public utility.

The New Hampshire supreme court, in the case of Blair v Manchester Water Works (1961) 103 NH 505, 42 PUR3d 237, 175 A2d 525, clarified and interpreted RSA 362:2 and clearly delineated this commission's jurisdiction over municipal corporations operating outside their corporate limits. The court held that where a municipal water works extends its operation into an adjoining

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town it became a public utility subject to the jurisdiction of the public utilities commission but only in the specified area into which it had undertaken to extend its water service.

Thus, in the instant case, we have jurisdiction over rates charged by Manchester over rates charged by Manchester Water Works in the towns of Auburn, Bedford, Goffstown, Hooksett, and Londonderry. We do not, however have any jurisdiction over the rates charged by the Manchester Water Works in the city of Manchester.

Other Issues

In the presentation of this case, several issues internal to the city of Manchester and outside our jurisdiction were raised. The following discussion, therefore, is intended to recognize these issues and perhaps to clarify them in the context in which they were presented. We do not, however, offer solutions or determinations of these issues.

First, intervenor Basinow brought to the attention of the commission a section of the water works charter which provides that the "city shall annually pay the sum of \$25 for each fire hydrant which it maintains" (Report, p. 105). It was established further that the water works does not charge the city of Manchester for any of the approximately 2,000 hydrants within its boundaries nor does the city of Manchester collect real estate taxes from the water works. Chapter 183 of the Laws of 1893 authorized the city of Manchester to establish a water works. Section 5 of that chapter specifically provided that the "city shall annually pay the sum of \$25 for each fire hydrant which it maintains." This section, however, was repealed by Chap 315 of the Laws of 1925 which specifically stated that "§ 5 of Chap 183, Laws of 1893, is hereby repealed." Thus, there appears to be no requirement that the water works charge the city of Manchester for its hydrants and Mr. Basinow's contention would, therefore, be rendered moot.

[2]Second, regarding free water service furnished by the municipal water works to city

agencies, it is the opinion of the city solicitor of Manchester, Elmer T. Bourque, that "the right of the city to furnish water free for municipal and charitable purposes can hardly be doubted. If the municipality owns its own plant and the rates charged are reasonable in amount, consumers cannot complain that water is furnished free to the various city departments and to charitable and educational institutions. It has been held that in the absence of an express provision in its charter requiring a city or any of its departments to pay water rents, the city water board was without authority to charge the city or any of its departments for water used." We take judicial review it offers the water works a firm basis for providing free water service to other agencies of the city.

Third, reference was made to the fact that the Manchester Water Works pays local real estate taxes to the other towns it serves for property owned by the water works in those towns. In view of the recent New Hampshire supreme court decision of *Hanover v Lebanon*, the propriety of this tax upon Manchester Water Works was questioned. The *Hanover* case held that the town of Hanover was entitled to a tax rebate on land owned by it, maintained for recreational purposes and situated in Lebanon. Hanover's use of that land was specifically authorized by statute and since their ownership was

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proper they were entitled to a rebate under RSA 72:23 I. Under the reasoning of *Hanover v Lebanon*, if Manchester Water Works properly owns property in other towns for a purpose specifically sanctioned by statute, then it may well be true that the water works is entitled to an abatement from those other towns. A final determination of this issue would be within the province of the city of Manchester and its water works to pursue.

Temporary Rates

On May 6, 1976, the water works filed a petition for temporary rates. The water works contends that it is absolutely necessary for the commission to provide rate relief prior to June 11, 1976, otherwise it would begin to operate at a serious deficit, a position a city-owned operation can ill afford to be in without other serious consequences ensuing.

Rate Request

Testimony was submitted by the director and chief engineer of the Manchester Water Works. He testified that approximately \$100,000 of the proposed \$891,036 increase was applicable to customers outside of the municipal limits of Manchester, and that general Manchester rates will increase proportionately with out-of-town rates, with the exception of fire protection. He stated that there were four basic reasons for the rate increase request: first, the increased cost due to the water treatment facility becoming fully operational; second, increased labor costs due to a negotiated contract with employees for a per cent increase; third, inflationary factors, such as the increased cost of purchased power, real estate taxes, insurance, and construction materials; and fourth, increased costs of doing business due to federal requirements of the Water Pollution Control Act and the Safe Drinking Water Act.

The witness explained that the last increase sought in its municipal fire protection charges was in 1967. although there had been subsequent general rate increases in 1971 and 1974. The increase now sought in municipal fire protection would not be applied until January 1, 1977, the water works having already billed for municipal fire protection for the year 1976.

The water works has used the capacity ratio method to determine the amount of revenue to be obtained under its municipal fire protection rate. We recognize this method as an acceptable means of deriving the proper allocation of its fixed capital and operating and maintenance expenses between its various classes of customers. Although there are other methods of accomplishing this task, we do not feel that they would produce substantially different results. The resulting 24.5 per cent is well within the range used by similar sized water utilities in New Hampshire.

Financial Data

Manchester Water Works presented financial statements based on actual results for the year 1975 with estimated adjustments for increased operating costs. It should be noted that estimates were not made for any increase in volume of sales. Revenue estimates were increased to reflect the policy change of now charging private colleges and cemeteries for water usage. Substantial increases in expenses were estimated by Manchester Water Works for 1976 and

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1977 The financial data used in this report is based upon these estimates.

An analysis of the cash requirements of the Manchester Water Works is outlined below. It appears that because the rate increase is applicable to only one-half a year in 1976, cash requirements would be met with a small surplus. However, when the proposed rates are included for the full year 1977, surplus cash of \$420,592 is provided.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

ANALYSIS OF CASH REQUIREMENTS AS PROJECTED WITH FILED INCREASES

Cash Required:

New Plant Additions
Debt Amortizations

Provided by:
Construction Contributions
Depreciation
Profit
Invested Funds
Funds Held by City

Excess Cash Available

Amount of Proposed Increase

The proposed increase for the remainder of 1976 and the full year 1977, or eighteen months, amounts to \$1,328,083.

The proposed increases amount to \$437,047 for calendar year 1976 and \$891,037 for calendar year 1977. The 1976 increase will produce earnings of 2.57 per cent on an average rate base of \$17,984,336. The 1977 increase will produce earnings of 6.37 per cent on an average rate base of \$18,010,557. The calculations of these increases are as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

COMPUTATION OF AVERAGE RATE BASE

The makeup of the rate base is as follows:

Fixed Assets
 Less: Depreciation Reserve
 Contributions for Construction

Net Average Plant in Service

Plus: Materials and Supplies
 Four Months Operating and Maintenance

Total Working Capital

Average Rate Base

Estimated Net Operating Income

Rate of Return at Proposed Rates

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This earning rate of 2.57 per cent in 1976 and 6.37 per cent in 1977 can be equated to a cost of capital of 5.84 per cent and 5.85 per cent respectively.

Computation of the cost of capital is as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

WEIGHTED COST OF CAPITAL AS AT DECEMBER 31

Long-term Debt

Equity
 Municipal Investment

Total Capital

Long-term Debt

Equity
 Municipal Investment

Total Capital

Conclusion

Our analysis in the preceding calculations are based on the makeup of the total water system operation both in the city of Manchester and in the limited areas served in surrounding communities. In our analysis of cash requirements, we show that with the requested increase in effect for eighteen months, an excess cash available at the end of 1977 in the amount of

\$454,410 is produced. It is our judgment that the increase in revenues allowed should be reduced by the amount of excess cash for the 18-month period, thereby allowing an increase of \$874,000 or 66 per cent of the requested increase. For those customers under the jurisdiction of this commission we would allow the following-annual increase in the water works rate schedule:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>Per Cent</i>	<i>Amount</i>
1. Metered Water Rates	22	\$53,447
2. Private Fire Protection	22	1,455
3. Municipal Fire Protection	63	11,182
		\$66,084

Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Manchester Water Works tariff, NHPUC No. 3 — Water, as filed on March 26, 1976, which tariff was suspended by commission Order No. 12,208 dated April 15, 1976, be, and hereby is accepted, with the exception

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of Pages 23, 24, 25, and 26 of said tariff; and it is

Further ordered, that in accordance with the increase in rates authorized by this report and order, Manchester Water Works file certain new pages for its tariff, NHPUC No. 3 — Water, as follows:

First Revised Page 23, Issued in lieu of Original Page 23 First Revised Page 24, Issued in lieu of Original Page 24 First Revised Page 25, Issued in lieu of Original Page 25 First Revised Page 26, Issued in lieu of Original Page 26

setting forth therein rates designed to produce an annual increase in gross revenue from its customers served outside the city of Manchester of (\$66,084), reflected in its rate schedules as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>Per Cent</i>	<i>Increase Amount</i>
Metered Water Rates	22	\$53,447
Private Fire Protection	22	1,455
Municipal Fire Protection	63	11,182
Total		\$66,084

and it is

Further ordered, that the revised tariff pages incorporating the above changes in metered water rates and private fire protection be filed to become effective with all bills rendered on or after June 11, 1976, and the revised tariff page incorporating the above changes in the municipal fire protection rate be filed to become effective with all bills rendered on or after January 1, 1977; and it is

Further ordered, that Manchester Water Works tariff, NHPUC No. 3 — Water, carry the notation "Issued in compliance with Order No. 12,311 in case DR 76-42"; and it is

Further ordered, that Manchester Water Works give public notice of these new rates by publishing the same once prior to the effective dates, in a newspaper having general circulation in the territory served by said utility.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of June, 1976.

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NH.PUC*06/24/76*[77670]*61 NH PUC 169*Public Service Company of New Hampshire

[Go to End of 77670]

Re Public Service Company of New Hampshire

Intervenors: Volunteers Organized in Community Education et al.

DR 76-46, First Supplemental Order No. 12,313

61 NH PUC 169

New Hampshire Public Utilities Commission

June 24, 1976

PETITION by electric company for revision in its fuel adjustment clause; granted.

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RATES, § 303 — Monthly surcharge — Electric company.

[N.H.] The commission authorized an electric company to apply a fuel surcharge which had been filed by the company in accordance with the fuel surcharge formula authorized by the commission and used in each of the fifty-one preceding months to establish the monthly fuel surcharge.

APPEARANCES: Ralph H. Wood, general counsel, for the petitioner; Pauline Anderson for VOICE; Senator D. Alan Rock for the Committee Studying the Restructuring of the Public Utilities Commission; David Hodges, pro se.

BY THE COMMISSION:

Report

Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on June 17, 1976, filed with this commission 18th Revised Pages 15 and 16 of tariff, NHPUC No. 20 — Electricity, comprising

the monthly calculation of the fuel adjustment clause for effect July 1, 1976. Hearing thereon was held at the office of the commission on June 18, 1976.

Witness Stetson, director of rates and load research of the Public Service Company of New Hampshire, presented detailed line-by-line testimony regarding the data from the month of May which is used to comprise the calculation of the fuel adjustment charge shown on Exh No. 1 and applicable to billing in the month of July. The calculation of the July fuel adjustment reflects a decrease from the previous month. The fuel adjustment charge proposed to become effective on July 1, 1976, is 97 cents per 100 kilowatt-hours. The fuel adjustment charge allowed by this commission in its Order No. 12,268 dated May 28, 1976 (61 NH PUC 128, supra) and which became effective June 1, 1976, was \$1.05 per 100 kilowatt-hours.

There are three principle reasons for the decrease in the fuel adjustment charge from June to July. The first reason is that the Merrimack II generating unit in Bow, New Hampshire, which had been out of service with unscheduled repairs and maintenance is now back on line and producing low cost generation of electricity by coal. This is relatively inexpensive when compared with the high cost of electricity produced by oil and in some cases procured from out-of-state sources. The second reason for the decrease in the fuel adjustment charge is the decreasing load on the company's system due to seasonal considerations. This means that the higher cost units of the company did not have to run as often as in the previous colder months when demands on the system were greater. The third reason, resulting from the first two, is that the company's dependence on NEPEX generation decreased, thus the company did not have to purchase as much electricity produced by fossil fuel plants elsewhere in New England and dispatched to Public Service Company.

Intervenor Rock engaged in a lengthy cross-examination regarding the figures presented in this calculation. He inquired about the historical levels of the fuel adjustment clause and the historical costs of coal and oil and attempted comparison based on these items. As a result of this line of inquiry, Mr. Rock made certain data requests. Rock inquired at length regarding the element of the fuel adjustment calculation known as "lost

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and unaccounted for." Another issue which was the subject of the senator's inquiry was the reason Public Service Company purchases electricity from certain sources and also makes sales of electricity it generates to others.

Senator Rock proposed that the monthly surcharge for July be established as 91 cents per 100 kilowatt-hours (the same as for the month of July, 1975) on the grounds that the "lost and unaccounted for" figure in the computation was unusually high and the cost of oil had declined. This suggestion is not supportable. The "lost" in "lost and unaccounted for" are those kilowatt-hours used in transmitting power through the network and is the difference between the sendout at the point of production and the use at the customers' locations. This power is a necessary cost of doing business and is captioned as "lost" since it is not deliverable to the customer. The "unaccounted for" kilowatt-hours stem from the difference between the factual kilowatt-hours produced in a month and those billed the customers during the same month. As a practical matter, the kilowatt-hours billed to a customer during the month are the difference

between successive meter readings, the latter of which is read during the month on any day starting from the first to the last day of the month; hence, a customer's usage whose meter was read on the tenth of May would include usage of twenty days in April and ten days in May. Seasonal variations in monthly consumption thus produce variations in the "lost and unaccounted for" figure, which over the course of a 12-month period will average out.

While the figure of "lost and unaccounted for" in the May data is 31,009 megawatt-hours, the April figure is minus 1,850 megawatt-hours. Obviously a utility cannot sell more kilowatt-hours to its customers in a month than it produces but the physical inability to perfectly match kilowatt-hours produced with kilowatt-hours sold within a monthly period by virtue of the cycle billing process produces these monthly distortions.

The second reason advanced by Senator Rock for using 91 cents per 100 kilowatt-hours for the July fuel surcharge is that fuel oil prices are lower than a year ago. This is true, but coal prices are higher. Furthermore, the generation mix in any month may vary sufficiently to offset short-term variation in fuel prices. For example, an increase in fuel prices in a particular month may be more than offset by an increase in production from nuclear and hydroelectric generation, thus the fuel surcharge will go down when fuel prices go up and vice versa.

To abandon an established formula based on factual data to an arbitrary process based on using the same month for the preceding year would be an improper method of rate making. We shall authorize the 97 cents per 100 kilowatt-hours fuel surcharge for the month of July as filed by the company and computed in accordance with the fuel surcharge formula authorized by this commission, and used in each of the fifty-one preceding months to establish the monthly fuel surcharge.

David Hodges raised the question of whether the fuel surcharge computations were audited figures. Each month's figures are not audited but the fuel adjustment clause was audited in 1975 and is subject to further audits at any time. The last full audit resulted in an adjustment in the customers' favor which is being spread over the twelve months

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ending in August, 1976, and equates to just less than one cent per 100 kilowatt-hours.

The record developed in this proceeding supports the conclusion that the calculation of the July, 1976, fuel adjustment charge is just and reasonable and properly computed. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that 18th Revised Pages 15 and 16 of Public Service Company of New Hampshire tariff, NHPUC No. 20 — Electricity (upon which a public hearing was held on June 18, 1976), providing for a monthly fuel surcharge of 97 cents per 100 kilowatt-hours for the month of July, 1976, be, and hereby are, permitted to become effective July 1, 1976; and it is

Further ordered, that public notice of this fuel surcharge be given by a one time publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of June, 1976.

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NH.PUC*06/24/76*[77671]*61 NH PUC 172*Continental Telephone Company of New Hampshire, Inc.

[Go to End of 77671]

Re Continental Telephone Company of New Hampshire, Inc.

DR 75-220, Supplemental Order No. 12,314

61 NH PUC 172

New Hampshire Public Utilities Commission

June 24, 1976

COMMISSION order permitting telephone company's revised tariff to become effective.

BY THE COMMISSION:

Supplemental Order

Whereas, Continental Telephone Company of New Hampshire Inc., in compliance with the commission's Order No. 12,260 ([1976] 61 NH PUC 118, *supra*) has filed a new tariff, NHPUC No. 11, designed to produce an increase in rates of 8219,000 over rates presently in effect; and

Whereas, the commission is satisfied that the company has complied with our order to spread the various rates in the same proportion as the original filing (NHPUC No. 10) as is reasonably practicable and possible; it is

Ordered, that tariff NHPUC No. 11 be, and hereby is, permitted to become effective with all bills rendered on or after the date of this order; and it is

Further ordered, that notice of said increase be given by publication of this

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order, in the usual manner, in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of June, 1976.

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NH.PUC*07/01/76*[77672]*61 NH PUC 173*Public Service Company of New Hampshire v Heirs of Ellen E. Spalding

[Go to End of 77672]

Public Service Company of New Hampshire v Heirs of Ellen E. Spalding

DE 76-28, Order No. 12,316

61 NH PUC 173

New Hampshire Public Utilities Commission

July 1, 1976

PETITION by electric company to acquire an easement to construct and maintain transmission lines; granted.

ELECTRICITY, § 7 — Authorization for transmission lines — Granting of easement and establishment of damages.

[N.H.] The commission granted an electric company an easement to construct an electric transmission line that it found was in the public interest, and set damages for the taking of the land.

APPEARANCES: Kenneth Robison for the petitioner, Public Service Company of New Hampshire; Richard Hampe, guardian ad litem, for persons unknown or whose residences are unknown; John Teague, guardian ad litem, for persons who are under a disability but for whom no guardian has been appointed.

BY THE COMMISSION:

Report

By this unopposed petition filed March 23, 1976, Public Service Company of New Hampshire requests the commission to determine the necessity of taking certain land located in Kingston, New Hampshire, and to establish damages for said taking. Public Service Company alleges that to meet the reasonable requirements of service to the public, it is necessary to construct a new 115 kv transmission line between the Kingston substation in Kingston and Danville, New Hampshire. The Public Service Company, by this petition, seeks to acquire a perpetual right and easement to construct said line. The petition also requests the appointment of guardians ad litem to protect the interests of the heirs of Ellen Spalding, who could not be located after a diligent title examination. The commission, by its Order No. 12,214 dated April 20, 1976 (61 NH PUC 95, *supra*), appointed Richard Hampe, guardian for persons unknown or whose residences are unknown, and John Teague, guardian for persons who are under a disability but for whom no guardian has been appointed.

Counsel for the company at the outset

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of the hearing made the statement that a diligent search had been made for the heirs of Ellen Spalding and that no heir could be found. In the company's opinion the search should continue

since certain developments immediately prior to the hearing indicate additional avenues of investigation.

The company presented testimony through Stewart Aither, senior engineer of the distribution department of the Public Service Company of New Hampshire, and William N. Lane of Rochester, an appraiser hired by the company for the purposes of this case. Mr. Aither is charged with the responsibility of determining when the company's outside plant (transmission and distribution lines) become insufficient and need replacement or addition. In his job he prepares load-flow studies based upon projected population and projected business development. Based upon the study in the Kingston area it has been determined that by about 1978, a new transmission line of the 115 kv capacity will be needed to supply the franchise area of the Exeter and Hampton Electric Company, a retail utility purchasing all its power requirements from the Public Service Company of New Hampshire.

Counsel for Public Service Company of New Hampshire requested the commission to take administrative notice of its Order No. 11,267 granting a certificate of site and facility for the line described in this case. Based upon the earlier order of this commission and upon the opinion of Mr. Aither regarding the need for an additional 115 kv line, the commission finds, pursuant to RSA 371, that there is necessity for Public Service Company of New Hampshire to establish the transmission line described in the petition.

Regarding damages, William Lane testified that the parcel affected by the taking is approximately two acres in size. This narrow parcel (100 feet by 1,000 feet) is in a rural area in southwest Kingston and is heavily wooded. The land is 600 feet from Mill road and has no access from Mill road. There is a wood road slightly closer to the parcel but this wood road does not provide any direct access. The land does contain some merchantable pine timber valued at about \$350. The proposed transmission line would transverse this parcel diagonally and the proposed taking is 0.542 acres, which is 28 per cent of the total parcel. This would leave a portion of the land north of the taking of 0.7 acres and a portion of the land south of the taking of 0.6 acres.

Mr. Lane gave as his opinion that the highest and best use of the land would be for purchase by the adjacent owners in the area and that it had little potential for any other purpose or use. He took a view of the parcel in February, 1975, and also on June 16, 1976. He appraised the value of the land before the taking at \$1,200, the value of the remaining land after the taking at \$200 and thus he gave as his opinion that the damages are \$1,000.

Guardian ad litem Hampe concurred with this estimation of damages and requested that these damages found by the commission be placed in escrow for a period of two years and that a diligent search be continued to locate the heirs of Ellen Spalding. Guardian ad litem Teague stated that the damages should be at the full amount of \$1,200. Mr. Teague stated that the remaining land in his opinion had no value. Neither guardian presented evidence in this case.

The commission finds, based upon the foregoing evidence, that the fair,

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reasonable, and adequate damages for the taking are \$1,000. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Public Service Company of New Hampshire be, and hereby is, authorized to acquire by condemnation an absolute fee simple title ownership to a certain tract of land in Kingston, New Hampshire, bounded and described as follows:

Beginning at a point in the northerly boundary of the track described in Par "2" at land of Therese C. Pelletier, said point being located north 62 degrees 08 feet 05 inches west, 491.51 feet from an iron pin in stones that mark the northeasterly corner of the land described in Par "2" at land of said Pelletier; thence running north 62 degrees 08 feet 05 inches west, 305.76 feet to land of Allen P. George, et ux; thence south 30 degrees 34 feet 56 inches east, 153.1 feet along said Georges' land; thence south 63 degrees 15 feet 18 inches east, 296.38 feet to land of said Pelletier; thence north 30 degrees 34 feet 56 inches west 142.03 feet along said Pelletier land to the point of beginning. (The bearings in this description are based on the New Hampshire grid system); and it is

Further ordered, that Public Service Company of New Hampshire be, and hereby is, authorized to pay damages in the amount of \$1,000 and that said payment shall be placed in an escrow account established in the name of the "Heirs of Ellen Spalding, Richard Hampe, guardian ad litem."

By order of the Public Utilities Commission of New Hampshire this first day of July, 1976.

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NH.PUC*07/02/76*[77673]*61 NH PUC 175*Gas Service, Inc.

[Go to End of 77673]

Re Gas Service, Inc.

IR 14,539, Order No. 12.317

61 NH PUC 175

New Hampshire Public Utilities Commission

July 2, 1976

COMMISSION order approving special rate contract.

RATES, § 213 — Special contract — Filing and commission approval.

[N.H.] The commission approved a utility's special contract for seasonal gas service at rates other than those fixed by its schedule of general application, as the commission found that special circumstances existed which rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc., a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 22 with the Nashua Country Club, effective April 1, 1976, for seasonal gas service

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at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the date of this order.

By order of the Public Utilities Commission of New Hampshire this second day of July, 1976.

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NH.PUC*07/02/76*[77674]*61 NH PUC 176*Northern Utilities, Inc.

[Go to End of 77674]

Re Northern Utilities, Inc.

IR 14,540, Order No. 12,318

61 NH PUC 176

New Hampshire Public Utilities Commission

July 2, 1976

COMMISSION order approving special rate contract.

RATES, § 213 — Special contract — Filing and commission approval.

[N.H.] The commission approved a utility's special contract for seasonal gas service at rates other than those fixed by its schedule of general application as the commission found that special circumstances existed which rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Northern Utilities, Inc., a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 28 with USM Corporation, Bailey division, effective July 1, 1976, for gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this second day of July, 1976.

=====

NH.PUC*07/08/76*[77675]*61 NH PUC 177*Manchester Housing Authority

[Go to End of 77675]

Re Manchester Housing Authority

DT 74-75, Supplemental Order No. 12,324

61 NH PUC 177

New Hampshire Public Utilities Commission

July 8, 1976

COMMISSION order amending safety requirements for pedestrian crossing.

CROSSINGS, § 68 — Protection and safety — Flashing standards.

[N.H.] The commission granted a reduction in the number of flashing standards from two to one for a pedestrian crossing where it had been alleged that the extra standard would be extraordinarily expensive and that one signal at each location was adequate for single track protection.

BY THE COMMISSION:

Supplemental Order

Whereas, the public utilities commission in DT 74-75 issued Order No. 11,459 dated dune 13, 1974, authorizing the Manchester Housing Authority (urban renewal project in the Amoskeag mill yard) to relocate the Stark Street crossing and the Dow street crossing and to change those crossings from vehicular to pedestrian crossings with proper signalization; and

Whereas, said order provided that all pedestrian crossings be protected by automatic flashing

lights and bells in a manner satisfactory to this commission; and

Whereas, the Boston and Maine Corporation has requested the commission by letter dated June 18, 1976, for a reduction in the number of flashing standards from two to one for the pedestrian crossings at the Stark and Dow street crossings in Manchester; and

Whereas, it is alleged that the extra standards will be extraordinarily expensive and that one signal at each location should be adequate for the single-track protection; and

Whereas, the Manchester Housing Authority favors the proposed change; it is

Ordered, that the plans upon which Order No. 11,459 was based, be and hereby are, changed to eliminate flashing lights which were proposed to be installed on the west side of the track at the pedestrian crossings at Stark and Dow Streets; and it is

Further ordered, that in every other manner and respect Order No. 11,459 remains in full force and effect.

By order of the Public Utilities Commission of New Hampshire this eighth day of July, 1976.

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NH.PUC*07/13/76*[77676]*61 NH PUC 177*Manchester Gas Company

[Go to End of 77676]

Re Manchester Gas Company

DR 75-207, Supplemental Order No. 12,326

61 NH PUC 177

New Hampshire Public Utilities Commission

July 13, 1976

COMMISSION order authorizing permanent rates.

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BY THE COMMISSION:

Supplemental Order

Whereas, Manchester Gas Company, in compliance with the commission's Order No. 12,297 ([1976] 61 NH PUC 155, *supra*), has filed new tariff pages to its tariff, NHPUC No. 12 — Gas, to produce an increase in rates of \$426,896; and

Whereas, the commission is satisfied that the company has complied with our order to update and increase the base cost of gas to more nearly reflect current fuel costs; it is

Ordered, that Seventh Revised Page 12, Sixth Revised Page 13, First Revised Pages 18 and 19, and Fourth Revised Page No. 20 be, and hereby are, canceled; and it is

Further ordered, that Ninth Revised Page No. 12, Eighth Revised Page No. 13, Second

Revised Pages No. 18 and 19, and Fifth Revised Page No. 20, of Manchester Gas Company tariff, NHPUC No. 12 — Gas, be, and hereby are, permitted to become effective with all bills rendered on or after July 14, 1976; and it is

Further ordered, that notice of said increase in rates be given by publication of this order in a newspaper having general circulation in the territory served, including a schedule of the new rates.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of July, 1976.

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NH.PUC*07/19/76*[77677]*61 NH PUC 178*Town of Plymouth

[Go to End of 77677]

Re Town of Plymouth

DT 76-87, Order No. 12,327

61 NH PUC 178

New Hampshire Public Utilities Commission

July 19, 1976

PETITION by town to construct grade crossing over tracks of state-owned railroad; granted.

CROSSINGS, § 73 — Public grade crossing — Perpetual easement.

[N.H.] The commission granted a town a perpetual easement for the construction of a public grade crossing to serve the town and the general public.

BY THE COMMISSION:

Order

Whereas, the town of Plymouth, on June 23, 1976, filed a petition for authority to lay out, construct, and maintain a grade crossing over and across railroad tracks of the state-owned Concord-Lincoln line; and

Whereas, said petition is accompanied

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by a plan entitled "plan showing grade crossing over former B&M railroad land," dated April, 1976, depicting the precise location of the proposed crossing; and

Whereas, the petition states that the proposed crossing is within the limits of the old right of

way of the Boston and Maine railroad; and

Whereas, the petition further states that the town desires to obtain a perpetual easement across a certain tract of land for the purpose of this public grade crossing; it is

Ordered, that the town of Plymouth be and hereby is, authorized to lay out and construct a grade crossing on a certain tract of land, more particularly bounded and described as follows:

Beginning at a point which is located south 88 degrees 18 feet west 15 feet west of Railroad Station No. 2700 + 67.76; thence north 01 degrees 42 feet west a distance of 50 feet along land of J. J. Newberry Company; thence 88 degrees 18 feet east a distance of 15 feet to Railroad Station No. 2701 + 17.76 and continuing on the same course a distance of 20 feet; thence south 01 degrees 42 feet east a distance of 50 feet along land of the Plymouth Village Water and Sewer District (formerly known as Plymouth Village Fire District); thence south 88 degrees 18 feet west a distance of 20 feet to Railroad Station No. 2700 + 67.76 and continuing on the same course a distance of 15 feet to the point of beginning;

and it is

Further ordered, that the town be granted a perpetual easement for this public grade crossing to serve the town and its agents and the general public, to pass and repass by foot or by motor vehicle over the land hereinabove described; and it is

Further ordered, that the speed for railroad equipment at this crossing shall be no greater than ten miles per hour.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of July, 1976.

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NH.PUC*07/19/76*[77678]*61 NH PUC 179*Public Service Company of New Hampshire

[Go to End of 77678]

Re Public Service Company of New Hampshire

IE 14,374, Tenth Supplemental Order No. 12,328

61 NH PUC 179

New Hampshire Public Utilities Commission

July 19, 1976

APPROVAL by commission of special contract to be used by an electric company in its electric thermal storage device load research program.

RATES, § 213 — Special contract — Electric thermal storage device load research program.

[N.H.] The commission approved an electric company's special rate contract to be used by it in its electric thermal storage device load research program.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Edgar C. Austen and Betsy A. Austen and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of July, 1976.

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NH.PUC*07/19/76*[77679]*61 NH PUC 180*Public Service Company of New Hampshire

[Go to End of 77679]

Re Public Service Company of New Hampshire

IE 14,374, 11th Supplemental Order No. 12,329

61 NH PUC 180

New Hampshire Public Utilities Commission

July 19, 1976

APPROVAL by commission of special contract to be used by an electric company in its electric thermal storage device load research program.

RATES, § 213 — Special contract — Electric thermal storage device load research program.

[N.H.] The commission approved an electric company's special rate contract to be used by it in its electric thermal storage device load research program.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Bertrand W. Bissonnette and Shirley Bissonnette and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of July, 1976.

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NH.PUC*07/19/76*[77680]*61 NH PUC 181*Public Service Company of New Hampshire

[Go to End of 77680]

Re Public Service Company of New Hampshire

IE 14,374, 12th Supplemental Order No. 12,330

61 NH PUC 181

New Hampshire Public Utilities Commission

July 19, 1976

APPROVAL by commission of special contract to be used by an electric company in its electric thermal storage device load research program.

RATES, § 213 — Special contract — Electric thermal storage device load research program.

[N.H.] The commission approved an electric company's special rate contract to be used by it in its electric thermal storage device load research program.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Richard A. Parrott and Frances Parrott and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in

accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of July, 1976.

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NH.PUC*07/19/76*[77681]*61 NH PUC 181*Public Service Company of New Hampshire

[Go to End of 77681]

Re Public Service Company of New Hampshire

IE 14,374, 13th Supplemental Order No. 12,331

61 NH PUC 181

New Hampshire Public Utilities Commission

July 19, 1976

APPROVAL by commission of special contract to be used by an electric company in its electric thermal storage device load research program.

RATES, § 213 — Special contract — Electric thermal storage device load research program.

[N.H.] The commission approved an electric company's special rate contract to be used by it in its electric thermal storage device load research program.

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BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Thomas F. Reilly and Louise M. Reilly and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of July, 1976.

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NH.PUC*07/19/76*[77682]*61 NH PUC 182*New Hampshire Electric Cooperative, Inc.

[Go to End of 77682]

Re New Hampshire Electric Cooperative, Inc.

IR 14,545, Order No. 12,332

61 NH PUC 182

New Hampshire Public Utilities Commission

July 19, 1976

APPROVAL by commission of electric cooperative's special rate contract.

RATES, § 213 — Special contract — Electric cooperative.

[N.H.] The commission approved an electric cooperative's special contract for electric service at rates other than those fixed by its schedule of general application where the commission found that special circumstances existed which rendered the terms and conditions just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 48 with Frank Caliri, d/b/a Caliri Construction Company, effective on the date service is first made available, for electric service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of July, 1976.

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NH.PUC*07/19/76*[77683]*61 NH PUC 183*New Hampshire Electric Cooperative, Inc.

[Go to End of 77683]

Re New Hampshire Electric Cooperative, Inc.

IR 14,546, Order No. 12,333

61 NH PUC 183

New Hampshire Public Utilities Commission

July 19, 1976

APPROVAL by commission of electric cooperative's special rate contract.

RATES, § 213 — Special contract — Electric cooperative.

[N.H.] The commission approved an electric cooperative's special contract for electric service at rates other than those fixed by its schedule of general application where the commission found that special circumstances existed which rendered the terms and conditions just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 49 with Ronald Thomson, d/b/a the Thomson Company, Inc., effective on the date service is first made available for electric service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of July, 1976.

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NH.PUC*07/20/76*[77684]*61 NH PUC 183*Public Service Company of New Hampshire

[Go to End of 77684]

Re Public Service Company of New Hampshire

DE 76-77, Order No. 12,335

61 NH PUC 183

New Hampshire Public Utilities Commission

July 20, 1976

PETITION by electric company to construct and maintain electric transmission lines, granted.

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ELECTRICITY, § 7 — Transmission lines — Electric company.

[N.H.] The commission granted an electric company the authority to construct and maintain transmission lines where the proposed construction was necessary to meet the reasonable requirements of the public.

BY THE COMMISSION:

Order

Whereas, by petition filed June 14, 1976, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17 — 20 to construct and maintain electric lines over and across the north branch of the Piscataquog river in the town of New Boston, New Hampshire; and

Whereas, the petition represents that the proposed construction will cross approximately 384 feet of the river for the purpose of reconstructing 115 kv transmission lines of wires and cables over and across the north branch of the Piscataquog river which is part of the company's Greggs to Jackman 115 kv transmission line; and

Whereas, following due notice no other interested parties recorded any objections to the proposed construction, and upon investigation of all the facts before the commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

Ordered, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain electric lines over and across the north branch of the Piscataquog river in the town of New Boston, New Hampshire, all in accordance with the above description which is contained on a plan on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this twentieth day of July, 1976.

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NH.PUC*07/21/76*[77685]*61 NH PUC 184*Hudson Water Company

[Go to End of 77685]

Re Hudson Water Company

Intervenors: Hudson Chamber of Commerce et al.

DR 75-180, Supplemental Order No. 12,336

61 NH PUC 184

New Hampshire Public Utilities Commission

July 21, 1976

PETITION by water company for an increase in rates; granted as modified.

1. RETURN, § 35 — Economic conditions — Attrition — Water company.

[N.H.] The commission granted a water company a 0.5 per cent attrition adjustment due to the unique impact of inflation upon water companies in general. p. 187.

2. REPARATION, § 39 — Excess rates — Water company.

[N.H.] Where the commission had allowed a water company to collect temporary rates in excess of final authorized revenues, it ordered the company to file computation of the excess

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rates collected and a plan to credit such excess at the next billing date. p. 188.

3. EXPENSES, § 114 — Federal income tax — Water company.

[N.H.] The commission, while taking judicial notice of a decision of the Maine Public Utilities Commission, rejected its method of calculation of the effective federal income tax rate for a water company. p. 188.

4. RATES, § 605 — Classes of customers — Water company.

[N.H.] The commission found that a water company's authorized rate increase should be applied in equal percentages to all of its rate schedules for all classes of service. p. 189.

RETURN, § 115 — Attrition adjustment — Water company.

[N.H.] Discussion by the commission of the unique impact of inflation upon water companies p. 187.

APPEARANCES: John McLane and Charles DeGrandpre for the petitioner; Arthur Gormley representing the Hudson Chamber of Commerce; John M. Bednar, representative pro se; Leonard Smith, representative pro se; John Skorko, Hudson selectman, pro se.

BY THE COMMISSION:

Supplemental Report

On August 18, 1975, the Hudson Water Company, a duly organized New Hampshire

corporation operating as a public water utility in the towns of Hudson and Litchfield, filed for increased rates for Hudson to become effective September 15, 1975. The proposed rates were suspended by Order No. 12,001 dated September 12, 1975. Subsequently, the company filed a petition for temporary rates effective September 15, 1975.

The company's original filing sought an increase in annual gross revenues of \$131,767 or 33 per cent. Evidence submitted by the company to the commission and sworn testimony at public hearings held in Hudson on January 6, 1976, and February 3, 1976, clearly indicated to the commission that the current earnings rate was substantially below the rate of return authorized by the commission in the previous rate case (DR 6593, Order No. 11,270, January 29, 1974). Accordingly, the commission by Report and Order No. 12,139 dated February 11, 1976 (61 NH PUC 24, *supra*), allowed an increase in gross annual revenues (for Hudson customers only) in the amount of \$100,000 as temporary rates until such time as a permanent just and reasonable level of revenues was determined. This temporary increase in rates of 25 per cent, from \$399,316 to \$499,316 was effective with all current billings rendered on or after March 1, 1976.

The company's final figures for 1975 are now available and we shall use the calendar year 1975, as adjusted, for the test year.

Rate of Return

The company submitted testimony and other evidence attempting to show the need for a 12.39 per cent rate of return. In arriving at this rate of return the company used: 15 per cent rate of return on common equity, 11.6 per cent cost of short-term debt and an attrition allowance of 1.32 per cent; and used a capital structure at May 31, 1975.

We reject the company's arguments for a 15 per cent rate of return on common equity. Since data presented considered depressed equity markets and companies earning at depressed rates of return, we do not believe that a 15 per

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cent return on common equity is appropriate to this situation.

We find that the fair rate of return on common equity for the company is 13.5 per cent. In arriving at this rate of return we have considered that the company is a wholly owned subsidiary of Consumers Water Works.

Since May 31, 1975, short-term interest rates have declined. Although the company argues for a short-term debt cost rate of 11.6 per cent, it acknowledged in testimony (Exh I, p. 6) that short-term "interest rates have dropped somewhat, thereby reducing the effective short-term cost rate." The company factored into its cost of short-term debt compensating balances; these balances are in fact included in rate base and to increase the cost of the actual interest rate for these balances would have the effect of double counting. Recognizing that the company must pay a premium above the prime bank loan rate, we find that the cost of short-term debt is 8.5 per cent.

Attrition is separately dealt with in a later section of this report.

Updating the capital structure to December 31, 1975, we find the fair rate of return to be 10.1

per cent computed as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>Per cent of Total</i>	<i>Weighted Rate Rate of Return</i>	
Debt			
Long-term	47.1	7.8%	3.7%
Short-term	14.6	8.5	1.2
Total			<u>4.9%</u>
Common Equity	38.3	13.5	5.2
Total	<u>100.0</u>		<u>10.1%</u>

In arriving at the appropriate capitalization and fair rate of return we have considered the substantial investment by the company in the Litchfield division.

We find that the allowed rate of return of 10.1 per cent should provide sufficient earnings to assure the financial integrity of the company and permit it to attract the necessary capital.

Rate Base

The company submitted a pro forma average rate base, estimating the 1976 construction budget. The company's affirmative case included a proposed construction schedule with planned additions of a 500,000 gallon storage tank at Alvirine High School and a 3,300 foot 12-inch main along Route 2 to the Alvirine tank site at a cost of \$238,000 (Exh B, Schedule XI). Company submissions reflected the assumption that these additions would become reality in 1976 or shortly thereafter. Thus, the company pro forma accounts for plant in service and depreciation reserve and contributions in aid of construction reflected the company expectation of this planned construction. The company made the assumption that the town would support the project and would contribute to the proposed construction.

Subsequent to testimony and statements made at the hearing by intervenor, Representative Leonard Smith, concerning the Alvirine High School situation and also as a result of reluctance on the part of the town of

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Hudson, the company subsequently revised its 1976 construction budget (filed March 29, 1976) to exclude the tank storage and main line for the proposed Alvirine project. Thus previous pro forma adjustment for a \$238,000 proposed construction budget was reduced to \$72,791. Accordingly, adjustments are made to reflect the exclusion of previously planned additions to plant, thus reducing the company's estimated pro forma rate base. The actual figures for average rate base for the year 1975 are now available and will be used to conform to the test-year operating results.

We find the average rate base for the test year 1975, in an amount of \$1,597,000 (see following table) is a reasonable and proper basis upon which to establish just and reasonable rates.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

AVERAGE RATE BASE
Year 1975

Plant in Service
 Less: Depreciation Reserve
 Contribution in Aid of
 Construction
 Customer Advances

Net Plant Service
 Working Capital

Average Rate Base

Attrition

Actual operations of this company since at least 1971 have shown that attrition has occurred and that the company has not earned the allowed rates of return in two years following each of two increased rate decisions. In the calculation of revenue requirements we have taken into consideration certain known and estimated expense increases occurring after the test year. To this extent, the degree of attrition in rate of return should be reduced from the requested 1.32 per cent.

[1] The commission has also considered the impact of inflation on the water company. The water utility is unique in the sense that it is a smaller segment of the entire utility industry and smaller than the typical utility in other fields. The water utility is also unique in that it is local in nature, greatly affected by local conditions and often compared with neighboring municipal water departments. Despite their size their susceptibility to local pressures and their low depreciation rate, they must compete for and obtain funds in the usual capital markets to finance extensions, improvements, growth and, more recently, compliance with EPA (Environmental Protection Act) standards under the Safe Drinking Water Act. In fact,

"Authorities on the topic of water utility financing generally agree that inflationary pressures have had a severe negative impact on these utilities which, of necessity, must compete in the money market with other types of utilities. The net effect of increased construction costs,

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wage increases, and increased taxes is that the investor, whether it be a bank or insurance company, increasingly seeks to protect its investment by analyzing the probability of growth in terms of greater revenue per dollar of invested capital. On a comparative basis, water utilities have now become the least favored of utility investments. The principal reason for this is often identified as the elemental fact that water utilities in this country require a greater investment of capital to produce a dollar in revenue than other utilities. Garfield, *Earnings Required to Finance Water Company Expansion*, 82 *PUBLIC UTILITIES FORTNIGHTLY* 26, 28 (1968); see also, Priest, *Principles of Public Utility Regulation*, Vol 2 Chap 25 pp. 751-771 (1969)." Re Hudson Water Co. (1970) 55 NH PUC 749, 760; Re Pennichuck Water Works (1971) 56 NH PUC 667, 681.

In analyzing the relationship of the 1976 capital budget (a substantial amount of which will not be revenue producing) to average rate base we have estimated that a factor of 0.5 per cent of average rate base, added to revenue requirements, should offset attrition for the intermediate future.

Revenue Requirements

We shall adopt the most recent operating results reported to this commission, the year 1975, as the test year and make appropriate adjustments for known or reasonably estimated changes.

The computation of revenue requirements is shown in the following schedule:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Net Utility Operating Income, as reported		\$ 136,000
Wage Increases, effective January, 1976 and April, 1976	\$(7,000)	
Net Increase New Communications Equipment, effective January, 1976	(2,000)	
Net Increase Office Rent, effective March, 1976	(2,000)	
Amortization New Records Expense	(1,000)	
Increased Property Taxes, New Additions	(5,000)	
Amortization Rate Case Expense	(4,000)	
Total		\$21,000
Less: Income Taxes (0.5164)	11,000	(10,000)
Earnings with Adjustments		\$ 126,000
Required Net Operating Income (10.6% Rate of Return including a 0.5% Attrition Factor)		169,000
Deficiency		43,000
Revenue Deficiency (\$43,000 + 0.4836)		89,000
Revenue Requirement		89,000

Temporary Rates

[2] This commission allowed temporary rates, at an annual increased amount of \$100,000, effective with current billings on or after March 1, 1976. Since our final determination is an allowed increase in annual gross revenues of \$89,000, the company shall file a computation of excess rates collected and a plan to credit such excess at the next billing date.

Federal Income Tax

[3] We take judicial notice of a decision of the Maine PUC (Re Camden & Rockland Water Co. Supplemental

Page 188

Order No. 1, F.C. No. 2132, March 26, 1976) which in pertinent part concludes that subsidiaries of Consumers Water Company should be permitted only a 38.4 per cent effective federal income tax rate. Camden and Rockland (as well as Hudson) are subsidiaries of Consumers. Our staff recommends and we accordingly adopt their position that if all commissions used the same procedure and the same method of calculation of the effective federal income tax rate, the resulting allowable rates of return could constantly decrease with an untenable financial result to Consumers and its subsidiaries. Thus, we do not adopt the Maine PUC method of computing the effective federal income tax rate for Hudson, the New Hampshire subsidiary consumer.

Rates

[4] The company's proposed increase in annual revenue was to be derived from a newly designed rate schedule, in support of which the company has submitted a cost-of-service study.

We will accept the conclusions of this study; i.e., the resulting consumption breakdown in the blocks of the rate. This breakdown is similar to that used by another large water utility in this state.

Intervenor Bednar specifically objected to the degree of increase the company proposed for various rate blocks. The commission has considered this consumer opposition and concern expressed in this case by some Hudson customers and the elected representatives of those customers. We have considered this opposition in light of the statutory responsibility of the commission to establish a just and reasonable rate structure. Such a rate structure should be designed to yield only that level of revenue which will compensate the utility for its expenses and a fair return to its investors who have supplied capital to make the plant possible. We find that the increase in its rates, necessary to produce an increase in annual gross revenues of \$89,000, shall be in equal percentages to all of its rate schedules for all classes of service. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the revisions of its tariff, NHPUC No. 7 — Water, as filed by Hudson Water Company on August 13, 1975, which revisions were suspended by commission Order No. 12,001 dated September 12, 1975, be, and hereby are, rejected; and it is

Further ordered, that the temporary rates authorized by commission Order No. 12,139 and filed as NHPUC No. 7 — Water, Hudson Water Company, Original Pages 23, 24, and 25, are hereby cancelled as of the effective date of this order; and it is

Further ordered, that, in accordance with the increase in rates authorized by this report and order, Hudson Water Company file new tariff pages, as follows:

Eighth Revised Page 17, Issued in Lieu of Seventh Revised Page 17 Eighth Revised Page 19, Issued in Lieu of Seventh Revised Page 19 Ninth Revised Page 21, Issued in Lieu of Eighth Revised Page 21

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setting forth therein rates designed to produce an annual increase in gross revenue of \$89,000 such rates reflecting an equal percentage increase in all rate schedules for all classes of service; and it is

Further ordered, that the revised tariff pages incorporating the above changes be filed to become effective with all current bills rendered on or after the effective date of this order, such pages to carry the notation "Issued in compliance with Supplemental Order No. 12,336 in case DR 75-180"; and it is

Further ordered, that Hudson Water Company give public notice of these new rates by publication immediately in a newspaper having general circulation in the territory served by said company; and it is

Further ordered, that Hudson Water Company file with this commission a computation of the excess revenues collected under temporary rates allowed under this Commission's Order No.

12,139, and its plan for refunding such excess at the next billing date.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of July, 1976.

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NH.PUC*07/21/76*[77686]*61 NH PUC 190*Stan's Van Service, Inc.

[Go to End of 77686]

Re Stan's Van Service, Inc.

DT 76-54, Order No. 12,338

61 NH PUC 190

New Hampshire Public Utilities Commission

July 21, 1976

INVESTIGATION by commission into household good carrier's noncompliance with certificate order

1. CERTIFICATES, § 23 — Jurisdiction of state commission — Power over transfer of certificate.

[N.H.] The commission found that a transfer had taken place where the stock ownership of a corporation evidenced the conveyance of assets from one individual to another; therefore the commission concluded that a certificate had been transferred. p. 191

2. CERTIFICATES, § 127 — Operation under terms of certificate — Location of a business.

[N.H.] Where a moving business had been doing business in one city for many years, the commission found that it could exercise control to limit the location of the business, and that for the business to move to another city would substantially change the relationship among the carriers within the state. p. 193.

3. CERTIFICATES, § 149 — Compliance with certificate requirements — Base of operation.

[N.H.] The commission ordered a moving business' base of operation to be established in the city as authorized under the terms of the certificate as granted; otherwise the company would forfeit the right to operate. p. 193.

4. CERTIFICATES, § 149 — Acts justifying revocation — Failure to comply with conditions — Household goods carrier.

[N.H.] The commission ordered a household goods carrier to establish its base of operations in a city in accordance with the terms of its certificate or forfeit the right to operate. p. 194.

APPEARANCES: Silas Little for Stan's Van Service, Inc.

BY THE COMMISSION:

Report

History of Certificate No. 51

By Order No. 11,999 dated September 12, 1975, the New Hampshire Public Utilities Commission granted a transfer of household goods certificate of public convenience and necessity No. 51 from Sheldon S. Theall Moving, Inc., to Stan's Van Service, Inc. Certificate No. 51 is a statewide household goods certificate originally issued to Raymond S. Merrill of Lakeport New Hampshire, through Order No. 8101 dated August 28, 1963, pursuant to the grandfather provisions of RSA 375-A:2. Order No. 11,999 states in pertinent part as follows:

"that since the said household goods certificate of public convenience and necessity No. 51 is a certificate issued as a matter of right as a grandfather clause operator with its base of operations in the Lakeport section of Laconia, New Hampshire, operations conducted by Stan's Van Service, Inc., should continue to be based in the city of Laconia, New Hampshire."

Background

Subsequent to the issue of said order this commission investigated the operations of Stan's Van Service, Inc. The investigation revealed that the major focus of activity of Stan's Van Service was in the Nashua area and not in the Lakeport section of Laconia as required by Order No. 11,999. Subsequently the commission issued Order No. 12,176 ([1976] 61 NH PUC 55, *supra*), citing Stan's Van Service, Inc., to appear at the office of the commission on Friday, March 26, 1976, at 10:00 A.M. to show cause if any there be why the authority of the commission set forth in Order No. 11,999 should not be revoked for noncompliance with the terms and conditions of said order. Subsequently a motion for a continuance was filed and granted and pursuant to commission Supplemental Order No. 12,179 ([1976] 61 NH PUC 58, *supra*), Stan's Van Service, Inc., was cited to appear and did appear at the office of the commission Friday, April 30, 1976, at 10:00 A.M. for a hearing on this matter.

Transfer Issue

[1] At the outset of the hearing counsel for Stan's Van Service, Inc., argued strenuously against this commission's opinion that Certificate No. 51 was *transferred* from Sheldon S. Theall Moving, Inc. (hereinafter "Theall") to Stan's Van Service, Inc. (hereinafter "Stan's"). (See DT 75-75, Order No. 11,999 dated September 12, 1975.) He objected to the characterization of the passage of the certificate from Theall to Stan's as a transfer. He argued that it merely was the sale of a business and that the corporation as an entity retained ownership of the certificate and there was no transfer but only a change of name.

The commission acknowledges that the corporation named Sheldon S. Theall Moving, Inc., is the same corporation which is now called Stan's Van Service, Inc. We acknowledge that there was a sale of a business from Theall to Stan's and a subsequent change of name of the corporation. The corporate entity

under Theall owned Certificate No. 51. That same corporation is now owned by Stan's, bears a new name, and has retained the ownership of Certificate No. 51. Counsel for Stan's argues that the certificate has not been transferred; that it was never sold or given to another; that it was never assigned to another; and that it was never subjected to any change or removal from one person to another but that it has remained a corporate asset and only the stock ownership of the corporation has been changed.

Certificate No. 51 is a legal right issued to a legal holder of that right. The legal holder in the first instance (at the inception of the certificate) was R.S. Merrill. He transferred Certificate No. 51 to Sheldon Theall as an individual. Merrill sold his business and sold the certificate. The certificate was *conveyed* and made over to Theall. This was a transfer in the purest legal definitional sense of the word. Theall became the new owner of the legal right; i.e., the certificate.

Sheldon Theall incorporated his business. He had to therefore *convey* to the corporation assets which comprise it and which are evidenced by the stock certificates issued to the stockholders. This again constituted a transfer. Certificate No. 51 was *conveyed* to, and made over to the corporation. Theall received stock certificates evidencing his ownership interest in the corporation assets.

The corporation that Theall established became the owner of Certificate No. 51. Theall then sold the corporate entity to Stan's. The corporate entity; i.e. books, records, accounts, and assets were sold to Stan's. After the sale, the assets of the corporate entity still belonged to that corporate entity. The corporation never *conveyed* the assets. In this sense we acknowledge there has been no actual conveyance or assignment of certificate No. 51. There may not have been a change in ownership of the certificate itself but there has, indeed, been a change which we believe can be characterized as a transfer. Although the same corporate charter still bears the ownership of Certificate No. 51 all of the indicia of that ownership is with new people carrying on a new operation.

The corporate charter of the corporation originally established by Theall still bears the ownership of the certificate but the certificate itself in reality is possessed by, used by, and operated by a new individual who has taken a corporate shell and transferred it to another operation. The corporate charter may still bear the ownership of the certificate but the ownership of the corporation is evidenced by the ownership of the stock which in this case has been purchased by Carl Stancik, president of Stan's. Such a purchase of stock in our opinion is a transfer; i.e., a change of the incidents of ownership from one person to another. In actuality and reality it is Carl Stancik who is in the field driving moving vans and exercising a right under a certificate he says has never been transferred to him. He may not own Certificate No. 51 in his own name but he does own stock which represents his ownership rights in Certificate No. 51, and he exercises those rights as if they were his own.

The legislative intention behind RSA 375-B:10 was to insure that the commission have continuity of surveillance over authorized operations. That section contemplates notification to the commission and giving it such information as the name of the new operator. By this section

the commission was intended to have full regulatory authority and control over the new operator of an existing authority. Stancik is a new operator of an existing authority and through his stock ownership is really the owner of it as well.

At times we must pierce the corporate veil to reveal the actual, real, and substantial activities which are sought to be protected by that corporate shield or veil. In this case Stancik is clearly the owner of Certificate No. 51 by virtue of his stock ownership. He received the stock ownership of the corporation by conveyance from Theall. Since the stock ownership evidences the conveyance of assets we can fairly conclude that Certificate No. 51 was transferred to Stancik.

The Issue

[2] At issue in this case is the extent to which this commission can limit the freedom of a statewide authorized business to locate in one city rather than another. If we were dealing with unregulated free enterprise the commission would clearly have no power to limit the location of a business enterprise. We are, however, empowered by regulatory statutes which permit the issuance of authorization to certain carriers to transport specific commodities in specific geographical locations after the carrier meets its burden of proof. The commission, within its statutory authority, can, therefore, exercise control to limit the location of a business provided the limitations are reasonable.

We are dealing here with an operation that has been actually and substantially in existence in the Laconia area for many years. That location has been the center of activity for business operations under Certificate No. 51. To transplant the location of business to the Nashua area is in our opinion an attempt to establish a new operation. The nature of the authority when it was granted admittedly was service on a statewide basis but the operation was particularly characterized by service to the general public in the general area of Laconia where the business was located.

It cannot fairly be concluded that if Stan's Van Service, Inc., were allowed to change its base of operations to the Nashua area that its future operations would be of the same character as the prior operations from which it was created. It is also fair to say that the presence of Stan's Van Service, Inc., in the Nashua area (which is closer to the base of operations of numerous other household goods carriers) would substantially change the relationship that Stan's would have to those other carriers. The supreme court in the Milne case stated, "statutes are intended to maintain substantial parity between future operations and the carriers prior bona fide operations." If Stan's were allowed to establish its base of operations in Nashua, the future operations as between Stan's and other authorized carriers would not be substantially the same as they were before such a change of location.

Base of Operations

[3] A further issue in this proceeding was the definition of the term "base of operations." Reference may be had for clarification of the basic concept of base of operations to the report on which Order No. 11,999 was based. The report indicated;

"their base of operation, however, had a very direct bearing on the actual service

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performed because it would be unusual for a person in Laconia who desired to move to a distant point in New Hampshire to secure the services of a carrier in Nashua unless the movement was to that point."

We acknowledge arguments by counsel for Stan's that the commission never has delineated in writing the precise definition of base of operations and what is required of a carrier in this regard. Commission staff, however, has orally instructed Stan's as to the meaning of base of operations.

Stan's argues that it has in fact established a base of operations in the Laconia area. They have a building, a small sign, and recently an answering service which refers a caller to a Nashua number. They have advertised moderately in the Laconia area and have a truck parked in that garage. The commission thinks, however, that the operation in Laconia is only a minor satellite operation compared to the level of activity which is occurring in Nashua. The presence of a sign on a building and a telephone answering machine is not sufficient in our opinion to constitute a base of operations for a business such as this. The Laconia base of operations should be the center of activity, the major focus of all activities of the business including but not limited to the following:

1. the place from which the vehicles are dispatched;
2. the place where the business records are kept;
3. where calls for service and complaints are received and handled;
4. where the offices of the management are located;
5. where the major advertising campaign is centered;
6. where the largest physical facilities are located.

[4] Based upon the foregoing report the commission is of the opinion that Stan's Van Service, Inc., has not complied with Order No. 11,999, in that it has not established a real and actual base of operations in the Laconia area. Stan's has made an attempt to locate in Laconia some evidence of its operation which is largely being conducted in the Nashua area. This situation is not in compliance with Order No. 11,999 and Stan's will be required to establish its base of operations in Laconia in accordance with the terms of this report and attached order or forfeit the right to operate. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Stan's Van Service, Inc., be, and hereby is, authorized to conduct household goods operations under Certificate No. 51 with its base of operations located in the Laconia area; and it is

Further ordered, that Stan's Van Service, Inc., comply in every manner and respect with Order No. 11,999 and this order on or before September 1, 1976. Noncompliance on or after that

date shall result in the revocation of Certificate No. 51.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of July, 1976.

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NH.PUC*07/22/76*[77687]*61 NH PUC 195*Public Service Company of New Hampshire

[Go to End of 77687]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,339

61 NH PUC 195

New Hampshire Public Utilities Commission

July 22, 1976

COMMISSION order setting damages in condemnation proceeding.

APPEARANCES: Lawrence E. Spellman for the petitioner.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel Nos. 84 and 106 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on November 12, 1975. Subsequent to the hearing the petitioner became concerned that it had given inadequate notice to those persons who might have an interest in this proceeding. The petitioner thus made a request on May 20, 1976, for another hearing involving Parcel Nos. 84 and 106. A duly noticed hearing was held at the office of the commission on July 20, 1976.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested, and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area was duly qualified and accepted.

Parcel No. 84 according to Colt is a 2.5 acre unimproved and irregularly shaped parcel of marsh land with a highest and best use for recreational use. Mr. Colt gave as his opinion that the value of the property before the taking is \$125 and after the taking is zero. Thus the damages are \$125 (see appraisers report marked as Exh QQ-1).

Parcel No. 106, according to Colt, is a 2.5 acre unimproved and irregularly shaped parcel of marsh land on the left side of the railroad and with Rock's river just about bisecting it. Mr. Colt opined that the highest and best use of the land is recreational and gave as his further opinion that the value of the property before the taking is \$125 and after the taking is zero. Thus, the damages are \$125 (see appraisers report marked as Exh TT).

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel Nos. 84 and 106 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Guardian ad litem, George Findell, Jr., although not present, filed the necessary reports to protect the interests of those under a disability and where no guardian had been appointed.

The commission finds that Parcel Nos. 84 and 106 are each valued at \$125. Our order will issue accordingly.

Order

Upon consideration of the foregoing

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report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$125 for each parcel in damages to the record owners of Parcel No. 84 and Parcel No. 106 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel Nos. 84 and 106 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this twenty-second day of July, 1976.

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NH.PUC*07/22/76*[77688]*61 NH PUC 196*Northern Utilities, Inc.

[Go to End of 77688]

Re Northern Utilities, Inc.

IR 14,548, Order No. 12,340

61 NH PUC 196

New Hampshire Public Utilities Commission

July 22, 1976

PETITION by utility for approval of special rate contract; granted.

RATES, § 213 — Special contract — Commission approval.

[N.H.] The commission approved a utility's special contract for gas services at rates other than those fixed by its schedule of general application where it found that special circumstances existed which rendered the terms and conditions of the contract just and consistent with the

public interest.

BY THE COMMISSION:

Order

Whereas, Northern I Utilities, Inc., a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 29 with Kittery Laundry, Inc., d/b/a Colonial Cleaners, effective August 1, 1976, for gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-second day of July, 1976.

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NH.PUC*07/22/76*[77689]*61 NH PUC 197*Hopkinton Telephone Company

[Go to End of 77689]

Re Hopkinton Telephone Company

DF 76-93, Order No. 12,342

61 NH PUC 197

New Hampshire Public Utilities Commission

July 22, 1976

PETITION by telephone company for authority to issue short-term notes; granted.

SECURITY ISSUES, § 58 — Purposes and subjects of capitalization — Short-term notes — Telephone company.

[N.H.] The commission authorized a telephone company to issue and sell short-term notes provided that the proceeds would be applied to the purchase of construction vehicles, carrier equipment, central office test equipment, outside plant and cable construction, and to pay off other maturing short-term indebtedness.

APPEARANCES: Alderic O. Violette for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition filed July 8, 1976, Hopkinton Telephone Company, a telephone public utility operating under the jurisdiction of this commission, seeks authority pursuant to RSA 369 to increase its short-term borrowing authority to \$430,000 from \$280,000 and to issue its note, or notes, not in excess of \$430,000. Said note or notes, to bear interest at a rate not in excess of one-half of one per cent above the prime rate at the time of borrowing.

At the hearing on the petition held in Concord on July 20, 1976, the petitioner supported its case by introduction of a balance sheet and income statement as of March 31, 1976.

Exhibit C as submitted by the petitioner reflected the company's capital structure as of March 31, 1976, and pro forma. The pro forma reflects 35.0 per cent of the capital to be short-term debt.

On April 28, 1976, the company filed a loan application, which it expects to have approved, with the Rural Electrification Administration telephone program for a construction loan and complete refinancing of existing debt and short-term debt authorized herein, said borrowing in the total of \$1,510,000.

Upon investigation and consideration of the evidence submitted and assuming approval of the REA loan request, this commission is satisfied that the authority sought upon the terms proposed will be for the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Hopkinton Telephone Company be, and hereby is, authorized to increase its short-term borrowing to \$430,000 from \$280,000 and to issue and sell for cash \$430,000 of its short-term note, or notes, in an aggregate principle amount not in excess of one-half of one per cent above the prime rate at the time of borrowing; and it is

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Further ordered, that the proceeds from the sale of said note or notes, will be applied (a) to the purchase of construction vehicles, carrier equipment, central office test equipment, and outside plant and cable construction and (b) to pay off other maturing short-term indebtedness then outstanding the proceeds of which will have been expended in the purchase and construction of property and facilities reasonably required for present and future use in the conduct of the company's business; and it is

Further ordered, that on January 1st and July 1st in each year, said Hopkinton Telephone Company shall file with this commission a detailed statement duly sworn to by its treasurer showing the disposition of the proceeds of the note, or notes, herein authorized until the expenditure of the whole of said proceeds shall have been accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-second day of July, 1976.

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NH.PUC*07/22/76*[77690]*61 NH PUC 198*Merrimack County Telephone Company

[Go to End of 77690]

Re Merrimack County Telephone Company

DF 76-92, Order No. 12,343

61 NH PUC 198

New Hampshire Public Utilities Commission

July 22, 1976

PETITION by telephone company for authority to issue short-term notes; granted.

SECURITY ISSUES, § 58 — Purposes and subjects of capitalization — Short-term notes — Telephone company.

[N.H.] The commission authorized a telephone company to issue and sell short-term notes provided that the proceeds would be applied to the purchase of construction vehicles, carrier equipment, central office test equipment, outside plant and cable construction, and to pay off other maturing short-term indebtedness.

APPEARANCES: Alderic O. Violette for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition filed July 8, 1976, Merrimack County Telephone Company, a telephone public utility operating under the jurisdiction of this commission, seeks authority pursuant to RSA 369 to increase its short-term borrowing authority to \$800,000 from \$250,000 and to issue its note, or notes not in excess of \$800,000. Said note or notes to bear interest at a rate not in excess of one-half of one per cent above the prime rate at the time of borrowing.

At the hearing on the petition held in Concord on July 20, 1976, the petitioner supported its case by introduction of a balance sheet and income statement as of March 31, 1976.

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Exhibit 3 as submitted by the petitioner reflected the company's capital structure as of March 31, 1976, and pro forma. The pro forma reflects 52.7 per cent of the capital to be short-term debt.

On March 19, 1976, the company filed a loan application, which it expects to have approved, with the Rural Electrification telephone program for a construction loan and complete refinancing of existing debt and short-term debt authorized herein, said harrowing in the total amount of \$1,450,000.

Upon investigation and consideration of the evidence submitted, and assuming approval of the REA loan request, this commission is satisfied that the authority sought upon the terms proposed will be for the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report' which is made a part hereof; it is

Ordered, that the Merrimack County Telephone Company be, and hereby is, authorized to increase its short-term borrowing to \$800,000 from \$250,000 and to issue and sell for cash \$800,000 of its short-term note, or notes, in an aggregate principle amount not in excess of one-half of one per cent above the prime rate at the time of borrowing; and it is

Further ordered, that the proceeds from the sale of the said note, or notes, will be applied (a) to cable construction, subscriber carrier systems, fireproof dial office building, central office equipment, new cables, construction equipment, and five carrier systems; and (b) to pay off other maturing short-term indebtedness then outstanding, the proceeds of which will have been expended in the purchase and construction of property and facilities reasonably required for present and future use in the conduct of the company's business; and it is

Further ordered, that on January 1st and July 1st in each year, said Merrimack County Telephone Company shall file with this commission a detailed statement duly sworn to by its treasurer showing the disposition of the proceeds of the note, or notes, herein authorized until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-second day of July 1976.

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NH.PUC*07/22/76*[77691]*61 NH PUC 199*Granite State Electric Company

[Go to End of 77691]

Re Granite State Electric Company

DR 76-26, Supplemental Order No. 12,344

61 NH PUC 199

New Hampshire Public Utilities Commission

July 22, 1976

PETITION by electric company for application of fuel surcharge adjustment to its outdoor lighting class; granted.

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RATES, § 362 — Outdoor lighting — Fuel adjustment surcharge.

[N.H.] The commission granted an electric company's petition to apply its fuel adjustment surcharge to the company's outdoor lighting class where it held that it was in the interest of the public not to allow any public utility to give any undue or unreasonable preference or advantage

to any one class of service.

APPEARANCES: Philip H. R. Cahill for the petitioner.

BY THE COMMISSION:

Report

Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on March 22, 1976, filed with this commission certain revisions to its tariff, NHPUC No. 8 — Electricity — Outdoor Lighting — Service Rate M, providing for certain changes to be hereinafter described. The proposed effective date of these tariff revisions was May 1, 1976. On April 30, 1976, the commission suspended the effective date of these tariff revisions pending further investigation (Order No. 12,230 [61 NH PUC 104, *supra*]). A duly noticed hearing was held at the office of the commission on Tuesday, June 22, 1976.

When the company originally filed its fuel adjustment clause tariff provisions the applicability of the fuel adjustment to the Service Rate M was omitted. William S. McDade, rate administrator for New England Power Company, testified that the rationale for this decision at the time was that the fuel charge rate per kilowatt-hour for the company would be small and would produce an insignificant revenue which would not, at that time, have justified the cost of billing and collecting that small revenue. The commission takes judicial notice of the fact that the price of fuel has risen since the inception of the Granite State fuel clause. The amount of revenue that now would be collected if the fuel adjustment charge were applied to the Service Rate M would be significant and well worth the administrative cost involved in billing and collecting said revenue. In fact McDade testified that the additional revenue produced by applying the fuel adjustment clause to outdoor lighting would be \$45,000.

Since the company filed its fuel clause this commission has allowed the Public Service Company of New Hampshire, Concord Electric Company, and Exeter and Hampton Electric Company to charge fuel costs above base to its outdoor lighting customers. It is in the interest of the public, generally, and based upon RSA 378:10, not to allow any public utility to give any undue or unreasonable preference or advantage regarding any particular description of service. Therefore, in the interests of uniformity and consistency among electric utilities, the commission is inclined to grant the petition.

Municipalities are large users of Outdoor Lighting — Service Rate M, and budget annually on a calendar year to meet these costs. Prior to the hearing held on this matter, authorized representatives of the Granite State Electric Company informed the appropriate responsible officials in all of the municipalities affected by the rate change in the outdoor lighting service. The purpose in advising said officials was to make possible the inclusion in municipal budgets of amounts representing the additional cost of the outdoor lighting service due to the application

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of the fuel adjustment charge.

We find, therefore, that based upon the testimony presented at this hearing and with subsequent consideration that the company should be allowed to apply a fuel surcharge to its outdoor lighting customers, that this would prevent any undue preference to any particular class of customers to be excused from their fair share of the burden of the increased fuel costs that the company must pay from time to time to its supplier of electricity. Allowing this petition would bring about a fair and desirable uniformity and consistency of the electric utilities in this state in billing for this type of service and would be in the public interest. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Order No. 12,230, dated April 30, 1976, which suspended certain revisions of the Granite State Electric Company tariff, NHPUC No. 8 — Electricity, be, and hereby is, vacated; and it is

Further ordered, that Original Pages 30, 31, and 32 of said tariff be, and hereby are, canceled; and it is

Further ordered, that First Revised Pages 30 and 31, Original Page 31-A, and First Revised Page 32 of the Granite State Electric Company tariff, NHPUC No. 8 — Electricity, be, and hereby are, accepted, to become effective with all bills rendered on or after August 1, 1976; and it is

Further ordered, that Granite State Electric Company give public notice of these changes by publishing copy of this order, upon receipt, in newspapers having general circulation in the territories served by said company.

By order of the Public Utilities Commission of New Hampshire this twenty-second day of July, 1976.

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NH.PUC*07/23/76*[77692]*61 NH PUC 201*Gas Service, Inc.

[Go to End of 77692]

Re Gas Service, Inc.

IE 14,549, Order No. 12,346

61 NH PUC 201

New Hampshire Public Utilities Commission

July 23, 1976

PETITION by gas company to change its line extension terms and conditions; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc., a public utility engaged in the business of supplying gas service in the state of New Hampshire, on June 23, 1976, filed with this commission certain revisions of its tariff, NHPUC — No. 5 — Gas, providing

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for changes in its line extension terms and conditions, effective August 16, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Section 1, First Revised Page 9, of tariff NHPUC No. 5 — Gas, of Gas Service, Inc., be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of July, 1976.

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NH.PUC*07/23/76*[77693]*61 NH PUC 202*New England Telephone and Telegraph Company

[Go to End of 77693]

Re New England Telephone and Telegraph Company

IR 14,550, Order No. 12,347

61 NH PUC 202

New Hampshire Public Utilities Commission

July 23, 1976

PETITION by telephone company for authority to introduce new jacks and adapters for use with certain terminal equipment; granted.

BY THE COMMISSION:

Order

Whereas, New England Telephone and Telegraph Company, a public utility providing telephone service in New Hampshire, filed revisions to its tariff, NHPUC No. 70, introducing new jacks and adapters for use with certain terminal equipment, effective July 23, 1976; and

Whereas, such filings are necessary and in the public interest in assuring compliance with the requirements of the Federal Communications Commission's order in Docket No. 20774, released July 12, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the 30-day notice period be waived; it is

Ordered, that Part III, Section 15; Page 5, Tenth Revision; and Page 6, 14th Revision be, and hereby are, canceled; and it is

Further ordered, that Part III, Section 15, Page 5, 11th Revision; Page 6, 15th Revision; and Page 6-A, Original, of New England Telephone and Telegraph Company tariff, NHPUC No. 70, be, and hereby are, permitted to become effective on July 23, 1976; and it is

Further ordered, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of July, 1976.

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NH.PUC*07/30/76*[77694]*61 NH PUC 203*Public Service Company of New Hampshire

[Go to End of 77694]

Re Public Service Company of New Hampshire

Additional petitioners: Concord Electric Company, Exeter and Hampton Electric Company, New Hampshire Electric Cooperative, Inc., Granite State Electric Company, Municipal Electric Department of Wolfeboro, and Littleton Water and Light Department Intervenors: Volunteers Organized in Consumer Education et al.

DR 76-46, Second Supplemental Order No. 12,351

61 NH PUC 203

New Hampshire Public Utilities Commission

July 30, 1976

PETITIONS by electric utilities for authority to apply a fuel adjustment charge to monthly billing; granted.

RATES, § 303 — Fuel expenses -Recovery.

[N.H.] The commission permitted electric companies to recover varying fuel costs through application of fuel adjustment clauses to their monthly billings.

APPEARANCES: Philip Ayers and Ralph H. Woods for Public Service Company of New Hampshire; Joseph Ransmeier for Concord Electric Company and Exeter and Hampton Electric Company; Mayland H. Morse for New Hampshire Electric Cooperative, Inc.; Philip H.R. Cahill for Granite State Electric Company; Guy Krapp for the Municipal Electric Department of Wolfeboro; Richard Deane for Littleton Water and Light Department; Senator D. Alan Rock for the Committee Studying the Restructuring of the Public Utilities Commission; Peter W. Brown,

George Bruno, and Pauline Anderson for Volunteers Organized in Community Education; Harry Spance, pro se.

BY THE COMMISSION:

Report

Pursuant to RSA 378:3-a (II), the commission on July 20, 1976, held a hearing; on the petitions of seven New Hampshire electric companies for authority to apply a fuel adjustment charge to its regular monthly billings to its customers. Prior to the effective date of RSA 378:3-a (II) this commission held two hearings (May 19, 1976, and June 18, 1976) regarding the fuel adjustment charge of the Public Service Company of New Hampshire. The new law now in effect requires "no public utility may levy a fuel adjustment charge unless it secures approval from the commission." Thus, in the proceeding of July 20th we cited all electric companies in the state of New Hampshire to justify their application of a fuel adjustment charge to their regular monthly billings.

Public Service Company of New Hampshire

Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on June 19, 1976, filed with this commission 19th Revised Pages 15 and 16 of its tariff,

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NHPUC No. 20 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect August 1, 1976.

Witness Stetson, director of rates and load research of the Public Service Company of New Hampshire, presented detailed line-by-line testimony regarding the data from the month of June, which is used to comprise the calculation of the fuel adjustment charge as shown on Public Service Company Exh No. 1 and applicable to the billing in the month of August. The calculation of the August fuel adjustment reflects an increase from the previous month. The fuel adjustment charge proposed to become effective on August 1, 1976, is \$1.12 per 100 kwh. The fuel adjustment charge allowed by this commission in its Order No. 12,313 was 97 cents per 100 kwh which became effective July 1, 1976, and was applied to all bills rendered during the month of July.

There are two principal reasons for the increase in the fuel adjustment charge proposed to be applied to the month of August. First, there was a decrease in the number of kilowatt-hours that were obtained from hydroelectric and nuclear generation during the data month of June. The combined percentage contribution of hydro and nuclear to the company's net output decreased from 23 per cent to 14 per cent. Second, the percentage contribution of generation from the Merrimack generating station decreased from 63 per cent to 50 per cent when comparing the May and June data months.

The company's nuclear entitlements decreased for three reasons. First, Connecticut Yankee nuclear plant had no output in the data month of June because that plant was down for its annual inspection and maintenance. Second, Vermont Yankee nuclear plant had no output during the last week of June because it was down for the beginning of its annual inspection and

maintenance. Third, Maine Yankee nuclear plant was operating at less than full output during June for various restriction purposes of an unscheduled nature.

Merrimack generating stations decreased contribution to net output due to twelve and three days of down time for Units II and I respectively. Unit II, the larger unit, had no output because of a tube leak in the superheater, a leak in the condensor expansion joint, and a tube leak in one of the cyclone burning units. Unit I had no output because of a tube leak in the preheater section of the boiler and a tube leak in the cyclone burner.

Intervenor Rock questioned the efficiency of the Merrimack units based on the down time of those units in the data month of June. The units, as explained above, were out of service and thus not available to generate electricity because of the failure of certain sections of the complex machinery which comprises the generating units. Such occurrences are commonplace in every industrial enterprise in the county including the utility business. Electric generating units, except for the required annual shutdown for inspection and maintenance, are kept in operation as much as possible. Such units operate for full 24-hour days for long periods. The stress of such constant and continuous operation will cause the natural attrition of certain parts of the complex apparatus. These problems occur from time to time and are dealt with as they occur. Until or unless foolproof machinery is produced and assembled there will be down time

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occurring at electric generating plants.

To the extent possible, annual scheduled maintenance is planned and coordinated by members of the New England Power Pool (NEPOOL). The annual outages are planned by a committee which schedules such maintenance so as to take plants out of service on the most optimum schedule in terms of the demands of the customers affected and the availability of other sources. Unfortunately certain unscheduled outages occur. When this happens, the previous scheduled annual outages are shifted and modified to the extent possible.

Intervenor Brown questioned the relative cost per megawatt-hour of electricity purchased from both primary and secondary sources. The cost of power purchased by Public Service Company from the pool does vary from time to time during the same data month. At times the cost of pool generated power will be higher than local generation and vice versa. The purchases by Public Service Company from the pool are dispatched on an hour-by-hour basis, as needed; and it is not possible to have advance knowledge of the precise cost of power being purchased.

Concord Electric Company

Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on June 6, 1976, filed with this commission 17th Revised Page 15-A of its tariff, NHPUC No. 6 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect on August 1, 1976. The company also filed at the hearing an exhibit entitled "Analysis of Purchased Power Billings for Determination of the Purchased Power Adjustment Costs." These documents propose for effect on August 1, 1976, a fuel adjustment charge of \$1.16 per 100 kwh.

Witness MacDonald presented testimony to explain the calculation of Exh No. 1. The

calculation is more simplified as compared with the Public Service calculation due to the fact that Concord Electric purchases all of its requirements for electricity from the Public Service Company of New Hampshire. The calculation is determined by using two factors: the fuel charge derived from the cost of purchased energy from Public Service Company divided by the actual kilowatt-hour sales to Concord Electric customers during the data month of June, 1976. Upon request, Witness Mac-Donald agreed to supply a breakdown of figures regarding the "lost and unaccounted for power."

Exeter and Hampton Electric Company

Exeter and Hampton Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on July 7, 1976, filed with this commission 13th Revised Page 16 of its tariff, NHPUC No. 11 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect August 1, 1976. The calculation submitted proposes a fuel adjustment charge of \$1.19 per 100 kwh.

Exeter and Hampton Electric Company purchases all its requirements from Public Service Company of New Hampshire and the calculation explained by Witness Gilmore is similar to the calculation used by other New Hampshire retail utilities. Upon request

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this company will file a breakdown of figures concerning the "lost and unaccounted for power."

New Hampshire Electric Cooperative, Inc.

New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire on July 20, 1976, filed with this commission 27th Revised Page 13 of its tariff, NHPUC No. 6 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect August 1, 1976. The filed calculation proposes the fuel adjustment charge of 98 cents per 100 kwh.

Witness Pillsbury, testified that the company purchases its requirements from several suppliers and explained the calculation which is similar to the calculation used by other New Hampshire retail utilities. This company experiences at great fluctuations in the fuel adjustment charge from month to month and in this regard filed a *petition for approval of billings during the months of September, 1976, through February, 1977*. The effect of this petition would be to allow an average monthly fuel adjustment charge over six months. The suggestion merits further study and consideration by the commission and additional data should be filed and may be requested in order to pursue this suggestion. The final decision on this petition, however, is premature at this time.

Granite State Electric Company

Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on July 14, 1976, filed with this commission 23rd Revised Page No. 15A of its tariff, NHPUC No. 8 — Electricity, comprising the monthly fuel adjustment charge for effect August 1, 1976. The fuel adjustment charge proposed for effect in August is \$1.32 per 100 kwh.

Granite State purchases all of its requirements from New England Power Company and the calculation, explained by Witness Browne, is similar to the calculation used by the other New Hampshire retail utilities.

Municipal Electric Department of Wolfeboro

Municipal Electric Department of Wolfeboro, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on July 20, 1976, filed with this commission 21st Revised Page 9A of its tariff, NHPUC No. 4 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect August 1, 1976. The charge proposed in this filing is \$1.26 per 100 kwh. Wolfeboro purchases all of its requirements from Public Service Company of New Hampshire and the calculation testified to by Guy Krapp, town manager, is similar to the calculation used by other New Hampshire retail utilities.

Littleton Water and Light Department

Littleton Water and Light Department, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on July 20, 1976, filed with this commission 31st Revised Page 6 of its tariff, NHPUC No. 1 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect August 1, 1976. The charge

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proposed to be effective is seven cents per 100 kwh.

Littleton purchases all of its requirements from New England Power Company and the calculation, explained by Witness Deane, is similar to the calculation used by the other New Hampshire retail utilities.

It will be noted that Littleton's fuel surcharge is only seven cents per 100 kwh where the others are in the range of \$1 per 100 kwh. This stems from the fact that coincident with a recent rate increase by Littleton, a large portion of the fuel surcharge was folded into the basic rates.

Conclusion

Based upon the foregoing facts in evidence, the Commission finds that the record developed in this proceeding supports the conclusion that the calculation of the August fuel adjustment charge of each electric company is just and reasonable and properly computed. Our order will issue accordingly.

Supplemental Order

Based upon the foregoing report, which is made a part hereof; it is

Ordered, that 19th Revised Pages 15 and 16 of the Public Service Company of New Hampshire tariff, NHPUC No. 20 — Electricity, providing for the monthly fuel surcharge of \$1.12 per 100 kilowatt-hours for the month of August, 1976, be, and hereby is, permitted to become effective August 1, 1976; and it is

Further ordered, that 17th Revised Page 15-A of the Concord Electric Company tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of \$1.16 per 100 kilowatt-hours for the month of August, 1976, be, and hereby is, permitted to become effective

August 1, 1976; and it is

Further ordered, that 13th Revised Page 16 of the Exeter and Hampton Electric Company tariff, NHPUC No. 11 — Electricity, providing for the monthly fuel surcharge of \$1.19 per 100 kilowatt-hours for the month of August, 1976, be, and hereby is, permitted to become effective August 1, 1976; and it is

Further ordered, that 27th Revised Page 13 of the New Hampshire Electric Cooperative, Inc., tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of 98 cents per 100 kilowatt-hours for the month of August, 1976, be, and hereby is, permitted to become effective August 1, 1976; and it is

Further ordered, that 23rd Revised Page No. 15A of the Granite State Electric Company tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of \$1.32 per 100 kilowatt-hours for the month of August, 1976, be, and hereby is, permitted to become effective August 1, 1976; and it is

Further ordered, that 21st Revised Page 9A of the Municipal Electric Department of Wolfeboro tariff, NHPUC No. 4 — Electricity, providing for the monthly fuel surcharge of \$1.26 per 100 kilowatt-hours for the month of August, 1976, be, and hereby is, permitted to become effective August 1, 1976; and it is

Further ordered, that 31st Revised Page 6 of the Littleton Water and Light Department tariff, NHPUC: No. 1 — Electricity, providing for the monthly fuel surcharge of seven cents per 100 kilowatt-hours for the month of August, 1976, be, and hereby is, permitted to

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become effective August 1, 1976.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of July, 1976.

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NH.PUC*08/16/76*[77695]*61 NH PUC 208*Volunteers Organized in Community Education

[Go to End of 77695]

Re Volunteers Organized in Community Education

IA 14,526, Order No. 12,354

61 NH PUC 208

New Hampshire Public Utilities Commission

August 16, 1976

PETITION by a consumer group for commission adoption of proposed rules for discontinuance of service; dismissed without prejudice.

1. SERVICE, § 161 — Addition of rules — Administrative responsibility.

[N.H.] In rejecting additional disconnection rules proposed by a consumer advocate group, the commission found that the new rules would create additional administrative responsibility and that these added administrative responsibilities would strain an already overburdened staff. p. 210.

2. SERVICE, § 220 — Notice of discontinuance of service — Landlords and tenants.

[N.H.] The commission found that under present law, it was not possible to require a utility to know which of its accounts would be landlord accounts and further found that it was equally impossible for a utility to know all the names and addresses of all the tenants of all of its landlord customers; therefore, in the absence of a law requiring landlords to file tenants' names with the utility, there was no possible way for a utility to notify tenants of a disconnection situation. p. 210.

3. SERVICE, § 69 — Direct service to tenants — Individual meters.

[N.H.] The commission found that utilities did not have the authority, under the present law, to provide direct service to tenants without the consent of the landlord and it also held that providing direct service would usually mean rewiring a dwelling and that the time, cost, and complexity of this job would increase proportionally with the number of rental units. p. 210.

BY THE COMMISSION:

Order

Whereas, VOICE by petition filed May 13, 1976, requests the commission to adopt certain proposed rules and regulations regarding discontinuance of service by electric, gas, or water utilities in special customer situations; and

Whereas, the commission has fully considered the VOICE petition and finds that the proposed rules and regulations are impractical, unworkable, and too rigid for application in complex and often highly emotional situations; it is

Ordered, that petition of proposed rules and regulations regarding discontinuance of service by electric, gas, and water utilities in special situations be hereby dismissed without prejudice, all

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in accordance with the reasons set forth in the memorandum opinion attached hereto and made a part hereof.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of August, 1976.

Memorandum Opinion

History of Existing Rule

On February 23, 1976, the commission in Order No. 12,154 (61 NH PUC 42. *supra*), promulgated a new regulation governing discontinuance of service in special customer situations. This regulation, adopted after public hearing and in compliance with RSA 541-A the Administrative Procedures Act, applied only to accounts involving a landlord-tenant relationship. The regulation states:

"In the specific instance of a proposed discontinuance of service by the company of an account involving a landlord-residential tenant relationship, the company shall notify the commission of its disconnect action. Such notice to the commission shall be given to the commission if no payment arrangement can be made and before the landlord is actually disconnected. Thereafter, the commission shall have the discretion to direct the manner in which the disconnection shall be executed, such as, but not limited to, a requirement that as many residential tenants as reasonably possible be notified of the disconnect action which will affect them."

Pursuant to the terms of RSA 541-A:4 the regulation took effect on March 14, 1976. From that date to the present this office has operated under its new rule in 28 disconnect situations. In each case the new rule was applied. The results of the action taken is summarized in Appendix A to this opinion. In most cases restoration of service was accomplished through payment by the landlord or its agent.

Governing Procedure

When a utility company discovers that a landlord's service is sufficiently in arrears to warrant action, a routine disconnect notice is sent pursuant to public utilities commission rules and regulations. The notice advises that service will be discontinued ten days from the date of the notice.

On the scheduled date of disconnect, prior to taking disconnect action, the company notifies this commission that the landlord's service is subject to termination and that the tenants' service will be affected. The commission intervenes at this point and directs that reasonable attempts be made to notify each tenant that at the end of a 48-hour period, service may be terminated. This notice may be by telephone, personal visit, notice under the door, doorknob notice, or notice on a central bulletin board. The latter method is suggested only when all other methods are ineffective.

Throughout this entire procedure the utility, the tenant, and in some cases the landlord are normally in frequent contact with the commission. As is evidenced by the actual results of commission intervention and action (see Appendix A), most situations were resolved favorably.

The tenant, upon receipt of notice, is advised to contact the company and/or the landlord. The tenant or tenants frequently also call the commission. The tenant or tenants have the option of:

1. Convincing the landlord to pay the bill;

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2. Paying the bill and having service transferred to the tenant where practical and feasible;

3. Transferring that portion of the service which pertains to him into his own name as a new customer, where practical and feasible;
4. Vacating the premises;
5. Pursuing a civil remedy against the landlord for constructive eviction in a New Hampshire court.

At the end of the 48-hour period and prior to actual disconnect, the company is instructed to again call the commission and advise as to the specific action taken to notify tenants. If in our judgment the company has engaged every reasonably available means to notify tenants and no tenant option has been exercised, service termination is authorized. If in our judgment there remains something which can be reasonably done to notify tenants or to secure payment the commission advises the company to withhold final termination until additional steps are taken. If the commission is notified that a tenant desires the transfer of service and this option is practical then service is continued.

It is generally true that in all of these situations, negotiations, notice, and compromise take place for many days beyond the actual date given for disconnect. In fact, disconnect notices which may be sent thirty days after the bill is presented for payment are often not sent for many days after the 30-day period has expired. Where any hope of settlement is seen, service is ordered to be continued. Due consideration is also given for weekends and holidays which may intervene during the time of disconnect notices. In short, each customer (landlord account) is granted generous and ample time periods and is granted numerous settlement options for continuation of service. It is precisely this flexibility which makes the existing rule eminently workable and successful as is evidenced by the actual results attached hereto. Injecting rigid standards by means of voluminous documentation does not enhance the workability of the rule but rather detracts from the expeditious handling of these situations to favorable conclusions.

[1] New disconnect situations often present another factor not foreseen in the drafting of rules. This results in the necessity of the commission to waive its rules and make exceptions. Moreover, new rules create additional administrative responsibility and these added administrative responsibilities would strain the use of an already overburdened staff.

The Proposed Rules

[2] Under present law, it is not possible to require the utility to know which of its accounts is a landlord account and which is not. It is equally impossible for a utility to know all the names and addresses of all the tenants of all its landlord customers. In the absence of a law requiring landlords to file their tenants' names with the utility there is no possible way for a utility to know every person the VOICE rules would require it to notify.

[3] The offer of service to a tenant suggested by VOICE rules would add to the cost of doing business by the utility. Providing direct service would usually mean rewiring a dwelling and the time, cost, and complexity of this job would increase proportionately with the number of rental units, not to mention the need for individual meters in these instances. Moreover, the providing of

direct service to a rental unit in a multiple dwelling could require construction work within that dwelling, and the utility company does not have, under the present law, the authority to make such additions without the consent of the landlord.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

APPENDIX A

Company

Electric

Exeter & Hampton Elec.
Public Service Co.
Public Service Co.
Exeter & Hampton Elec.
Exeter & Hampton Elec.
Exeter & Hampton Elec.
Public Service Co.
Public Service Co.
Public Service Co.
Public Service Co.
Granite State Elec.
Public Service Co.
Public Service Co.
Public Service Co.
Public Service Co.
Public Service Co.
Exeter & Hampton Elec.
Public Service Co.
Public Service Co.
N. H. Electric Corp.
Exeter & Hampton Elec.
Public Service Co.
Public Service Co.
Public Service Co.

Gas

Gas Service, Inc.
Northern Utilities, Inc.
Gas Service, Inc.
Manchester Gas Co.

Water

Pennichuck Water Works
Pennichuck Water Works

The column entitled "Action" utilizes the following code:

1. Paid by landlord or agent. No disconnect.
2. Paid by tenant. No disconnect.
3. Disconnected. Restored by landlord.
4. Disconnected. Restored by tenant.
5. Disconnected. No restoration noted.

=====

NH.PUC*08/17/76*[77696]*61 NH PUC 212*Connecticut Valley Electric Company, Inc.

[Go to End of 77696]

Re Connecticut Valley Electric Company, Inc.

DR 76-95, Order No. 12,358

61 NH PUC 212

New Hampshire Public Utilities Commission

August 17, 1976

PETITION by electric company for an increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Connecticut Valley Electric Company, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on July 2, 1976, filed with this commission, for effect September 1, 1976, its tariff, NHPUC No. 3 — Electricity, providing for incorporation into its basic rates of the current purchased power surcharge and an anticipated purchased power surcharge which will be incurred for an increase in wholesale power costs as of September 1, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that tariff, NHPUC No. 3 — Electricity, of Connecticut Valley Electric Company, Inc., be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of August, 1976.

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NH.PUC*08/17/76*[77697]*61 NH PUC 212*Concord Natural Gas Corporation

[Go to End of 77697]

Re Concord Natural Gas Corporation

DR 6564, Supplemental Order No. 12,359

61 NH PUC 212

New Hampshire Public Utilities Commission

August 17, 1976

PETITION by gas company for addition of new customers; granted.

SERVICE, § 183 — Addition of new customers — Improvement in gas supply situation.

[N.H.] The commission authorized a gas company to add new customers where the gas supply situation had improved due to customer usage patterns and the availability of additional production facilities.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in 1973 by Order No. 11,137 authorized Concord

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Natural Gas Corporation to limit addition of new customers, as set forth in Supplement No. 4 of its tariff, NHPUC No. 13 — Gas, in view of the availability of gas at that time; and

Whereas, the gas supply situation has now improved for Concord Natural Gas Corporation, due to customer usage patterns and the availability of additional production facilities; and

Whereas, Concord Natural Gas Corporation has filed revisions to its present limitations for the addition of new residential customers consistent with the present availability of gas supplies; and

Whereas, permitting such revised limitations on the adding of new residential customers to become effective on less than the 30-day statutory filing period would be in the public interest by making gas service available; it is

Ordered, that Original Page No. 1, Supplement No. 4 to Concord Natural Gas Corporation tariff, NHPUC No. 13 — Gas, effective October 16, 1973, be, and hereby is, cancelled; and it is

Further ordered, that First Revised Page No. 1, Supplement No. 4 to Concord Natural Gas Corporation tariff, NHPUC No. 13 — Gas, issued July 20, 1976, be, and hereby is, permitted to become effective with the date of this order; and it is

Further ordered, that public notice of this order be made by publication in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of August, 1976.

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NH.PUC*08/19/76*[77698]*61 NH PUC 213*Public Service Company of New Hampshire

[Go to End of 77698]

Re Public Service Company of New Hampshire

DE 76-112, Order No. 12,362

61 NH PUC 213

New Hampshire Public Utilities Commission

August 19, 1976

PETITION by electric company for authority to extend its lines and service; granted.

SERVICE, § 178 — Extensions — Waiver of franchise.

[N.H.] The commission authorized an electric company to extend its service into certain

limited areas where it found that another electric company had waived its franchise rights in said areas.

BY THE COMMISSION:

Order

Whereas, Public Service Company of New Hampshire, a utility operating under the jurisdiction of this commission, by petition filed July 19, 1976, seeks authority, pursuant to RSA 374:22 and 26, to extend its lines and service into limited areas in the towns of Exeter,

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Hampton, and Stratham; and

Whereas, Exeter and Hampton Electric Company, by letter dated July 6, 1976, has waived its franchise rights in said limited areas; and

Whereas, after investigation and consideration, this commission is of the opinion that the granting of the petition will be for the public good; it is

Ordered, that permission be, and hereby is, granted to Public Service Company of New Hampshire to engage in business as an electric public utility in limited areas of the towns of Exeter, Hampton, and Stratham, as shown on a United States Geological Survey map on file in this case, and more particularly described as follows:

Beginning at the most southerly corner of the town of Stratham; thence, running northeasterly approximately 6,000 feet along the Stratham-North Hampton town line to the point where the southerly bank of an unnamed tributary of the Winnicut river crosses the Stratham-North Hampton town line; thence, running south 75 degrees 45 feet west, approximately 4,000 feet to the easterly boundary of an electric transmission line right of way of Exeter and Hampton Electric Company; thence, running southwesterly approximately 3,800 feet along the easterly boundary of said right of way to the northerly boundary of the highway right of way for the Exeter and Hampton expressway; thence, running southeasterly approximately 8,000 feet along the northerly boundary of said highway right of way, to longitudinal coordinate 70 degrees 52 feet 30 inches; thence, running northerly approximately 400 feet along said longitudinal coordinate to its intersection with the Hampton-North Hampton town line; thence, northwesterly approximately 3,800 feet along said town line to the point of beginning; and; it is

Further ordered, that pursuant to its right as herein granted Public Service Company of New Hampshire shall construct and maintain whatever lines and equipment are necessary to serve the public in the aforescribed franchise areas.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of August, 1976.

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NH.PUC*08/19/76*[77699]*61 NH PUC 214*Public Service Company of New Hampshire

[Go to End of 77699]

Re Public Service Company of New Hampshire

DE 76-113, Order No. 12,363

61 NH PUC 214

New Hampshire Public Utilities Commission

August 19, 1976

PETITION by electric company for authority to extend its lines and service into a limited area; granted.

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SERVICE, § 178 — Extensions of lines — Waiver of franchise.

[N.H.] The commission granted an electric company authority to extend its lines and service into a limited area where it found that another electric company had waived its franchise rights in the same area.

BY THE COMMISSION:

Order

Whereas, Public Service Company of New Hampshire, a utility operating under the jurisdiction of this commission, by petition filed July 19, 1976, seeks authority, pursuant to RSA 374:22 and 26, to extend its lines and service into a limited area in the town of Danville; and

Whereas, Exeter and Hampton Electric Company, by letter dated July 12, 1976, has waived its franchise rights in said limited area; and

Whereas, after investigation and consideration, this commission is of the opinion that the granting of the petition will be for the public good; it is

Ordered, that permission be, and hereby is, granted to Public Service Company of New Hampshire to engage in business as an electric public utility in a limited area in the town of Danville, as shown on a United States Geological Survey map on file in this case, and more particularly described as follows:

Beginning at the intersection of Hawkwood road, so-called, and the Danville-Sandown town line; thence running northerly along said town line 1,500 feet; thence running easterly 1,000 feet; thence running southeasterly to the point where the easterly boundary line of petitioner's existing franchise area in the town of Danville intersects the Danville-Hampstead town line; thence running northwesterly along said eastern boundary of the existing franchise area to the point of beginning; and; it is

Further ordered, that pursuant to its right as herein granted Public Service Company of New Hampshire shall construct and maintain whatever lines and equipment are necessary to serve the public in the aforescribed franchise area.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of August, 1976.

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NH.PUC*08/20/76*[77700]*61 NH PUC 215*Gas Service, Inc.

[Go to End of 77700]

Re Gas Service, Inc.

IE 14,549, Supplemental Order No. 12,364

61 NH PUC 215

New Hampshire Public Utilities Commission

August 20, 1976

ORDER lifting suspension and permitting gas company's revised service extension tariff to become effective.

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BY THE COMMISSION:

Supplemental Order

Whereas, Gas Service, Inc., public utility engaged in the business of supplying gas service in the state of New Hampshire, on June 23, 1976, filed with this commission a proposed revision, Section 1, First Revised Page 9, of its tariff, NHPUC No. 5 — Gas, providing for certain changes to its service extension terms and conditions; and

Whereas, said filing was suspended by the commission's Order No. 12,346 dated July 23, 1976 (61 NH PUC 201, *supra*), pending investigation by the commission; and

Whereas, as a result of that investigation, Gas Service was instructed to file Section 1, Second Revised Page 9 of its tariff in lieu of Section 1, First Revised Page 9; and

Whereas, this commission, after further investigation and consideration, is now satisfied that the filing is consistent with the public good; and no comments or objections by the public were received; it is

Ordered, that Order No. 12,346 issued July 23, 1976, be, and hereby is, revoked; and it is

Further ordered, that Section 1, Second Revised page 9 of Gas Service tariff, NHPUC No. 5 — Gas, be and hereby is, permitted to become effective on September 1, 1976; and it is

Further ordered, that Gas Service, Inc., give public notice of this filing by publication in a

newspaper having general circulation in the area.

By order of the Public Utilities Commission of New Hampshire this twentieth day of August, 1976

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NH.PUC*08/27/76*[77701]*61 NH PUC 216*Gas Service, Inc.

[Go to End of 77701]

Re Gas Service, Inc.

IR 14,554, Order No. 12,370

61 NH PUC 216

New Hampshire Public Utilities Commission

August 27, 1976

PETITION by gas company for decrease in cost of gas adjustment and increase in basic rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc. has filed, for effect September 1, 1976, revised pages of its tariff, NHPUC No. 5 — Gas, by divisions as follows: Section 2 (Nashua division) First Revised Pages 1, 2, Fourth Revised Pages 3-7, Fifth revised Page 8; Section 2 (Keene division) First Revised Pages 1, 2, 5-7,

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Third Revised Page 3; Section 2 (Laconia division) First Revised Pages 1, 2, Third Revised Pages 3-7; and

Whereas, said tariff pages reflect a decrease in the present cost of gas adjustment of six cents per therm for Nashua division; nine cents per therm for Keene division, and 65 cents per therm for the Laconia division with comparable increases in the basic rates; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that the above listed tariff pages be, and hereby are, suspended until otherwise ordered by this commission; and it is

Further ordered, that a copy of this order be published once in a newspaper having general circulation in the territory affected.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of

August, 1976.

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NH.PUC*08/27/76*[77702]*61 NH PUC 217*Tilton and Northfield Aqueduct Company

[Go to End of 77702]

Re Tilton and Northfield Aqueduct Company

DR 76-102, Order No. 12,371

61 NH PUC 217

New Hampshire Public Utilities Commission

August 27, 1976

PETITION by water company for an increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Tilton and Northfield Aqueduct Company, a public utility engaged in the business of supplying water service in the state of New Hampshire on July 29, 1976, filed with this commission Second Revised Pages 11, 12, 13, and 14 of its tariff, NHPUC No. 4 — Water, providing for an increase in rates to be effective October 1, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Second Revised Pages 11, 12, 13, and 14 of tariff NHPUC No. 4 — Tilton and Northfield Aqueduct Company be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of August, 1976.

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NH.PUC*08/30/76*[77703]*61 NH PUC 218*Northern Utilities, Inc.

[Go to End of 77703]

Re Northern Utilities, Inc.

DR 76-108, Order No. 12,372

61 NH PUC 218

New Hampshire Public Utilities Commission

August 30, 1976

PETITION by utility company for an increase in gas rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Northern Utilities, Inc., Allied Gas division, a public utility engaged in the business of supplying gas service in the state of New Hampshire on August 13, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 6 — Gas, providing for increased rates in the amount of \$294,920, effective September 15, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that First Revised Pages 11 and 12, Second Revised Pages 10 and 13, Third Revised Page 31, Fifth Revised Pages 29 and 30, Seventh Revised Page 32, Ninth Revised Page 27, Tenth Revised Page 25, and 11th Revised Page 23 of tariff, NHPUC No. 6 — Gas, of Northern Utilities, Inc., Allied Gas division, be and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of August, 1976.

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NH.PUC*08/30/76*[77704]*61 NH PUC 218*Exeter and Hampton Electric Company

[Go to End of 77704]

Re Exeter and Hampton Electric Company

DE 6036, Order No. 12,373

61 NH PUC 218

New Hampshire Public Utilities Commission

August 30, 1976

PETITION by an electric company for a license to construct and maintain transmission lines on a permanent basis; granted.

ELECTRICITY, § 7 — Temporary transmission lines — Electric company.

[N.H.] After comparing the competing costs of an underground and an overhead electric line,

the commission found that it was necessary for an electric company's transmission lines which had been in place for a period of five years on a temporary basis to remain at the present location as an overhead crossing.

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APPEARANCES: Joseph S. Ransmeier, for the applicant; Clayton Heath for the Department of Resources and Economic Development.

BY THE COMMISSION:

Report

By this opposed petition filed May 6, 1971, Exeter and Hampton Electric Company seeks authority from this commission to construct lines of poles, wires, and fixtures over and across the Taylor river in the towns of Hampton and Hampton Falls, New Hampshire. The commission issued Order No. 10,310 dated June 23, 1971, granting a license on a temporary basis pending the results of a public hearing on the issue of construction on a permanent basis. The temporary license was granted to allow the company to provide a continuity of service during the summer season of 1971. A public hearing on this petition was held at the commission on August 18, 1976.

The transmission line in question is a 34.5 kv line of approximately 4.5 miles in length, 400 feet of which extends across the Taylor river at a minimum clearance of 28 feet. The line has been fully constructed for nearly five years and is charged and operational at that location.

The Department of Resources and Economic Development requested a public hearing on this matter to have the commission determine the department's request that the line should be placed underwater. Clayton Heath, representing the department, testified that the overhead line created an intrusion on the aesthetic quality of the area.

Upon cross-examination, however, Mr. Heath acknowledged that since the line is already in place, it might not be reasonable or practical to place it underwater. In response to the point of the aesthetic effect of moving the line underground, the company produced a photograph which was intended to portray that the visual impact of the resulting above ground equipment necessary to relocate the line underground, would be more objectionable than the line itself.

In view of the absence of specific opposition by DRED at this hearing the company, with the consent of the hearing officer, did not present any direct evidence but rather has left with the commission various materials regarding the comparative costs of an underground and an overhead electric line at the location in question.

Based upon all of the evidence presented in this proceeding, the commission finds that it is necessary in order for the company to meet continued reasonable requirements of service to the public that the transmission line in question should remain at its present location as an overhead crossing. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Exeter and Hampton Electric Company be, and hereby is, authorized, on a permanent basis, to maintain transmission lines already in place by virtue of a temporary license over and across approximately 400 feet of the Taylor river in the towns of Hampton and Hampton Falls, all in accordance with a plan dated August 16, 1976, on file with this commission in this case; and it is

Further ordered, that commission

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Order No. 10,310 dated June 23, 1971, granting a temporary license in this matter is hereby superseded by this order.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of August, 1976.

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NH.PUC*08/30/76*[77705]*61 NH PUC 220*Public Service Company of New Hampshire

[Go to End of 77705]

Re Public Service Company of New Hampshire

DE 76-96, Order No. 12,375

61 NH PUC 220

New Hampshire Public Utilities Commission

August 30, 1976

PETITION by electric company for a license to construct and maintain transmission line; granted.

ELECTRICITY, § 7 — Underwater transmission line — Electric company.

[N.H.] The commission granted an electric company authority to replace its overhead electric transmission lines with underwater cable for safety reasons.

BY THE COMMISSION:

Order

Whereas, by petition filed July 19, 1976, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17 — 20 to construct and maintain underwater cable across a portion of Bow lake in the town of Strafford, New Hampshire; and

Whereas, the petition represents that the proposed construction will cross approximately 525 feet of said lake to Caswell Island from Pole No. 820/180-B on land of Caswell to Pole No. 820/180-C on land of Putnam on Caswell Island, for the purpose of replacing the overhead lines with underwater cable for safety reasons; and

Whereas, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the commission it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

Ordered, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain underwater cable under Bow lake in the town of Strafford, New Hampshire, all in accordance with the above description which is contained on a plan on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of August, 1976.

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NH.PUC*08/31/76*[77706]*61 NH PUC 221*Connecticut Valley Electric Company, Inc.

[Go to End of 77706]

Re Connecticut Valley Electric Company, Inc.

DR 76-95, Supplemental Order No. 12,378

61 NH PUC 221

New Hampshire Public Utilities Commission

August 31, 1976

COMMISSION order lifting suspension on electric company's rate tariff and allowing it to become effective.

BY THE COMMISSION:

Supplemental Order

Whereas, Connecticut Valley Electric Company, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on July 2, 1976, filed with this commission, for effect September 1, 1976, its tariff, NHPUC No. 3 — Electricity, providing for incorporation into its basic rates of the current purchased power surcharge, and to add a purchased power surcharge to cover an increase in wholesale power costs incurred as of September t, 1976; and

Whereas, said filing was suspended by the commission's Order No. 12,358 dated August 17, 1976 (61 NH PUC 212, *supra*), pending investigation by the commission; and

Whereas, as a result of that investigation, the commission is now satisfied that the filing is consistent with the public good; and no comments or objections by the public having been received; it is

Ordered, that Order No. 12,358, issued August 17, 1976, be, and hereby is, revoked; and it is

Further ordered, that tariff, NHPUC No. 3 — Electricity, of Connecticut Valley Electric Company, Inc., be, and hereby is, permitted to become effective on September 1, 1976.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of August, 1976.

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NH.PUC*08/31/76*[77707]*61 NH PUC 221*Gas Service, Inc.

[Go to End of 77707]

Re Gas Service, Inc.

IR 14,554, Supplemental Order No. 12,379

61 NH PUC 221

New Hampshire Public Utilities Commission

August 31, 1976

COMMISSION order lifting suspension of gas company's tariffs.

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RATES, § 303 — Cost of gas adjustment — Increase in basic rates.

[N.H.] The commission approved a gas company's tariff revision which provided for a decrease in the cost of gas adjustment with an attendant increase in the basic rates where the commission found that the proposed change would result in no change in customers' bills, but would reflect more properly the current cost of gas in basic rates.

BY THE COMMISSION:

Supplemental Order

Whereas, by commission Order No. 12,370 ([1976] 61 NH PUC 216), revised pages of Gas Service, Inc., tariff, NHPUC No. 5 — Gas, providing for a decrease in the cost of gas adjustment with attendant increase in the basic rates, were suspended pending further investigation by this commission; and

Whereas, the commission is now satisfied that the proposed changes will result in no changes in customers' bills, but will reflect more properly the current cost of gas in basic rates, thus being in the public interest; it is

Ordered, that the suspension of the tariff pages listed in Order No. 12,370 is now lifted, and such pages may be, and hereby are, permitted to become effective September 1, 1976; and it is

Further ordered, that a copy of this order be published in a newspaper having general circulation in the territory affected immediately upon its receipt.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of August, 1976.

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NH.PUC*08/31/76*[77708]*61 NH PUC 222*Public Service Company of New Hampshire

[Go to End of 77708]

Re Public Service Company of New Hampshire

Additional petitioners: Concord Electric Company, Exeter and Hampton Electric Company, New Hampshire Electric Cooperative, Inc., Granite State Electric Company, Municipal Electric Department of Wolfeboro, and Littleton Water and Light Department

Intervenors: County of Hillsborough, Volunteers Organized in Community Education, New Hampshire Voice of Energy, Cities of Nashua and Berlin et al.

DR 76-46, Third Supplemental Order No. 12,380

61 NH PUC 222

New Hampshire Public Utilities Commission

August 31, 1976

PETITION for authority to apply a fuel adjustment charge to monthly billings; granted.

RATES, § 303 — Fuel expenses — Recovery.

[N.H.] The commission permitted electric companies to recover varying fuel costs by application of an adjustment derived by dividing the total fuel cost per month by total kilowatt-hours sold.

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APPEARANCES: Philip Ayers for Public Service Company of New Hampshire; Joseph Ransmeier for Concord Electric Company and Exeter and Hampton Electric Company; G. Wells Anderson for New Hampshire Electric Cooperative, Inc.; Kirk L. Ramsauer for Granite State Electric Company; Guy Krapp for the Municipal Electric Department of Wolfeboro; Richard Deane for Littleton Water and Light Department; Daniel O'Shaughnessey for Hillsborough county commissioners and Hillsborough county; George Bruno and Peter W. Brown for

Volunteers Organized in Community Education; H. Philip Howorth and Morgan Hollis for the city of Nashua; Albert Therriault and John Harris for the city of Berlin; Madeline Thompson for the New Hampshire Voice of Energy; Eugene Daniell, pro se; Lloyd Basinow, pro se; Arthur Ferlan, pro se; Senator O. Alan Rock, pro se.

BY THE COMMISSION:

Report

Pursuant to RSA 378:3-a (II), the commission, on August 20, 1976, held a hearing on the petitions of seven New Hampshire electric companies for authority to apply a fuel adjustment charge to regular September monthly billings to its customers.

Littleton Water and Light Department

Littleton Water and Light Department, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on August 17, 1976, filed with this commission 32nd Revised Page 6 of its tariff, NHPUC No. 1 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect on September 1, 1976. Littleton purchases all of its requirements from New England Power Company. Littleton reported that the total fuel cost billed by the New England Power Company during the month of July, 1976, was \$3,212.36. The fuel adjustment charge, therefore, by simple division is \$0.001391 rounded to \$0.0014. The fuel adjustment charge proposed for the month of September, 1976, is 14 cents per 100 kilowatt-hours applied to all bills to be rendered in that month.

Municipal Electric Department of Wolfeboro

Municipal Electric Department of Wolfeboro, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on August 6, 1976, filed with this commission 22nd Revised Page 9a of its tariff, NHPUC No. 4 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect September 1, 1976. Wolfeboro purchases all of its requirements from Public Service Company of New Hampshire. Wolfeboro reported that during the month of July, 1976, the total fuel cost billed by Public Service Company was \$28,728. During this same period the total kilowatt-hours sold by Wolfeboro was 1,929,410. The fuel adjustment, therefore, by simple division and rounded is \$0.0148 per kilowatt-hour. The fuel adjustment charge proposed for effect in the month of September is \$1.48 per 100 kilowatt-hour to apply to all bills rendered in that month.

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Granite State Electric Company

Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on August 18, 1976, filed with this commission 24th Revised Page 15a of its tariff, NHPUC No. 8 — Electricity, comprising the monthly fuel adjustment charge for effect September 1, 1976. Granite State Electric Company purchases all of its requirements from the New England Power Company. Granite reported that the total fuel cost billed by New England Power was \$34,173.80. Total sales to Granite State customers during the same period were 24,642,448 kilowatt-hours. By simple division the fuel adjustment charge proposed for effect in the month of September is \$0.0138 per kilowatt or \$1.38 per 100

kilowatt-hours.

New Hampshire Electric Cooperative, Inc.

New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on August 18, 1976, filed with this commission 28th Revised Page 13 of its tariff, NHPUC No. 6 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect September 1, 1976. The company reported that the total fuel cost billed by its several power suppliers for power during the month of July, 1976, was \$243,585.54. Total sales by the Co-op during the same month were 20,038,254 kilowatt-hours. By simple division, the fuel adjustment charge proposed for September is \$0.01215 rounded to \$0.0122 per kilowatt-hour. The fuel adjustment charge to be applied to all bills rendered in the month of September is proposed to be \$1.22 per 100 kilowatt-hours.

Co-op witness Pillsbury was prepared to offer additional testimony relative to *the petition for approval of billings during months of September, 1976, through February of 1977*, a petition filed on July 20, 1976. This request for placing the fuel adjustment charge on a six months averaging basis was ruled to be inappropriate for consideration during this proceeding and to be a matter for separate consideration outside of these proceedings.

Exeter and Hampton Electric Company

Exeter and Hampton Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on August 9, 1976, filed with this commission 14th Revised Page 16 of its tariff, NHPUC No. 11 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect September 1, 1976. Exeter purchases all of its requirements from Public Service Company of New Hampshire. Exeter reported that the total fuel cost billed by Public Service Company for the period June 30, 1976, to July 30, 1976, was \$313,747. Total sales by Exeter during that same period were 22,204,003 kilowatt-hours. The fuel adjustment charge therefore by simple division is \$0.01413. Thus, the fuel adjustment charge proposed to be billed during the month of September is \$1.41 per 100 kilowatt-hours.

Concord Electric Company

Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on August 10, 1976, filed with this commission 18th Revised Page

15a to its tariff, NHPUC No. 6 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect September 1, 1976. Concord purchases all of its requirements from Public Service Company of New Hampshire. Concord reported that the total fuel cost billed by Public Service Company during the month of July, 1976, was \$264,138. Total sales during that same period were 19,976,985 kilowatt-hours. The fuel adjustment charge by simple division is \$0.01322 per kilowatt-hour. Therefore, the fuel adjustment charge proposed to be billed during September, 1976, is \$1.32 per 100 kilowatt-hours.

Public Service Company of New Hampshire

Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on August 19, 1976, filed with this commission 20th Revised Pages 15 and 16 to its tariff, NHPUC No. 20 — Electricity, comprising the monthly calculation of fuel adjustment charge for effect September 1, 1976.

Witness Stetson, director of rates and load research of the Public Service Company, presented detailed line-by-line testimony regarding the data for the month of June, which is used to set forth the calculation of the fuel adjustment charge as shown on Public Service Company Exh P-1 and applicable to billings in the month of September. The calculation of the September fuel adjustment reflects a decrease from the previous month. The fuel adjustment charge proposed to become effective September 1, 1976, is \$1.02 per 100 kilowatt-hours. The fuel adjustment charge allowed by this commission in its Order No. 12,351 dated July 30, 1976, was \$1.12 per 100 kilowatt-hours which became effective on August 1, 1976, and was applied to all bills rendered during the month of August.

A major reason for the decrease in the fuel adjustment charge is that the company's Merrimack station generators produced a slightly greater amount of kilowatt-hours in the data month of July as compared to the data month of June upon which the August fuel adjustment charge was based. This increased output of the Merrimack station generators represented a greater percent of the fossil generation of the company in the month of July as compared with June. Generation from Merrimack is beneficial because it utilized relatively low cost coal as opposed to higher cost oil, thus lowering the fuel adjustment rate.

Because Merrimack station generated greater amounts of kilowatt-hours, the company did not have to purchase as much energy from NEPOOL in the month of July as it had to purchase in the data month of June. Energy purchased from NEPOOL is largely oil-generated and is more costly than kilowatt-hours which can be produced at the Merrimack coal generating station. The decreased dependence upon NEPOOL kilowatt-hours is also a reason for the reduction in the fuel adjustment charge in the month of September.

The purchases that were made from NEPOOL, were at a significantly lower cost per kilowatt-hour in July than the cost of similar purchases in the month of June. The reason that NEPOOL had lower cost per kilowatt-hour energy available to it was the fact that a greater percentage portion of the total of NEPOOL power was "economy

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energy." Public Service Company purchases power from NEPOOL during scheduled outages, unscheduled out-ages, and also when "economy energy" is available. During the data month of July Public Service had fewer scheduled and unscheduled outages. Thus this more expensive form of purchased power was not used. Rather, the company was able to purchase "economy energy " which is less costly than purchases made as a result of scheduled and unscheduled outages.

Filing of the Monthly Fuel Surcharge

Prior to the advent of public hearings, Public Service Company filed the monthly fuel clause calculation on or about the 23rd or 24th of the month preceeding the month in which the

surcharge was proposed. Subsequently, Senate Bill 44 — became law and required hearings to be held ten days prior to the effective date of the surcharge. Hearings, therefore, must be held no later than the twenty-first day of a 31-day month or the twentieth day of a 30-day month. The fuel clause filing is now made by Public Service Company on the day immediately prior to the hearing.

Numerous objections were raised relative to the timeliness of the company's fuel clause computation filing. The commission recognized the need and the right of the parties to have a reasonable opportunity to examine the filing of the companies. The commission also recognizes the constraints on the companies in closing out books for the previous month and filing this computation. We are told that in the present rush to complete the computation, certain figures must be verified by telephone. Nonetheless, the company must make every effort to prepare the computation so that all parties may have access to the filing forty-eight hours prior to the hearing.

Using the mails to convey the filing to known intervenors would not guarantee receipt sufficiently prior to the hearing. The commission then will require the companies to make their filings no later than forty-eight hours prior to the commencement of the hearing. The computation will then be available at the company offices and the commission offices for each intervenor.

Coal Pile Inventory Adjustment

Under the Public Service Company coal supply contract with Consolidation Coal Company, coal is weighed at the mine after drying for purification processes. It is then transported by rail to the utility's storage pile at Bow, where an approximate forty-five days' supply is maintained. Public Service Company does not pay for the coal until it is used. During the transportation and storage, the coal, because of its natural physical properties, absorbs moisture and thus an adjustment is made when the coal is weighed at the time of use. The amount of moisture is a varying and elusive factor depending largely upon weather and length of time exposed to the elements. The moisture factor is therefore an estimate.

In 1975 this commission engaged Touche Ross and Company to perform an audit of the fuel adjustment charge. The audit report, transmitted to the company in September, 1975, referred to the moisture content adjustment and recommended a survey of the coal pile. The company performed the survey in November of 1975 and received the results in January, 1976. Company witness Merrill testified the company

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was "flabbergasted" to find a discrepancy of 128,000 tons. The company then undertook a second survey in April, 1976, to verify the earlier findings. The second survey verified the earlier findings. The coal supplier, exercising its contractual right then performed its own independent survey in July and on August 13, 1976, once again the original results were generally verified.

The discrepancy is the difference between the actual amount of coal in the pile and the book inventory of the company. The company actually had 127,209.6 more tons of coal than was recorded. This means that they charged the consumer for these tons of coal that were not burned. The book inventory, upon which the fuel adjustment charge is based reflected 127,209.6 tons of

coal that were never burned.

The coal pile which now reflects the excess tonnage is used for generation of power which serves New Hampshire retail customers, some Vermont and Maine retail customers, and Vermont and New Hampshire wholesale for resale customers. The New Hampshire retail customers' surcharge is under the jurisdiction of this commission and the other sales mentioned above are under state commission and Federal Power Commission jurisdiction.

This commission will order prompt refund adjustments. The necessary computations to segregate the amounts under the various jurisdictions and a refund formula are a complex matter and are now in process of determination and will be treated in a supplemental report and order of this commission in the near future.

In the meantime, in order to commence the process of refunding, the commission has determined to reduce the proposed September fuel adjustment charge from \$1.02 per 100 kilowatt-hours to 92 cents per 100 kilowatt-hours.

Motions

The motion of the city of Nashua is denied. The manner of the rebate has been sufficiently addressed herein.

In response to VOICE motion for a hearing in docket DR 76-67, as indicated during the hearing, the commission plans to schedule a hearing on this matter soon.

Volunteers Organized in Community Education motion requiring Public Service Company to notify the New Hampshire Public Utilities Commission and the public of impending settlements with fuel suppliers is denied. There is no requirement for this or any other company to disclose unsubstantiated facts to the PUC or the public, especially when the facts involved include the contractual right of a fuel supplier to make independent determinations to verify factual findings. Release and disclosure of facts that might later be altered through negotiation, settlement, or compromise could cause economic or financial injury to either of the parties.

Volunteers Organized in Community Education motion that monthly fuel adjustment charge reports include downtime of both scheduled and unscheduled maintenance of its various plants is granted. The balance of that motion requesting reports of a nuclear energy factor and the source of interchange power is denied. The report of a nuclear energy factor is not in any way related to or determinative of the fossil fuel adjustment clause which is the subject of the monthly filings. The source of interchange power is only obtainable at the NEPEX dispatching center in Springfield, Massachusetts, and would

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involve an hour-by-hour report for an entire month. Since NEPEX dispatches the lowest cost power available we do not see the need for requiring such a report.

Volunteers Organized in Community Education motion that Public Service Company be directed to receive coal when Merrimack is shut down is denied. The company must operate in accordance to the terms of the contract governing the supply of coal. The commission will not be a party to any interference with the contractual relationship of the parties of the contract.

Volunteers Organized in Community Education motion that the company be ordered to conduct an annual inventory of its coal pile is denied. The commission will consider this matter further and issue an appropriate order at a later time.

Volunteers Organized in Community Education motion that Public Service Company fuel adjustment clause advertisements be submitted to the PUC for approval is denied. The substance of a company is a management prerogative which this commission shall not prejudge. Any published advertisement found to be misleading or erroneous shall be examined by the commission and appropriate action will be instituted.

Volunteers Organized in Community Education motion that monthly filings be provided to interested parties is treated separately in this report. This motion is, therefore, denied.

Volunteers Organized in Community Education motion that the public utilities commission investigate the matter of a public utilities commission memo is denied.

Each of the requests of the city of Nashua for findings of fact and rulings of law are hereby denied.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that 20th Revised Pages 15 and 16 of Public Service Company of New Hampshire tariff, NHPUC No. 20 — Electricity, providing for the monthly fuel surcharge of \$1.02 per 100 kilowatt-hours for the month of September, 1976, be, and hereby is, rejected; and it is

Further ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to file revised tariff pages reflecting a partial coal pile inventory adjustment of ten cents to provide for a monthly fuel adjustment charge of 92 cents for the month of September; and it is

Further ordered, that 18th Revised Page 15-A of the Concord Electric Company tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of \$1.32 per 100 kilowatt-hours for the month of September, 1976, be, and hereby is, permitted to become effective September 1, 1976; and it is

Further ordered, that 14th Revised Page 16 of the Exeter and Hampton Electric Company tariff, NHPUC No. 11 — Electricity, providing for the monthly fuel surcharge of \$1.41 per 100 kilowatt-hours for the month of September, 1976, be, and hereby is, permitted to become effective September 1, 1976; and it is

Further ordered, that 28th Revised Page 13 of the New Hampshire Electric Cooperative, Inc., tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of \$1.22 per 100 kilowatt-hours for the month of September, 1976, be, and hereby is, permitted to become effective September 1, 1976; and it is

Further ordered, that 24th Revised Page 15-A of the Granite State Electric

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Company tariff, NHPUC No. 8 — Electricity, providing for the monthly fuel surcharge of \$1.38 per 100 kilowatt-hours for the month of September, 1976, be, and hereby is, permitted to

become effective September 1, 1976; and it is

Further ordered, that 22nd Revised Page 9A of the Municipal Electric Department of Wolfeboro tariff, NHPUC No. 4 — Electricity, providing for the monthly fuel surcharge of \$1.48 per 100 kilowatt-hours for the month of September, 1976, be, and hereby is, permitted to become effective September 1, 1976; and it is

Further ordered, that 32nd Revised Page 6 of the Littleton Water and Light Department tariff, NHPUC No. 1 — Electricity, providing for the monthly fuel surcharge of 14 cents per 100 kilowatt-hours for the month of September, 1976, be, and hereby is, permitted to become effective September 1, 1976.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of August, 1976.

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NH.PUC*09/01/76*[77709]*61 NH PUC 229*Fuel Adjustment Charge Fold-ins

[Go to End of 77709]

Re Fuel Adjustment Charge Fold-ins

DR 76-123, Order No. 12,383

61 NH PUC 229

New Hampshire Public Utilities Commission

September 1, 1976

COMMISSION order requiring electric utilities to fold wholesale surcharges into basic rates.

RATES, § 260 — Wholesale surcharges — Electric companies.

[N.H.] The commission ordered all electric utilities under its jurisdiction to reexamine and recompute their existing fuel adjustment clauses and also held that wholesale surcharges should be folded into their basic rates.

BY THE COMMISSION:

Order

Whereas, this commission, by Order No. 12,097 dated December 31, 1975, ordered that New Hampshire electric utilities, to the extent that they are under the jurisdiction of this commission, are authorized to treat under their respective tariffs any Federal Power Commission authorized wholesale energy charge fold-ins to their supplier as if they were fuel surcharges for billing purposes; and

Whereas, it appears that fuel costs, after rapid escalation, have substantially stabilized; and

Whereas, it now appears appropriate that the existing fuel adjustment clauses should be reexamined and recomputed

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and that the surcharges referred to in Order No. 12,097 should now be folded into the basic rates; and

Whereas, the base period for determining fuel costs covered by the basic rates is, for Public Service Company of New Hampshire, based on a 12-month period ending August 31, 1971, which period now appears to be outdated; it is

Ordered, that the Public Service Company of New Hampshire update its base period to coincide with the base period utilized before the Federal Power Commission in establishing the present wholesale rates; i.e., the twelve months ending September 31, 1975; and it is

Further ordered, that each electric utility company under the jurisdiction of this commission submit new tariff pages to contain new basic rates which will reflect the fold-in of these wholesale surcharges; and it is

Further ordered, that the resulting appropriate tariff pages pertaining to the calculations of surcharges be prepared in a manner which shall include a temporary surcharge over at least a 12-month period to recover any unbilled revenue outstanding at the time of the fold-in; and it is

Further ordered, that each company be prepared to present its proposed submissions in conjunction with scheduled public hearings before this commission during the month of September, 1976.

By order of the Public Utilities Commission of New Hampshire this first day of September, 1976.

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NH.PUC*09/01/76*[77710]*61 NH PUC 230*Public Service Company of New Hampshire

[Go to End of 77710]

Re Public Service Company of New Hampshire

DR 76-124 Order No. 12,384

61 NH PUC 230

New Hampshire Public Utilities Commission

September 1, 1976

COMMISSION order instituting a general and comprehensive inquiry, into an electric company's fuel adjustment clause.

BY THE COMMISSION:

Order

Whereas the Public Service Company of New Hampshire, a public utility supplying electric service in the state of New Hampshire, has, as a part of its filed tariff, a fossil fuel adjustment clause; and

Whereas, the commission wishes to determine generally, the efficiency of the existing fuel clause, and all matters associated with and bearing upon said fuel clause; and

Whereas, the commission wishes to determine the efficiency of the fuel procurement policies of the Public Service Company; and

Whereas, the commission wishes to determine whether adequate incentives exist to insure that economical fuel

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purchasing and operating decisions are being made; it is

Ordered, that there is hereby instituted a general and comprehensive inquiry of all matters pertaining to, and associated with, the fuel adjustment clause; and it is

Further ordered, that the Public Service Company of New Hampshire be prepared to present testimony relative to its fuel adjustment clause, and associated matters at public hearings to be scheduled in October, 1976; and it is

Further ordered, that such testimony shall include, but not be limited to, the following general areas of inquiry:

1. Organizational structures of the company's fuel purchasing departments,
2. Fuel purchasing policies and practices,
3. Problems associated with coal and oil contract negotiations and administration from the company's viewpoint,
4. Steps taken by the company to enforce contract compliance by fuel suppliers,
5. The impact of transportation costs upon fuel prices, and
6. Arrangements other than coal or oil contracts the company may have with its suppliers.

By order of the Public Utilities Commission of New Hampshire this first day of September, 1976.

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NH.PUC*09/01/76*[77711]*61 NH PUC 231*Mountain Springs Water Company, Inc.

[Go to End of 77711]

Re Mountain Springs Water Company, Inc.

Intervenor: Community Association of Mountain Lakes

DE 6481, Order No. 12,385

61 NH PUC 231

New Hampshire Public Utilities Commission

September 1, 1976

PETITION by water company for authority to operate as a public utility; granted.

CERTIFICATES, § 125 — Completion of system — Water company.

[N.H.] The commission ordered a water company to complete the construction of its water system and to operate as a public utility.

APPEARANCES: William Maynard for the petitioner; Laurence Gardner for the Community Association of Mountain Lakes.

BY THE COMMISSION:

Report

By petition filed June 4, 1973, and refiled on April 2, 1976, the Mountain Springs Water Company, Inc., seeks the authority of the commission to operate as a public water utility in a limited area in the towns of Bath and Haverhill. A

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hearing was held at the office of the commission on this petition on August 24, 1976, for the purpose of considering the establishment of temporary rates. At that hearing, two issues were raised; one, the completion of the water system, and two, the level of temporary rates. The report herein contained is limited to the issue of the completion of the water system. The matter of temporary rates will be addressed in a supplemental report and order.

There exists an escrow agreement, dated July 27, 1973, by and between Town and Country Homes, Inc., the Haverhill Planning Board, and the Littleton National Bank. Moneys were deposited in the escrow agreement by purchasers of lots in the Mountain Lake region for the purpose of the construction of a water system to serve the Mountain Lakes development. The agreement provides that if no final certification for the facilities exists within three years of the date of the agreement, then the bank shall disburse any and all funds remaining in said escrow account as the selectmen of Haverhill and the public utilities commission may jointly determine. The three-year period has passed and the funds in the escrow account can be disbursed in accordance with the joint determination of the selectmen of Haverhill and the New Hampshire Public Utilities Commission.

Winthrop Clark, selectman of Haverhill, testified that the town's only interest in this proceeding was to complete the construction of the water system. He is "concerned with the inadequate supply" and urges immediate completion. The town has offered the services of Dan

Ayer, administrative assistant of the selectmen of Haverhill, to act as a supervisor of the construction of the water system.

It certainly is in the best interests of the members of the public within the proposed franchise area that the system be completed as expeditiously as possible.

By letter dated August 25, 1976, subsequent to the hearing, Attorney Maynard on behalf of the Mountain Springs Water Company, concurs with the suggestion of Mr. Clark that Mr. Ayer be authorized by the commission to supervise the construction of the completion of the water system. Our order will issue accordingly.

Order

Based upon the foregoing report which is made a part hereof; it is

Ordered, that the Mountain Springs Water Company, Inc., be, and hereby is, authorized to complete the water system of the Mountain Lakes subdivision in the town of Haverhill; and it is

Further ordered, that Dan Ayer, administrative assistant of the selectmen of the town of Haverhill, be, and hereby is, authorized to arrange construction of the water system in accordance with the projected work schedule of the engineering firm of Hoyle, Tanner & Associates, Inc.; and it is

Further ordered, that Mr. Ayer be authorized to enter into agreement with the contractors for the completion of said water system so long as the work done conforms to prepared design specifications; and it is

Further ordered, that Mr. Ayer shall submit statements for the payment of contractors to Mr. Keats of Hoyle, Tanner & Associates, Inc., who shall verify that the work has been done in conformance with the design specifications and arrange for payment of the contractors; and it is

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Further ordered, that Mr. Ayer shall report periodically to the public utilities commission.

By order of the Public Utilities Commission of New Hampshire this first day of September, 1976.

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NH.PUC*09/01/76*[77712]*61 NH PUC 233*New Hampshire Railroads

[Go to End of 77712]

Re New Hampshire Railroads

IR 14,564, Order No. 12,385

61 NH PUC 233

New Hampshire Public Utilities Commission

September 1, 1976

APPLICATION by railroad company for authority to increase freight rates on less than statutory notice; granted.

RATES, § 439 — Interstate Commerce Commission — Freight rates — Railroad company.

[N.H.] Where the Interstate Commerce Commission had granted railroads authority to increase their freight rates and charges by 5 per cent, the commission also granted a railroad company a 5 per cent rate increase to go into effect on less than statutory notice where it was desirable that the practices with respect to intrastate traffic be continued harmoniously with those of interstate traffic.

BY THE COMMISSION:

Order

Whereas, the New Hampshire railroads, by J. F. Doyle, traffic publishing agent, has filed a petition on August 30, 1976, for authority to put into effect on less than statutory notices, a 5 per cent increase in freight rates, in a manner similar to those filed on behalf of said New Hampshire railroads with the Interstate Commerce Commission in Ex parte No. 330, for authority to increase freight rates and charges by 5 per cent, effective in Interstate Commerce Commission Ex parte No. 330, dated August 25, 1976, but not prior to September 27, 1976; it appearing that the Interstate Commerce Commission has issued its Special Permission No. 77-600, dated August 25, 1976, and it appearing desirable that the practices with respect to interstate traffic be continued harmoniously with those of intrastate traffic; it is

Ordered, that said petitioner be, and hereby is, authorized to put into effect on less than statutory notice, said 5 per cent increase in freight rates, through proper filing of tariffs, or supplements thereto, to become effective simultaneously with those allowed in Interstate Commerce Commission Ex parte No. 330, dated August 25, 1976, but not prior to September 27, 1976; and it is

Further Ordered, that the above number shall be shown on the face of the tariff as authority for this less than statutory notice.

By order of the Public Utilities Commission of New Hampshire this first day of September, 1976.

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NH.PUC*09/02/76*[77713]*61 NH PUC 234*New England Telephone and Telegraph Company

[Go to End of 77713]

Re New England Telephone and Telegraph Company

DE 76-97, Order No 12,387

61 NH PUC 234

New Hampshire Public Utilities Commission

September 2, 1976

PETITION by telephone company for a license to construct and maintain aerial transmission line; granted.

TELEPHONES, § 2 — Aerial cable.

[N.H.] The commission granted a telephone company authority to construct and maintain an aerial cable over and across certain railroad lines owned by the state for the purpose of providing telephone service to the general public.

BY THE COMMISSION:

Order

Whereas, the New Hampshire Public Utilities Commission (hereinafter referred to as the "commission") has before it a petition by the New England Telephone and Telegraph Company dated July 23, 1976, for authority to construct and maintain an aerial cable over and across certain railroad lines owned by the state of New Hampshire in the town of Tilton, New Hampshire, to be used for the general purpose of providing telephone service to the general public in the area; and

Whereas, after due notice to interested parties and no objections being filed, the commission finds that it is necessary to grant such a license in order that the company may be able to meet the reasonable requirements of service to the general public in the area and that the license sought therein may be exercised without substantially affecting the public rights in the land so crossed; it is

Ordered, that New England Telephone and Telegraph Company, a corporation with a mailing address of 770 Elm Street, Manchester, New Hampshire, be and hereby is authorized to construct and maintain aerial cable over and across certain state-owned railroad lines in the town of Tilton, New Hampshire, all as more specifically, fully, and accurately described upon Plan NHR No. 76-4 and made a part hereof by reference.

By order of the Public Utilities Commission of New Hampshire this second day of September, 1976.

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NH.PUC*09/03/76*[77714]*61 NH PUC 235*Public Service Company of New Hampshire

[Go to End of 77714]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,389

61 NH PUC 235

New Hampshire Public Utilities Commission

September 3, 1976

COMMISSION order setting damages pursuant to prior condemnation proceedings.

DAMAGES, § 1 — Condemnation proceedings — Electric company.

[N.H.] The commission set damages that an electric company should pay for land taken in prior condemnation proceedings.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 102 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on November 12, 1975.

David Colt the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested, and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area was duly qualified and accepted.

Parcel No. 102 according to Colt is approximately one acre in size along the westerly side of the railroad right of way that runs through the exclusion area. This parcel has a small area of upland at the north end but the remainder is marsh land. In Colt's opinion the land has a highest and best use as recreational land and further placed a value upon the land of \$100. Colt submitted his written appraisal as an exhibit (Exh SS).

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 102 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 102, is valued at \$100. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$100 in damages to the record owners of

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Parcel No. 102 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 102 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this third day of September, 1976.

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NH.PUC*09/03/76*[77715]*61 NH PUC 236*Public Service Company of New Hampshire

[Go to End of 77715]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,390

61 NH PUC 236

New Hampshire Public Utilities Commission

September 3, 1976

COMMISSION order setting damages pursuant to prior condemnation proceedings.

DAMAGES, § 1 — Condemnation proceedings — Electric company.

[N.H.] The commission set damages that an electric company should pay for land taken in prior condemnation proceedings.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 111 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages

was held at the office of the commission on November 12, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested, and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area was duly qualified and accepted.

Parcel No. 111, according to Colt, is approximately 10 acres at the northerly edge of the exclusion area. The taking is calculated at 9.7 acres leaving a small parcel in the uppermost northeast corner. The land is described as level, marsh land covered with marsh grass. Colt gave as his opinion that the highest

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and best use for the land is recreational and also his opinion that the existing or remaining piece after the taking has no value to the owner. Colt gave as his opinion that the value of the property is \$500 and filed his written appraisal as an exhibit (Exh WW).

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 111 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 111, is valued at \$500. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be and hereby is, ordered to pay the sum of \$500 in damages to the record owners of Parcel No. 111 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 111 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this third day of September, 1976.

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NH.PUC*09/03/76*[77716]*61 NH PUC 237*Public Service Company of New Hampshire

[Go to End of 77716]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,391

61 NH PUC 237

New Hampshire Public Utilities Commission

September 3, 1976

COMMISSION order setting damages pursuant to prior condemnation proceedings.

DAMAGES, § 1 — Condemnation proceedings — Electric company.

[N.H.] The commission set damages that an electric company should pay for land taken in prior condemnation proceedings.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

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Report

The commission granted necessity for the taking of Parcel No. 7 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on November 12, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested, and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area was duly qualified and accepted.

Parcel No. 7, according to Colt, and after several examinations of the premises, is unimproved, level marsh land covered with marsh hay with a tidal stream running along its border. It is a three-acre unimproved parcel with a highest and best use as recreational land. Colt placed a market value upon the land of \$150. No report of Colt's investigation was filed with the commission.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 7 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 7, is valued at \$150. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$150 in damages to the record owners of Parcel No. 7 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 7 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this third day of September, 1976.

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NH.PUC*09/03/76*[77717]*61 NH PUC 238*Public Service Company of New Hampshire

[Go to End of 77717]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,392

61 NH PUC 238

New Hampshire Public Utilities Commission

September 3, 1976

COMMISSION order setting damages pursuant to prior condemnation proceedings.

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DAMAGES, § 1 — Condemnation proceedings — Electric company.

[N.H.] The commission set damages that an electric company should pay for land taken in prior condemnation proceedings.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residentestates are unknown.

BY THE COMMISSION:

Report

The commission granted the necessity for the taking of Parcel No. 61 (as required by RSA

371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on November 12, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested, and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area was duly qualified and accepted.

Parcel No. 61, according to Colt, is an irregularly shaped two-acre parcel of unimproved marsh land covered with marsh grass with a highest and best use as recreational land. Colt placed a market value upon the land of \$100 and submitted his written appraisal as an exhibit (Exh VV).

A Mr. Seavey appeared to protect the interests of the record owner of Parcel No. 61 (Newell Brown) who established upon cross-examination that at some prior time the company had made an offer at the rate of \$62.50 per acre. Mr. Seavey on direct examination urged the commission to grant a little bit more than the \$100 since the owner had paid close to that in taxes and interest during the period of ownership.

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 61 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 61, is valued at \$100. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$100 in damages to the record owners of Parcel No. 61 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in parcel No. 61 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this third day of September, 1976.

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NH.PUC*09/03/76*[77718]*61 NH PUC 240*Public Service Company of New Hampshire

[Go to End of 77718]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,393

61 NH PUC 240

New Hampshire Public Utilities Commission

September 3, 1976

COMMISSION order setting damages pursuant to prior condemnation proceedings.

DAMAGES, § 1 — Condemnation proceedings — Electric company.

[N.H.] The commission set damages that an electric company should pay for land taken in prior condemnation proceedings.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 126 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on November 12, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested, and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area was duly qualified and accepted.

Parcel No. 126, according to Colt, is unimproved level marsh land of about three acres more or less with a highest and best use as recreational land. Colt gave as his opinion that the property is valued at \$150 and submitted his written appraisal as an exhibit (Exh XX).

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 126 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

The commission finds that the land in question, Parcel No. 126, is valued at \$150. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$150 in damages to the record owners of Parcel No. 126 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in

Parcel No. 126 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this third day of September, 1976.

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NH.PUC*09/03/76*[77719]*61 NH PUC 241*Public Service Company of New Hampshire

[Go to End of 77719]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,394

61 NH PUC 241

New Hampshire Public Utilities Commission

September 3, 1976

COMMISSION order selling damages pursuant to prior condemnation proceedings.

DAMAGES, § 1 — Condemnation proceedings — Electric company.

[N.H.] The commission set damages that an electric company should pay for land taken in prior condemnation proceedings.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly, guardian ad litem, for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The commission granted necessity for the taking of Parcel No. 121 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on November 12, 1975.

David Colt, the company appraiser, who examined the subject premises was duly qualified (see Exh K). No one contested, and the commission accepted his qualifications. Exhibit F, a market and area data study (Vol 2) compiling Mr. Colt's general study of the area was duly qualified and accepted.

Parcel No. 121, according to Colt, is a two-acre rectangular parcel of unimproved level

marsh land with a highest and best use as recreational land. Colt gave as his opinion that the market value upon the land is \$100 and submitted his written appraisal as an exhibit (Exh UU).

The commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975, and noted the location of Parcel No. 121 during its view with assistance from company representatives, the helicopter pilot, and maps that were used during the view.

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Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The commission finds that the land in question, Parcel No. 121, is valued at \$100. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of \$100 in damages to the record owners of Parcel No. 121 in accordance with title summaries and other material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 121 of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this third day of September, 1976.

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NH.PUC*09/08/76*[77720]*61 NH PUC 242*Public Service Company of New Hampshire

[Go to End of 77720]

Re Public Service Company of New Hampshire

DE 76-106 Order No. 12,399

61 NH PUC 242

New Hampshire Public Utilities Commission

September 8, 1976

PETITION by electric company for a license for an existing electric line; granted.

ELECTRICITY, § 7 — Existing electric lines — Neutral wire.

[N.H.] The commission granted an electric company a license for an existing transmission line which had been constructed by a predecessor company and was not licensed by the

commission, and further authorized the company to add a neutral wire to prevent possible unbalanced voltages to its distribution customers.

BY THE COMMISSION:

Order

Whereas, by petition filed August 13, 1976, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17 - 20 for an electric line over and across the public waters of Sagamore creek in the city of Portsmouth; and

Whereas, the petition represents that there is presently existing a 34.5 kv line which was constructed as a transmission line by a predecessor company prior to the enactment of RSA 371:17 - 20 and was not licensed by the commission; and

Whereas, the petition further represents that the Public Service Company of New Hampshire now desires to serve

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distribution loads directly from the 34.5 kv line and to add a neutral wire in connection with that use, said neutral wire is to prevent possible unbalanced voltages to distribution customers during steady state and fault conditions and can be erected without additional supporting structures; and

Whereas, following due notice no other interested parties recorded any objections to the crossing and upon investigation of all the facts before the commission, it is found that the crossing is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

Ordered, that a license be, and hereby is, granted to the Public Service Company of New Hampshire for an electric line over and across the public waters of Sagamore creek in the city of Portsmouth, all in accordance with the plans on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this eighth day of September, 1976.

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NH.PUC*09/09/76*[77721]*61 NH PUC 243*Boston and Maine Corporation

[Go to End of 77721]

Re Boston and Maine Corporation

DT 76-127, Order No. 12,400

61 NH PUC 243

New Hampshire Public Utilities Commission

September 9, 1976

COMMISSION order requiring railroad company to install safety devices.

CROSSINGS, § 24 — Protection and safety devices — Federal funds — Railroad company.

[N.H.] Where federal funds had been approved for the reconditioning of an at-grade crossing, the commission ordered a railroad company to install automatic flashing lights and a pedestrian bell in the interests of public safety.

BY THE COMMISSION:

Order

Whereas, a project has been approved for the reconditioning and protection of the Carroll street crossing which is the intersection, at grade, of U.S. Highway Route 3 and the Berlin branch of the Boston and Maine Corporation situated 0.05 miles north of the Whitefield station, said project to be funded through a grade crossing safety program involving federal funds; and

Whereas, it is proposed to protect the crossing by installing automatic flashing lights; and

Whereas, the commission is of the opinion that the interests of public safety require the issuance of an order authorizing the said installation; it is

Ordered, that the Boston and Maine Corporation be, and hereby is,

Page 243

authorized to install automatic flashing lights and a pedestrian bell at the Carroll street crossing in the town of Whitefield as above described; and it is

Further ordered, that the installation of said lights and bell shall be installed in the manner satisfactory to the commission and in accordance with the details set forth in the correspondence, marked DT 76-127 (61 NH PUC 243, *supra*).

By order of the Public Utilities Commission of New Hampshire this ninth day of September, 1976.

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NH.PUC*09/09/76*[77722]*61 NH PUC 244*New Hampshire Electric Cooperative, Inc.

[Go to End of 77722]

Re New Hampshire Electric Cooperative, Inc.

DE 76-78, Order No. 12,404

61 NH PUC 244

New Hampshire Public Utilities Commission

September 9, 1976

PETITION by electric cooperative for a license to install, own, and maintain overhead transmission lines; granted.

1. SERVICE, § 180 — Extensions — Distance and expense — Electric cooperative.

[N.H.] The commission granted an electric cooperative a license to install and maintain an overhead primary conductor to a property owner where it determined that an alternate route along an existing electric company's right of way would be much more expensive. p. 246.

2. SERVICE, § 181 — Extensions — Expense and difficulty — Submarine crossing.

[N.H.] The commission rejected an intervenor's proposal to install an underwater crossing where it found that the undergrounding would necessitate the use of a circuit riser pole which would be a more unsightly intrusion upon the landscape than a single wire strung across the river. p. 246.

APPEARANCES: John Pillsbury and Arthur Wadleigh for the petitioner; Commissioner George Gilman and Clayton Heath for the Department of Resources and Economic Development; James Ward, pro se; Senator Stephen Smith for James Ward.

BY THE COMMISSION:

Report

New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire on June 15, 1976, filed a petition requesting authority to install, own, and maintain overhead primary conductors across public waters of the Pemigewasset river in the town of New Hampton, New Hampshire. The proposed crossing, described on three attachments to the petition (marked Exhs 1, 2, and 3) is for the purpose of supplying electric service to James Ward, property owner.

John Pillsbury, general manager of the New Hampshire Electric Cooperative, Inc., testified that Mr. Ward applied for service to the Co-op. The Co-op agreed to serve if it could get

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the necessary easements and a license from this commission. Pillsbury noted that the Co-op had received approval from the water resources board, had obtained an easement from the Public Service Company, had obtained easements from other property owners whose land would be crossed by the proposed power lines, and had received an easement over the flowage rights of the Pemigewasset river from the Federal Power Commission. All that remains is the approval from this commission for a license to cross the river pursuant to RSA 371:17 - 20 (Supp).

In further explanation of the background of this situation, James Ward, property owner, who had applied for service indicated that he initially approached Public Service Company. Public Service indicated that the line extension to Ward's property would be over 6,000 feet and that for such service he would have to guarantee the Public Service Company about \$55 a month for five years. Based upon this representation Ward purchased the property, cleared and made improvements on the land and subsequently notified the Public Service Company that he was ready for service. Public Service Company at this time stated that the guarantee would have to be \$225 per month for five years plus a \$10,000 deposit. Ward was unable to meet these terms and approached the Co-op.

In even further explanation of the situation Senator Stephen Smith from the third district told the commission that the land owned by Mr. Ward was somewhere between the franchise areas of the Public Service Company and the Co-op, Senator Smith, who indicated that the Co-op had proposed a reasonable line extension solution to the supplying of electric service to Mr. Ward, urged the commission to grant the license.

Clayton Heath testified for the Department of Resources and Economic Development and opposed the planned installation of the Co-op proposed overhead primary conductors across the public waters of the Pemigewasset river. He stated the following reasons: (1) unfavorable environmental impact; (2) the presence of other public utility crossings nearby which could be used; (3) increasing need for electric service has accelerated production of public utility rights of way and widened existing ones. Heath presented a map (Exh A) suggesting an alternative to the route proposed by the Co-op. This route would utilize an existing Public Service Company right of way and would cross the river at an existing right of way. The alternative route would be approximately twice as long as the route proposed by the Co-op and would, therefore, increase the monthly guarantee that Mr. Ward would have to pay for receiving service along the alternative route.

Heath described the river at the proposed Co-op crossing as being used for recreational purposes; i.e., for boating and fishing. Other testimony indicated the depth of the river at six feet by estimation and that at certain times of the year substantially lower with the river banks exposed. This would indicate that recreational usage would be seasonal.

There was no evidence that members of the general public have complained to DRED about the unsightliness of overhead crossings and the record indicates that DRED is testifying at these hearings because of its responsibility to guard the environment against serious intrusions which would affect the character of the landscape to the detriment

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of the recreational industry in the state of New Hampshire.

[1] The commission takes notice of the fact that the alternative route along existing Public Service Company right of way would be much more expensive to the property owner. There was also no guarantee that the Co-op would have been able to utilize the Public Service Company right of way. The Co-op would have to specifically request permission from Public Service Company to utilize its right of way and as Mr. Wadleigh testified the Co-op would have to widen the existing right of way and do its own cutting and erecting of structures and the cost of

utilizing the existing right of way might indeed be more expensive per running foot than the proposal in the petition before the commission.

[2] The commission also takes notice of the fact that to place the water crossing under the river would necessitate the use of circuit riser poles with three cross arms and would necessitate the use of barge equipment which is not available at that location. Undergrounding of the water crossing would cost by estimation from \$5,000 to \$10,000. In addition, the circuit riser pole would be a more unsightly intrusion upon the landscape than a single wire strung across the river.

Based upon the information and testimony submitted at the hearing it is the opinion of the commission that the proposed water crossing is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed. Our order will issue accordingly.

Order

Based upon the foregoing report which is made a part hereof; it is

Ordered, that a license be, and hereby is, granted to New Hampshire Electric Cooperative, Inc., to install, own, and maintain overhead primary conductors across public waters of the Pemigewasset river in the town of New Hampton, all in accordance with the foregoing description which is contained on a plan on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this ninth day of September, 1976.

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NH.PUC*09/10/76*[77723]*61 NH PUC 246*Volunteers Organized in Community Education

[Go to End of 77723]

Re Volunteers Organized in Community Education

IA 14,526, Supplemental Order No. 12,408

61 NH PUC 246

New Hampshire Public Utilities Commission

September 10, 1976

MOTION for rehearing by consumer group; denied.

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PROCEDURE, § 4 — Failure to act within time limit — Harmless error.

[N.H.] The commission found that its failure to act on a consumer groups' petition within thirty days of its submission was not reversible error but harmless error and further held that

neither the petition nor the accompanying letter had requested an evidentiary hearing.

BY THE COMMISSION:

Supplemental Order

The commission having before it a motion filed September 3, 1976, for, and on behalf of, Volunteers Organized in Community Education (VOICE) for a rehearing on Order No. 12,354 issued August 16, 1976 (61 NH PUC 208, *supra*); after full consideration of the allegations in said motion and after weighing the reasons presented in said motion upon the issue of the proposed rules and regulations regarding discontinuance of service by electric, gas, and water utilities in special situations, is of the opinion, and the order is, that said motion for rehearing be, and hereby is, denied, all in accordance with the reasons set forth in the attached memorandum opinion.

By order of the Public Utilities Commission of New Hampshire this tenth day of September, 1976.

Memorandum Opinion

Volunteers Organized in Community Education argues that Commission Order No. 12,354 and attached memorandum opinion is erroneous and should be rescinded.

It is an undisputable fact that the commission did not act on the VOICE petition within thirty days of its submission as required by RSA 541-A:6. The commission is of the opinion, however, that this failure to act within the thirty days is not reversible error but harmless error.

To adopt the VOICE position that failure of the commission to comply with the 30-day requirement was reversible error would be to grant undue importance to a technical requirement. To adopt the VOICE position would exalt form over substance.

The VOICE petition was filed May 13, 1976. It "requests" that the commission "consider and adopt" the proposed rules. Neither the petition nor the accompanying cover letter requested an evidentiary hearing. Subsequent correspondence from VOICE did not request or even mention an evidentiary hearing. Volunteers Organized in Community Education attorneys, who never requested a hearing within thirty days, now assert the commission's failure to act within thirty days as reversible error. It is unfair for VOICE to assert that which they never requested as an argument for relief.

The commission deliberated extensively and considered carefully the submitted petition and memorandum evidence to support adoption of the proposed rules. The substantial rights of VOICE in this regard were protected and the petition was denied without prejudice.

The commission error is a harmless error because it does not injuriously effect the substantial rights of VOICE and because it is a technical error, nonprejudicial, and in no way affects the outcome of the matter.

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NH.PUC*09/15/76*[77724]*61 NH PUC 248*Manchester Water Works

[Go to End of 77724]

Re Manchester Water Works

Order No. 12,419

61 NH PUC 248

New Hampshire Public Utilities Commission

September 15, 1976

PETITION by water company for authority to extend service; granted.

FRANCHISES, § 49 — Operation in town — Water company.

[N.H.] The commission granted a water company authority to extend its mains into a town where it found that no other water utility had franchise rights in the area.

BY THE COMMISSION:

Order

Whereas, Manchester Water Works, a water public utility operating under the jurisdiction of this commission, by a petition filed September 1, 1976, seeks authority under RSA 374:22 and 26 as amended, to extend its mains and service further into the town of Bedford; and

Whereas, no other water utility has franchise rights in the area sought, and the petitioner submits that the area will be served under its regularly filed tariff; and

Whereas, the board of selectmen, town of Bedford, has stated that it is in accord with the petition; and

Whereas, after investigation and consideration, this commission is satisfied that the granting of the petition will be for the public good; it is

Ordered, that Manchester Water Works be, and hereby is, authorized to extend its mains and service further into the town of Bedford in the area herein described, and as set forth on a map on file in the commission office, as follows:

Beginning at a point along the centerline of Kilton road, said point being 590 feet westerly of its intersection with the centerline of South River road, and the westerly most existing franchise limit for Kilton road, from this point westerly along the centerline of the path and contour of said Kilton road for a distance of 418 feet. Further extended to include an area on the southerly side of Kilton road, described as follows: Beginning at a point along the southerly boundary line of Kilton road, said point being in line with the furthestmost limit of proposed franchise extension as described above, from this point southerly and perpendicular to the direction of Kilton road for a distance of 688.51 feet, thence turning easterly for a distance of 286 feet, thence turning northerly for a distance of 688.51 feet to the southerly most boundary line of said Kilton road,

thence turning westerly along said boundary line to the point of beginning; and for these purposes to construct and maintain the necessary lines and apparatus.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of September, 1976.

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NH.PUC*09/16/76*[77725]*61 NH PUC 249*Public Service Company of New Hampshire

[Go to End of 77725]

Re Public Service Company of New Hampshire

Additional petitioners: Concord Electric Company, Exeter and Hampton Electric Company, New Hampshire Electric Cooperative, Inc., Granite State Electric Company, Municipal Electric Department of Wolfeboro, and Littleton Water and Light Department

Intervenors: County of Hillsborough, Volunteers Organized in Community Education, Cities of Nashua and Berlin, and New Hampshire Voice of Energy et al.

DR 76-46, Fourth Supplemental Order No. 12,422

61 NH PUC 249

New Hampshire Public Utilities Commission

September 16, 1976

ADJUSTMENT by commission of electric company's fuel adjustment clause charges.

RATES, § 303 — Refund of overrecovery — Fuel adjustment charge.

[N.H.] The commission ordered an electric company to render its monthly billings without including any cost of the company's inventory of coal where it found that this method of refund was consistent with the company's present accounting methods, would grant a reduction to all customers for the second consecutive month, would reflect the actual usage of coal, and would extend the remainder of the refund into the next month.

APPEARANCES: Philip Ayers for Public Service Company of New Hampshire; Joseph Ransmeier for Concord Electric Company and Exeter and Hampton Electric Company; G. Wells Anderson for New Hampshire Electric Cooperative, Inc.; Kirk L. Ramsauer for Granite State Electric Company; Guy Krapp for the Municipal Electric Department of Wolfeboro; Richard Deane for Littleton Water and Light Department; Daniel O'Shaughnessey for Hillsborough county commissioners and Hillsborough county, George Bruno and Peter W. Brown for Volunteers Organized in Community Education; H. Philip Howorth and Morgan Hollis for the city of Nashua; Albert Therriault and John Harris for the city of Berlin; Madeline Thompson for New Hampshire Voice of Energy; Eugene Daniell, pro se; Lloyd Basinow, pro se; Arthur Ferlan,

pro se; Senator D. Alan Rock, pro se.

BY THE COMMISSION:

Supplemental Report

On August 20th and 23rd the commission held hearings on the monthly fuel adjustment charge of all of New Hampshire's electric utilities. At these hearings the commission requested testimony on fuel supply matters (see letter of Alexander J. Kalinski, chairman of the New Hampshire Public Utilities Commission to William C. Tallman, president of Public Service Company of New Hampshire dated August 12, 1976, in this docket). Company witness Merrill did, in fact, testify at great

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length relative to a coal inventory adjustment agreed to by the company and its supplier, the Consolidation Coal Company.

The coal pile was inventoried at the suggestion of Touche Ross and Co. Touche Ross had been engaged by this commission to undertake a comprehensive review and audit of the company's fuel adjustment charge. The company contracted for an inventory in November of 1975. These inventory results, received in January, 1976, produced a very large discrepancy between the amount of coal actually in the coal pile and the book inventory of the company. It indicated that more coal had been charged to customers than had been burned. Thus, it indicated an overcharge.

The company contracted for a second survey in April, 1976. The results of this survey, received in June, 1976, corroborated the earlier findings. The company then notified the supplier, which under its contract with the company, had the right to make an independent verification of the survey results. (See staff Exh No. 1, contract between Public Service Company of New Hampshire and Consolidation Coal Company, dated January 27, 1967, p. 4, Par 8).

The company received the results of the supplier survey on August 13, 1976. These results were generally confirmatory. The company and supplier surveys showed slightly different results and by way of compromise both parties readily and quickly agreed to an adjustment figure of 127,209.60 tons of coal. Since the records of the company showed that this coal had been burned, the supplier had been paid for the same. Accordingly, an inventory adjustment was made of 127,209.60 tons of coal.

The commission was informed of the inventory adjustment and agreement between the company and its supplier for the first time on August 17, 1976, and subsequently on August 20th and 23rd heard testimony on this matter.

In its August 31, 1976, report the commission acknowledged the discovery of this discrepancy in the coal inventory of Public Service Company of New Hampshire. The discrepancy, an overcharge to Public Service Company customers, clearly mandated a refund. The commission then noted that the refund process should begin forthwith pending preparation of final computations. In its August 31st Order No. 12,380 (61 NH PUC 222, *supra*), the commission, in fact, ordered an immediate reduction in the fuel adjustment charge of ten cents per 100 kilowatt-hours.

In addition to the inventory adjustment, the company, and supplier agreed to a Btu (British thermal unit) adjustment. The company had received deficient coal under its contract and the adjustment compensated for this deficiency. The contract stipulated 13,600 Btu per ton minimum. The company and supplier agree to an adjustment (credit to the company) of \$268,834.32. The credit has been realized by the company and clearly mandates an analogous refund to customers.

Both refunds pertain to the period from November, 1971, to August 13, 1976. The cost of coal has increased month to month over time. Since it is not possible to pinpoint how much of the excess coal occurred in any one given month during this period, it was determined to use the cost of coal at August 13, 1976, or \$34.03 per ton. Priced out at this current cost, the 127,209.60 tons represents \$4,328,942.69. The combined

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adjustment total including the Btu content adjustment of \$268,834.32 (representing 7,899.92 tons of coal) is \$4,597,777.01.

The total amount of \$4,597,777.01, the company contends must be apportioned into four parts: (1) the amount due Vermont Electric Power Company for the unit sale of power from Merrimack Unit No. 2 for the entire period (hereinafter referred to as the "Velco" portion); (2) the amount due the company's retail customers in New Hampshire, Maine, and Vermont because the retail fuel adjustment charge was in effect for part of the period (hereinafter referred to as the "retail" portion); (3) the amount due the resale service customers because the company's resale service fuel adjustment charge was in effect during a portion of the period (hereinafter referred to as the "resale" portion); and (4) the amount to be retained by the company because excess amounts were not charged to retail and resale customers when the retail and resale fuel adjustment charge was not in effect during a portion of this period (hereinafter referred to as the "retained" portion).

This analysis and apportionment of the company is being investigated by the commission staff. Staff contends there is a variance in accounting factors for the moisture content throughout the subject period which may alter the company's proposed apportionment. A final determination relative to apportionment will be forthcoming. In the meantime, the commission is of the opinion that the refund process should continue and that there should be an additional reduction in the fuel adjustment charge applicable to the month of October.

During the month of August (data month for the October surcharge) 74,189.31 tons of coal were bunkered at the Merrimack station at no cost to the company. Priced at the cost of coal at August 13, 1976 (\$34.03 per ton), the total value of the coal bunkered is \$2,524,662.22. The commission finds that this amount should be applied to reduce the fuel adjustment charge in October to all classes of customers.

In effect, the commission is ordering the company to render its bills in October without including any cost for the coal bunkered at Merrimack station. This method of refund is consistent with the company's present accounting methods, will grant a reduction to all customers for the second consecutive month, will reflect actual usage of coal and will extend the remainder of the refund into the month of November.

Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Public Service Company of New Hampshire shall reduce the fuel adjustment charge for the month of October; and it is

Further ordered, that the Public Service Company of New Hampshire shall not charge any amount to any of its customers for any portion of the 74,189.31 tons of coal bunkered at Merrimack station during August to generate electricity.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of September, 1976.

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NH.PUC*09/21/76*[77726]*61 NH PUC 252*Fuel Adjustment Charge Fold-ins

[Go to End of 77726]

Re Fuel Adjustment Charge Fold-ins

DR 76-123, Supplemental Order No. 12,427

61 NH PUC 252

New Hampshire Public Utilities Commission

September 21, 1976

COMMISSION investigation into electric utility's fuel adjustment fold-ins.

BY THE COMMISSION:

Supplemental Order

Whereas, the commission issued Order No. 12,383 dated September 1, 1976 (61 NH PUC 229, *supra*), ordering all electric companies in New Hampshire to file revised tariffs including provisions to fold into basic rates a portion of the fuel adjustment clause now in effect and provisions relating to the collection of any unbilled revenue that may be occasioned by such fold-in; and

Whereas, it has come to the attention of the commission that said Order No. 12,383 is being interpreted as requiring a fold-in and requiring a temporary surcharge to collect unbilled revenue; and

Whereas, this is not a correct interpretation and does not reflect accurately the intention of the commission; it is

Ordered, that all of the tariff submissions ordered under Order No. 12,383 be, and hereby are, deemed to be proposed filings which will undergo investigation and scrutiny by the commission and staff in order to determine whether or not the fold-in and temporary surcharge in such filings

should be allowed to go into effect.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of September, 1976.

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NH.PUC*09/21/76*[77727]*61 NH PUC 252*Fuel Adjustment Charge Fold-ins

[Go to End of 77727]

Re Fuel Adjustment Charge Fold-ins

DR 76-123, Second Supplemental Order No. 12,428

61 NH PUC 252

New Hampshire Public Utilities Commission

September 21, 1976

PETITION by consumer group for continuance of fuel adjustment charge fold-in hearings; granted as modified

BY THE COMMISSION:

Supplemental Order

Whereas, VOICE, on September 20, 1976, filed with this commission a request for an indefinite continuance in the hearings in this docket previously ordered to begin on September 22, 1976; and

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Whereas, the VOICE petition alleges that said hearings be continued until the conclusion of the fuel clause inquiry (DR 76-124), the generic rate structure investigation (DR 75-20) and the Federal Power Commission Docket No. ER 76-285; and

Whereas, the commission is of the opinion that the pendency of the three above matters does not prevent the commencement of the fold-in hearings, but is further of the opinion that due to the complexity of the fold-in proposals more time is necessary for all of the parties to study and examine the proposed tariff filings; it as

Ordered, that the hearings previously scheduled for September 22, 1976, be, and hereby are, postponed and will commence on October 19, 1976; and it is

Further ordered, that all of the companies submitting tariffs shall prepare and prefile with this commission testimony justifying the proposals in their tariffs no later than Tuesday, October 12, 1976.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of September, 1976.

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[Go to End of 77728]

Re Manchester Water Works

DE 76-139, Order No. 12,429

61 NH PUC 253

New Hampshire Public Utilities Commission

September 22, 1976

PETITION by water company for authority to extend its mains; granted.

FRANCHISE, § 49 — Extension of mains — Water company.

[N.H.] The commission authorized a water utility to extend its mains into a limited area in a town where it found that no other water company had franchise rights in the area.

BY THE COMMISSION:

Order

Whereas, Manchester Water Works, a water public utility operating under the jurisdiction of this commission, by a petition filed September 9, 1976, seeks authority under RSA 374:22 and 26 as amended, to extend its mains and service further into the town of Auburn; and

Whereas, no other water utility has franchise rights in the area sought and the petitioner submits that the area will be served under its regularly filed tariff; and

Whereas, the board of selectmen, town of Auburn has stated that it is in accord with the petition; and

Whereas, after investigation and consideration, this commission is satisfied

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that the granting of the petition will be for the public good; it is

Ordered, that Manchester Water Works be, and hereby is, authorized to extend its mains and service further into the town of Auburn in the area herein described, and as set forth on a map on file in the commission offices, as follows:

Beginning at a point along the centerline of Chester road, Auburn, New Hampshire, 275 feet southeasterly of the point where it intersects with the centerline of the Boston and Maine railroad tracks, said point being the furthest existing franchise limit for Chester road, from this point southeasterly along the centerline of the path and contour of Chester road 108 feet, and for these

purposes to construct and maintain the necessary lines and apparatus.

By order of the Public Utilities Commission of New Hampshire this twenty-second day of September, 1976.

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NH.PUC*09/23/76*[77729]*61 NH PUC 254*Mountain Springs Water Company, Inc.

[Go to End of 77729]

Re Mountain Springs Water Company, Inc.

Intervenor: Community Association of Mountain Lakes

DE 6481, Supplemental Order No. 12,430

61 NH PUC 254

New Hampshire Public Utilities Commission

September 23, 1976

PETITION by water company for authority to operate as a public utility; granted.

CERTIFICATES, § 54 — Operation prior to regulation — Water company.

[N.H.] Where a water company had been furnishing service to its customers at no charge pending disposition of its petition to operate as a public utility, the commission recognized this arrangement could not continue indefinitely without at least an allowance of current operating and maintenance expenses and therefore the commission granted the company's petition to operate as a public utility.

APPEARANCES: William Maynard for the petitioner; Laurence Gardner for the Community Association of Mountain Lakes.

BY THE COMMISSION:

Supplemental Report

These proceedings were initiated when Mountain Springs Water Company, a New Hampshire corporation operating as a public water utility in New Hampshire, filed a petition on June 4, 1973, and refiled on April 2, 1976, seeking authority to operate as a public water utility in a limited area in the towns of Bath and Haverhill. On June 13, 1973, the Woodsville Water and Light Department filed its petition for authority to discontinue operations as a

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public water utility in a limited area in the towns of Bath and Haverhill. An initial hearing

was held on June 26, 1973, followed by a hearing on August 24, 1976.

The petitioner, under a proposal made in October, 1973, has been furnishing water service to its customers in the Mountain Lakes Development, at no charge, pending disposition of its petition to operate as a public utility. This commission recognizes that this arrangement cannot continue indefinitely without at least allowing the recoupment of current operating and maintenance expenses. In our deliberations we have given recognition to the expenses submitted by the water company in its petition and to those expenses given in testimony by a representative of the Mountain Lakes Community Association, and it is our judgment that annual revenues of \$39,900 represents an adequate level of earnings to support the continued operation of this water system until further ordered by this commission.

We have made allowance for the following estimated expenses:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Production and Distribution

Labor
 Fuel and Power
 Materials and Supplies
 Maintenance of
 Pumping Plant
 Transportation

Administration and General

Office Salary
 Office Supplies
 Insurance
 Payroll Taxes
 Taxes - General
 Telephone
 Legal and Accounting
 Depreciation
 Property Taxes

Reserve for Return

The following temporary annual rates shall be charged:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>Estimated Number</i>	
	<i>Netof Customers</i>	<i>To Yield</i>
Standby Rate	\$ 25 700	\$17,500
General Service	140 160	22,400

		\$39,900

These rates shall be effective with all current billings rendered on or after October 1, 1976.

In its petition to establish itself as a public water utility, the Mountain Springs Water Company, Inc., seeks authority to operate in a limited area in the towns of Bath and Haverhill, more particularly bounded and described as follows:

A parcel of land in Haverhill and Bath, New Hampshire, described as follows, viz: beginning in Bath, New Hampshire at the intersection of French Pond road and Route 112; thence southeasterly along said Route 112 1,640 feet; thence southerly 420 feet; thence southeasterly 610 feet; thence southwesterly 2,730 feet; thence southeasterly 1,130 feet; thence northeasterly 2,420 feet; thence southeasterly along Route 112 864 feet; thence southerly 1,030 feet; thence southeasterly 200 feet; thence southwesterly 1,300 feet; thence southeasterly and crossing a town road 3,400 feet; thence southwesterly and crossing Benton road 3,830 feet; thence northwesterly and recrossing Benton road 1,330 feet; thence southwesterly 1,320 feet; thence westerly 1,280 feet; thence northeasterly 1,000 feet; thence northwesterly 1,715 feet; thence westerly 650 feet; thence northwesterly 370 feet; thence northeasterly 440 feet; thence northwesterly 320 feet; thence northerly 560 feet; thence northerly and crossing a

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town road 530 feet; thence northwesterly 560 feet; thence southwesterly along French Pond road 2,100 feet; thence northwesterly 3,825 feet; thence southwesterly 1,340 feet; thence northwesterly 720 feet; thence northerly 3,490 feet; thence northeasterly along Tewksbury road 1,220 feet; thence southeasterly 1,950 feet; thence northeasterly 2,070 feet; thence northerly 400 feet; thence northwesterly 730 feet; thence southwesterly along Tewksbury road 220 feet; thence northwesterly 1,150 feet; thence northeasterly 1,250 feet; thence southeasterly 1,050 feet; thence northeasterly, easterly, and southeasterly by a way known in part as Tewksbury road 6,520 feet to the point of beginning. The parcel described above contains approximately 1,800 acres.

By its Order No. 12,431 (61 NH PUC 257, *supra*), of even date the commission authorized Woodsville Water and Light Department to discontinue operations as a public water utility in a limited area in the towns of Bath and Haverhill, more particularly bounded and described as follows:

Beginning at a point on the Bath-Haverhill town line 0.35 miles southeast of the intersection of French Pond road and the town line; thence due south a distance of 1.7 miles to a point about one mile due east of French Pond; thence northwesterly a distance of two miles to a certain public road; thence northeasterly a distance of 1.1 miles along said public road to Swiftwater road; thence a distance of one mile along Swiftwater road to the point of beginning.

Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the rates and charges as set forth in this report shall become effective as temporary rates (pursuant to RSA 378:27) with all bills rendered on or after October 1, 1976, and that these rates shall remain in effect until further order of this commission; and it is

Further ordered, that notice of these rates and charges be given to all current customers by bill insert, such notice to be certified to this office by appropriate affidavit; and it is

Further ordered, that the Mountain Springs Water Company, Inc., be, and hereby is, authorized to operate as a public water utility in the following limited area of the towns of Bath

and Haverhill:

A parcel of land in Haverhill and Bath, New Hampshire, described as follows, viz: beginning in Bath, New Hampshire at the intersection of French Pond road and Route 112; thence southeasterly along said Route 112 1,640 feet; thence southerly 420 feet; thence southeasterly 610 feet; thence southwesterly 2,730 feet; thence southeasterly 1,130 feet; thence northeasterly 2,420 feet; thence southeasterly along Route 112 864 feet; thence southerly 1,030 feet; thence southeasterly 200 feet; thence southwesterly 1,300 feet; thence southeasterly and crossing a town road 3,400 feet; thence southwesterly and crossing Benton road 3,830 feet; thence northwesterly and recrossing Benton road 1,330 feet; thence southwesterly 1,320 feet; thence westerly 1,280 feet; thence northeasterly 1,000 feet; thence northwesterly 1,715 feet; thence westerly

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650 feet; thence northwesterly 370 feet; thence northeasterly 440 feet; thence northwesterly 320 feet; thence northerly 560 feet; thence northerly and crossing a town road 530 feet; thence northwesterly 560 feet; thence southwesterly along French Pond road 2,100 feet; thence northwesterly 3,825 feet; thence southwesterly 1,340 feet; thence northwesterly 720 feet; thence northerly 3,490 feet; thence northeasterly along Tewksbury road 1,220 feet; thence southeasterly 1,950 feet; thence northeasterly 2,070 feet; thence northerly 400 feet; thence northwesterly 730 feet; thence southwesterly along Tewksbury road 220 feet; thence northwesterly 1,150 feet; thence northeasterly 1,250 feet; thence southeasterly 1,050 feet; thence northeasterly, easterly, and southeasterly by a way known in part as Tewksbury road 6,520 feet to the point of beginning. The parcel described above contains approximately 1,800 acres.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of September, 1976.

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NH.PUC*09/23/76*[77730]*61 NH PUC 257*Woodsville Water and Light Department

[Go to End of 77730]

Re Woodsville Water and Light Department

DE 6493, Order No. 12,431

61 NH PUC 257

New Hampshire Public Utilities Commission

September 23, 1976

PETITION by water company to discontinue operations as a public utility; granted.

PUBLIC UTILITIES, § 3 — Termination of public utility status — Capacity — Water company.

[N.H.] The commission granted a water company's petition to discontinue operations as a

public utility where it found that the company did not have the capacity and capability to serve the growing population within its area of authority.

APPEARANCES: Sheldon Holmes, David Johnson, and C. Lincoln Buxton, commissioners, for the petitioner.

BY THE COMMISSION:

Report

By petition filed June 13, 1973, the Woodsville Water and Light Department seeks authority to discontinue operations as a public water utility in a limited area in the towns of Bath and Haverhill. Hearing thereon was held at the office of the commission on June 26, 1973, concurrently with the petition of Mountain Springs Water Company, Inc. (DE 6481, 61 NH PUC 254).

Witness Reed testified that the Woodsville Water and Light Department did not have the capacity and capability to serve the growing Mountain

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Lakes Development in the towns of Bath and Haverhill. Woodsville, therefore, desires to discontinue operations in a limited area in the towns of Bath and Haverhill, more particularly bounded and described as follows:

Beginning at a point on the Bath-Haverhill town line 0.35 miles southeast of the intersection of French Pond road and the town line; thence due south a distance of 1.7 miles to a point about one mile due east of French Pond; thence northwesterly a distance of two miles to a certain public road; thence northeasterly a distance of 1.1 miles along said public road to Swiftwater road; thence a distance of one mile along Swiftwater road to the point of beginning.

By its Order No. 12,430 (61 NH PUC 254, *supra*), of even date the commission authorized the Mountain Springs Water Company, Inc., to operate as a public water utility in a limited area in the towns of Bath and Haverhill, more particularly bounded and described as follows:

A parcel of land in Haverhill and Bath, New Hampshire, described as follows, viz: beginning in Bath, New Hampshire at the intersection of French Pond road and Route 112; thence southeasterly along said Route 112 1,640 feet; thence southerly 420 feet; thence southeasterly 610 feet; thence southwesterly 2,730 feet; thence southeasterly 1,130 feet; thence northeasterly 2,420 feet; thence southeasterly along Route 112 864 feet; thence southerly 1,030 feet; thence southeasterly 200 feet; thence southwesterly 1,300 feet; thence southeasterly and crossing a town road 3,400 feet; thence southwesterly and crossing Benton road 3,830 feet; thence northwesterly and recrossing Benton road 1,330 feet; thence southwesterly 1,320 feet; thence westerly 1,280 feet; thence northeasterly 1,000 feet; thence northwesterly 1,715 feet; thence westerly 650 feet; thence northwesterly 370 feet; thence northeasterly 440 feet; thence northwesterly 320 feet; thence northerly 560 feet; thence northerly and crossing a town road 530 feet; thence northwesterly 560 feet; thence southwesterly along French Pond road 2,100 feet; thence northwesterly 3,825 feet; thence southwesterly 1,340 feet; thence northwesterly 720 feet; thence

northerly 3,490 feet; thence northeasterly along Tewksbury road 1,220 feet; thence southeasterly 1,950 feet; thence northeasterly 2,070 feet; thence northerly 400 feet; thence northwesterly 730 feet; thence southwesterly along Tewksbury road 220 feet; thence northwesterly 1,150 feet; thence northeasterly 1,250 feet; thence southeasterly 1,050 feet; thence northeasterly, easterly, and southeasterly by a way known in part as Tewksbury road 6,520 feet to the point of beginning. The parcel described above contains approximately 1,800 acres.

Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Woodsville Water and Light Department be, and hereby is, authorized to discontinue operations as a public water utility in the following limited area in the towns of Bath and Haverhill:

Beginning at a point on the Bath-Haverhill

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town line 0.35 miles southeast of the intersection of French Pond road and the town line; thence due south a distance of 1.7 miles to a point about one mile due east of French Pond; thence northwesterly a distance of two miles to a certain public road; thence northeasterly a distance of 1.1 miles along said public road to Swiftwater road; thence a distance of one mile along Swiftwater road to the point of beginning.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of September, 1976.

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NH.PUC*09/23/76*[77731]*61 NH PUC 259*Woodsville Water and Light Department

[Go to End of 77731]

Re Woodsville Water and Light Department

IR 14,572, Order No. 12,432

61 NH PUC 259

New Hampshire Public Utilities Commission

September 23, 1976

COMMISSION approval of utility's purchased power adjustment charge.

RATES, § 47 — Federal control — Wholesale customers — Purchased power adjustment.

[N.H.] The commission allowed a utility to pass the actual cost of purchased power expense

through its adjustment clause where it found that the increase in fuel costs was the result of a Federal Power Commission authorization of a wholesale rate increase.

BY THE COMMISSION:

Order

Whereas, Woodsville Water and Light Department having filed revisions to its tariff, NHPUC No. 3 — Electricity, providing for an increased purchased power adjustment effective September 30, 1976; and

Whereas, the increase is the result of a Federal Power Commission authorization, effective September 1, 1976, allowing Central Vermont Public Service Corporation a rate increase applicable to its wholesale customers; and

Whereas, Woodsville Water and Light Department has a purchased power adjustment clause in its tariff which was previously investigated and approved by this commission; and

Whereas, this commission has no jurisdiction over the wholesale rate increase decided by the Federal Power Commission; and

Whereas, after investigation and consideration of the department's filing, it appears that the increase is necessary to permit the department to maintain its present return on investment, and will serve only to pass through the actual cost of purchased power expenses; it is

Ordered, that Second Revised Page 10A-1 of the Woodsville Water and Light Department tariff, NHPUC No. 3 — Electricity, be, and hereby is, approved

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to become effective on September 30, 1976.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of September, 1976.

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NH.PUC*09/24/76*[77732]*61 NH PUC 260*Public Service Company of New Hampshire

[Go to End of 77732]

Re Public Service Company of New Hampshire

IE 14,374, 14th Supplemental Order No. 12,433

61 NH PUC 260

New Hampshire Public Utilities Commission

September 24, 1976

PETITION by electric company for authorization of a special rate contract; granted

RATES, § 213 — Special contract — Electric company.

[N.H.] The commission approved an electric company's special contract to be used by it in its electric thermal storage device load research program.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Jean-Louis T. Nicknair and Yolande R. Nicknair and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of September, 1976.

=====

NH.PUC*09/27/76*[77733]*61 NH PUC 261*Public Service Company of New Hampshire

[Go to End of 77733]

Re Public Service Company of New Hampshire

IE 14,374, 15th Supplemental Order No. 12,434

61 NH PUC 261

New Hampshire Public Utilities Commission

September 27, 1976

PETITION by electric company for authorization of a special rate contract; granted.

RATES, § 213 — Special contract — Electric company.

[N.H.] The commission approved an electric company's special contract to be used by it in its electric thermal storage device load research program.

BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal storage device load research program; and

Whereas, Richard L. Lavigne and Sherilyn M. Lavigne and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of September, 1976.

=====

NH.PUC*09/27/76*[77734]*61 NH PUC 261*Department of Public Works and Highways v Boston and Maine Corporation

[Go to End of 77734]

Department of Public Works and Highways v Boston and Maine Corporation

DT 76-137, Order No. 12,435

61 NH PUC 261

New Hampshire Public Utilities Commission

September 27, 1976

PETITION by department of highways for authority to establish a temporary crossing; granted.

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CROSSINGS, § 60 — Temporary crossing — Repair of bridge.

[N.H.] The commission authorized the Department of Public Works and Highways and a railroad corporation to install a temporary grade crossing as a detour while the deck of an adjacent overhead bridge was being rebuilt.

BY THE COMMISSION:

Order

Whereas, by petition filed September 20, 1976, the Department of Public Works and Highways seeks authority to establish a temporary rail — highway grade crossing over the main line tracks of the Boston and Maine Corporation in Hampton, New Hampshire, as a detour while the deck of an adjacent overhead bridge is being rebuilt; and

Whereas, it is proposed to protect the grade crossing over the single track main line by stopping all train movements, to be protected by a flagman; and

Whereas, the Boston and Maine Corporation and the petitioner have reached an agreement in performing the work for repairs to the bridge; and

Whereas, it appears that the establishment of the temporary crossing will greatly facilitate the work of repairing the bridge and the commission is of the opinion that the petition should be granted; it is

Ordered, that the Department of Public Works and Highways and the Boston and Maine Corporation be, and hereby are, authorized to install a temporary grade crossing at Hampton, New Hampshire, in accordance with the plan on file at the office of this commission and marked DT 76-137; and it is

Further ordered, that the work shall be performed in accordance with the agreements contained in a letter from the Department of Public Works and Highways dated September 16, 1976; and it is

Further ordered, that the crossing authorized herein shall be discontinued as soon as the repairs to the bridge are completed and opened for traffic.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of September, 1976.

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NH.PUC*09/28/76*[77735]*61 NH PUC 262*New Hampshire Electric Cooperative, Inc.

[Go to End of 77735]

Re New Hampshire Electric Cooperative, Inc.

IR 14,573, Order No. 12,436

61 NH PUC 262

New Hampshire Public Utilities Commission

September 28, 1976

PETITION by electric cooperative for revision to its fuel adjustment charges; suspended pending commission investigation.

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BY THE COMMISSION:

Order

Whereas, New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 15, 1976, filed with this commission certain revisions to its tariff, NHPUC No. 6 — Electricity, providing for a fuel adjustment charge calculated on a six-month average cost above base (October, 1976 — March, 1977); and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Second Revised Page 12 and 29th Revised Page 13 of tariff, NHPUC No. 6 — Electricity, of New Hampshire Electric Cooperative, Inc., be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of September, 1976.

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NH.PUC*09/29/76*[77736]*61 NH PUC 263*Northern Utilities, Inc.

[Go to End of 77736]

Re Northern Utilities, Inc.

IR 14,566, Order No. 12,437

61 NH PUC 263

New Hampshire Public Utilities Commission

September 29, 1976

APPLICATION by utility for approval of special rate contract; granted.

RATES, § 213 — Special contract — Gas service.

[N.H.] The commission approved a utility's special contract for gas service at rates other than those fixed by its schedule of general application where it found that special circumstances existed which rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Northern Utilities, Inc., Allied Gas Division, a utility selling gas under the

jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 30 with Kane-Gonic Brick Company, effective on August 17, 1976, for gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereon.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of September, 1976.

=====

NH.PUC*09/29/76*[77737]*61 NH PUC 264*New Hampshire Electric Cooperative, Inc.

[Go to End of 77737]

Re New Hampshire Electric Cooperative, Inc.

IR 14,560, Order No. 12,438

61 NH PUC 264

New Hampshire Public Utilities Commission

September 29, 1976

PETITION by electric cooperative for approval of a special rate contract; granted.

RATES, § 213 — Special contract — Electric service.

[N.H.] The commission granted an electric cooperative's special rate contract for electric service at rates other than those fixed by its schedule of general application where it found that special circumstances existed which rendered the terms and conditions of the contract just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, New Hampshire Electric Cooperative Inc., a utility selling electricity under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 30 with George Miller, effective on the date service is first made available, for electric service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective on the date specified thereon.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of September, 1976.

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NH.PUC*09/29/76*[77738]*61 NH PUC 264*New Hampshire Electric Cooperative, Inc.

[Go to End of 77738]

Re New Hampshire Electric Cooperative, Inc.

IR 14,561, Order No. 12,439

61 NH PUC 264

New Hampshire Public Utilities Commission

September 29, 1976

PETITION by electric cooperative for approval of a special rate contract; granted.

RATES, § 213 — Special contract — Electric service.

[N.H.] The commission granted an electric cooperative's special rate contract for electric service at rates other than those fixed by its schedule of general application where it

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found that special circumstances existed which rendered the terms and conditions of the contract just and reasonable with the public interest.

BY THE COMMISSION:

Order

Whereas, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 33 with Edward Kulakowski and George Hunter, d/b/a Shannon Acres, effective on the date service is first made available, for electric service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective on the date specified thereon.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of

September, 1976.

=====

NH.PUC*09/29/76*[77739]*61 NH PUC 265*New Hampshire Electric Cooperative, Inc.

[Go to End of 77739]

Re New Hampshire Electric Cooperative, Inc.

IR 14,568, Order No. 12,440

61 NH PUC 265

New Hampshire Public Utilities Commission

September 29, 1976

PETITION by electric cooperative for approval of a special rate contract; granted.

RATES, § 213 — Special contract — Electric service.

[N.H.] The commission granted an electric cooperative's special rate contract for electric service at rates other than those fixed by its schedule of general application where it found that special circumstances existed which rendered the terms and conditions of the contract just and reasonable with the public interest.

BY THE COMMISSION:

Order

Whereas, New Hampshire Electric Cooperative, Inc., a public utility selling electricity under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 37 with Arthur Kidder, Jr., and Jack B. Middleton, d/b/a Freedom Development Corporation, effective on the date service is made available, for electric service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

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Ordered, that said contract may become effective on the effective date specified.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of September, 1976.

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NH.PUC*09/29/76*[77740]*61 NH PUC 266*Public Service Company of New Hampshire

[Go to End of 77740]

Re Public Service Company of New Hampshire

DE-22, Supplemental Order No. 12,444

61 NH PUC 266

New Hampshire Public Utilities Commission

September 29, 1976

PETITION by electric company for license to maintain electric lines; granted.

ELECTRICITY, § 7 — Transmission lines — Neutral wire.

[N.H.] The commission granted an electric company a license for an electric line over and across public waters and to add a neutral wire for the purpose of preventing possible unbalanced voltages to distribution customers during steady state and fault conditions.

BY THE COMMISSION:

Supplemental Order

Whereas, by Order No. 12,219 dated April 21, 1976 (61 NH PUC 97, *supra*), the commission granted Public Service Company of New Hampshire licenses to maintain electric lines over and across certain public waters in the state of New Hampshire; and

Whereas, said order includes a 34.5 kv line over and across the Lamprey river in the towns of Durham and Newmarket; and

Whereas, by petition filed August 27, 1976, Public Service Company of New Hampshire now desires to serve distribution loads directly from the 34.5 kv line over the Lamprey river and to add a neutral wire in connection with that use, for the purpose of preventing possible unbalanced voltages to distribution customers during steady state and fault conditions; and

Whereas, following due notice no other interested parties recorded any objections to the addition of a neutral wire and upon investigation of all the facts before the commission, it is found that the crossing is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petition without substantially affecting the public rights and waters crossed; it is

Ordered, that a license be, and hereby is, granted to the Public Service Company of New Hampshire for an electric line over and across the public waters of Lamprey river in the towns of Durham and Newmarket, all in accordance with the plans on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of September, 1976.

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NH.PUC*09/30/76*[77741]*61 NH PUC 267*Public Service Company of New Hampshire

[Go to End of 77741]

Re Public Service Company of New Hampshire

Additional petitioners: Concord Electric Company, Exeter and Hampton Electric Company, New Hampshire Electric Cooperative, Inc., Granite State Electric Company, Municipal Electric Department of Wolfeboro, and Littleton Water and Light Department

Intervenors: Volunteers Organized in Community Education, Cities of Nashua and Franklin, and Consumers Utility Council et al.

DR 76-46, Fifth Supplemental Order. No 12,445

61 NH PUC 267

New Hampshire Public Utilities Commission

September 30, 1976

PETITIONS for authority to apply a fuel adjustment charge to monthly billings; granted.

RATES, § 303 — Fuel expenses — Recovery.

[N.H.] The commission permitted electric companies to recover varying costs by application of an adjustment derived by dividing the total fuel cost for the month by total kilowatt-hours sold.

APPEARANCES: Philip Ayers for Public Service Company of New Hampshire; Joseph Ransmeier for Concord Electric Company and Exeter and Hampton Electric Company; Maryland Morse for New Hampshire Electric Cooperative, Inc.; Philip H. R. Cahill for Granite State Electric Company; Guy Krapp for the Municipal Electric Department of Wolfeboro; Richard Deane for Littleton Water and Light Department; David Brock for Governor Meldrim Thomson, Jr.; Peter W. Brown for Volunteers Organized in Community Education; H. Philip Howorth and Morgan Hollis for the city of Nashua; State Representative Eugene Daniell for the city of Franklin; Senator D. Alan Rock for the Consumers Utility Council; Arthur Ferlan, pro se; Deddie Hayes for Pauline Anderson.

BY THE COMMISSION:

Report

Pursuant to RSA 378:3-a(II), the commission, on September 16 and 20, 1976, held hearings

on the petitions of seven New Hampshire electric companies for authority to apply a fuel adjustment charge to regular October monthly billings to its customers.

Littleton Water and Light Department

Littleton Water and Light Department, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 16, 1976, filed with this commission 33rd Revised Page 6 of its tariff, NHPUC No. 1 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect on October 1, 1976. Littleton purchases all of its requirements from the New England Power Company. Littleton reported that the total fuel cost billed by the New England Power Company during the month of August, 1976, was \$5,525.69.

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During this period the total kilowatt-hours sold by Littleton was 2,205,973. The fuel adjustment charge, therefore, by simple division is \$0.002504 rounded to \$0.0025. The fuel adjustment charge proposed for the month of October, 1976, is 25 cents per 100 kilowatt-hours applied to all bills to be rendered in that month.

Municipal Electric Department of Wolfeboro

Municipal Electric Department of Wolfeboro, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 7, 1976, filed with this commission 23rd Revised Page 9A of its tariff, NHPUC No. 4 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect October 1, 1976. Wolfeboro purchases all of its requirements from Public Service Company of New Hampshire. Wolfeboro reported that during the month of August, 1976, the total fuel cost billed by Public Service Company was \$12,088.44. During this same period the total kilowatt-hours sold by Wolfeboro was 2,085,703. The fuel adjustment, therefore, by simple division and rounded is \$0.0058 per kilowatt-hour. The fuel adjustment charge proposed for effect in the month of October is 58 cents per 100 kilowatt-hour to apply to all bills rendered in that month.

Granite State Electric Company

Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 14, 1976, filed with this commission 25th Revised Page 15-A to its tariff, NHPUC No. 8 — Electricity, comprising the monthly fuel adjustment charge for effect October 1, 1976. Granite State Electric Company purchases all of its requirements from the New England Power Company. Granite State reported that the total fuel cost billed by New England Power Company was \$53,223.10. Total sales to Granite State customers during the same period were 23,985,798 kilowatt-hours. By simple division the fuel adjustment charge proposed for effect in the month of October is \$0.0102 per kilowatt or \$1.02 per 100 kilowatt-hours.

New Hampshire Electric Cooperative, Inc.

New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 15, 1976, filed with this commission 29th Revised Page 13 of its tariff, NHPUC No. 6 — Electricity, comprising the

monthly calculation of the fuel adjustment charge for effect on October 1, 1976. The company reported that the total fuel cost billed by its several power suppliers for power during the month of August, 1976, was \$113,568.07. Total sales by the Co-op during the same month were 21,066,266 kilowatt-hours. By simple division, the fuel adjustment charge proposed for October is \$0.005391 rounded to \$0.0054 per kilowatt-hour. The fuel adjustment charge to be applied to all bills rendered in the month of October is proposed to be 54 cents per 100 kilowatt-hours.

Exeter and Hampton Electric Company

Exeter and Hampton Electric Company, a public utility engaged in the business of supplying electric service in

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the state of New Hampshire, on September 8, 1976, filed with this commission 15th Revised Page 16 of its tariff, NHPUC No. 11 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect October 1, 1976. Exeter and Hampton purchases all of its requirements from Public Service Company of New Hampshire, Exeter and Hampton reported that the total fuel cost billed by Public Service Company for the period July 30, 1976, to August 31, 1976, was \$138,196.24. Total sales by Exeter and Hampton during that same period were 22,580,144 kilowatt-hours. The fuel adjustment charge, therefore, by simple division is \$0.00612. Thus, the fuel adjustment charge proposed to be billed during the month of October is 61 cents per 100 kilowatt-hours.

Concord Electric Company

Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 8, 1976, filed with this commission 19th Revised Page 15-A to its tariff, NHPUC No. 6 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect October 1, 1976. Concord Electric purchases all of its requirements from Public Service Company of New Hampshire. Concord Electric reported that the total fuel cost billed by Public Service Company during the month of August, 1976, was \$116,769.64. Total sales during that same period were 19,729,439 kilowatt-hours. The fuel adjustment charge by simple division is \$0.00592 per kilowatt-hour. Therefore, the fuel adjustment charge proposed to be billed during October, 1976, is 59 cents per 100 kilowatt-hours.

Public Service Company of New Hampshire

Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 17, 1976, filed with this commission 22nd Revised Pages 15 and 16 to its tariff, NHPUC No. 20 — Electricity, comprising the monthly calculation of fuel adjustment charge for effect October 1, 1976.

Witness Van Der Beken, research analyst for the Public Service Company, presented testimony regarding the data for the month of August, which is used to set forth the calculation of the fuel adjustment charge as shown on Public Service Company Exh P-1 and applicable to billings in the month of October. The calculation of the October fuel adjustment reflects a decrease from the previous month. The fuel adjustment charge proposed to become effective on

October 1, 1976, is 51 cents per 100 kilowatt-hours. The fuel adjustment charge allowed by this commission in its Order No. 12,380 dated August 31, 1976 (61 NH PUC 222), was 92 cents per 100 kilowatt-hours which became effective on September 1, 1976, and was applied to all bills rendered during the month of September.

The 51 cents per 100 kilowatt-hour fuel adjustment rate as proposed on p. 2 of Public Service Company Exh No. 1 reflects the coal inventory adjustment. Without the adjustment, the fuel adjustment rate would have been 98 cents per 100 kilowatt-hours. The exhibit also reflects that nuclear and hydro energy contributed a greater percentage to total net output in August than in July, thereby contributing to the decrease in the fossil fuel costs.

Commission report and Fourth Supplemental

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Order No. 12,422 dated September 16, 1976 (61 NH PUC 249, *supra*), directed that the Public Service Company "shall not charge any amount to any of its customers for any portion of the 74,189.31 tons of coal bunkered at Merrimack station during August." Priced out at the current cost of coal (\$34.03), the total value of the coal bunkered is \$2,524,662.22. It is this amount that the commission ordered should be reflected as savings to all customers of the company in October billings.

The portion of that refund applicable to retail customers is computed on Public Service Company Exh No. 3 and shows an inventory adjustment for that class of \$1,495,768. The adjustment to be applied to October usage was then divided by an estimated kwh consumption for the month. Intervenors objected to the use of estimated kwh consumption for October since the level of fuel adjustment for any one month is historically determined by dividing actual fuel costs by actual metered consumption in the same month that the cost was incurred.

There is, we think, a good reason for dividing the adjustment figure, \$1,495,768, by estimated kwh consumption for October. Whether the company uses actual August kwh sales or estimated October kwh sales, there will still have to be a later adjustment made to arrive at the correct amount of the total refund planned for that month. By using estimated October kwh sales the company will be closer to the actual refund due and will thus minimize the amount of the ultimate adjustment.

Looking ahead to the November surcharge (September data month) the need to use estimated November usage becomes more apparent. If you divide a dollar value of an inventory adjustment for retail customers in November by actual September kwh sales and then multiply the resultant fuel adjustment charge times actual November usage, the amount repaid will very likely be greater than the refund should be; i.e., overpayment. However, if the same dollar value of an inventory adjustment for retail customers in November is divided by estimated November kwh sales — i.e., a higher denominator — and then multiply the resultant fuel adjustment charge times actual November usage on bills rendered in that month, then the amount repaid will be approximately equal to the actual refund that should be made, thus minimizing any adjustment.

Since using actual kwh sales of a prior period as the denominator in the fraction to determine the level of the inventory adjustment refund will very likely result in an overpayment of the refund, this commission will not authorize such a methodology. Any overpayment to customers

would subsequently have to be recovered by surcharge and this is an undesirable result. The company's proposed methodology of using estimated kwh sales is approved.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that 22nd Revised Pages 15 and 16 of Public Service Company of New Hampshire tariff, NHPUC No. 20 — Electricity, providing for the monthly fuel surcharge of 51 cents per 100 kilowatt-hours for the month of October, 1976, be, and hereby are, permitted to become effective October 1, 1976; and it is

Further ordered, that 19th Revised

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Page 15-A of the Concord Electric Company tariff NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of 59 cents per 100 kilowatt-hours for the month of October, 1976, be, and hereby is, permitted to become effective October 1, 1976; and it is

Further ordered, that 15th Revised Page 16 of the Exeter and Hampton Electric Company tariff, NHPUC No. 11 — Electricity, providing for the monthly fuel surcharge of 61 cents per 100 kilowatt-hours for the month of October, 1976, be, and hereby is, permitted to become effective October 1, 1976; and it is

Further ordered, that 29th Revised Page 13 of the New Hampshire Electric Cooperative, Inc., tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of 54 cents per 100 kilowatt-hours for the month of October, 1976, be, and hereby is, permitted to become effective October 1, 1976; and it is

Further ordered, that 25th Revised Page 15-A of the Granite State Electric Company tariff, NHPUC No. 8 — Electricity, providing for the monthly fuel surcharge of \$1.02 per 100 kilowatt-hours for the month of October, 1976, be, and hereby is, permitted to become effective October 1, 1976; and it is

Further ordered, that 23rd Revised Page 9A of the Municipal Electric Department of Wolfeboro tariff, NHPUC No. 4 — Electricity, providing for the monthly fuel surcharge of 58 cents per 100 kilowatt-hours for the month of October, 1976, be, and hereby is, permitted to become effective October 1, 1976; and it is

Further ordered, that 33rd Revised Page 6 of the Littleton Water and Light Department tariff, NHPUC No. 1 — Electricity, providing for the monthly fuel surcharge of 25 cents per 100 kilowatt-hours for the month of October, 1976, be, and hereby is, permitted to become effective October 1, 1976.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of September, 1976.

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NH.PUC*10/01/76*[77742]*61 NH PUC 271*Public Service Company of New Hampshire

[Go to End of 77742]

Re Public Service Company of New Hampshire

DE 74-69

61 NH PUC 271

New Hampshire Public Utilities Commission

October 1, 1976

COMMISSION order resolving issue of damages in condemnation proceeding.

DAMAGES, § 1 — Evidence of deed — Electric company.

[N.H.] At a hearing on the issue of damages in a condemnation proceeding, the commission found that it did not need to make any determination of damages where an electric company filed a deed reciting valuable consideration which had passed to the owner of the condemned property.

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APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., guardian ad litem, for those under a disability and where no guardian has been appointed; E. Paul Kelly guardian ad litem, for persons who are unknown or whose residences are unknown.

By the COMMISSION:

Report

The commission granted necessity for the taking of Parcel Nos. 112 and 117 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975. A duly noticed hearing on the issue of damages was held at the office of the commission on November 12, 1975.

At the time of the hearing there was testimony that Properties, Inc., owned seven-eighths interest in Parcel No. 112. Subsequently, the company filed a deed reciting valuable consideration passing to Properties, Inc., for the remaining interest in this parcel. Also at the hearing there was testimony that Properties, Inc., has received the deed for a complete interest in Parcel No. 117. Thus, there is no need for the commission to make any determination of damages on either of these parcels. No orders relating to these parcels are necessary.

Guardian ad litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The deeds evidencing title in Properties, Inc., to Parcel Nos. 112 and 117 are also duly recorded in the Rockingham county registry of deeds.

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NH.PUC*10/04/76*[77743]*61 NH PUC 272*Northern Utilities, Inc.

[Go to End of 77743]

Re Northern Utilities, Inc.

IR 14,569, Order No. 12,450

61 NH PUC 272

New Hampshire Public Utilities Commission

October 4, 1976

PETITION by utility for approval of its special contract; granted.

RATES, § 213 — Special contract — Gas service.

[N.H.] The commission approved a utility's special contract for gas service at rates other than those fixed by its schedule of general application where it found that special circumstances existed which rendered the terms and conditions just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Northern Utilities, Inc., Allied Gas division, a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 31 with

Page 272

Kittery Laundry, Inc., d/b/a Colonial Cleaners, effective on October 1, 1976, for gas service at rates other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereon.

By order of the Public Utilities Commission of New Hampshire this fourth day of October, 1976.

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NH.PUC*10/04/76*[77744]*61 NH PUC 273*Northern Utilities, Inc.

[Go to End of 77744]

Re Northern Utilities, Inc.

IR 14,570, Order No. 12,451

61 NH PUC 273

New Hampshire Public Utilities Commission

October 4, 1976

PETITION by utility for approval of its special contract; granted.

RATES, § 213 — Special contract — Gas service.

[N.H.] The commission approved a utility's special contract for gas service at rates other than those fixed by its schedule of general application where it found that special circumstances existed which rendered the terms and conditions just and consistent with the public interest.

BY THE COMMISSION:

Order

Whereas, Northern Utilities, Inc., Allied Gas division, a utility selling gas under the jurisdiction of this commission, has filed with this commission a copy of its Special Contract No. 32 with USM Corporation, Bailey division, effective on October 1, 1976, for gas service with conditions other than those fixed by its schedule of general application; and

Whereas, upon investigation and consideration, this commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

Ordered, that said contract may become effective as of the effective date thereon.

By order of the Public Utilities Commission of New Hampshire this fourth day of October, 1976.

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NH.PUC*10/05/76*[77745]*61 NH PUC 274*Union Telephone Company

[Go to End of 77745]

Re Union Telephone Company

IF 14,571, Order No. 12,452

61 NH PUC 274

New Hampshire Public Utilities Commission

October 5, 1976

PETITION by telephone company for commission approval of unauthorized borrowings; granted.

SECURITY ISSUES, § 98 — Short-term notes — Unauthorized borrowings — Telephone company.

[N.H.] Where a telephone company had engaged. in unauthorized borrowings due to a misunderstanding of a commission order that had authorized it to issue and sell short-term notes the commission retroactively authorized the telephone company's actions.

BY THE COMMISSION:

Order

Whereas, this commission, by Order No. 11,541 dated August 28, 1975, authorized Union Telephone Company to issue and sell for cash its short-term notes in an aggregate principal amount not in excess of \$850,000 to bear an interest rate not to exceed the prime bank loan rate at the time of issuance or renewal, said authority to continue up to and including July 31, 1975; and

Whereas, subsequent to July 31, 1975, the company engaged in unauthorized borrowing due to a misunderstanding of Order No. 11,541; and

Whereas, Union Telephone Company has submitted its petition on September 22, 1976, seeking authority for the unauthorized borrowings and indicating the need for increased short-term borrowing up to an amount not to exceed \$1 million; and

Whereas, the company, in an attempt's to fund a substantial portion of its short-term debt through permanent financing, has contacted several lending institutions in regard to long-term financing when the market conditions appear appropriate; and

Whereas, this commission finds that the proposed financing is in the public interest; it is

Ordered, that Union Telephone Company be, and hereby is, authorized from the date of this order to and including June 30, 1977, to issue and sell for cash, or renew, its short-term note or notes, payable less than twelve months after the date thereof, in an aggregate principal amount not in excess of \$1 million to bear reasonable interest at the time of issuance or renewal; and it is

Further ordered, that all previous unauthorized borrowings between July 31, 1975, and the date of this order are hereby authorized; and it is

Further ordered, that Union Telephone Company first obtain approval of this commission before incurring short-term indebtedness in excess of the amount allowed by the terms of Supplemental Order No. 7446 of this commission after June 30, 1977; and it is

Further ordered, that on or before January 1st and July 1st in each year, Union Telephone Company shall file with this commission a detailed statement, duly sworn to by its treasurer,

showing the disposition of the proceeds of the notes herein authorized until the

expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this fifth day of October, 1976.

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NH.PUC*10/06/76*[77746]*61 NH PUC 275*City of Laconia

[Go to End of 77746]

Re City of Laconia

DT 76-142, Order No. 12,455

61 NH PUC 275

New Hampshire Public Utilities Commission

October 6, 1976

PETITION by city for an easement along rail line to place and maintain an extension to an existing boardwalk; granted.

RAILROADS, § 9 — Easement — Extension to boardwalk — Railroad matters.

[N.H.] The commission, as the sole agent of the state in all railroad matters, granted a city an easement along the rail line to place and maintain extension to an existing boardwalk.

BY THE COMMISSION:

Order

Whereas, the city of Laconia has petitioned this commission for an easement along the Concord to Lincoln state-owned rail line (now operated by the Wolfeboro Rail Road Company and formerly of the Boston and Maine Corporation) to place and maintain an extension to the existing boardwalk adjacent to Lakeside avenue in that section of Laconia known as Weirs Beach; and

Whereas, said petition avers that on July 27, 1976, the city of Laconia, through its city council, voted to formally request the governor and council for an easement and that on August 25, 1976, the governor and council did, in fact, grant to the city of Laconia the requested easement through the public utilities commission; and

Whereas, the commission is authorized as the sole agent of the state of New Hampshire in all

railroad matters, pursuant to RSA 372-A; and

Whereas, the proposed construction appears to be in the public good and can be conducted without any interference with the operation of the Wolfeboro Rail Road Company or any other railroad operating over this line; it is

Ordered, that the city of Laconia be, and hereby is, granted an easement along the Concord to Lincoln rail line to place and maintain an extension to the existing boardwalk adjacent to Lakeside avenue in that section of Laconia known as Weirs Beach, all in accordance with specifications shown on plans submitted with the petition and part of the commission file in this matter.

By order of the Public Utilities Commission of New Hampshire this sixth day of October, 1976.

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NH.PUC*10/06/76*[77747]*61 NH PUC 276*Public Service Company of New Hampshire

[Go to End of 77747]

Re Public Service Company of New Hampshire

DR 76-123, Third Supplemental Order No. 12,457

61 NH PUC 276

New Hampshire Public Utilities Commission

October 6, 1976

MOTION by electric company for continuance of fuel adjustment charge fold-in proceeding; granted.

BY THE COMMISSION:

Supplemental Order

The commission having before it a motion for continuance filed October 4, 1976, for, and on behalf of, Public Service Company of New Hampshire for a continuance of the proceedings in this docket; after full consideration of the allegations in said motion and after weighing the reasons presented in said motion, is of the opinion, and the order is, that said motion for continuance be, and hereby is, granted. It is further ordered that hearings in this docket will commence on Tuesday, December 7, 1976, at 10:00 A.M., and that the testimony required in this proceeding be prefiled no later than November 23, 1976.

By order of the Public Utilities Commission of New Hampshire this sixth day of October, 1976.

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NH.PUC*10/08/76*[77748]*61 NH PUC 276*Hanover Water Works Company

[Go to End of 77748]

Re Hanover Water Works Company

DR 76-138, Order No. 12,458

61 NH PUC 276

New Hampshire Public Utilities Commission

October 8, 1976

PETITION by water company for an increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Hanover Water Works Company, a public utility engaged in the business of supplying water service in the state of New Hampshire, on September 20, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 4 — Water, providing for increased rates and charges, effective January 1, 1977; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective

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date thereof be suspended pending investigation and decision thereon; it is

Ordered, that First Revised Page 7 and Fourth Revised Pages 11, 14, 15, and 16 of tariff, NHPUC No. 4 — Water, of Hanover Water Works Company be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this eighth day of October, 1976.

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NH.PUC*10/12/76*[77749]*61 NH PUC 277*Public Service Company of New Hampshire

[Go to End of 77749]

Re Public Service Company of New Hampshire

DE 76-136, Order No. 12,459

61 NH PUC 277

New Hampshire Public Utilities Commission

October 12, 1976

PETITION by electric company for a license to construct and maintain electric transmission line; granted.

ELECTRICITY, § 7 — Transmission line — Reconstruction.

[N.H.] The commission granted an electric company a license for the purpose of reconstructing an electric transmission line over and across a river due to the erosion of the river bank and the direction of the existing poles caused by the force of the river waters.

BY THE COMMISSION:

Order

Whereas, by petition filed September 16, 1976, Public Service Company of New Hampshire, seeks a license pursuant to RSA 371:17 — 20 to construct and maintain an electric line over and across the Baker river in the town of Rumney, New Hampshire; and

Whereas, the petition represents that the proposed construction will cross approximately 384 feet of the river for the purpose of reconstructing a 34.5 kv electric transmission line of wires and cables over and across the Baker river in Rumney due to erosion of the river bank in the direction of the existing poles caused by the force of the Baker river waters; and

Whereas, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

Ordered, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and main

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tain an electric line over and across the Baker river in the town of Rumney, all in accordance with the above description which is contained on a plan on file at the office of the commission.

By order of the Public Utilities Commission of New Hampshire this twelfth day of October, 1976.

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NH.PUC*10/12/76*[77750]*61 NH PUC 278*Concord Electric Company

[Go to End of 77750]

Re Concord Electric Company

DR 76-123, Fourth Supplemental Order No. 12,460

61 NH PUC 278

New Hampshire Public Utilities Commission

October 12, 1976

PETITION by electric company for approval of tariff providing for folding a fuel surcharge into the basic rates; suspended pending commission investigation.

BY THE COMMISSION:

Supplemental Order

Whereas, Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 17, 1976, filed with this commission its tariff, NHPUC No. 7 — Electricity, providing for folding into the basic rates a substantial portion of the fuel surcharge; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended, pending investigation and decision thereon; it is

Ordered, that tariff, NHPUC No. 7 — Electricity, of Concord Electric Company be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twelfth day of October, 1976.

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NH.PUC*10/12/76*[77751]*61 NH PUC 279*Exeter and Hampton Electric Company

[Go to End of 77751]

Re Exeter and Hampton Electric Company

DR 76-123, Fifth Supplemental Order No. 12,461

61 NH PUC 279

New Hampshire Public Utilities Commission

October 12, 1976

PETITION by electric company for approval of tariff providing for folding a fuel surcharge into the basic rates; suspended pending commission investigation.

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BY THE COMMISSION:

Supplemental Order

Whereas, Exeter and Hampton Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 17, 1976, filed with this commission its tariff, NHPUC No. 12 — Electricity, providing for folding into the basic rates a substantial portion of the fuel surcharge; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended, pending investigation and decision thereon; it is

Ordered, that tariff, NHPUC No. 12 — Electricity, of Exeter and Hampton Electric Company be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twelfth day of October, 1976.

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NH.PUC*10/12/76*[77752]*61 NH PUC 279*Granite State Electric Company

[Go to End of 77752]

Re Granite State Electric Company

DR 76-123, Sixth Supplemental Order No. 12,462

61 NH PUC 279

New Hampshire Public Utilities Commission

October 12, 1976

PETITION by electric company for approval of tariff providing for folding a fuel surcharge into the basis rates; suspended pending commission investigation.

BY THE COMMISSION:

Supplemental Order

Whereas, Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 13, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 8 — Electricity, providing for folding into the basic rates a substantial portion of the fuel surcharge; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended, pending investigation and decision thereon; it is

Ordered, that First Revised Pages 15, 17, 19, 23-27, and 35-38; and Second Revised Pages 30 and 31 of tariff NHPUC No. 8 — Electricity, of Granite State Electric Company be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twelfth day of October, 1976.

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NH.PUC*10/12/76*[77753]*61 NH PUC 280*New Hampshire Electric Cooperative, Inc.

[Go to End of 77753]

Re New Hampshire Electric Cooperative, Inc.

DR 76-123, Seventh Supplemental Order No. 12,463

61 NH PUC 280

New Hampshire Public Utilities Commission

October 12, 1976

PETITION by electric cooperative for commission approval of tariff providing a fuel surcharge for folding into the basic rates; suspended pending investigation

BY THE COMMISSION:

Supplemental Order

Whereas, New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 14, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 6 — Electricity, providing for folding into the basic rates a substantial portion of the fuel surcharge; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended, pending investigation and decision thereon; it is

Ordered, that Fourth Revised Page 11C-1 and First Revised Page 12 of tariff NHPUC No. 6 — Electricity, of New Hampshire Electric Cooperative, Inc., be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twelfth day of October, 1976.

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NH.PUC*10/12/76*[77754]*61 NH PUC 280*Public Service Company of New Hampshire

[Go to End of 77754]

Re Public Service Company of New Hampshire

DR 76-123, Eighth Supplemental Order No. 12,464

61 NH PUC 280

New Hampshire Public Utilities Commission

October 12, 1976

PETITION by electric company for approval of tariff providing for folding a fuel surcharge into the basic rates, suspended pending commission investigation.

BY THE COMMISSION:

Supplemental Order

Whereas, Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on September 17, 1976, filed with this commission certain revisions

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of its tariff, NHPUC No. 20 — Electricity, providing for folding into the basic rates a substantial portion of the fuel surcharge; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended, pending investigation and decision thereon; it is

Ordered, that Original Page 13-A, First Revised Pages 13, 14, 17-22, 24, 28, 32, and 36; and Second Revised Page 33; and 23rd Revised Pages 15 and 16 of tariff, NHPUC No. 20 — Electricity, of Public Service Company of New Hampshire be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twelfth day of October, 1976.

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NH.PUC*10/14/76*[77755]*61 NH PUC 281*Northern Utilities, Inc.

[Go to End of 77755]

Re Northern Utilities, Inc.

DF 6416, First Supplemental Order No. 12,465

61 NH PUC 281

New Hampshire Public Utilities Commission

October 14, 1976

PETITION by utility for authority to issue common stock; granted.

SECURITY ISSUES, § 108 — Incentive stock option plan — Common stock.

[N.H.] The commission authorized a utility to issue and sell 8,250 shares of common stock at a price of \$5 per share with the proceeds to be used to pay off short-term notes and for other proper corporate purposes.

BY THE COMMISSION:

Supplemental Order

Whereas in docket DF 6416, by Order No. 10,968, the petitioner, Northern Utilities, Inc., was authorized to issue and sell 13,500 shares of its common stock, pursuant to the incentive stock option plan; and

Whereas, by Supplemental Order No. 11,013, dated July 16, 1973, Northern Utilities, Inc., was further authorized to issue and sell 3,000 additional shares of its common stock, pursuant to the same incentive stock option plan; and

Whereas, the petitioner on October 6, 1976, has applied, in accordance with Report and Order No. 10,968, to issue and sell 8,250 additional shares of its common stock, pursuant to the incentive stock option plan, consistent with the public good; it is

Ordered, that Northern Utilities, Inc., be, and hereby is, authorized to issue and sell 8,250 shares of its common stock, pursuant to the incentive stock option plan for a price of \$5 per share, payable in cash as therein provided; and it is

Further ordered, that the proceeds from the sale of common stock shall be used (a) to pay off short-term notes outstanding at the time of sale, the proceeds

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of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the company's business; (b) to reimburse the treasury for expenditures made for the purchase and construction of additional such property; and (c) for other proper corporate purposes, it being understood that all expenses incurred in accomplishing the financing will be paid from the general funds of the company; and it is

Further ordered, that on January 1st and July 1st in each year, said Northern Utilities, Inc., shall file with this commission, a detailed statement, duly sworn to by a vice president or the treasurer, showing the disposition of the proceeds of said stock until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of October, 1976.

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NH.PUC*10/14/76*[77756]*61 NH PUC 282*Gas Service, Inc.

[Go to End of 77756]

Re Gas Service, Inc.

DR 76-143, Order No. 12,466

61 NH PUC 282

New Hampshire Public Utilities Commission

October 14, 1976

PETITION by gas company for an increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc., a public utility engaged in the business of supplying gas service in the state of New Hampshire, on September 30, 1976, filed with this commission certain revisions of its tariff, NHPUC No. 5 — Gas, providing for increased rates in the amount of \$322,592, effective November 1, 1976; and

Whereas, it appears to the commission that the rights and interests of the public affected require that the effective date thereof be suspended pending investigation and decision thereon; it is

Ordered, that Section 2, Fifth Revised Pages 4-7 and Sixth Revised Page 8; Section 3, Second Revised Pages 5-7; and Section 4, Fourth Revised pages 4-7 of tariff, NHPUC No. 5 — Gas, of Gas Service, Inc., be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of October, 1976.

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NH.PUC*10/18/76*[77757]*61 NH PUC 283*Public Service Company of New Hampshire

[Go to End of 77757]

Re Public Service Company of New Hampshire

DF 76-130, Order No. 12,469

61 NH PUC 283

New Hampshire Public Utilities Commission

October 18, 1976

PETITION by electric company for authority to issue and sell common stock, and to issue and sell first mortgage bonds; granted.

SECURITY ISSUES, § 112 — Common stock and first mortgage bonds — Negotiated public offerings.

[N.H.] The commission authorized an electric company to issue one million shares of common stock and \$15 million of first mortgage bonds to be sold through negotiated sales to underwriters, who would make public offerings thereof, and further ordered the company to use the proceeds from the sales of the securities for the purpose of discharging and repaying all outstanding short-term notes, to pay for the purchase and construction of additional property, and for other lawful corporate purposes.

APPEARANCES: Russell A. Winslow and Ralph H. Wood for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition filed September 13, 1976, Public Service Company of New Hampshire (the "company"), a corporation duly organized and existing under the laws of the state of New Hampshire and operating therein as, an electric public utility under the jurisdiction of this commission, seeks authority pursuant to the provisions of RSA 369 to issue and sell for cash one million shares of common stock, \$5 par value, and \$15 million of first mortgage bonds, Series V, and to mortgage its present and future property, tangible and intangible including franchises, as security for said bonds.

At the hearing on the petition, held in Concord on October 7, 1976, the company submitted that a portion of the proceeds of the sale of the common stock and the bonds will be used to pay off short-term notes outstanding at the time of the sale (estimated to be \$17 million, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the company's business, and the balance used to finance the purchase and construction of additional such property and for other proper corporate purposes. The company further submitted that all expenses incurred in accomplishing the financing will be paid from the general funds of the company.

The company further submitted that the securities will be sold through negotiated public offerings. The company asserted its belief that the difficulty of raising capital in today's money markets continued to justify negotiated offerings and that negotiated sales would result in terms at least as favorable as those that might be obtained through competitive sales.

The company submitted a balance sheet as at July 31, 1976, actual and pro

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formed for the sale of these securities. Exhibits were also submitted showing: disposition of proceeds, estimated expenses of the issue and capital structure as at July 31, 1976, and pro formed for the sale of these securities. Projected financing requirements and estimated

construction expenditures were outlined in testimony. A copy of the company's registration statement filed with the Securities and Exchange Commission on September 26, 1976, and a certified copy of authorizing votes of the company's board of directors were put in evidence at the hearing.

Upon investigation and consideration, the commission is satisfied that the proceeds from the proposed financing will be expended (1) to pay off all the short-term notes outstanding at the time of the sale, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the petitioner's business, (2) to finance the purchase and construction of additional such property, and (3) for other proper corporate purposes, and finds that the issue and sale of these securities will be consistent with the public good.

Our order will issue authorizing (i) the issuance and sale of one million shares of common stock, \$5 par value, and \$15 million of first mortgage bonds, to be sold through negotiated sales to underwriters, who will make public offerings thereof, the sales of both the common stock and the bonds to be at such prices and on such terms as may be submitted to and approved by this commission after negotiation; such approval to be set forth in a supplemental order to be issued prior to the issuance of said securities; and (ii) the mortgaging of the petitioner's present and future property as security for said bonds.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Public Service Company of New Hampshire be, and hereby is, authorized to issue and sell one million shares of common stock, \$5 par value, for cash in accordance with the foregoing report and as set forth in its petition; and it is

Further ordered, that Public Service Company of New Hampshire be, and hereby is, authorized to issue and sell \$15 million of its first mortgage bonds, Series V, for cash in accordance with the foregoing report and as set forth in its petition; and it is

Further ordered, that Public Service Company of New Hampshire be, and hereby is, authorized to mortgage its present and future property, tangible and intangible including franchises, as security for the first mortgage bonds; and it is

Further ordered, that Public Service Company of New Hampshire shall submit to this commission the purchase price of said common stock and the term, purchase price, and rate of interest of said first mortgage bonds. Following this required submission, a supplemental order will issue approving the terms of the issue and sale of the securities, including the price of said common stock and the term, purchase price, and rate of interest of said first mortgage bonds; and it is

Further ordered, that the proceeds from the sale of said securities shall be used for the purpose of discharging and repaying all outstanding short-term notes of said company, to pay for the

purchase and construction of additional property, and for other lawful corporate purposes; and it is

Further ordered, that Public Service Company of New Hampshire furnish this commission with copies of any amendments of its registration statement filed with the Securities and Exchange Commission; and it is

Further ordered, that on January 1st and July 1st in each year, Public Service Company of New Hampshire shall file with this commission a detailed statement, duly sworn by its financial vice president or its treasurer, showing the disposition of the proceeds of said securities being authorized until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of October 1976.

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NH.PUC*10/18/76*[77758]*61 NH PUC 285*Public Service Company of New Hampshire

[Go to End of 77758]

Re Public Service Company of New Hampshire

Additional petitioners: Concord Electric Company, Exeter and Hampton Electric Company, New Hampshire Electric Cooperative, Inc., Granite State Electric Company, Municipal Electric Department of Wolfeboro, Littleton Water and Light Department, Connecticut Valley Electric Company, Inc., and Woodsville Water and Light Department

DR 76-46, Sixth Supplemental Order No. 12,470

61 NH PUC 285

New Hampshire Public Utilities Commission

October 18, 1976

MOTION by city for rehearing of commission order; denied.

BY THE COMMISSION:

Supplemental Order

The commission having before it a motion for rehearing filed October 12, 1976, for, and on behalf of, the city of Nashua for a rehearing on the commission decision rendered in Fifth Supplemental Order No. 12,445 issued September 30, 1976 (61 NH PUC 267, *supra*); after full consideration of the allegations in said motion and after weighing the reasons presented in said motion, is of the opinion and the order is, that said motion for rehearing be, and hereby is, denied.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of October, 1976.

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NH.PUC*10/20/76*[77759]*61 NH PUC 286*Public Service Company of New Hampshire

[Go to End of 77759]

Re Public Service Company of New Hampshire

DF 76-130, Supplemental Order No. 12,471

61 NH PUC 286

New Hampshire Public Utilities Commission

October 20, 1976

PETITION by electric company for authority to issue and sell common stock, and to issue and sell first mortgage bonds; granted.

SECURITY ISSUES, § 58 — Underwriting agreement — Common stock and first mortgage bonds.

[N.H.] The commission approved an electric company's underwriting agreement whereby it was to issue common stock and first mortgage bonds, and the commission further authorized the company to mortgage its present and future property, tangible and intangible including franchises, as security for the bonds.

BY THE COMMISSION:

Supplemental Order

Whereas, our Order No. 12,469 dated October 18, 1976 (61 NH PUC 283, *supra*), authorized the Public Service Company of New Hampshire, inter alia, to issue and sell one million shares of common stock, \$5 par value, subject to further order of this commission; and

Whereas, in compliance with said Order No. 12,469, following negotiation with underwriters, the company has submitted to this commission the details concerning the price and method of sale of said common stock, which contemplate the issue and sale of one million shares of said common stock by the company to underwriters who will make a public offering thereof, as set forth in the underwriting agreement between the company and the underwriters, a copy of which is to be filed with the commission, said common stock to be sold at a price to the company of \$20.87 per share; and

Whereas, after due consideration, it appears that the issue and sale of said common stock upon the terms, including the price hereinabove set forth or referred to is consistent with the public good; and

Whereas, said Order No. 12,469 also authorized the Public Service Company of New

Hampshire, inter alia, to issue its first mortgage bonds, Series V, in the principal amount of \$15 million, subject to further order of this commission; and

Whereas, in compliance with said Order No. 12,469, following negotiation with underwriters, the company has submitted to this commission details concerning the term and the price of said bonds, and the interest rate thereon, said term being thirty years from October 15, 1976, said price being 98.9 per cent of the principal amount, and said interest rate being 9.125 per cent per annum, all in accordance with the underwriting agreement, a copy of which is to be filed with the commission, establishing a cost of money to the company of 9.2338 per cent to maturity; and

Whereas, after due consideration, it appears that the issue and sale of the

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bonds hereinabove described under the terms and conditions of the company's first mortgage, dated as of January 1, 1943, together with all indentures supplemental thereto, including the twenty-sixth supplemental indenture, to be dated as of October 15, 1976, upon the terms presented to this commission, including the term, price, and interest rate hereinabove set forth or referred to, is consistent with the public good; it is

Ordered, that Public Service Company of New Hampshire be, and hereby is, authorized to issue and sell at a price of \$20.87 per share in cash one million shares of its common stock, \$5 par value, said stock to be sold at said price of \$20.87 per share to underwriters who will make a public offering thereof, as set forth in the underwriting agreement between the company and the underwriters; and it is

Further ordered, that Public Service Company of New Hampshire be, and hereby is, authorized to issue and sell for cash its first mortgage bonds, Series V due 2006, in the principal amount of \$15 million at a price of 98.9 per cent of the principal amount, said bonds to bear interest at the rate of 9.125 per cent per annum; and it is

Further ordered, that Public Service Company of New Hampshire be, and hereby is, authorized to mortgage its present and future property, tangible and intangible, including franchises, as security for the bonds hereinabove authorized; and it is

Further ordered, that all other provisions of said Order No. 12,469 of this commission are incorporated herein by reference.

By order of the Public Utilities Commission of New Hampshire this twentieth day of October, 1976.

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NH.PUC*10/21/76*[77760]*61 NH PUC 287*Gas Service, Inc.

[Go to End of 77760]

Re Gas Service, Inc.

DR 76-143, Supplemental Order No. 12,472

61 NH PUC 287

New Hampshire Public Utilities Commission

October 21, 1976

PETITION by gas company for an increase in rates; denied.

RATES, § 40 — Tariff revisions — Need for increase — Time period.

[N.H.] The commission rejected a gas company's petition for a rate increase where it found that an insufficient period of time had elapsed since the previous rates became effective to properly develop a need for a new increase in basic rates and where the commission held that it was under no obligation to investigate any rate matter which it had investigated within a period of two years.

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BY THE COMMISSION:

Supplemental Order

Whereas, Gas Service, Inc., a public utility engaged in the business of supplying gas service in the state of New Hampshire, on September 30, 1976, filed with this commission the following rates to its tariff, NHPUC No. 5 — Gas, proposed for effect on November 1, 1976:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Nashua

Domestic Rate	D-2	Section 2	Fifth Revised	Page 4
General Rate	G-2	Section 2,	Fifth Revised	Page 5
General Heating Rate	GH-2	Section 2,	Fifth Revised	Page 6
Air Conditioning	AC-2	Section 2,	Fifth Revised	Page 7
Large Volume	LV-2	Section 2,	Sixth Revised	Page 8

Keene

Domestic Rate	D-3	Section 3,	Revised	Page 5
General Rate	G-3	Section 3,	Second Revised	Page 6
General Heating Rate	GH-3	Section 3,	Second Revised	Page 7

Laconia

Domestic Rate	D-4	Section 4,	Fourth Revised	Page 4
General Rate	G-4	Section 4,	Fourth Revised	Page 5
General Heating Rate	GH-4	Section 4,	Fourth Revised	Page 6
Air Conditioning	AC-4	Section 4,	Fourth Revised	Page 7

and

Whereas, the commission by its Order No. 12,466 dated October 14, 1976 (61 NH PUC 282, *supra*), suspended the effective date of the tariff revisions pending investigation and decision thereon; and

Whereas, this filing is similar to a previous filing which was fully considered, investigated, and decided upon by this commission and which became effective on June 10, 1976; and

Whereas, it now appears to this commission that an insufficient period of time has elapsed since the previous rates became effective to properly develop a need for a new increase in basic rates; and

Whereas, RSA 378:7 provides that the commission is under no obligation to investigate any rate matter which it has investigated within a period of two years; it is

Ordered, that the aforementioned pages to Gas Service, Inc., tariff NHPUC No. 5 — Gas, be, and hereby are, rejected; and it is

Further ordered, that a copy of this order be published once in a newspaper having general circulation in the territory affected.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of October, 1976.

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NH.PUC*10/21/76*[77761]*61 NH PUC 289*Town of Bartlett v Maine Central Railroad Company

[Go to End of 77761]

Town of Bartlett v Maine Central Railroad Company

DT 76-120, Order No. 12,473

61 NH PUC 289

New Hampshire Public Utilities Commission

October 21, 1976

PETITION by town for authority to lay out public crossing over the tracks of a railroad; granted.

CROSSINGS, § 38 — Substitution of public for private crossing — Public interest.

[N.H.] The commission granted a town the authority to construct a public crossing at a location that had been a private crossing where the commission was of the opinion that the interests of the public would be served in accordance with the plan on file with the addition of certain safety devices.

BY THE COMMISSION:

Order

Whereas, by petition filed August 24, 1976, the town of Bartlett seeks authority to lay out and construct a public crossing at grade across the tracks of the Maine Central Railroad

Company at Valuation Station 2932+50 in the town of Bartlett; and

Whereas, an agreement has been filed with this commission which provides for the maintenance and protection of said crossing by the installation of stop signs at each highway approach thereto; and

Whereas, a plan has been filed with this commission providing for the taking of a 60-foot right of way for the said crossing which will consist of a 32-foot plank crossing adequate to provide for a 20-foot traveled way; and

Whereas, there is at present a private crossing and it is desired to make the said private crossing a public way; and

Whereas, the commission is of the opinion that the interests of the public requires its consent to the proposed public crossing and that reasonable safety is provided to the traveling public; it is

Ordered, that the town of Bartlett be, and hereby is, authorized to lay out and construct a public crossing at Valuation Station 2932+50 in the Intervale section in the town of Bartlett in accordance with the plan on file with this commission; and it is

Further ordered, that protection of the crossing authorized herein will be provided with the statutory cross-buck signs, advance warning signs, and standard highway stop signs, said stop signs to be installed at each approach to the crossing at a distance of not less than 15 feet or more than 25 feet therefrom, and that statutory whistle signals will be given by all trains before passing over said crossing.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of October, 1976.

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NH.PUC*10/21/76*[77762]*61 NH PUC 290*Town of Greenland v Boston and Maine Corporation

[Go to End of 77762]

Town of Greenland v Boston and Maine Corporation

DT 76-141, Order No. 12.475

61 NH PUC 290

New Hampshire Public Utilities Commission

October 21, 1976

PETITION by town for authority to construct a public crossing across railroad tracks; granted.

CROSSINGS, § 38 — Substitution of public for private crossing — Public interest.

[N.H.] The commission granted a town the authority to lay out and construct a public crossing at a location where a private crossing existed and to close an existing private crossing where it found that the crossing would be in the public interest.

BY THE COMMISSION:

Order

Whereas, by petition filed September 24, 1976, the town of Greenland seeks authority to lay out and construct a public crossing at grade across the tracks of the Manchester-Portsmouth branch of the Boston and Maine Corporation in the town of Greenland at Engineering Station 367+35, which is presently a private crossing, and to close an existing private crossing at Engineering Station 370+55; and

Whereas, the Boston and Maine Corporation supports the position of the town providing certain conditions outlined in their letter of July 26, 1976, are met; and

Whereas, the commission is of the opinion that its consent should be given to the proposal; it is

Ordered, that the town of Greenland be, and hereby is, authorized to lay out and construct a public crossing at grade across the tracks of the Boston and Maine Corporation at Engineering Station 367+35 and to close the present private crossing located at Engineering Station 370+55; and it is

Further ordered, that the said public crossing be constructed in accordance with the provisions contained in said letter from the Boston and Maine Corporation dated July 26, 1976; and it is

Further ordered, that the public crossing authorized herein shall be protected by the installation of a cross-buck sign, advance warning discs, and stop signs, said stop signs to be erected at each highway approach not less than 15 feet nor more than 25 feet from the nearest rail; and it is

Further ordered, that the cost of providing the crossing as authorized shall be borne by the town of Greenland.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of October, 1976.

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NH.PUC*10/27/76*[77763]*61 NH PUC 291*Manchester Water Works

[Go to End of 77763]

Re Manchester Water Works

DE 76-160, Order No. 12,479

61 NH PUC 291

New Hampshire Public Utilities Commission

October 27, 1976

PETITION of a water company for authority to extend its mains and service; granted.

SERVICE, § 210 — Extensions by particular utilities — Water.

[N.H.] Where a water company petitioned for an extension of its mains and service into an area in which no other water utility possessed franchise rights, and the municipality was in accord with the extension, the commission found that granting the petition would be for the public good.

BY THE COMMISSION:

Order

Whereas, Manchester Water Works, a water public utility operating under the jurisdiction of this commission, by a petition filed October 14, 1976, seeks authority under RSA 374:22 and 26 as amended, to extend its mains and service further into the town of Bedford; and

Whereas, no other water utility has franchise rights in the area sought, and the petitioner submits that the area will be served under its regularly filed tariff; and

Whereas, the board of selectmen, town of Bedford, has stated that it is in accord with the petition; and

Whereas, after investigation and consideration, this commission is satisfied that the granting of the petition will be for the public good; it is

Ordered, that Manchester Water Works be, and hereby is, authorized to extend its mains and service further into the town of Bedford in the area herein described, and as set forth on a map on file in the commission offices, as follows:

Beginning at a point along the centerline of U. S. Route 3 (D. W. Highway south), said point being 100 feet +/- easterly of its intersection with the centerline of Back River road, and the easterly most existing franchise limit for South River road, from this point, easterly along the centerline of the path and contour of U. S. Route 3 for a distance of 450 feet. and for these purposes to construct and maintain the necessary lines and apparatus.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of October, 1976.

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NH.PUC*10/27/76*[77764]*61 NH PUC 292*Public Service Company of New Hampshire

[Go to End of 77764]

Re Public Service Company of New Hampshire

Additional petitioners: Concord Electric Company, Exeter and Hampton Electric Company, New

Hampshire Electric Cooperative, Inc., Granite State Electric Company, Municipal Electric Department of Wolfeboro, and Littleton Water and Light Department

Intervenors: Volunteers Organized in Community Education, Cities of Nashua and Franklin, and Consumers Utility Council et al.

DR 76-46, Seventh Supplemental Order No. 12,482

61 NH PUC 292

New Hampshire Public Utilities Commission

October 27, 1976

PETITIONS for authority to apply to fuel adjustment charge to monthly billings; granted.

RATES, § 303 — Fuel expenses — Recovery.

[N.H.] The commission permitted electric companies to recover varying fuel costs by application of adjustments derived by dividing the total cost for the month by the total kilowatt-hours sold.

APPEARANCES: Martin Gross and Philip Ayers for Public Service Company of New Hampshire; Joseph Ransmeier for Concord Electric Company and Exeter and Hampton Electric Company; Mayland Morse for New Hampshire Electric Cooperative, Inc.; Kirk Ramsauer for Granite State Electric Company; Guy Krapp for the Municipal Electric Department of Wolfeboro; Richard Deane for Littleton Water and Light Department; David Brock for Governor Meldrim Thomson, Jr.; Peter W. Brown for Volunteers Organized in Community Education; H. Philip Howorth for the city of Nashua; State Representative Eugene Daniell for the city of Franklin; Senator D. Alan Rock for the Consumers Utility Council.

BY THE COMMISSION:

Report

Pursuant to RSA 378 :3-a(II), the commission, on October 20 and 21, 1976, held hearings on the petitions of seven New Hampshire electric companies for authority to apply a fuel adjustment charge to regular November monthly billings to its customers.

Littleton Water and Light Department

Littleton Water and Light Department, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on October 20, 1976, filed with this commission 34th Revised Page 6 to its tariff, NHPUC No. 1 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect on November 1, 1976. Littleton purchases all of its requirements from the New England Power Company. Littleton reported that the total fuel cost billed by the New England Power Company during the month of September,

1976, was \$208.48. During this period the total kilowatt-hours sold by Littleton was 2,416,413. The fuel adjustment charge, therefore, by simple division is \$0.00008627 rounded to \$0.0001. The fuel adjustment charge proposed for the month of November, 1976, is one cent per 100 kilowatt-hours applied to all bills to be rendered in that month.

Municipal Electric Department of Wolfeboro

Municipal Electric Department of Wolfeboro, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on October 6, 1976, filed with this commission 24th Revised Page 9A to its tariff, NHPUC No. 4 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect November 1, 1976. Wolfeboro purchases all of its requirements from Public Service Company of New Hampshire. Wolfeboro reported that during the month of September, 1976, the total fuel cost billed by Public Service Company was \$ 15,108.48. During this same period the total kilowatt-hours sold by Wolfeboro was 1,914,871. The fuel adjustment, therefore, by simple division and rounded is \$0.0078 per kilowatt-hour. The fuel adjustment charge proposed for effect in the month of November is 78 cents per 100 kilowatt-hours to apply to all bills rendered in that. month.

Granite State Electric Company

Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire filed with this commission 26th Revised Page 15-A to its tariff, NHPUC No. 8 — Electricity, comprising the monthly fuel adjustment charge for effect November 1, 1976. Granite State Electric Company purchases all of its requirements from the New England Power Company. Granite State reported that the total fuel cost billed by New England Power Company was \$1,977.32. Total sales to Granite State customers during the same period were 24,729,770 kilowatt-hours. By simple division this yields \$0.00008, rounded to \$0.0001 to which is added the fixed fuel portion of \$0.0124 or \$1.24 per 100 kilowatt-hours. Thus, the proposed fuel adjustment charge applicable to bills in the month of November is proposed to be \$1.25 per 100 kilowatt-hours.

New Hampshire Electric Cooperative, Inc.

New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on October 18, 1976, filed with this commission 30th Revised Page 13 to its tariff, NHPUC No. 6 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect on November 1, 1976. The company reported that the total fuel cost billed by its several power suppliers for power during the month of September, 1976, was \$135,775. Total sales by the Co-op during the same month were 21,212,465 kilowatt-hours. By simple division, the fuel adjustment charge proposed for November is \$0.00640 rounded to \$0.0064 per kilowatt-hour. The fuel adjustment charge to be applied to all bills rendered in the month of November is proposed to be 64 cents per 100 kilowatt-hours.

Exeter and Hampton Electric Company

Exeter and Hampton Electric Company, a public utility engaged in the business of supplying

electric service in the state of New Hampshire, on October 7, 1976, filed with this commission 16th Revised Page 16 to its tariff, NHPUC No. 11 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect November 1, 1976. Exeter and Hampton purchases all of its requirements from Public Service Company of New Hampshire. Exeter and Hampton reported that the total fuel cost billed by Public Service Company for the period August 31, 1976, to September 30, 1976, was \$161,508.48. Total sales by Exeter and Hampton during that same period were 23,520,585 kilowatt-hours. The fuel adjustment charge, therefore, by simple division is \$0.00687. Thus, the fuel adjustment charge proposed to be billed during the month of November is 69 cents per 100 kilowatt-hours.

Concord Electric Company

Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on October 6, 1976, filed with this commission 20th Revised Page 15-A to its tariff, NHPUC No. 6 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect November 1, 1976. Concord Electric purchases all of its requirements from Public Service Company of New Hampshire. Concord Electric reported that the total fuel cost billed by Public Service Company during the month of September, 1976, was \$ 148,713.12. Total sales during that same period were 19,626,033 kilowatt-hours. The fuel adjustment charge by simple division is \$0.00758 per kilowatt-hour. Therefore, the fuel adjustment charge proposed to be billed during November, 1976, is 76 cents per 100 kilowatt-hours.

Public Service Company of New Hampshire

Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on October 18, 1976, filed with this commission 23rd Revised Pages 15 and 16 to its tariff, NHPUC No. 20 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect November 1, 1976.

Witness Van Der Beken, research analyst for the Public Service Company, presented testimony regarding the data for the month of September, which is used to set forth the calculation of the fuel adjustment charge as shown on Public Service Company Exh P-1 and applicable to billings in the month of November. The calculation of the November fuel adjustment reflects an increase from the previous month. The fuel adjustment charge proposed to become effective on November 1, 1976, is 70 cents per 100 kilowatt-hours. The fuel adjustment charge allowed by this commission in its Order No. 12,445 dated September 30, 1976 (61 NH PUC 267, *supra*), was 51 cents per 100 kilowatt-hours which became effective on October 1, 1976, and was applied to all bills rendered during the month of October.

The 70 cents per 100 kilowatt-hours fuel adjustment rate as proposed on p. 2 of Public Service Company Exh No. 1

reflects the coal inventory adjustment. Without the adjustment, the fuel adjustment rate would have been \$1.07 per 100 kilowatt-hours.

In its August 31, 1976, Order No. 12,380 (61 NH PUC 222, *supra*), the commission

commenced refunds to retail customers. On September billings, Public Service Company retail customers realized a ten cents per 100 kilowatt-hours reduction in their monthly fuel adjustment clause. In that month, the company returned \$311,644.01 to its retail customers. In equivalent tons, this represents 9,157.92 tons.

In its September 30, 1976, Order No. 12,445, the commission continued refunds to retail customers. In October billings, Public Service Company retail customers realized a 47 per 100 kilowatt-hours reduction in their monthly fuel adjustment clause due to the coal inventory adjustment. In that month the Public Service Company returned \$1,495,767.80 to its retail customers. In equivalent tons this represents 43,954.39 tons.

The company, earlier in these proceedings, contended that it should retain a portion of the coal inventory adjustment. The company has now indicated it will not retain any portion of the adjustment. Calculations were submitted showing the allocation of the adjustment to retail customers without any retention. In equivalent tons, this is shown to be 82,861.53 tons. Since 53,112.31 tons have been refunded to retail customers 29,749.22 tons (82,861.53 tons less 53,112.31 tons) remains to be refunded.

All of the tons in the coal adjustment have been returned to customers at the current cost of coal (\$34.03 per ton)

reflecting the settlement that Public Service Company had made with its coal supplier. Thus the dollar value of the remaining coal adjustment of 29,749.22 tons is \$1,012,366, which will be returned as nearly as possible to customers in November.

In addition to the coal adjustment refund, there is a Btu deficiency adjustment refund also reflecting a settlement Public Service Company had with its coal supplier. This Btu settlement is reflected as a credit to the company which will be passed on to its customers. The retail share of the Btu adjustment is \$184,579, which brings the total remaining refund to \$1,196,945. This is reflected in the November surcharge and will be refunded as nearly as possible in that month.

The precise amount refunded will not be known until actual November kilowatt-hour sales are known. It will be necessary to further examine these actual figures either during the December, 1976, or January, 1977, hearing (when actual November figures are available) to arrive at the final refund. Any data and/or exhibits filed by the company during any of these proceedings with respect to the refund will be open to review in determining the final refund at the December, 1976, or January, 1977, hearing, but not in the November hearing (record: Transcript p. 3 — 100).

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that 23rd Revised Pages 15 and 16 of Public Service Company of New Hampshire tariff, NHPUC No. 20 — Electricity, providing for the monthly fuel surcharge of 70 cents per 100

kilowatt-hours for the month of November, 1976, be, and hereby are, permitted to become

effective November 1, 1976; and it is

Further ordered, that 20th Revised Page 15-A of Concord Electric Company tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of 76 cents per 100 kilowatt-hours for the month of November, 1976, be, and hereby is, permitted to become effective November 1, 1976; and it is

Further ordered, that 16th Revised Page 16 of Exeter and Hampton Electric Company tariff, NHPUC No. 11 — Electricity, providing for the monthly fuel surcharge of 69 cents per 100 kilowatt-hours for the month of November, 1976, be, and hereby is, permitted to become effective November 1, 1976; and it is

Further ordered, that 30th Revised Page 13 of New Hampshire Electric Cooperative, Inc., tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of 64 cents per 100 kilowatt-hours for the month of November, 1976, be, and hereby is, permitted to become effective November 1, 1976; and it is

Further ordered, that 26th Revised Page 15-A of Granite State Electric Company tariff, NHPUC No. 8 — Electricity, providing for the monthly fuel surcharge of \$1.25 per 100 kilowatt-hours for the month of November, 1976, be, and hereby is, permitted to become effective November 1, 1976; and it is

Further ordered, that 24th Revised Page 9A of Municipal Electric Department of Wolfeboro tariff, NHPUC No. 4 — Electricity, providing for the monthly fuel surcharge of 78 cents per 100 kilowatt-hours for the month of November, 1976, be, and hereby is, permitted to become effective November 1, 1976; and it is

Further ordered, that 34th Revised Page 6 of Littleton Water and Light Department tariff, NHPUC No. 1 — Electricity, providing for the monthly fuel surcharge of one cent per 100 kilowatt-hours for the month of November, 1976, be, and hereby is, permitted to become effective November 1, 1976.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of October, 1976.

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NH.PUC*10/29/76*[77765]*61 NH PUC 297*Public Service Company of New Hampshire

[Go to End of 77765]

Re Public Service Company of New Hampshire

Intervenors: Volunteers Organized in Community Education, Legislative Utility Consumers' Council, Cities of Nashua, Franklin, and Kenne et al.

DR 76-124, Supplemental Order No. 12,483

61 NH PUC 297

New Hampshire Public Utilities Commission

October 29, 1976

INQUIRY into electric company's fuel adjustment clause.

1. PROCEDURE, § 8 — Joinder of parties — Litigation before federal commission.

[N.H.] The commission denied a motion to join parties where it found that the parties were active intervenors and protestants in proceedings pending before a federal commission. p. 298.

2. PROCEDURE, § 8 — Joinder of parties — Municipal corporation.

[N.H.] The commission denied a motion for joinder where it found that the companies proposing the motion to join served customers and operated solely within corporate limits and, thus, it was not within the commission's jurisdiction to require any joinder of these parties in this proceeding. p. 299.

3. COMMISSIONS, § 48 — Staff participation — Statutes.

[N.H.] The commission denied a motion for staff participation filed by intervenors where the commission found that it reserved the right to use and direct its staff in accordance with the procedural rules in this case; the commission further reserved the right to hire attorneys, experts, accountants, or other assistance as it was authorized to do under the provisions of state statutes. p. 299.

4. PARTIES, § 18 — Intervenors — Lead counsel.

[N.H.] The commission, in a proceeding that had numerous intervenors, approved an authorization agreement wherein two attorneys were authorized to act as lead counsel on intervenors' behalf for the purpose of signing, after oral consultation, an requests, motions, notices, and applications filed in connection with the proceeding. p. 300.

5. PARTIES, § 18 — Intervenors — Limitations.

[N.H.] The commission limited intervention to parties named in its order and would not allow additional intervention unless unusual, exceptional, or compelling circumstances could be shown. p. 300.

6. PARTIES, § 18 — Challenged participation — Stated but unexplained objections.

[N.H.] Where intervenors had challenged a party's participation in an investigation but chose not to verbally enunciate their objections at a prehearing conference nor to make a written submission to the commission, the commission ruled that the matter was closed and that no challenge of this nature was available to any intervenor for the duration of the proceeding. p. 300.

APPEARANCES: Martin L. Gross and Philip Ayers for Public Service Company of New Hampshire; Peter W. Brown for Volunteers Organized in Community Education; David Brock for Governor Meldrim Thomson, Jr.; Senator D. Alan Rock for the Legislative Utility Consumers' Council; Eugene S. Daniell for the city of Franklin; H. Philip Howorth and Morgan Hollis for the city of Nashua; Arthur Ferlan, pro se; Samuel M. King, pro se.

BY THE COMMISSION:

Report

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Background

By its Order No. 12,384 dated September 1, 1976 (61 NH PUC 230, *supra*), the commission instituted these fuel adjustment clause inquiry proceedings. On October 8, 1976, company counsel filed a motion to delineate procedure. Also on October 8, 1976, intervenors filed a letter, which the commission treats as a motion, for a prehearing conference for the purpose of organizing the subject matter, establishing schedules, and determining basic procedure governing the proceedings. Since it was the consensus of all known intervenors that procedure should be delineated, the commission held a prehearing conference on October 14, 1976, in lieu of commencement of hearings on the merits on which it was ready to proceed.

Stipulation of the Parties

Subsequent to the prehearing conference, the company and intervenors filed stipulation of parties as to prehearing discovery and scheduling of hearings. Said stipulation is filed subject to the approval of the commission. It is accepted in part, modified in part, and supplemented. As modified and supplemented it appears attached as an appendix and is made a part hereof.

Motions

[1] On October 15, 1976, attorneys Brown, and Brock acting under an authorization by other intervenors, filed a motion to join parties; i.e., Concord Electric Company, the town of Ashland, New Hampshire, the New Hampton (New Hampshire) village precinct, Exeter and Hampton Electric Company, the New Hampshire Electric Cooperative, Inc., and the town of Wolfeboro, New Hampshire.

The motion states in essential part that each of the named companies has an obligation "not to blindly accept and pass on to its retail customers charges, in the form of monthly fuel adjustment charges, made to it by Public Service Company without taking reasonable steps to assure itself that such charges are, in fact, fair, just, and reasonable."

Currently, in Federal Power Commission (FPC) Docket No. ER76-285 (NHPUC Informal Docket No. IR 14,423) that commission is considering certain fuel clause revisions in contracts the Public Service Company has with its resale customers, namely, Concord, Ashland, New Hampton, Exeter, the Co-op, and Wolfeboro. Those companies have, in fact, intervened in these proceedings before the FPC and are represented by counsel. Some have filed briefs, motions, and protests, and all are actively engaged in protecting their interests on behalf of their retail customers.

Currently, also in FPC Docket No. ER76-505 (NHPUC Informal Docket No. IR 14,455) that commission is considering a Public Service Company filing requesting increases in the rates it charges to all of its firm wholesale for resale customers (listed above). Interventions, protests, and motions have been made by these parties. They are, thus, actively engaged in protecting their interests on behalf of their retail customers.

The actions taken by these resale companies clearly indicate that they are not blindly accepting and passing on fuel adjustment charges made by the Public Service Company. Rather, these companies are active intervenors and

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protestants in this regard. Accordingly the motion to join parties is denied.

[2] The motion seeks to join the town of Ashland, New Hampshire, and the New Hampton, New Hampshire, village precinct. As to these parties there is an additional reason to deny the motion to join. Both of these companies serve customers and operate solely within their corporate limits and, thus, it is not within our jurisdiction to require any joinder of these parties in this proceeding (see RSA 362:2).

There is an additional series of reasons to deny joinder which were advanced by one of the parties the intervenors seek to join. John Pillsbury, general manager of the New Hampshire Electric Cooperative, Inc., testified at the October monthly fuel adjustment charge hearing (DR 76-46) that his company is not interested in intervening, participating, or in any way becoming a party to any proceeding involving the relationship of Public Service Company with any of its suppliers; i.e., Sprague, Conoco, or Consolidation Coal. This was a direct reference to docket DR 76-124, the general fuel adjustment clause inquiry. Pillsbury's direct and concise testimonial statements impeach the reasons advanced by intervenors to join companies such as the Co-op.

Pillsbury testified that traditionally his company did not look beyond the reported figures in Public Service Company books. The Co-op recognizes the jurisdiction of the FPC and the New Hampshire Public Utilities Commission to do this. The Co-op relies on the exercise of the jurisdictional powers of the New Hampshire Public Utilities Commission and the FPC to examine the accounting methods and other dealings of Public Service Company. It was the action of the New Hampshire Public Utilities Commission, for example, that revealed the coal pile inventory discrepancy.

Practically speaking, the Co-op is not financially able to enter every proceeding. It is neither feasible nor practical for the Co-op to look beyond the books of the Public Service Company. The Co-op, while having a general interest in matters such as are raised by DR 76-124, has no interest in joining any such proceeding, or any proceeding regarding antitrust violations by Public Service Company oil suppliers as was suggested by one of the intervenors. Pillsbury stated that no appearance by the Co-op in DR 76-124 would enhance the discovery in that proceeding, nor would the Co-op's appearance in any way insure the success of such a proceeding.

The Co-op's position as a firm wholesale for resale customer is analagous to the position of Exeter, Concord, Ashland, New Hampton, and Wolfeboro. These companies are represented by counsel in proceedings before the FPC and they rely on opinion of counsel in matters regarding intervention. All of the testimonial statements by Pillsbury are applicable, it seems, to the other wholesale for resale customers of the Public Service Company.

[3] The motion for staff participation filed by intervenors is denied. The commission reserves the right to use and direct its staff in any way that will cause a full and complete investigation

and that will lead to the prompt and efficient resolution of the matters in this proceeding. The commission will exercise its prerogative to use and direct its staff in a manner consistent with past practices and current rules of practice and procedure (Rule C 16). The commission further reserves the right to hire

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attorneys, experts, accountants, or other assistants as it is authorized to do under the provisions of RSA 365:38. The staff shall participate by examining all documents, testimony, depositions, and exhibits in this proceeding which fall within the area of expertise of the specific staff member or department, and in accordance with the procedural rules promulgated with this order. Staff shall study and examine said materials and engage in whatever reasonable cross-examination of witnesses as may be required to cause the full and complete disposition of the matter in this proceeding. Staff will, on the basis of its study and questioning, submit written recommendations to the commission to be considered by the commission in its final decision.

By request of intervenors the following motions and requests are considered withdrawn from consideration by the commission:

1. Motion of the city of Franklin for Public Service Company to produce certain documents dated October 4, 1976, and
2. Letter request of the city of Nashua for certain information from Public Service Company dated October 8, 1976.

By further request of intervenors the Public Service Company, October 7, 1976, motion to delineate procedure and the VOICE, October 8, 1976, letter motion regarding procedure are considered withdrawn reserving to those parties the right to renew these motions in the event of a disagreement.

Intervenors

The commission recognizes and accepts the following parties as intervenors in these proceedings: VOICE represented by Peter W. Brown; Governor Meldrim Thomson, Jr., represented by David Brock; Legislative Utility Consumers' Council represented by Steven Ruback and Senator D. Alan Rock; city of Nashua represented by H. Philip Howorth and Morgan Hollis; city of Franklin represented by Eugene Daniell; city of Keene represented by Charles H. Morang; Albert Theriault, pro se; Arthur Ferlan, pro se; Samuel King, pro se.

[4] All intervenors, with the exception of the city of Keene and Theriault, executed an authorization authorizing attorneys Brown and Brock to act as lead counsel on their behalf for the purpose of signing, after oral consultation, all requests, motions, notices, and applications filed in connection with this matter.

The commission recognizes the benefits of such an arrangement to it and to all intervenors and accepts the arrangement as part of the procedure to be followed in this proceeding. For consistency, the commission will require all of the above named intervenors to acquiesce in this authorization.

[5] The commission will limit intervention to the above named intervenors and will not allow

additional intervention beyond the date of this order unless unusual, exceptional, or compelling circumstances can be shown. Any intervenor permitted by the commission to file an appearance after the date of this order shall be bound by the terms of this order.

Prehearing Conference

[6] Intervenor Brock expressly requested that his right be reserved to make further inquiry into and raise questions concerning the participation of Martin Gross and his appearance on

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behalf of the Public Service Company Intervenor Howorth joined in this request. None of the intervenors; elaborated on the nature of their inquiry.

The chairman presiding ruled at the hearing that the matter resolving Mr. Gross' participation "has to be resolved very early in the proceedings here" ... and "specific objections ... to Mr. Gross' firm participating in these proceedings will have to be made known to the commission so we can make a ruling." The chairman further stated that "it would be advisable that those objections be reduced to writing so that the commission is in a position to make a ruling."

To date no written objections have been filed. Other written documents, namely, stipulations and motions have been filed by intervenors but none of them address the issue of the participation of Gross or his firm.

It is no longer "very early" in these proceedings. Over two weeks have elapsed and the commission has received and examined numerous documents and has issued this procedural order. The intervenors have apparently chosen not to make their objection known in a written submission to the commission. Also, they chose not to verbally enunciate their objections at the prehearing conference. Thus, there is nothing, therefore, for the commission to rule upon regarding the stated but unexplained objections of certain intervenors.

A matter such as a challenge to a party's participation is essential to the proceedings. Since there has not been an oral or written explanation and since the proceedings are fully under way with the issuance of this order, the commission rules the matter closed as far as its records are concerned and no challenge of this nature is available to any intervenor during these proceedings.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that all parties to this proceeding shall comply with the procedures set forth in the foregoing report; and it is

Further ordered, that any subsequent procedural questions outside the scope of the foregoing prescribed procedures be submitted to the commission for determination.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of October, 1976.

Appendix

1. *Exchange of Information between Public Service Company and Intervenor.*

(a) All requests on the part of intervenors for information to be supplied by Public Service Company shall be submitted through attorneys Brock and Brown, who are to act as the clearinghouse for intervenors' requests.

(b) All such requests for information shall be directed at Public Service Company through its attorney, Martin L. Gross.

(c) The "clearinghouse" shall provide copies of all such requests for information to the commission staff. The "clearinghouse" shall provide copies of all such requests for information to the commission executive secretary (five copies), commission finance director (four copies), and commission chief engineer (three copies).

(d) Public Service Company consents that the commission staff may cooperate with intervenors in providing information

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relevant to this proceeding which has been obtained by the staff subject to customary practice and the commission rules of practice and procedure (Rule C 13) which states that " Participation by Staff. Members of the commission's staff generally appear neither in support of nor in opposition to any cause but rather solely to discover and present facts pertinent to the issues."

(e) Public Service Company shall submit all requests for information from the intervenors through the "clearinghouse." Public Service Company shall provide copies of all such requests for information to the commission executive secretary (five copies) commission finance director (four copies), and commission chief engineer (three copies).

(f) Depositions may be used as a discovery device after requests for information have been responded to and information has been gathered.

(g) All information furnished to any party at the request of any other party and all depositions shall be furnished also to the commission executive secretary (five copies), the commission finance director (four copies), and the commission chief engineer (three copies).

2. Use of information obtained through discovery.

(a) Information furnished in response to written requests may be introduced into evidence if agreed to by the parties. In the absence of such agreement the parties may move for leave to introduce the deposition or portions thereof into evidence, subject to the right of another party to object thereto.

3. Depositions of independent experts.

(a) Depositions of independent experts who are to be called as witnesses may be taken, subject to the general procedures for depositions established herein provided that the party requesting the deposition underwrites any expert witness fees and expenses involved.

4. Time schedules.

(a) Written requests for information shall be responded to no later than thirty days after receipt.

(b) Notice of deposition shall be served no later than ten days prior to the proposed date of

deposition.

(c) Testimony of all witnesses is to be prefiled at least twenty-one days prior to the first scheduled date of the witness' testimony. Such prefiled testimony shall include the exhibits intended to be offered into evidence through that witness.

(d) The parties agree that February 15, 1977 shall be the date upon which all discovery shall be at an end. At that time, there shall be no further responsibility of any party to respond to requests for information or depositions. This agreement is subject to the time limits set forth above concerning responses to requests for information and notices of depositions and means that all requests for information and notices of depositions must be served in sufficient time to permit responses or completion of the deposition by no later than February 15, 1977.

(e) Hearings shall commence March 8, 1977, and may continue on March 9th and 10th. Thereafter hearings shall be held on April 5th, and may continue on April 6th and 7th. Further hearings may be held upon notice by the commission to all parties. The commission will consider parties' recommendations on further hearing dates.

(f) The parties shall make their recommendations as to further hearing dates and subject matter to be covered on the scheduled and unscheduled hearing

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dates no later than January 15, 1977 The commission shall have until February 1, 1977, to consider the parties recommendations. All parties will be notified no later than February 1, 1977, as to further hearing dates and of the subject matter to be considered on those hearing dates.

(g) The parties agree to cooperate with each other to prepare joint recommendations as to hearing dates and subject matter of hearings. In the event the parties are unable to agree as to all or any of such matters, they shall submit their dispute to the commission, which will determine the question.

(h) The parties shall submit a partial list of exhibits concurrently with the filing of prefiled testimony. All exhibits shall bear the following notation in the upper right hand corner of the front page of the exhibit. NHPUC Docket DR 76-124 Exhibit No. ___ Witness ___

5. Information sought from third persons.

(a) Copies of any written requests for commission or commission staff assistance in obtaining information from third persons shall be provided to the other parties, including the commission executive secretary (five copies), the commission finance director (four copies), and the commission chief engineer (three copies).

(b) Copies of any written materials obtained by the commission staff from third persons shall be provided to all parties, and to the commission executive secretary (five copies).

(c) Public Service Company will use its good offices with its suppliers of fossil fuel, NEPOOL. persons who purchase power from Public Service Company or sell power to Public Service Company. to obtain their cooperation in providing response to reasonable requests of the intervenors for information, testimony, and evidence.

6. Updating Information.

(a) The parties agree to update information and testimony previously provided, in case changes of circumstances render the previously provided information inaccurate.

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NH.PUC*10/29/76*[77767]*61 NH PUC 305*Concord Natural Gas Corporation

[Go to End of 77767]

Re Concord Natural Gas Corporation

Additional petitioners: Gas Service, Inc., Manchester Gas Company, and Northern Utilities, Inc., Allied Gas Division

DR 76-149 et al. Order No. 12,485

61 NH PUC 305

New Hampshire Public Utilities Commission

October 29, 1976

PETITION by gas companies for changes in their cost of gas adjustment; suspended pending action by federal commission.

BY THE COMMISSION:

Order

Whereas, the above named companies filed proposed winter cost of gas adjustments for effect November 1, 1976, reflecting increases passed on by their suppliers; and

Whereas, at public hearing held on October 26, 1976, it became apparent that the Federal Power Commission has very recently stated that such increases are a misrepresentation of the language of its Opinion No. 770 (15 PUR4th 21) regarding new producer rates; and

Whereas, it also became apparent that the Federal Power Commission is revising its Opinion No. 770 regarding this entire matter it is

Ordered, that all of the tariffs filed by these New Hampshire companies for effect on November 1, 1976, be, and hereby are, suspended pending further action by the Federal Power Commission and further revisions ordered by this commission; and it is

Further ordered, that the summer cost of gas adjustment of these companies shall remain in effect until further order of this commission.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of October, 1976.

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NH.PUC*10/29/76*[77768]*61 NH PUC 306*New Hampshire Electric Cooperative, Inc.

[Go to End of 77768]

Re New Hampshire Electric Cooperative, Inc.

DE 76-115

61 NH PUC 306

New Hampshire Public Utilities Commission

October 29, 1976

PETITION by electric cooperative for condemnation of property, granting of perpetual easement, and right of way for transmission line across privately owned land; disposed of by agreement between the parties.

EMINENT DOMAIN, § 10 — Agreement between parties — Necessity and damages.

[N.H.] Where the parties to a condemnation proceeding had presented the commission with an agreement on the necessity of the taking, and had set the damages for the construction and maintenance of a transmission line there was no need for the commission to make any further determination.

APPEARANCES: Thomas W. Morse for the New Hampshire Electric Cooperative, Inc.; John O'Shea for Anne K. Hall.

BY THE COMMISSION:

Report

By its petition filed August 20, 1976, the New Hampshire Electric Cooperative, Inc., requests from this commission pursuant to RSA 371, a grant for a right of way for the construction and maintenance of a transmission line from an existing Pole No. 48/101 on Long Island in Lake Winnepesaukee in the town of Moultonboro, New Hampshire, across the property currently of Anne K. Hall to the property currently of Willard F. Stearns. A duly noticed hearing was held at the office of the commission on October 14, 1976.

During the hearing, the commission was presented with an agreement between the parties. Accordingly, since the parties have agreed to necessity and damages, there is no need for the commission to make any determination in the matter. No order will issue.

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NH.PUC*10/29/76*[77769]*61 NH PUC 306*New Hampshire Electric Cooperative, Inc.

[Go to End of 77769]

Re New Hampshire Electric Cooperative, Inc.

DE 76-116
61 NH PUC 306
New Hampshire Public Utilities Commission
October 29, 1976

PETITION by electric cooperative for condemnation of property, granting of perpetual easement, and right of way for transmission line across privately owned land; disposed of by agreement between the parties.

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EMINENT DOMAIN, § 10 — Agreement between parties — Necessity and damages.

[N.H.] There was no need for the commission to make any further determination in a condemnation proceeding where the parties had presented the commission with an agreement on the necessity of the taking, and had set the damages for the construction and maintenance of a transmission line.

APPEARANCES: Thomas W. Morse for the New Hampshire Electric Cooperative, Inc.

BY THE COMMISSION:

Report

By its petition filed August 18, 1976, the New Hampshire Electric Cooperative, Inc., requests from this commission pursuant to RSA 371, a grant for a right of way for the construction and maintenance of a transmission line from an existing Pole No. 6301/7 in the town of North Woodstock, New Hampshire, across the property of G & M Realty, and continuing on across a branch of the Pemigewasset river, said extension for the purpose of extending electric service to R & T LaFontaine as well as to insure the availability of facilities for future extension of service.

A duly noticed hearing was held at the office of the commission October 14, 1976.

Counsel for the New Hampshire Electric Cooperative, Inc., presented the commission with a settlement. Accordingly, since both parties have agreed to necessity and damages there is no need for the commission to make any determination in the matter. No order will issue.

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NH.PUC*10/31/76*[77766]*61 NH PUC 303*New Hampshire Electric Cooperative, Inc.

[Go to End of 77766]

Re New Hampshire Electric Cooperative, Inc.

DE 76-114, Order No. 12,484
61 NH PUC 303
New Hampshire Public Utilities Commission
October 31, 1976

PETITION by electric cooperative for condemnation of property and granting of perpetual easement, granted.

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EMINENT DOMAIN, § 5 — Necessity of taking — Impact on property.

[N.H.] The commission granted an electric cooperative's petition for condemnation of property and a perpetual easement and right of way over privately owned land for a proposed extension of electric service where the commission found that there would be no adverse impact upon the environment.

APPEARANCES: Thomas W. Morse for the New Hampshire Electric Cooperative, Inc.; Roger Clark, pro se.

BY THE COMMISSION:

Report

By its petition filed August 19, 1976, the New Hampshire Electric Cooperative, Inc., requests from this commission pursuant to RSA 371, a grant for a right of way for the construction and maintenance of a transmission line from an existing Pole No. 13/146 XB, located upon land owned by Roger C. Clark in the town of Plymouth, New Hampshire, across property of said Roger C. Clark for the purpose of extending electric service to property of Neil F. McIver. A duly noticed hearing was held at the office of the commission on October 14, 1976.

John Pillsbury, general manager for the New Hampshire Electric Cooperative, Inc., testified that Neil F. McIver applied for electric service to his new home in Plymouth, and that the company has determined that the most practical route to serve the premises is across land of Roger C. Clark, extending from an existing Pole No. 13/146XB approximately 83 feet southwesterly to the McIver property, and continuing further some 143 feet to the McIver home. Mr. McIver testified as to the need for electric service. His home has been erected, and service is necessary to complete the construction and allow his family to live there as permanent residents.

Clark testified that he owns the property upon which the existing electric distribution system is located and from which the proposed extension is to be made to the McIver property. He acknowledged the necessity of the electric service to the McIver property, and that extension from his property was reasonable and logical. He gave as his opinion that the Co-op should pay \$250 damages, but indicated that this value was not based upon real damages to his property.

Charles E. Swanson testified for the New Hampshire Electric Cooperative as to the consideration of alternate access routes. The nearest distribution line from which an alternate line could be constructed is 1,600 feet from the property, and would necessitate the installation of nine additional poles.

Witness Pillsbury opined that based upon his views of other properties and his experience in similar matters, the damages should be \$25.

The commission conducted a view on October 14, 1976, in the presence of Messrs. Clark and McIver.

It is the commission's opinion that there will be no adverse impact on the Clark property by the installation of such an extension, in view of the fact that that portion of the property appears to be used primarily for carrying excess waterflow when the adjoining brook overflows, and for growing timber. We see no adverse impact upon either one. We find that the damages should be \$25. Necessity is uncontested. Our order will issue accordingly.

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Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the New Hampshire Electric Cooperative, Inc., be, and hereby is, ordered to pay the sum of \$25 in damages to Roger C. Clark in accordance with the material submitted in this case and contained in the commission files and made a part of these proceedings; and it is

Further ordered, that the New Hampshire Electric Cooperative, Inc., shall notify all of the parties of the action that this commission has taken.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of October, 1976.

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NH.PUC*11/08/76*[77770]*61 NH PUC 307*Concord Natural Gas Corporation

[Go to End of 77770]

Re Concord Natural Gas Corporation

Additional petitioners: Gas Service, Inc., Manchester Gas Company, and Northern Utilities, Inc., Allied Gas Division

DR 76-149 et al. Supplemental Order No. 12,487

61 NH PUC 307

New Hampshire Public Utilities Commission

November 8, 1976

PETITION of utilities for cost of gas adjustment; granted as modified.

RATES, § 303 — Cost of gas adjustment — Averaging.

[N.H.] In setting utilities' cost of gas adjustment, the commission stated that its intent was to allow the fluctuating costs of natural gas to be averaged over a six-month period in order to allow customers to anticipate and budget for their monthly bills.

APPEARANCES: John McLane for Manchester Gas Company; Charles Toll for Gas Service, Inc., and Natural Gas Corp.; Milton F. Todd, assistant treasurer, for Northern Utilities, Inc., Allied Gas division; Steven W. Ruback for the Legislative Utility Consumers' Council.

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BY THE COMMISSION:

Report

On September 30, 1976 the above named companies submitted calculations for the cost of gas adjustment (CGA) for the winter period, November 1, 1976, through April 30, 1977.

The following tabulation sets forth the initial CGAs which were filed and the effect that these increases would have on a typical consumer's bill:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Company</i>	<i>(Per Therm)</i>	<i>(Per Therm)</i>	<i>Proposed Winter CCA Net Effect Bill (200 Therms)</i>	<i>Per Cent Increase In Residential</i>
Concord Natural Gas Gas Service, Inc.		\$0.1115	\$0.0561	27
Nashua	0.0702	0.0987	57	
Keene	0.0404	0.0204	16	
Laconia	0.0373	0.0446	41	
Manchester Gas Co.	0.0739	0.0861	40	
Northern Utilities	0.1333	0.1004	22	

Due to the significant proposed price increases to gas customers, a duly noticed public hearing was held at the office of the commission to determine the causes of the increases and the actions the distribution companies were taking regarding the increases.

The CGA is designed to average anticipated price increases and to stabilize customers' bills over a six-month period. In calculating the price adjustment, the companies are only allowed to collect for the increased costs of gas which they must purchase to meet their commitments to the customers. Typically, the CGA calculations have been comprised of the following three items:

1. Total cost that each company will pay to the transmission companies for natural gas. These rates are set by tariffs approved by the Federal Power Commission.

2. The anticipated cost of supplemental gas required to meet the customers' requirements. The quantity of supplemental gas purchases, in the form of LNG and propane, is determined by the difference between the availability of natural gas and the customers' demand.

3. An adjustment to reflect the extent that the gas price adjustment revenues were greater or less than actual costs for the previous six months.

These items are included in the CGA filings and have been found to be appropriate. With the price of natural gas assumed constant at its present rate, the CGA from these three items would not have reflected a significant change.

However, in the following six months, the Federal Power Commission (FPC) plans to implement three price increases. These increases will be in the cost of gas which the distribution companies must pay to the transmission line companies for natural gas. The three increases scheduled are as follows:

1. An increase in the price of natural

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gas scheduled to become effective December 1, 1976, as a result of Opinion No. 770 issued by the FPC on July 27, 1976 (15 PUR4th 21).

2. A semiannual flowthrough of increased costs authorized by the FPC to take effect January 1, 1977. Tennessee Gas Pipeline Company (TGP) has estimated that they will be filing for 0.07 per cent per Mcf increase.

3. An increase in rates by TGP to all distribution companies. The rate filing was made before the FPC under Docket No. RP76-137 filed in July, 1976, and will take effect February 1, 1977, under bond unless settled prior to that date.

The most significant of these increases is from Opinion No. 770. This decision increased the cost of gas from wells commenced on or after January 1, 1975, to \$1.42 per Mcf with an escalation of one cent per quarter. In addition, gas from wells commenced between January 1, 1973, and December 31, 1974, was increased to \$1.01 per Mcf. The previous nationwide ceiling rate was 52 cents per Mcf. The increased rates are designed to reverse the trend of diminishing dedications of new gas supplies to the interstate market. Interstate pipeline companies tracking producer increases filed proposed rates. The FPC has very recently stated that such increases are a misrepresentation of the language of Opinion No. 770 allowing higher ceiling rates for new gas.

The intention of Opinion No. 770 was to authorize higher rates for natural gas to stimulate production in response to statistics showing declining reserves and need for curtailment to gas customers. The FPC originally estimated that Opinion No. 770 would result in approximately 51.5 billion in total extra costs to consumers during the first year. Producer and transmission company tariff filings proposed rates that would have resulted in estimated extra charges to consumers of over 52 billion. The FPC recently stated that such increases based on these filings are a misrepresentation of the language of Opinion No. 770 allowing higher ceiling rates for new gas (see FPC News Release No. 22687, October 21, 1976, Docket No. RP72-110).

As a result of other FPC action on October 21, 1976 (see Ex's MM5 and MM6 in DR 76-151) producers were required to make new filings on or before November 1, 1976; pipeline (transmission) companies were required to refile their CGA adjustment on or before November

10, 1976, and the effectiveness of such revised tariff filings was deferred until December 1, 1976.

On the basis of the October 21st orders requiring new FPC tariff filings the New Hampshire distribution companies proposed changes in the Opinion No. 770 portion of their filings with this commission. The New Hampshire companies testified that they expected the FPC would finally authorize tariffs (for effect December 1, 1976) calculated to produce 22 per cent less revenue than previously proposed by the Tennessee Gas Pipeline Company, the supplier of the companies in this proceeding. Thus, the New Hampshire companies submitted exhibits amending their original calculations, reduced by 22 per cent. The revised CGAs are:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Company	Revise CGA	
	(Per Therm)	Net Effect
Concord Natural Gas Service Inc.	\$0.1000	-\$0.0115
Nashua	0.0595	0.0107
Keene	0.0404	-
Laconia	0.0257	0.0116
Manchester Gas	0.0634	0.0105
Northern Utilities	0.1219	0.0114

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The net decrease in the filed CGA reflects the 22 per cent reduction in the effects of Opinion No. 770 and the result of the effective date of implementation being delayed until December 1, 1976. The estimating procedure used by the gas companies in arriving at the CGA is, in our opinion, reasonable and in accordance with the intent of the CGA as well as the intent of Opinion No. 770.

On November 5, 1976, subsequent to this commission's hearing, the FPC issued Opinion No. 770-A ([FPC 1976] 17 PUR4th 317) revising its earlier Opinion No. 770. The revision confirms the cost of new gas at \$1.42 per Mcf but reduces the cost of gas dedicated between January 1, 1973, and December 31, 1974, from \$1.01 per Mcf to 93 cents per Mcf adding for the first time a one cent escalator provision. The decision extends producer tariff filings to November 12, 1976, and pipeline (transmission) companies tariff filings to November 22, 1976. These tariffs will still become effective on December 1, 1976. The FPC estimates that the revised decision will result in from \$1.49 billion to \$1.78 billion in total extra costs to consumers. This, most recent estimate is comparable to the figures reported by the New Hampshire companies in their testimony and on which they based their revised CGAs (listed above).

This commission, on October 29, 1976, issued its Order No. 12,485 (61 NH PUC 305, *supra*) suspending the effective date of the winter CGA pending the FPC revision of its Opinion No. 770. The effect of the producer and transmission company tariffs will not precisely be known until December 1, 1976. The companies have, however, provided the commission with estimates reasonably calculated to coincide with expectable monetary effect of new supplier tariffs.

The commission has considered allowing only those charges which are presently known to be included in the cost of gas adjustment. This would require the gas companies to resubmit new

tariff pages as the FPC approves the new rates and orders them into effect. Considering the three cases before the FPC, this method would require the distribution companies to submit revised cost of gas adjustments on December 1, 1976, January 1, 1977, and February 1, 1977. With each increase in the interstate rates, the CGA would be increasing to the consumer. Accepting this method would have the consumer paying four different rates for gas over a six-month period. This is precisely what the CGA was designed to eliminate.

The CGA was adopted to allow the fluctuating costs of natural gas to be averaged over a six-month period. With this clause, customers are charged a stabilized price over a six-month period and can, therefore, anticipate and budget for monthly bills. Similarly, the company is not required to make continuous filings over a short period for price increases which they have no control over. In carrying out the intent of the CGA, the New Hampshire companies have presented to this commission a proposed CGA which should produce an even rate over a six-month period and eliminate rate fluctuations during that period.

The proposed CGA may be changed during the six-month period if the unit cost of gas materially deviates from the unit cost of gas authorized by this decision (see existing tariff provisions). We are satisfied that these existing tariff provisions provide adequate customer protection in the event of material deviations.

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Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Section 2, Fifth Revised Page No. 3 of Gas Service, Inc. (Nashua) tariff, NHPUC No. 5 — Gas; Section 4, Fourth Revised Page No. 3 of Gas Service, Inc. (Laconia) tariff, NHPUC No. 5 — Gas; Sixth Revised Page No. 20 of Manchester Gas Company tariff, NHPUC No. 12 — Gas; Third Revised Page No. 22A of Northern Utilities, Inc., Allied Gas division tariff, NHPUC No. 6 — Gas; and Fourth Revised Page No. 21 of Concord Natural Gas Corporation tariff, NHPUC No. 13 — Gas, be, and hereby are, rejected; and it is

Further ordered, that Gas Service, Inc. (Nashua) shall submit revised tariff pages to reflect a cost of gas adjustment of \$0.0595 per therm as described in Gas Service, Inc., Exh 1 submitted at the public hearing; and it is

Further ordered, that Gas Service, Inc. (Laconia) shall submit revised tariff pages to reflect a cost of gas adjustment of \$0.0257 per therm as described in Gas Service, Inc., Exh 2 submitted at the public hearing; and it is

Further ordered, that Manchester Gas Company shall submit revised tariff pages to reflect a cost of gas adjustment of \$0.0634 per therm as described in Manchester Gas Company Exh MG-2 submitted at the public hearing; and it is

Further ordered, that Northern Utilities, Inc., Allied Gas division, shall submit revised tariff pages to reflect a cost of gas adjustment of \$0.1219 per therm as described in Northern Utilities, Inc., Allied Gas division, Exh NU-3 submitted at the public hearing; and it is

Further ordered, that Concord Natural Gas Corporation shall submit revised tariff pages to reflect a cost of gas adjustment of \$0.1000 per therm as described in Concord Natural Gas Corporation Exh I submitted at the public hearing; and it is

Further ordered, that upon the filing of the referenced exhibits as tariffs they shall become effective; and it is

Further ordered, that Section 3, Fourth Revised Page 3 of Gas Service, Inc. (Keene) tariff, NHPUC No. 5 — Gas be, and hereby is, permitted to become effective with all current bills rendered on or after November 1, 1976; and it is

Further ordered, that said tariff filings are subject to further revisions by supplemental order of this commission; and it is

Further ordered, that public notice of these provisions be given by publication of this order in newspapers having a general circulation in the territories served.

By order of the Public Utilities Commission of New Hampshire this eighth day of November, 1976.

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NH.PUC*11/10/76*[77771]*61 NH PUC 312*Mountain Springs Water Company, Inc.

[Go to End of 77771]

Re Mountain Springs Water Company, Inc.

DE 6481, Supplemental Order No. 12,489

61 NH PUC 312

New Hampshire Public Utilities Commission

November 10, 1976

PETITION by water company for authority to operate as a public utility; granted.

PUBLIC UTILITIES, § 122 — Land development water system — Escrow accounts.

[N.H.] Where the commission found that it was in the best interest of the public that a water system be completed, it authorized the disbursement of funds from escrow accounts in order to complete the construction of the water system.

BY THE COMMISSION:

Supplemental Report

By its Order No. 12,385 dated September 1, 1976 (61 NH PUC 231, *supra*), the commission authorized the completion of the water system at the Mountain Lakes subdivision in the town of Haverhill. In that order, the commission appointed Dan Ayer, administrative assistant to the selectmen of the town of Haverhill, to arrange the construction of the water system. Our

September 1st order also released moneys in a water escrow account held at the Littleton National Bank for use in completing the system. This release of funds reflects the concurrence of the parties in this matter and the disbursement of these funds is in accordance with a certain escrow agreement dated July 27, 1973, under which the New Hampshire Public Utilities Commission and the selectmen of Haverhill are authorized to make such disbursements.

It is undoubtedly in the best interests of the public in the Mountain Lakes franchise area that the water system be completed. It is their money which has been held in escrow for this purpose.

In addition to the water escrow account there are three other escrow accounts controlled by the terms of the July 27, 1973, agreement. They are the Woodsmere escrow, the Gateway escrow, and the Skiway escrow. These names refer to specified areas in the Mountain Lakes development. Thus far, the water escrow funds have been used to complete construction of the so-called main loop of the system. Equipment and construction, however, is also needed to complete the satellite systems in the Woodsmere, Gateway, and Skiway sections. Completion of these systems is no less necessary in the public interest. The commission will, therefore, authorize the release and disbursement of the funds in these escrow accounts under the direction and discretion of Dan Ayer for the purpose of completing the water systems in these areas. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Mountain Springs Water Company, Inc., be, and hereby is, authorized to complete the water

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system in the Woodsmere, Gateway, and Skiway sections of the Mountain Lakes development; and it is

Further ordered, that Dan Ayer, administrative assistant of the selectmen of the town of Haverhill, be, and hereby is, authorized to arrange for the construction of said water systems in accordance with the projected work schedules of the engineering firm of Hoyle, Tanner & Associates, Inc.; and it is

Further ordered, that Mr. Ayer be, and hereby is, authorized to enter into agreements with contractors for the completion of said water systems so long as the work done conforms to prepared design specifications; and it is

Further ordered, that Mr. Ayer be, and hereby is, authorized to disburse funds in the Woodsmere escrow, Gateway escrow, and Skiway escrow accounts at the Littleton National Bank; and it is

Further ordered, that Mr. Ayer shall periodically report to the public utilities commission.

By order of the Public Utilities Commission of New Hampshire this tenth day of November, 1976.

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NH.PUC*11/29/76*[77772]*61 NH PUC 313*Eastman Water Company

[Go to End of 77772]

Re Eastman Water Company

DF 76-107, Order No. 12,492

61 NH PUC 313

New Hampshire Public Utilities Commission

November 29, 1976

PETITION by water company for authority to issue common stock and long-term notes; granted.

SECURITY ISSUES, § 58 — Purposes of subjects of capitalization — Contributions in aid of construction.

[N.H.] The commission authorized a water company to issue common stock and long-term notes as contributions in aid of construction, with the considerations for the securities to be issued to be the conveyance of the completed water utility facilities.

APPEARANCES: Peter B. Rotch for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition filed August 17, 1976, Eastman Water Company, a corporation duly organized under the laws of the state of New Hampshire, operating as a public water utility in limited areas in the towns of Enfield, Grantham, and Springfield, seeks authority, pursuant to the provisions of RSA 369, to issue 4,181 shares of its common capital stock, \$5 par value, and to issue long-term notes in the amount of \$41,810, and \$146,342.01 as a contribution in aid of construction. The consideration for the securities to be issued will be the conveyance of completed

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water utility facilities, at actual cost, on the following basis:

- a. Common capital stock for 10 per cent of the value of said facilities;
- b. A promissory note payable in five years with interest at the rate of 9.5 per cent per annum for 20 per cent of the value of said facilities;
- c. A contribution to the capital of the petitioner for 70 per cent of the value of said facilities.

A hearing was held on the petition on October 26, 1976.

The procedure for capitalizing the petitioner was detailed to this commission in DF 6374.

The petitioner filed copies of appropriate votes, pro forma balance sheet, and detailed listings of the facilities to be transferred.

Upon consideration of the evidence submitted, this commission finds that the issuance of common capital stock and promissory notes, upon the terms proposed, is consistent with the public good. Our order, authorizing the issue of the petitioner's common capital stock and long-term notes, will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Eastman Water Company be, and hereby is, authorized to issue 4,181 shares of its common capital stock, par value \$5, in consideration for conveyance to it of 10 per cent of the value of the said water facilities; and it is

Further ordered, that Eastman Water Company be, and hereby is, authorized to issue its promissory notes payable, payable in five years, with interest at the rate of 9.5 per cent per annum, in the amount of \$41,810 in consideration for the conveyance to it of 20 per cent of the value of said water facilities; and it is

Further ordered, that Eastman Water Company be, and hereby is, authorized to accept as a contribution to its capital the conveyance to it of 70 per cent of the value of said water facilities, all in accordance with terms and conditions set forth in the petition and as presented at the hearing; and it is

Further ordered, that Eastman Water Company shall file with this commission within ninety days after the issuance of the securities, a detailed balance sheet, duly sworn to by its treasurer, showing the conveyance of the water facilities and the issuance of the securities.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of November, 1976.

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NH.PUC*11/29/76*[77773]*61 NH PUC 315*Woodsville Water and Light Department

[Go to End of 77773]

Re Woodsville Water and Light Department

IR 14,586, Order No. 12,493

61 NH PUC 315

New Hampshire Public Utilities Commission

November 29, 1976

ORDER permitting utility's revised tariff to become effective.

BY THE COMMISSION:

Order

Whereas, Woodsville Water and Light Department has filed revisions to its tariff, NHPUC No. 3 — Electricity, providing for a change to Par 9, purchased power fuel adjustment, effective December 1, 1976; and

Whereas, the change is intended to clarify procedures by which the fuel adjustment charge is calculated; and

Whereas, the commission has earlier approved the fuel adjustment clause and had acknowledged a necessity to pass through added fuel costs to retail customers; it is

Ordered, that First Revised Page 8 and Original Page 8a of Woodsville Water and Light Department tariff, NH PUC No. 3 — Electricity, be, and hereby are, approved to become effective December 1, 1976.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of November, 1976.

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NH.PUC*11/29/76*[7774]*61 NH PUC 315*Public Service Company of New Hampshire

[Go to End of 7774]

Re Public Service Company of New Hampshire

IE 14,374, 16th Supplemental Order No. 12,494

61 NH PUC 315

New Hampshire Public Utilities Commission

November 29, 1976

ORDER authorizing electric company's special contract for its electric thermal storage device load research program.

RATES, § 213 — Special contract — Electric thermal storage device load research program.

[N.H.] The commission approved a special contract for an electric company to be used in its electric thermal storage device load research program.

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BY THE COMMISSION:

Supplemental Order

Whereas, this commission in Order No. 11,943 dated July 29, 1975, approved a form of special contract to be used by Public Service Company of New Hampshire in its electric thermal

storage device load research program; and

Whereas, the Lew Corporation and the company have executed such a special contract; it is

Ordered, that the contract so executed be, and hereby is, approved by the commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of November, 1976.

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NH.PUC*11/29/76*[77775]*61 NH PUC 316*New England Power Company

[Go to End of 77775]

Re New England Power Company

DF 76-161, Order No. 12,495

61 NH PUC 316

New Hampshire Public Utilities Commission

November 29, 1976

PETITION by electric company for authority to issue bonds; granted.

SECURITY ISSUES, § 58 — General and refunding mortgage bonds — Electric company.

[N.H.] The commission authorized an electric company to issue general and refunding mortgage bonds and additional first mortgage bonds with the proceeds from the sale of the bonds to be applied to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the company for uncapitalized additions and improvements to the plant and property of the company, and for other uncapitalized expenditures.

APPEARANCES: Robert King Wulff for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed November 1, 1976, New England Power Company (the "company") seeks authority to issue general and refunding mortgage bonds and additional first mortgage bonds. At the hearing on the petition, held in Concord on November 9, 1976, the company represented that it is a corporation, organized under the laws of Massachusetts, owning and operating properties in Massachusetts, New Hampshire, and Vermont, including hydroelectric developments and storage reservoirs on the Connecticut river and transmission lines therefrom. It is qualified as a foreign corporation to do business in New Hampshire but

does not engage in local distribution therein.

The company now has outstanding 6,449,896 shares of common stock at a

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par value of \$20 per share, 860,280 shares of preferred stock at a par value of \$100 per share, one million shares of preferred stock at a par value of \$25 per share, and first mortgage bonds, issued under an indenture of trust and first mortgage, dated as of November 15, 1936, consisting of:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>Principal Amount</i>
Series B, 3%, due 1978	\$ 11 million
Series C, 2.75%, due 1979	5 million
Series D, 2.875%, due 1981	12 million
Series E, 3.25%, due 1982	5 million
Series F, 3.25%, due 1985	25 million
Series G, 4.375%, due 1987	10 million
Series H, 4%, due 1988	10 million
Series I, 4.625%, due 1991	20 million
Series J, 4.375%, due 1992	12 million
Series K, 4.5%, due 1993	10 million
Series L, 6.375%, due 1996	10 million
Series M, 6.875%, due 1997	15 million
Series N, 7.125%, due 1998	20 million
Series O, 7.375%, due 1999	20 million
Series P, 8.375%, due 1999	15 million
Series Q, 7%, due 1976	20 million
Series R, 7.625%, due 2002	25 million
Series S, 8.625%, due 2003	40 million
Series T, 8.375%, due 2003	40 million
Series U, 10.875%, due 2005	80 million
	\$405 million

At August 31, 1976, the company also had outstanding short-term notes in the aggregate principal amount of \$40,440,000.

The company proposes to issue \$50 million principal amount of general and refunding mortgage bonds, Series A, under, and pursuant to, the terms of a general and refunding mortgage indenture and deed of trust (the G & R Indenture) to be executed by the company prior to the issuance of the Series A bonds. The proposed Series A bonds will mature in not more than thirty years from the date as of which they are issued. The bonds will bear such interest rate and will be disposed of at such price not less than the principal amount thereof as will be determined after publication of an invitation for bids for purchase thereof or as will be determined by negotiation. The company also proposes to execute said general and refunding indenture which will mortgage, subject to the lien of the company's indenture of trust and first mortgage, dated as of November 15, 1936, and supplements thereto (the "first mortgage indenture"), all its property, assets, and franchises (except property of the character specifically reserved to the company in the general and refunding indenture). The G & R Indenture will also obligate the company so long as any of its first mortgage bonds, Series B through U, are outstanding, to issue and pledge first mortgage bonds with the trustee for the G & R Indenture in amounts specified in the G & R Indenture as security for all bonds issued or to be issued under and pursuant to the terms of the G

& R Indenture and except for such purposes will preclude the company from issuing any further first mortgage bonds.

For the purpose of further securing its

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general and refunding mortgage bonds, the company proposes to issue and pledge not exceeding \$50 million principal amount of first mortgage bonds, Series V (the "Series V bonds") under and pursuant to the terms of the first mortgage indenture securing its presently outstanding Series B through U first mortgage bonds. The proposed Series V bonds will bear the same interest rate and have the same maturity as the proposed Series A bonds and will be pledged with the trustee under the G & R Indenture as additional security for the general and refunding mortgage bonds.

In connection with the issue of Series V bonds, the company desires to execute an indenture supplement to its first mortgage indenture mortgaging or confirming the mortgage of said indenture on all its property, assets, and franchises (except property of the character specifically reserved to the company in said indenture) as security for all bonds issued or to be issued under and pursuant to the terms of said indenture.

The company proposes to apply the proceeds from the sale of the Series A bonds to the payment of notes payable of this company incurred for, or to the cost of, or to the reimbursement of the treasury for, uncapitalized extensions, enlargements, and additions to the plant and property of the company, any other uncapitalized expenditures of the company, and payment of the Series Q bonds.

The company submitted in evidence its balance sheet as of August 31, 1976, as per books and pro forma to reflect the sale of general and refunding mortgage bonds and of additional first mortgage bonds, Series V, and the application of the proceeds therefrom.

The record in this proceeding shows that the uncapitalized expenditures of the company at August 31, 1976, amounted to \$252,099,854. Part of these uncapitalized expenditures would be capitalized through the proposed issues of the securities under consideration. A portion of the uncapitalized fixed capital expenditures relates to expenditures in New Hampshire.

Certified copies of the necessary corporate authorizations were attached to the petition or submitted in evidence at the hearing.

Based on the balance sheet of the company, adjusted for the issuance of \$50 million principal amount of Series A general and refunding bonds, the pro forma ratio of bonds to the total capitalization of the company is 51.4 per cent, preferred stock 13.1 per cent, and common equity 35.5 per cent.

Upon investigation and consideration of the evidence submitted, this commission is of the opinion that the granting of the authorizations sought will be consistent with the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that New England Power Company be, and hereby is, authorized to issue and sell for cash its general and refunding mortgage bonds, Series A, in an aggregate principal amount of \$50 million, maturing in not more than thirty years from the date thereof, and to bear such interest rate as will be determined by competitive bidding or by negotiation; and it is

Further ordered, that New England Power Company shall submit to this commission an account of the bids of responsible bidders for the purchase of

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said bonds, which bids shall be on a comparable basis, following which a supplemental order will issue, establishing the amount of the bonds to be sold and the price and terms upon which said bonds shall be sold; and it is

Further ordered, that the proceeds from the sale of said Series A bonds be applied to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the company for, uncapitalized additions and improvements to the plant and property of the company, and for other uncapitalized expenditures; and it is

Further ordered, that New England Power Company be, and hereby is, authorized to mortgage, subject to the lien of the company's indenture of trust and first mortgage, dated November 15, 1936, and supplements thereto, all its property, intangible and tangible, including franchises, in New Hampshire, and will obligate the company so long as any of its first mortgage bonds, Series B through U, are outstanding to issue and pledge first mortgage bonds with the trustee of the general and refunding indenture as security for all bonds issued or to be issued under and pursuant to the terms of the general and refunding indenture and except for such purposes will preclude the company from issuing any further first mortgage bonds; and it is

Further ordered, that the authorization to issue Series A bonds contained herein shall be exercised on or before March 31, 1977, and not thereafter, unless such period is extended by order of this commission; and it is

Further ordered, that on or before January 1st and July 1st in each year, said New England Power Company shall file with this commission a detailed statement, duly sworn to by its treasurer or an assistant treasurer, showing the disposition of the proceeds of said securities, until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of November, 1976.

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NH.PUC*11/29/76*[77776]*61 NH PUC 319*Fryeburg Water Company

[Go to End of 77776]

Re Fryeburg Water Company

DR 76-162, Order No. 12,502

61 NH PUC 319

New Hampshire Public Utilities Commission

November 29, 1976

PETITION by water company for an increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Fryeburg Water Company, a public utility engaged in the business of supplying water service in the state of New Hampshire, on November 1, 1976, filed with this commission NHPUC No.

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8, canceling NHPUC No. 7, to become effective December 1, 1976; and

Whereas, it appears to this commission that the rights and interests of the public affected require that the effective date thereof be suspended, pending investigation and decision thereon; it is

Ordered, that NHPUC No. 8 of Fryeburg Water Company be, and hereby is, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of November, 1976.

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NH.PUC*11/30/76*[7777]*61 NH PUC 320*Public Service Company of New Hampshire

[Go to End of 7777]

Re Public Service Company of New Hampshire

Additional petitioners: Concord Electric Company, Exeter and Hampton Electric Company, Connecticut Valley Electric Company, Inc., New Hampshire Electric Cooperative, Inc., Granite State Electric Company, Municipal Electric Department of Wolfeboro, Littleton Water and Light Department, and Woodsville Water and Light Department

Intervenors: Volunteers Organized in Community Education, cities of Nashua and Franklin, and Legislative Utility Consumers' Council et al.

DR 76-46, Eighth Supplemental Order No. 12,503

61 NH PUC 320

New Hampshire Public Utilities Commission

November 30, 1976

PETITIONS for authority to apply fuel adjustment charge to monthly billings; granted.

RATES, § 303 — Fuel expenses — Recovery.

[N.H.] The commission permitted electric companies to recover varying fuel costs by application of an adjustment derived by dividing the total fuel costs for the month by total kilowatt-hours sold.

APPEARANCES: Martin Gross and Philip Ayers for Public Service Company of New Hampshire; Joseph Ransmeier for Concord Electric Company and Exeter and Hampton Electric Company; Richard Schwartz for Connecticut Valley Electric Company, Inc.; Thomas Morse for New Hampshire Electric Cooperative, Inc.; Kirk Ramsauer for Granite State Electric Company; Guy Krapp for the Municipal Electric Department of Wolfeboro; Richard Deane for Littleton Water and Light Department; Robert Brown for Woodsville Water and Light Department; David Brock for Governor

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Meldrim Thomson, Jr.; Peter W. Brown for Volunteers Organized in Community Education; Morgan Hollis for the city of Nashua; State Representative Eugene Daniell for the city of Franklin; Steven W. Ruback and Senator D. Alan Rock for the Legislative Utility Consumers' Council.

BY THE COMMISSION:

Report

Pursuant to RSA 378:3-a(II), the commission, on November 18, 1976, held hearings on the petitions of nine New Hampshire electric companies for authority to apply a fuel adjustment charge to regular December monthly billings to its customers.

Littleton Water and Light Department

Littleton Water and Light Department, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on November 16, 1976, filed with this commission 35th Revised Page 6 to its tariff, NHPUC No. 1 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect on December 1, 1976. Littleton purchases all of its requirements from the New England Power Company. Littleton reported that the total fuel cost billed by the New England Power Company during the month of October, 1976, was \$3,008.88. During this period the total kilowatt-hours sold by Littleton was 2,396,185. The fuel adjustment charge, therefore, by simple division is \$0.0012556 rounded to \$0.0013. The fuel adjustment charge proposed for the month of December, 1976, is 13 cents per 100 kilowatt-hours applied to all bills to be rendered in that month.

Municipal Electric Department of Wolfeboro

Municipal Electric Department of Wolfeboro, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on November 5, 1976, filed with this commission 25th Revised Page 9A to its tariff, NHPUC No. 4 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect December 1, 1976. Wolfeboro purchases all of its requirements from Public Service Company of New Hampshire. Wolfeboro reported that during the month of October, 1976, the total fuel cost billed by Public Service Company was \$20,034.24. During this same period the total kilowatt-hours sold by Wolfeboro was 1,792,570. The fuel adjustment, therefore, by simple division and rounded is \$0.0111 per kilowatt-hour. The fuel adjustment charge proposed for effect in the month of December is \$1.11 per 100 kilowatt-hours to apply to all bills rendered in that month.

New Hampshire Electric Cooperative, Inc.

New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on November 17, 1976, filed with this commission 31st Revised Page 13 to its tariff, NHPUC No. 6 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect on December 1, 1976. The company reported that the total fuel cost billed by its several power suppliers for power during the month of October, 1976, was \$189,121. Total sales by the Co-op during

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the same month were 20,757,589 kilowatt-hours. By simple division, the fuel adjustment charge proposed for December is \$0.00911 rounded to \$0.0091 per kilowatt-hour. The fuel adjustment charge to be applied to all bills rendered in the month of December is proposed to be 91 cents per 100 kilowatt-hours.

Granite State Electric Company

Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on November 16, 1976, filed with this commission 27th Revised Page 15-A to its tariff, NHPUC No. 8 — Electricity, comprising the monthly fuel adjustment charge for effect December 1, 1976. Granite State Electric Company purchases all of its requirements from the New England Power Company. Granite State reported that the variable portion of the fuel cost billed by New England Power Company was a credit of \$28,550.19. Total sales to Granite State customers during the same period were 23,630,083 kilowatt-hours. By simple division this yields (\$0.00121) rounded to (\$0.0012) to which is added the fixed fuel portion of \$0.0124 or \$1.24 per 100 kilowatt-hours. Thus, the proposed fuel adjustment charge applicable to bills in the month of December is proposed to be \$1.12 per 100 kilowatt-hours.

Woodsville Water and Light Department

Woodsville Water and Light Department, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on November 13, 1976, filed with this commission Original Page 10-B of its tariff, NHPUC No. 3 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect December 1, 1976. Woodsville purchases all of its requirements from Central Vermont public Service Corporation. Woodsville reported that during the month of October, 1976, the total fuel cost billed by Central Vermont

was a credit of \$887. 32. During this same period the total kilowatt-hours sold by Woodsville was 662,457. The fuel adjustment, therefore, by simple division and rounded is (\$0.0011) per kilowatt-hour. The fuel adjustment charge proposed for the month of December, 1976, is 11 cents per 100 kilowatt-hours to apply to all bills rendered in that month.

This is the first hearing involving this small municipal department, only a few of whose customers, outside the municipal limits, are subject to commission jurisdiction. This department started application of its fuel surcharge just recently, and failure to hold hearings initially was due to commission oversight. The fuel surcharge is merely a passthrough of Woodsville's billing by its wholesale supplier, Central Vermont Public Service Corporation, whose fuel surcharge is under the jurisdiction of the Federal Power Commission.

The Woodsville fuel surcharge for the month of December, a credit of 11 cents per 100 kilowatt-hours, is computed in accordance with the department's fuel surcharge tariff and we shall permit it to become effective as filed.

Connecticut Valley Electric Company, Inc.

Connecticut Valley Electric Company, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on November 17, 1976, filed with this commission

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original Page 18 of its tariff, NHPUC No. 3 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect December 1, 1976. Connecticut Valley purchases all of its requirements from Central Vermont Public Service Corporation. Connecticut Valley reported that during the month of October, 1976, the total fuel cost billed by Central Vermont was a credit of \$12,697. During this same period the total kilowatt-hours sold by Connecticut Valley was 11,340,400. The fuel adjustment, therefore, by simple division and rounded is (\$0.00112) per kilowatt-hour. The fuel adjustment charge proposed for the month of December, 1976, is 11 cents per 100 kilowatt-hours to apply to all bills rendered in that month.

This is the first hearing involving Connecticut Valley Electric Company, Inc., due to an administrative oversight on the part of the commission. Connecticut Valley was not one of the original companies with a fuel surcharge, having started its application later in 1975 when its wholesale supplier, Central Vermont Public Service Corporation, first applied a fuel surcharge.

Connecticut Valley merely passes along the Central Vermont fuel surcharge, which is under the jurisdiction of the Federal Power Commission.

The fuel surcharge for the month of December (a credit of 11 cents per 100 kilowatt-hours) computed in a similar manner to all previous filings, is in compliance with the provisions set forth in the company's fuel surcharge tariff, and we shall permit it to become effective as filed.

Concord Electric Company

Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on November 5, 1976, filed with this commission 21st Revised Page 1 5-A to its tariff, NHPUC No. — 6 Electricity, comprising the monthly

calculation of the fuel adjustment charge for effect December 1, 1976. Concord Electric purchases all of its requirements from Public Service Company of New Hampshire. Concord Electric reported that the total fuel cost billed by Public Service Company during the month of October, 1976, was \$215,490.24. Total sales during that same period were 19,411,030 kilowatt-hours. The fuel adjustment charge by simple division is \$0.01110 per kilowatt-hour. Therefore, the fuel adjustment charge proposed to be billed during December, 1976, is \$1.11 per 100 kilowatt-hours.

Exeter and Hampton Electric Company

Exeter and Hampton Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on November 9, 1976, filed with this commission 17th Revised Page 16 to its tariff, NHPUC No. 11 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect December 1, 1976. Exeter and Hampton purchases all of its requirements from Public Service Company of New Hampshire. Exeter and Hampton reported that the total fuel cost billed by Public Service Company for the period September 30, 1976, to October 31, 1976, was \$227,461.92. Total sales by Exeter and Hampton during that same period were 20,597,083 kilowatt-hours. The fuel adjustment charge, therefore, by simple division is \$0.01104. Thus, the fuel adjustment charge proposed to be

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billed during the month of December, 1976, is \$1.10 per 100 kilowatt-hours.

Public Service Company of New Hampshire

Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on November 16, 1976, filed with this commission 24th Revised Pages 15 and 16 to its tariff, NHPUC No. 20 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect December 1, 1976.

Page 16 of the company's fuel surcharge filing for December indicates that fuel cost above base for the data month of October was \$4,254,443. During this same period the kilowatt-hours subject to the fuel adjustment were 369,987,000. The fuel adjustment, therefore, by simple division and rounded is \$0.0115 per kilowatt-hour. The fuel adjustment charge proposed for effect in the month of December is \$1.15 per 100 kilowatt-hours to apply to all bills rendered in that month.

The surcharge proposed for December includes no coal inventory adjustment. The adjustment for the coal inventory was completed, insofar as possible, on all November billings. After November billing data is available, a final accounting of the refund will be made to determine what final adjustment is necessary in a subsequent billing period. Hence, the December surcharge reflects a normal computation of the monthly fuel surcharge, except for minor Btu adjustments as provided for in the coal contract.

Counsel for VOICE raised many questions at the public hearing regarding the necessity for a transportation charge adjustment to compensate for excess moisture content in the coal. Counsel was joined by all other intervenors, except attorney Brock appearing for the governor, in moving that the commission disallow the entire \$1.15 per 100 kilowatt-hours fuel surcharge for the

month of December on the grounds that such a Btu adjustment was not given recognition. We are of the opinion that, should such an adjustment be required, it might well be followed by an increase in the net coal cost by the supplier which would negate any savings to the ultimate customer.

In the event an adjustment were made, it would account for something less than a one cent change in the December \$1.15 fuel surcharge. This commission fails to see the logic in denying monthly revenues of \$4 million on the supposition that an unproven transportation adjustment theory might provide something less than a one per cent error. The motion is denied. However, we shall pursue the matter further towards a reasoned decision based on more complete information as can be developed at subsequent hearings.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that 24th Revised Pages 15 and 16 of Public Service Company of New Hampshire tariff, NHPUC No. 20 — Electricity, providing for the monthly fuel surcharge of \$1.15 per 100 kilowatt-hours for the month of December, 1976, be, and hereby are, permitted to become effective December 1, 1976; and it is

Further ordered, that 21st Revised Page 15-A of Concord Electric Company tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge

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of \$1.11 per 100 kilowatt-hours for the month of December, 1976, be, and hereby is, permitted to become effective December 1, 1976; and it is

Further ordered, that 17th Revised Page 16 of Exeter and Hampton Electric Company tariff. NHPUC No. 11 — Electricity, providing for the monthly fuel surcharge of \$1.10 per 100 kilowatt-hours for the month of December, 1976, he, and hereby is, permitted to become effective December 1, 1976; and it is

Further ordered, that Second Revised Page 18 of Connecticut Valley Electric Company, Inc., tariff, NHPUC No. 3 — Electricity, providing for the monthly fuel surcharge of a credit of 11.2 cents per 100 kilowatt-hours for the month of December, 1976. be, and hereby is, permitted to become effective December 1, 1976; and it is

Further ordered, that 31st Revised Page 13 of New Hampshire Electric Cooperative, Inc., tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of 91 cents per 100 kilowatt-hours for the month of December, 1976, be, and hereby is, permitted to become effective December 1, 1976; and it is

Further ordered, that 27th Revised Page 15-A of Granite State Electric Company tariff. NHPUC No. 8 — Electricity, providing for the monthly fuel surcharge of \$1.12 per 100 kilowatt-hours for the month of December, 1976. be, and hereby is, permitted to become effective December 1, 1976; and it is

Further ordered, that 25th Revised Page 9A of the Municipal Electric Department of Wolfeboro tariff, NHIPUC No. 4 — Electricity, providing for the monthly fuel surcharge of

\$1.11 per 100 kilowatt-hours for the month of December, 1976, be, and hereby is, permitted to become effective December 1, 1976; and it is

Further ordered, that 35th Revised Page 6 of Littleton Water and Light Department tariff, NHPUC No. 1 — Electricity, providing for the monthly fuel surcharge of 13 cents per 100 kilowatt-hours for the month of December, 1976, be, and hereby is, permitted to become effective December 1, 1976; and it is

Further ordered, that Original Page 10-B of Woodsville Water and Light Department tariff, NHPUC No. 3 — Electricity, providing for a monthly fuel surcharge of a credit of 11 cents per 100 kilowatt-hours for the month of December, 1976, be, and hereby is, permitted to become effective December 1, 1976.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of November, 1976.

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NH.PUC*12/01/76*[77778]*61 NH PUC 325*New England Power Company

[Go to End of 77778]

Re New England Power Company

DF 74-23, Eighth Supplemental Order No. 12,506

61 NH PUC 325

New Hampshire Public Utilities Commission

December 1, 1976

PETITION for authority to issue short-term securities; granted.

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SECURITY ISSUES, § 29 — Securities — Authorization.

[N.H.] The commission granted a utility the authority to issue and renew short-term securities in an aggregate amount not exceeding \$115 million without prior approval.

BY THE COMMISSION:

Supplemental Order

Whereas, by Seventh Supplemental Order No. 12,157 of this commission, dated February 23, 1976 (61 NH PUC 44, *supra*), New England Power Company was granted an exemption from commission regulations to issue and renew, from time to time, its bonds, notes, or other evidence of indebtedness, payable less than twelve months after the date thereof. in an aggregate amount

outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal), not in excess of \$83 million which exemption expires March 31, 1977, unless such period is extended by order of this commission; and

Whereas, New England Power Company, on November 1, 1976, sought authority to continue the exemption in said Order No. 12,157 to March 31, 1977, to issue its short-term notes in an amount not to exceed \$115 million; and

Whereas, this commission, after investigation and consideration, finds that said request is consistent with the public good; it is

Ordered, that New England Power Company, without first obtaining the approval of this commission be, and hereby is, authorized, from time to time, to issue and renew its notes, bonds, or other evidence of indebtedness payable less than twelve months from the date thereof, in an aggregate amount thereof outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal), not in excess of \$115 million; and it is

Further ordered, that the exemption contained herein shall expire March 31, 1977, unless extended by order of this commission; and it is

Further ordered, that on January 1st and July 1st in each year said New England Power Company shall file with this commission a detailed statement, duly sworn to by its treasurer, showing the disposition of proceeds of said notes, bonds, or other indebtedness until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this first day of December, 1976.

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NH.PUC*12/02/76*[77779]*61 NH PUC 327*George Naughton, d/b/a Naughton Disposal Service

[Go to End of 77779]

Re George Naughton, d/b/a Naughton Disposal Service

DT 76-121

61 NH PUC 327

New Hampshire Public Utilities Commission

December 2, 1976

PETITION for authority to operate as an irregular route common and contract carrier; denied.

1. CERTIFICATES, § 13 — State commission jurisdiction — Contract carrier.

[N.H.] The commission rejected a carrier's theory that he was outside the jurisdiction of the commission where he contended that he had purchased rubbish and therefore was not

transporting property for hire. p. 328.

2. CERTIFICATES, § 24 — Commission jurisdiction — Power to restrain operation without a certificate.

[N.H.] The commission found that a carrier's method of billing was used as a subterfuge to circumvent commission jurisdiction regarding the transportation of property for hire and that some part of the fee charged by the carrier could be logically allocated to the service of transporting rubbish. p. 329.

3. CERTIFICATES, § 24 — Commodity approach — Power to re strain operation without a certificate.

[N.H.] The commission found a carrier's position was inconsistent where the carrier had requested approval of its operation but at the same time had argued that its ownership of property placed it outside the commission jurisdiction. p. 329.

4. CERTIFICATES, § 24 — Power to restrain operation without a certificate — Fitness.

[N.H.] The commission concluded that a carrier did not have the requisite fitness as required by state statute where he had continuously operated with the knowledge that he did not have authority. p. 329.

APPEARANCES: R. Peter Shapiro for the applicant; George L. Manias for Clarence H. Eldred; Evelyn Lammert, pro se; James P. Farrell, pro se.

BY THE COMMISSION:

Report

By this opposed application filed August 30, 1976, George Naughton, d/b/a Naughton Disposal Service of Bradford, New Hampshire seeks the issuance of a property carrier certificate of public convenience and necessity and a property carrier public interest permit authorizing operations as an irregular route common and a contract carrier transporting rubbish, refuse, and garbage between all points and places in the towns of Warner, Henniker, Bradford, Newbury, Sutton, New London, Hopkinton, Springfield, Sunapee, Grantham, Andover, Contoocook, Hillsboro, and Webster. Hearing thereon was held at the office of the commission in Concord on October 22, 1976.

Naughton testified that he has been in the rubbish business since he was 17 years old. He started this business in Massachusetts and was a common carrier there. He came to this commission, he said, about two years prior to starting any business in New Hampshire's to inquire about New Hampshire's regulations for the common carriage of property for hire. This was about 1969. He subsequently began a business

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sometime in 1971 and it was not until 1973 that he filed an application with this commission. The first application was filed on June 18, 1973, in DT 6515 and sought authority in the towns of Warner, Henniker, Bradford, Newbury, Sutton, New London, Hopkinton, Newport, and

Sunapee. After hearing, and by report dated November 2, 1973, the application was denied.

On December 17, 1973, in DT 6632 Mr. Naughton again filed an application seeking authority in the towns of Warner, Henniker, Bradford, Sutton, New London, and Hopkinton and also a specific pickup for J. M. Fields and K Mart in the cities of Concord and Manchester and the town of Hooksett. After hearing, and by report dated February 27, 1975, the application was denied.

According to our records, George Naughton does not hold an authority to operate as a carrier of any property for hire by any motor vehicle between any points in the state of New Hampshire. In fact, during the last two years Mr. Naughton has been cited for violations of our statutes. All of the complaints were brought before district courts. All of them resulted in convictions which were then appealed to the superior court. On one particular occasion the defendant on the day of the superior court trial defaulted by not appearing at the superior court. The matter was remanded to the district court for collection of the fine. The fine was finally paid under protest. The other cases are presently pending on appeal.

In his testimony, Mr. Naughton presented several exhibits. Exhibit No. 1 is an equipment list, Exh No. 2 is a list of customers which was admitted for the limited purpose of indicating Naughton's activity in the areas described. The objection to the admission of this list was that it was not a list of customers legally served by Mr. Naughton since he does not have any authority from this commission. A third exhibit comprised a group of signed and notarized statements from all the towns in which Mr. Naughton is seeking authority supporting his application and indicating the good quality of his service.

Naughton basically provides a containerized service. He also provides a recycling operation in connection with his refuse disposal service. He uses the town dumps in numerous towns and has a substantial amount of business in the territory above described. He also testified that he has not received any complaints from any of his customers.

[1] Naughton put forth a unique theory of operating and contends that his operations are outside the scope of RSA 375-B, and thus outside the jurisdiction of this commission. The fact that he has an application before the commission, however, indicates that he prefers not to operate under this unique theory which will be hereafter described.

For example, Naughton would bill \$7 to certain customers for the container service he offered them. He would place the container, the customer would dump rubbish into the container and according to a prearranged schedule Naughton would empty the container and dispose of its contents in a local land fill. Now Mr. Naughton contends that he has a new arrangement which exempts him from this commission's jurisdiction. He now charges that same customer \$8 but at the same time gives the customer a one dollar credit. He contends that by this credit he is purchasing the rubbish from the customer. Since he is purchasing the

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rubbish it becomes his property and he concludes that he is not transporting property for hire. The remaining \$7 is a rental fee for the container and he contends no part of that is used for the transporting of rubbish for hire.

[2] The one dollar credit is the same for each customer no matter how large or small the pickup. The one dollar price is deducted from the customer's bill as a credit regardless of the volume of rubbish that is handled. In the opinion of this commission this method of billing is used as a subterfuge to circumvent the proper laws of this commission regarding the transportation of property for hire. A part of the \$7 indeed does go for the exclusive use of the container; i.e., the rental of the container. However, some portion of the \$7 must logically be allocated to the service of serving the container; i.e., transporting the rubbish.

[3] Naughton submits the ownership approach which is directly contrary to the commodity approach described by the statute and applied and enforced by this commission since the inception of that law in 1967. Naughton submits this ownership theory while at the same time requesting our approval of his operation under the commodity approach. The positions, we think, are inconsistent. Filing an application is a recognition of our jurisdiction over his operation.

[4] We conclude that the applicant does not have the requisite fitness as required by RSA 375-8:5 and 7 because he has continuously operated with the knowledge that he does not have any authority. Accordingly, this application is denied.

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NH.PUC*12/06/76*[77780]*61 NH PUC 329*Public Service Company of New Hampshire

[Go to End of 77780]

Re Public Service Company of New Hampshire

Additional petitioners: Concord Electric Company, Exeter and Hampton Electric Company, Connecticut Valley Electric Company, Inc., New Hampshire Electric Cooperative, Inc., Granite State Electric company, Municipal Electric Department of Wolfeboro, Littleton Water and Light Department. and Woodsville Water and Light Department

DR 76-46, Ninth Supplemental Order No. 12,507

61 NH PUC 329

New Hampshire Public Utilities Commission

December 6, 1976

MOTION by electric company to limit scope of monthly fuel adjustment hearings; denied.

Page 329

1. RATES, § 303 — Recovery of fuel costs — Scope of inquiry.

[N.H.] The commission rejected an electric company's motion that inquiries to fuel adjustment charges should be limited to the accuracy of figures and calculations, where it held that the limitations of an inquiry to mathematical calculations and the limitation of testimony to mere verification of the numbers supplied would not comply with the legislative intent. p. 330.

2. RATES, § 303 — Fuel adjustment charges — Deadline for filing information.

[N.H.] The commission held that all companies petitioning for a monthly fuel adjustment charge must file a computation of fuel adjustment charges no later than forty-eight hours prior to a hearing. p. 331.

BY THE COMMISSION:

Report

On October 21, 1976, counsel for the Public Service Company filed a motion to determine scope of monthly fuel adjustment hearings in these proceedings in relation to proceedings under DR 76-124 (61 NH PUC 230, *supra*) — fuel adjustment clause inquiry. The motion requests the commission to determine that in future monthly fuel charge hearings, material issues shall be limited to the accuracy of figures and calculations used to derive the fuel adjustment for the ensuing month and that issues relating to the efficiency of the fuel clause and efficiency of the company's procurement policies and purchasing and operating decisions in relation to fuel and other general matters be dealt with in DR 76-124 other than the monthly hearings.

The commission has been repeatedly confronted with objections to questions proposed by parties engaged in cross-examinations at the monthly fuel adjustment hearings. The objections pertain to the relevancy and materiality certain issues bear to the particular monthly calculation before the commission.

In an effort to provide a separate forum for the discussion of the efficiency of Public Service Company's fuel adjustment clause, the commission, on its own motion, by its Order No. 12,384 dated September 1, 1976 (61 NH PUC 230, *supra*), initiated the proceedings in DR 76-124. That order specifies the issues for examination in DR 76-124. They are:

1. Organizational structures of the company's fuel purchasing departments.
2. Fuel purchasing policies and practices.
3. Problems associated with coal and oil contract negotiations and administration from the company's view-point.
4. Steps taken by the company to enforce contract compliance by fuel suppliers,
5. The impact of transportation costs upon fuel prices, and
6. Arrangements other than coal or oil contracts the company may have with its suppliers.

[1] To the extent possible, all questions concerning these issues should be deferred until the general inquiry in DR 76-124. But to the extent that questions regarding these issues pertain to any matter within the data month, they should not be restricted. It appears to be the legislative intent that the monthly fuel adjustment hearings be an investigation into the whole matter of the fuel adjustment proposed to be charged. Limitation of the inquiry to mathematical calculations and limitation of testimony to mere verification of the numbers supplied would not comply with the legislative intent. Thus, the motion is denied.

[2] It shall be a procedural rule in this docket that all companies petitioning for a monthly fuel adjustment charge file their computation of the fuel adjustment charge no later than forty-eight hours prior to the time of the hearing (see commission report, 61 NH PUC 230).

All such filings shall be accompanied by any and all exhibits planned to be submitted by the companies at the monthly hearings. Any exhibit sought to be introduced after the 48-hour period shall only be introduced on a showing of good cause. Company filings made forty-eight hours prior to the hearing shall be made in such quantities as are reasonably necessary to meet the needs of intervenors and other parties interested in this proceeding who may obtain said materials from the commission.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is Ordered, that the Public Service Company of New Hampshire motion to determine scope of monthly fuel adjustment hearings in these proceedings in relation to proceedings under DR 76-124 — fuel adjustment clause inquiry be, and hereby is, denied; and it is

Further ordered, that all of the parties presently recorded as appearing in these proceedings and who may hereafter appear in these proceedings shall be bound by the rules of procedure set forth in the attached report.

By order of the Public Utilities Commission of New Hampshire this sixth day of December, 1976.

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NH.PUC*12/06/76*[77781]*61 NH PUC 331*Pennichuck Water Works

[Go to End of 77781]

Re Pennichuck Water Works

DR 76-163 Order No. 12,508

61 NH PUC 331

New Hampshire Public Utilities Commission

December 6, 1976

PETITION by water company for an increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Pennichuck Water Works, a public utility engaged in the business of supplying water service in the state of New Hampshire, on November 3, 1976, filed with this commission certain revisions to its tariff, NHPUC No. 4 — Water, providing for an increase in rates,

effective December 15, 1976; and

Whereas, it appears to the commission that the rights and interests of the

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public affected require that the effective date thereof be suspended, pending investigation and decision thereon; it is

Ordered, that Fifth Revised Pages 21, 22, 23, and 24 of tariff. NHPUC No. 4 — Water, of Pennichuck Water Works be, and hereby are suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this sixth day of December, 1976.

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NH.PUC*12/06/76*[77782]*61 NH PUC 332*Public Service Company of New Hampshire

[Go to End of 77782]

Re Public Service Company of New Hampshire

DR 76-124, Second Supplemental Order No. 12,509

61 NH PUC 332

New Hampshire Public Utilities Commission

December 6, 1976

MOTION by electric company for rehearing of fuel adjustment clause proceeding; denied.

BY THE COMMISSION:

Supplemental Order

The commission having before it a motion for rehearing filed November 29, 1976, for, and on behalf of, the intervenors, for a rehearing on the commission decision rendered in Report and Supplemental Order No. 12,483 issued October 29, 1976 (61 NH PUC 297, *supra*); after full consideration of the allegations in said motion and after weighing the reasons presented in said motion, is of the opinion and the order is, that said motion for rehearing be, and hereby is, denied.

By order of the Public Utilities Commission of New Hampshire this sixth day of December, 1976.

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NH.PUC*12/06/76*[77783]*61 NH PUC 333*Continental Telephone Company of New Hampshire, Inc.

[Go to End of 77783]

Re Continental Telephone Company of New Hampshire, Inc.

DE 76-176, Order No. 12,510

61 NH PUC 333

New Hampshire Public Utilities Commission

December 6, 1976

PETITION by telephone company for authority to revise its exchange boundary; granted.

SERVICE, § 209 — Exchange area extension — Telephone company.

[N.H.] The commission granted a telephone company authority to extend its service to a limited area where it found that another telephone company had waived its franchise rights in the area.

BY THE COMMISSION:

Order

Whereas, Continental Telephone Company of New Hampshire, Inc., a telephone utility operating under the jurisdiction of this commission, by a petition filed November 8, 1976, seeks authority pursuant to RSA 374:22 and 26, as amended. to extend its lines and service further in the town of Hollis; and

Whereas, New England Telephone and Telegraph Company has waived its franchise rights in this limited area, and service in the area will be provided under its regularly filed tariff; and

Whereas, after investigation and consideration, this commission is satisfied that the granting of this petition will be for the public good; it is

Ordered, that permission be, and hereby is, granted to Continental Telephone Company of New Hampshire, Inc., to do business as a public utility in this additional area in the town of Hollis, said area being outlined on a map on file in the office of this commission, and for that purpose to construct and maintain the necessary lines and apparatus; and it is

Further ordered, that revised exchange area maps reflecting the change hereby authorized. be filed by both companies within sixty days of the date hereof.

By order of the Public Utilities Commission of New Hampshire this sixth day of December. 1976.

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NH.PUC*12/08/76*[77784]*61 NH PUC 334*George Naughton, d/b/a Naughton Disposal Service

[Go to End of 77784]

Re George Naughton, d/b/a Naughton Disposal Service

DT 76-121, Order No. 12,511

61 NH PUC 334

New Hampshire Public Utilities Commission

December 8, 1976

PETITION for rehearing of commission order rejecting common carrier certificate; denied.

BY THE COMMISSION:

Order

The commission having before it a petition for rehearing, filed December 7, 1976, for, and on behalf of, George Naughton. d/b/a Naughton Disposal Service for a rehearing on the commission decision rendered in its report issued December 2, 1976; after full consideration of the allegations in said petition and after weighing the reasons presented in said petition. is of the opinion and the order is, that said petition for rehearing be, and hereby is, denied.

By order of the Public Utilities Commission of New Hampshire this eighth day of December, 1976.

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NH.PUC*12/09/76*[77785]*61 NH PUC 334*Kearsarge Telephone Company

[Go to End of 77785]

Re Kearsarge Telephone Company

DR 76-171, Order No. 12,512

61 NH PUC 334

New Hampshire Public Utilities Commission

December 9, 1976

PETITION by telephone company for an increase in rates; suspended pending commission investigation.

BY THE COMMISSION:

Order

Whereas, Kearsarge Telephone Company a public utility engaged in the business of supplying telephone service in the state of New Hampshire. on November 23, 1976, filed with this commission certain revisions to its tariff, NHPUC No. 5 — Telephone, providing for increased rates and charges, effective December 27, 1976; and

Whereas it appears to the commission

that the rights and interests of the public affected require that the effective date thereof be suspended, pending investigation and decision thereon; it is

Ordered, that Second Revised Sheets 1 and 2 and Third Revised Sheet 4 of the index; First Revised Sheet 2 and Second Revised Sheets 1 and 1A of Section 2; Original Sheets 60-62, First Revised Sheets 7, 8, 12, 16, 20, 22, 34-40, 43, 45, 47-50. and 52, Second Revised Sheets 13 and 51 and Fourth Revised Contents of Section 3; and First Revised Sheet 6 and Second Revised Sheets 1 and 3 of Section 4 of tariff, NHPUC No. 5 — Telephone, of Kearsarge Telephone Company be, and hereby are, suspended until otherwise ordered by this commission.

By order of the Public Utilities Commission of New Hampshire this ninth day of December, 1976.

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NH.PUC*12/09/76*[77786]*61 NH PUC 335*Gas Service, Inc.

[Go to End of 77786]

Re Gas Service, Inc.

IF 14,591, Order No. 12,519

61 NH PUC 335

New Hampshire Public Utilities Commission

December 9, 1976

PETITION by gas company for authority to increase short-term indebtedness; granted.

SECURITY ISSUES, § 98 — Short-term notes — Temporary exemption.

[N.H.] The commission granted a gas company a temporary exemption from the terms allowed in a previous order, where the increase in debt was found to be in the public interest.

BY THE COMMISSION:

Order

Whereas, Gas Service, Inc., was authorized by our Order No. 9759 dated August 4, 1969 (IF 13,079) to issue or sell for cash its short-term note, or notes, in an aggregate principal amount not in excess of \$1.5 million; and

Whereas, said company now seeks authority to temporarily issue its short-term notes in an

amount not exceeding \$1.8 million, which amount is in excess of the exemption allowed by the terms of Order No. 9759; and

Whereas, said company is in the process of negotiating refinancing of its short-term notes; and Whereas, this commission, after investigation and consideration finds that the issuance and sale of said note, or notes, is consistent with the public good; it is

Ordered, that Gas Service, Inc., be, and hereby is, authorized from the date of this order to and including June 30, 1977, to issue and sell for cash, or renew, its short-term note, or notes, payable less than twelve months after the date

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thereof, in an aggregate principal amount not in excess of \$1.8 million; and it is

Further ordered, that Gas Service, Inc., first obtain approval of this commission before incurring a long-term indebtedness in excess of the amount allowed by the terms of Order No. 9759 of this commission after June 30, 1977; and it is

Further ordered, that on or before January 1st and July 1st in each year, Gas Service, Inc., shall file with this commission a detailed statement, duly sworn to by its treasurer, showing the disposition of the proceeds of the notes herein authorized until the expenditure of the whole of said proceeds shall be fully accounted for.

By order of the Public Utilities Commission of New Hampshire this ninth day of December, 1976.

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NH.PUC*12/10/76*[77787]*61 NH PUC 336*Northern Utilities, Inc.

[Go to End of 77787]

Re Northern Utilities, Inc.

DR 75-195, Order No. 12,521

61 NH PUC 336

New Hampshire Public Utilities Commission

December 10, 1976

PETITION by utility to withdraw tariff filing; granted.

BY THE COMMISSION:

Order

Whereas, Northern Utilities, Inc., Allied Gas division, a public utility engaged in the business of supplying gas service in the state of New Hampshire, on August 25, 1975, filed with this commission certain revisions of its tariff, NHPUC mission certain revisions of its tariff, NHPUC No. 6 — Gas, providing for certain changes in its curtailment policies; and

Whereas, this filing was suspended by commission Order 12,000, dated September 12, 1975; and

Whereas, the company, by letter dated December 3, 1976 12,000, dated September 12, 1975; and

Whereas, the company, by letter dated December 3, 1976, requests that this filing be withdrawn; it is

Ordered, that Original Page 19B, First Revised Page 19A, and Fourth Revised Page 19 of tariff, NHPUC No. 6 — Gas, of Northern Utilities, Inc., Allied Gas division be, and hereby are, withdrawn.

By order of the Public Utilities Commission of New Hampshire this tenth day of December, 1976.

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NH.PUC*12/10/76*[77788]*61 NH PUC 337*Granite State Electric Company

[Go to End of 77788]

Re Granite State Electric Company

DR 76-177, Order No. 12,522

61 NH PUC 337

New Hampshire Public Utilities Commission

December 10, 1976

PETITION by electric company for decrease in its purchased power cost adjustment; granted.

BY THE COMMISSION:

Order

Whereas, Granite State Electric Company has filed revisions to its tariff, NHPUC No. 8 — Electricity, providing for purchased power cost adjustment No. 5, effective January 1, 1977; and

Whereas, this filing is the result of a reduction of wholesale cost of electricity billed to Granite State Electric Company by its supplier, New England Power Company, which has filed the decrease under its R-11 rate with the Federal Power Commission; and

Whereas, such a decrease is consistent with the public good, and no comments or objections by the public having been received; it is

Ordered, that Original Page 16-E of Granite State Electric Company tariff, NHPUC No. 8 — Electricity, be and hereby is, permitted to become effective on January 1, 1977, or on whatever effective date allowed by the Federal Power Commission; and it is

Further ordered, that public notice of this order be made by publication in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this tenth day of December, 1976.

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NH.PUC*12/13/76*[77789]*61 NH PUC 337*Hudson Water Company

[Go to End of 77789]

Re Hudson Water Company

DF 6255, Supplemental Order No. 12,524

61 NH PUC 337

New Hampshire Public Utilities Commission

December 13, 1976

PETITION by water company for authority to issue short-term notes; granted.

SECURITY ISSUES, § 98 — Short-term notes — Water company.

[N.H.] The commission granted a water company the authority to increase its short-term borrowing limit and found that the issuance and sale of short-term notes by the company was consistent with the public good.

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BY THE COMMISSION:

Supplemental Order

Whereas, under Order No. 10,592 of this commission' dated May 12, 1972, Hudson Water Company was granted a short-term borrowing limit of \$450,000 and said notes to bear interest at a rate not in excess of one per cent above the prime rate of interest; and

Whereas, Hudson Water Company on November 29, 1976. sought authorization to increase the short-term borrowing limit to \$600,000; and

Whereas, this commission, after investigation and consideration, finds that the issuance and sale of said note or notes is consistent with the public good; it is

Ordered, that Order No. 10,592' dated, May 12, 1972, to the extent that it pertains to the issuance of short-term notes, he, and hereby is, revoked. In every other respect, said Order No. 10,592, remains in full force and effect; and it is

Further ordered, that Hudson Water Company be, and hereby is, authorized to, from time to time, issue and sell for cash, and renew its short-term note or notes, payable less than twelve

months from the date thereof. on the aggregate principal amount not in excess of \$600,000, said note or notes to bear interest at a rate not in excess of one per cent above the prime rate of interest; and it is

Further ordered, that on January 1st and July 1st in each year, said Hudson Water Company shall file with this commission a detailed statement, duly sworn to by its treasurer, showing the disposition of the proceeds of said short-term notes until the whole of said proceeds have been accounted for.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of December, 1976.

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NH.PUC*12/14/76*[77790]*61 NH PUC 338*Public Service Company of New Hampshire

[Go to End of 77790]

Re Public Service Company of New Hampshire

DR 76-123, Ninth Supplemental Order No. 12,526

61 NH PUC 338

New Hampshire Public Utilities Commission

December 14, 1976

MOTION by intervenors seeking relief from fuel adjustment charge fold-in proceeding; denied.

RATES, § 303 — Variable rates based on cost — Burden of increased fuel cost.

[N.H.] The commission found that where an electric company proposed to fold in its fuel adjustment charge as a flat rate, the relationship between the bills of high and low consumption customers would not change and therefore the burden of the increased fuel cost would not unfairly fall upon the average customer as was suggested by an intervenor.

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RATES, § 303 — Variable rates based on cost — Fuel adjustment charge.

[N.H.] Statement by the commission that an electric utility's present fuel adjustment charge was characterized as a Hat rate where the amount of the monthly fuel adjustment charge was applied equally to all customers; both the high and low consumption customers pay the same rate per kilowatt-hour for the company's fuel cost above base p. 339.

BY THE COMMISSION:

Report

On December 7, 1976, the intervenors in this proceeding filed a motion seeking certain relief.

In the first instance the intervenors request that a decision in this matter be deferred until all testimony has been concluded and a decision reached in DR 76-124 (61 NH PUC 297, *supra*). The commission sees the merit of such a suggestion in that the matters to be decided in DR 76-124 may change the fuel adjustment clause, which is now under consideration, to be folded into the basic rates. The commission, however, cannot grant the relief asked in the motion with the finality requested. The commission cannot foresee all of the circumstances which may occur over the next several months and will not agree to suspend action on the fold-in until the conclusion of DR 76-124.

The intervenors request that the commission staff fully participate, be represented by counsel, and be able to hire experts. The commission staff is and will be expected to participate fully in any investigation or hearing before this commission and shall, if they deem necessary, prepare and present testimony relative to the proceeding. The commission, unfortunately has no legal counsel nor any experts to assist the staff in this proceeding. The commission feels that the issues presented in this proceeding can be dealt with by its presently constituted staff. There is no urgency to make a decision in this particular proceeding and time is not a factor bearing upon the decision-making process. Thus, staff will have ample time to read and study all of the materials involved and, at this point, there seems to be no need for legal counsel or special experts in this proceeding.

Paragraphs 3 and 4 of the motion request certain personnel and documents be made available for the hearing on December 7th. December 7th is passed and thus the relief requested is rendered nugatory.

On December 9, 1976, the Legislative Utility Consumers' Council filed a motion requesting that a decision in DR 76-123 be deferred until a decision is reached in DR 75-20. The motion is premised upon the fact that a fold-in of the flat rate fuel adjustment charge into the declining block rate structure would result in large users paying less per unit for increased fuel costs than the average consumer who does not take advantage of the declining block rate structure by using large amounts of electricity.

This premise is erroneous. The present fuel adjustment charge can be characterized as a flat rate. The amount of the monthly fuel adjustment charge is applied equally to all customers. Both the high and low consumption customers pay the same rate per kwh for the company's fuel cost above base.

If the fuel adjustment charge is folded in as proposed, it will be applied equally to all rates in each of the rate blocks. The companies in this proceeding propose to fold in the fuel adjustment

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charge as a flat rate. The fuel adjustment charge is proposed to be folded in in such a manner as to have the same effect on each rate in the declining block rate structure. Thus, there is no difference in any customer's bill after the proposed fold-in at the same level of usage. And, since

the upper blocks are treated in the same manner, the bills of larger customers will not change after the proposed fold-in. Because of this equal or flat rate treatment of the fold-in, the relationship between the bills of high and low consumption customers will not change. The burden of the increased fuel costs would not unfairly fall upon the average customer as is suggested by the Legislative Utility Consumers' Council motion.

The motion for the several reason cited is denied.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that the motion of the intervenors filed December 7, 1976, be, and hereby is, denied; and it is

Further ordered, that the motion of the Legislative Utility Consumers' Council filed December 9, 1976, be, and hereby is, denied.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of December, 1976.

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NH.PUC*12/15/76*[77791]*61 NH PUC 340*New England Power Company

[Go to End of 77791]

Re New England Power Company

DE 76-175, Order No. 12,528

61 NH PUC 340

New Hampshire Public Utilities Commission

December 15, 1976

PETITION for authority to engage in business as a public utility; granted.

INTERCORPORATE RELATIONS, § 9 — Limited franchise — Joint venture.

[N.H.] The commission granted an electric company a franchise in a limited area for the limited purpose of participation in a jointly owned nuclear generating unit.

APPEARANCES: Richard B. Dunn and Kirk L. Ramsauer for the petitioner; Louisa K. Woodman for the Hampton Planning Board.

BY THE COMMISSION:

Report

By petition filed November 12, 1976, New England Power Company (the "company") seeks

permission and approval to engage in business as a public utility in the towns of Seabrook, Hampton, and Hampton Falls. At the hearing on the petition, held in Concord on December 14, 1976, the company represented that it is a corporation organized under the laws of Massachusetts, owning and operating

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properties in Connecticut, Massachusetts, New Hampshire, and Vermont, including hydroelectric developments and storage reservoirs on the Connecticut river and related transmission lines therefrom. Certain of said developments, reservoirs, and transmission lines were acquired pursuant to Chap 315 of the New Hampshire Laws of 1951 from Connecticut River Power Company and gave it certain rights as if it were a domestic corporation, but with the express proscription that "New England Power Company shall not engage in local distribution in New Hampshire." The company is qualified as a foreign corporation to do business in New Hampshire and, since 1951, has been considered a "public utility" as that term is defined in New Hampshire statutes, subject to all applicable provisions of Title XXXIV.

The company is a party to the agreement for joint ownership, construction, and operation of New Hampshire nuclear units, dated May 1, 1973, and amendments thereto (a copy of which is on file with the commission as an exhibit to DF 76-166), entered into with the Public Service Company of New Hampshire, a domestic electric utility, and with other electric public utilities in New England.

At the outset company counsel requested no action at this time on the second prayer of the company's petition to acquire the additional individual ownership interests and related property in the Seabrook Units 1 and 2.

The record of the hearing shows that delivery of items of machinery for the Seabrook project has recently commenced, either to the site or to nearby storage areas, and is expected to continue during the Seabrook construction. Furthermore, it is anticipated that in the near future the Public Service Company of New Hampshire will transfer interests in real property to the various Seabrook participants. The company represented that it is currently entitled to a 10.1103 per cent ownership interest in said personal and real property. It therefore seeks permission and approval to engage in business in Seabrook, Hampton, and Hampton Falls, the towns in which the Seabrook project is being located, solely as a participant of the jointly owned project. The Public Service Company of New Hampshire, as the lead participant of the group, will have the responsibility for the construction, operation, and maintenance of the facilities. The company has no intention of engaging in retail distribution of these towns or elsewhere in New Hampshire. It proposes to direct its ownership share of the power to be generated by the projected facilities into the interconnected New England transmission system for its own account.

The company represented that, although it may be subject to the provisions of RSA Chap 374-A as a "foreign electric utility," its status as a "public utility" in New Hampshire led it to request permission to engage in business in the towns of Seabrook, Hampton, and Hampton Falls pursuant to RSA 374:22(I).

Louisa Woodman, representing the Hampton planning board, made an unsworn statement requesting the commission to prohibit the New England Power Company from engaging in any

local distribution in the town of Hampton. As stated in sworn testimony, company witness Bigelow stated that there would be no retail distribution in Hampton or elsewhere in New Hampshire. Woodman also raised an issue of the method of taxation, an issue not within

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the scope of this commission's jurisdiction.

Seabrook, Hampton, and Hampton Falls are presently served by the Exeter and Hampton Electric Company. By letter dated December 9, 1976, received at the commission on December 13, 1976, and signed by John C. Robinson, vice president and general manager, the Exeter and Hampton Electric Company stated it had no objection to New England Power Company being granted a franchise in Seabrook, Hampton, and Hampton Falls for the limited purpose of participation in the jointly owned Seabrook nuclear station.

Upon investigation and consideration of the evidence submitted, this commission is of the opinion that the granting of the authorization sought will be consistent with the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that New England Power Company be, and hereby is, authorized to engage in business as a public utility in the towns of Seabrook, Hampton, and Hampton Falls for the limited purpose of participation in the jointly owned Seabrook nuclear station.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of December, 1976.

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NH.PUC*12/16/76*[77792]*61 NH PUC 342*Granite State Electric Company

[Go to End of 77792]

Re Granite State Electric Company

DF 76-169, Order No 12,530

61 NH PUC 342

New Hampshire Public Utilities Commission

December 16, 1976

PETITION by electric company for authority to issue long-term notes; granted.

SECURITY ISSUES, § 58 — Purposes of capitalization — Unsecured long-term notes.

[N.H.] The commission authorized an electric company to issue a long-term unsecured note

provided that the proceeds of the note be applied to the payment of short-term notes, the reimbursement of uncapitalized extensions, enlargements, and additions to the plant and property of the company, or any other uncapitalized expenditures.

APPEARANCES: Kirk L. Ramsauer for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition filed November 18, 1976, Granite State Electric Company (the "company"), a corporation duly organized under the

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laws of this state, and conducting an electric public utility business therein, seeks authority pursuant to RSA 369 to issue and sell \$8 million principal amount of a long-term, unsecured note (the "note") under and pursuant to the terms of a note agreement to be executed by the company with John Hancock Mutual Life Insurance Company prior to the issuance of the note. The proposed note will mature in ten years and will bear interest at the rate of 9.5 per cent from the date of issue to maturity.

At the hearing on the petition, held in Concord on December 14, 1976, the company represented that its authorized capital stock consists of 60,400 shares, \$100 par value, issued and outstanding. The company also had outstanding, as of September 30, 1976, a total of \$7 million of short-term notes payable. It is expected that total short-term notes will increase to \$8 million prior to the issue of the note.

At the hearing it was also represented by the company that wide fluctuations in interest rates which have taken place in recent years have created wide variations in earnings and pretax interest coverages and have made it preferable for the company to issue longer-term debt rather than continue to issue short-term debt.

Granite State Electric Company represents that the proceeds from the issue and sale of the proposed note will be applied to the payment of short-term notes payable of the company incurred for or to the cost of, or to the reimbursement of the treasury for, uncapitalized extensions, enlargements, and additions to the plant and property of the company, and any other uncapitalized expenditures of the company.

Certified copies of votes of petitioner's board of directors, complying with applicable statutory requirements as to corporate authorization, were put in evidence at the hearing. Statements showing that the company's uncapitalized expenditures had increased in net amount by \$2,604,832 from November 30, 1973, to September 30, 1976, for a total of \$11,813,310 in uncapitalized expenditures on September 30, 1976, were submitted and supported by testimony.

Upon investigation and consideration of the evidence submitted, this commission is satisfied that the proceeds of the proposed issue and sale of the note will be applied toward the payment of outstanding short-term notes payable, issued to pay for capitalizable expenditures or to

reimburse the treasury therefor. This commission also finds that the granting of the authorizations and approvals sought herein is consistent with the public good; and accordingly authorizes and approves the proposed issue and sale by the company of \$8 million principal amount of a long-term unsecured note, and the purposes to which proceeds therefrom are to be applied. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Granite State Electric Company be, and hereby is, authorized to issue and sell for cash, its note, in principal amount of \$8 million, unsecured and maturing in ten years and bearing interest at the rate of 9.5 per cent from date of issue to maturity; and it is

Further ordered, that the proceeds of said note be applied to the payment of short-term notes payable of the company

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incurred for or to the cost of, or to the reimbursement of the treasury for, uncapitalized extensions, enlargements, and additions to the plant and property of the company, and any other uncapitalized expenditures of the company; and it is

Further ordered, that on or before January 1st and July 1st in each year, said Granite State Electric Company shall file with this commission showing the disposition of proceeds in a detailed statement, duly sworn to by its treasurer, or an assistant treasurer, of said note, until the expenditures of the whole of said proceeds shall be fully accounted for.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of December, 1976.

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NH.PUC*12/20/76*[77793]*61 NH PUC 344*Niel C. Young, d/b/a D S C Transportation

[Go to End of 77793]

Re Niel C. Young, d/b/a D S C Transportation

Intervenors: Ross Express, Inc., Sanborn's Express, Auclair Motor Transportation, Inc., Nashua Motor Lines, Inc., and Willey's Express, Inc.

DT 76-50

61 NH PUC 344

New Hampshire Public Utilities Commission

December 20, 1976

PETITION by irregular route common carrier for authority to extend service; denied.

1. CERTIFICATES, § 136 — Amendment of certificate — Changes in equipment and facilities.

[N.H.] The commission found that an irregular route common carrier could increase its limitations on weight shipments to the extent requested in its petition. p. 350.

2. CERTIFICATES, § 96 — Preference between rival applicants — Priority occupying territory.

[N.H.] The commission denied an irregular route common carrier's proposal to extend service within the state where it found that there were many other carriers offering similar service and where, in the commission's opinion, the present and future public convenience and necessity did not require the issuance of the certificate in the territory applied for. p. 350.

APPEARANCES: Michael C. Moyers for the applicant; Robert E. Young, pro se; Charles A. DeGrandpre for Ross Express, Inc., and Sanborn's Express; James E. Mahoney for Auclair Motor Transportation, Inc., and Nashua Motor Lines, Inc.; Frank E. Willey for Willey's Express, Inc.

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BY THE COMMISSION:

Report

By application filed April 27, 1976, Niel C. Young, d/b/a D S C Transportation seeks authority to extend its irregular route common carrier express service presently operated under property carrier certificate of public convenience and necessity No. 384 to the towns of Chichester, Epsom, Pittsfield, Northwood, Farmington, Rollinsford, Durham, Newington, Newmarket, Greenland, Rye, North Hampton, Hampton, Seabrook, South Hampton, Salem, Windham, Bow, Londonderry, Derry, and the cities of Rochester, Somersworth, Dover, and Portsmouth. Hearing, thereon, was held in Concord on May 24, 1976, and concluded June 14, 1976.

Applicant proposes to provide an express same day service for general commodities; except those of unusual value, explosives, commodities in bulk, or those injurious or contaminating to other lading and household goods as defined in RSA 375-A:1; with shipments to be limited to a maximum weight of a single article to 350 pounds or a shipment to one destination not to exceed 1,200 pounds total weight.

Applicant is authorized to provide an express same day service in the towns of Plymouth, Campton, Holderness, Ashland, Meredith, Gilford, Belmont, Tilton, Northfield, Franklin, Boscawen, Pembroke, Allenstown, Hooksett, Bedford, Merrimack, Hudson, and the cities of Laconia, Concord, Manchester, and Nashua, limited to single articles not to exceed 200 pounds in weight or no more than 500 pounds to one destination. (Re Young DT 75-115.)

Included as equipment in this business are two Ford Econoline Super Vans, each having a capacity of approximately 1, 500 pounds. Applicant employs one driver besides himself and another driver on a part-time basis.

The application is supported by 28 letters from various business firms in the area in which he

is now operating and the area embraced by this instant application. Applicant testified that Exhs No. 1 through No. 9 represent individuals who are using or have used his general express same day service over the past year. They refer in no way to the proposed service embraced by this application, but indicate his service is satisfactory. He also stated that he witnessed the majority of the signatures on these exhibits. Fourteen of these exhibits were letters with answers to two questions, (1) do you have a need for the proposed service and (2) is there a same day delivery service available to you now, referring to the territory involved in the instant application. Eleven of the signers included a comment as to their reasons for submitting the request and three of the letters answered the questions and made no further comment. The remaining exhibits include letters from business firms indicating that the service is desirable and would be used by the signers if available. Two of the letters submitted as exhibits were notarized. One letter in support was from Representative Edward J. Crotty of Manchester, who operates a market in the city and handles all the incoming calls for D S C Transportation.

Individuals also appeared in support of this instant application. The manager of a glass distributorship in the city of Manchester stated his need and desire for an expeditious service. He also stated that the company operates a branch store in the city of Portsmouth. The

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manager of a paint store in Concord testified that the store exchanges stock between the other stores that the company operates and desires to use an expedited service for customers needing supplies. Another witness is a branch manager in Bedford of a wholesale floor covering and tile business. A large portion of his shipments are in the area embraced by this application. Upon cross-examination of this witness he indicated that he uses D S C Transportation because his rates are cheaper, and that all his shipments are shipped collect. A state representative to the general court also testified as an individual proprietor, who operates North Atlantic Distributors, a hot drinks and soup dispenser business, throughout the state. He indicates that he delivers and services his customers on a monthly basis and that he has used D S C Transportation on several occasions and would use this carrier in the area sought by this application. Another witness testified as a branch and sales manager of an air conditioning and refrigeration business in Manchester. He sells to independent dealers and when a company has a breakdown in equipment he often requires emergency service to effect a delivery to his customer. Presently, he uses D S C Transportation and indicates that D S C has lower rates than other authorized carriers.

Emphasis was placed upon a service designed to provide a same day delivery, which is claimed to be not generally available to the businesses in the cities and towns proposed to be served.

Robert E. Young, d/b/a Brown's Express entered an appearance in support of this application but did not offer any testimony.

Opposition is expressed by Charles E. Ross, Jr., president of Ross Express, Inc. This corporation operates exclusively within New Hampshire pursuant to property carrier certificate of public convenience and necessity No. 3 and contract carrier permit No. 3, dated November 9, 1967 (DT 4669) authorizing transportation of general commodities as a regular and irregular route carrier between all points and places in the state. This witness indicates that competition is

intense in the type of service considered herein. It has fifteen trucks operating each day on a regular route basis. It has 30 pieces of equipment, including, straight trucks, tractors, and trailers. Because of business conditions, some of this equipment is presently idle. Of twenty-nine employees, two men are on vacation, one man is away at camp and one man is out sick, otherwise he states he would have to lay off four men. The total assets in this corporation are \$375,000.

Mr. Ross stated that the person who signed applicant's Exh No. 14, Lee Reaves, as warehouse manager, was not authorized to do so, as stated to him by the president of Seamans Distributors.

This carrier submitted nine exhibits to indicate the importance of small shipments to his business in the area embraced by this application. These list shipments from seven shippers located in Nashua, Manchester, Bedford, and Bow to the cities of Dover, Portsmouth, Rochester, and Somersworth and the towns of Atkinson, Derry, Durham, Epping, Exeter, Hampton, Hampton Falls, Kensington, Kingston, Londonderry, Milton, Newington, Pittsfield, Plaistow, Salem, Seabrook, and Windham. Of the 234 shipments shown in these exhibits 41 were in excess of the 350 pound limitation while the balance of 193 were within the limits of the type of service applicant desires to perform. The period

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covered is from March 1 through May 28, 1976. It also claims that the area is being adequately serviced by this carrier. Mr. Ross testified that 95 per cent of his shipments are under 1,200 pounds and many less than 500 pounds. It is claimed that the territory involved in the instant application is in the very heart of the territory in which much of his revenue is provided. He operates three or four pieces of equipment on a daily basis in the area and that more competition will very seriously affect his ability to continue. He also stated that if this authority is granted it would seriously affect his revenues and adversely affect his operation.

The Ross operation offers same day service to many points but stresses the fact that shipments are brought to its Boscawen terminal each day for delivery the next morning to points where same day service is not feasible.

The application is also opposed by Harry M. Sanborn, d/b/a Sanborn's Express of Newport, New Hampshire, represented by Harry M. Sanborn, Jr.

This carrier is authorized to operate as a regular and irregular route common carrier by motor vehicle within New Hampshire under the provisions of property carrier certificate of public convenience and necessity No. 65 dated November 24, 1967 (DT 4790). It authorizes transportation of general commodities in that portion of the state from Manchester and points along U.S. Route 3 as far as Meredith to points in New Hampshire west of these as a regular route common carrier, and also between all points in New Hampshire as an irregular route common carrier. This carrier has four trucks operating each day on a regular route basis. It has eight pieces of equipment, including straight trucks, tractors, and trailers. At the present time it has four full-time and two part-time drivers employed.

This witness testified that he has the ability and equipment available to handle more freight on a same day express service in the area embraced by this application. He strongly objected to

applicant's intention to offer a same day express service and claims there is very little demand for this type service.

The application is opposed by Auclair Transportation Co., Inc., represented by John A. Russell, vice president.

This carrier is authorized to operate within the state of New Hampshire by property carrier certificate of public convenience and necessity No. 7, dated October 9, 1967 (DT 4639). It is also engaged in interstate commerce under the authority of the Interstate Commerce Commission.

Witness Russell submitted two exhibits, one being a list of equipment and the other a list of shipments of the type desired to be handled by applicant. This carrier utilizes five trucks, three local vehicles termed "yard horses," 110 tractors, and 252 trailers, five of which are reefers. Because of business conditions some of this equipment is presently idle and some of its employees have recently been let go for lack of work. The shipment list contains a total of 35 shipments handled between April 5 and April 30, 1976. Of these, there are five shipments shown between points which applicant now has authority to serve. The remaining 30 are all within the 350 pound weight limitation and from the origin points of Manchester, Concord, Dover, and Pittsfield to destinations in Chichester, Dover, Farmington, Hampton, Plymouth, Portsmouth, Rochester, Rye, and Salem. He is now offering his customers same day service

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in the area embraced by this application.

The application is opposed by Nashua Motor Express, Inc., represented by James E. Mahoney who actively cross-examined witnesses but did not offer any testimony in this proceeding.

The application is also opposed by Willey's Express of Laconia, New Hampshire, represented by Frank M. Willey, vice president.

This carrier is authorized to operate within the state of New Hampshire under the provisions of property carrier certificate of public convenience and necessity No. 106, dated April 15, 1968. This authorizes operations over certain regular routes and between all points and places in the state over irregular routes. This carrier also operates in interstate commerce pursuant to authority issued by the Interstate Commerce Commission.

Mr. Willey submitted three exhibits in protest to the granting of this authority. Exhibit No. 13 is an abstract of intrastate shipments transported by this carrier over a period of three days.

Eighty-seven shipments are shown as having been handled. Sixty-nine of these originated in Manchester; nine in Concord, three in Laconia, and one each in Gilford, Franklin, Winnisquam, Plymouth, Bristol, and Newport. Eleven of these were destined to Berlin or Keene which are not involved in this proceeding. Eighteen shipments originated at and were also delivered to Manchester. There were 44 shipments originating in Manchester for other points, of which 12 went to Nashua; four to Concord; two to Laconia; five to Lebanon; six to Claremont; and one each to Bow, Belmont, Bedford, and Bristol. Lebanon, Claremont, and Bristol are beyond the scope of this application. Of the destinations concerned with this application there were four shipments from Manchester to Portsmouth; three to Exeter; three to Rochester; and one to Salem.

Of the shipments originating at points along applicant's present route, other than Manchester, eight were to points in the Merrimack valley area; seven were to points outside of the scope of present or proposed operations, and three originated in applicant's present territory for delivery to points which are now proposed to be served. Exhibit No. 14 is a verified statement from John Piscopo, Jr., president of Central Glass Company, Inc., of Laconia, New Hampshire. This statement indicates that Willey's Express is offering him same day express service. He has used D S C Transportation on several occasions for single shipments from Manchester; the principal reason being that his single shipment charge is approximately \$3 from Manchester. Protestant's Exh No. 15 is a letter from Charles A. Gove, Inc., Laconia, New Hampshire, and it also indicates a same day express service by Willey's Express. Protestant's Exh No. 16 is a letter from Vernitron Electrical Components of Laconia, New Hampshire. This letter is in support of the application for the type of service the carrier is now offering. It also states that this company would not benefit directly from the authority applied for by the applicant.

Included as equipment in the operations of this business are: 25 straight trucks, 28 tractors, and 48 trailers. Because of business conditions, 12 pieces of this equipment are presently idle. At the present time there are seventy-five employees involved in the operations of this carrier.

Mr. Willey takes the position that his

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company is now offering both a same day and overnight service. He also stated that it is economically impossible to service such a large area with same day service in all respects, and that the applicant has failed to show the feasibility to do so.

The application is also opposed by Dearborn's Motor Express, Inc., by correspondence, but no one appeared on behalf of this carrier at the hearing.

Summarizing the evidence in this case, it is apparent that the applicant has entered a field for handling small shipments with approximately one year's experience in doing so, serving cities and towns along the central portion of New Hampshire from Plymouth to the state line at Nashua.

It is also apparent that satisfactory service has been provided to business firms, especially in Manchester, for one-day delivery service to various destinations in the area. In doing so, there is no terminal necessary and most of the calls are received through the courtesy of one of the acquaintances who operates a market in Manchester.

The support, other than the desire of the applicant to expand into the eastern and seacoast areas of the state, is largely by solicited letters from shippers who are using the presently authorized service with the indication that they would use the new service if the applicant is successful in obtaining the required authority.

There are two vehicles in operation presently, and it is proposed to arrange with a motor carrier to supply the new service into the seacoast area which is a much more diverse territory in which a one-day service will require several routes or a small number of circuitous ones.

It is apparent from the evidence that the single-day service will be available almost entirely

in and out of the Manchester-Concord area, as there is very little, if any evidence to indicate any necessity or desire to provide same day service from the cities of Portsmouth, Dover, Rochester, Somersworth, and adjacent towns to points north of Manchester presently served.

Coupled with this is a request to offer the service limited to only 350 pounds per package, or 1,200 total shipment which is substantially heavier than the present authority which is limited to shipments of single articles of not more than 200 pounds and a total of 500 pounds.

Opposition is strenuous because of the small shipment business which has been handled and which is a substantial part of the business of those, as indicated by the appearances for carriers opposing the granting of this application. While protestants do not stress a same day service they indicate that it is available and offered when possible. but in any event shipments picked up in the afternoon of one day are delivered, beginning on the morning of the next business day. This is particularly true of one of the protestants whose business is dependent upon operations wholly within New Hampshire and who has a terminal located in the central portion of the state from which routes radiate throughout the state each day.

The desires of the applicant to increase the shipment limitations from single packages of 200 pounds to a maximum of no more than 350 pounds per package, and from a total of 500 pounds to 1,200 pounds for the weight of a total shipment to one destination on the same day, was the subject of very little discussion during the hearing, although the testimony presented in the form of exhibits

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was based on these higher weights.

Section 6 of RSA 375-B provides that no terms, conditions, or limitations shall restrict the right of the carrier to add to his or its equipment and facilities over the routes, between the termini or within the territory specified in the certificate, as the development of the business and the demands of the public shall require.

The limitations presently effective in the applicant's present certificate of public convenience and necessity No. 384 contains the weight limitations, as requested in the application which resulted in the issuance of that certificate.

[1] It would appear from the evidence presented in this case which had considerable bearing on its present operations that if it is the desire of the applicant to increase those weights to the extent requested in this petition there is sufficient evidence to amend the present certificate accordingly.

[2] Upon consideration of all the facts, the commission is of the opinion the present and future public convenience and necessity does not require the issuance of a certificate in the territory applied for. The application is' therefore, dismissed.

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NH.PUC*12/21/76*[77794]*61 NH PUC 350*New England Power Company

[Go to End of 77794]

Re New England Power Company

DF 76-161, Supplemental Order No. 12,535

61 NH PUC 350

New Hampshire Public Utilities Commission

December 21, 1976

PETITION by utility for authority to issue general and refunding mortgage bonds and first mortgage bonds; granted.

SECURITY ISSUES, § 58 — Mortgage bonds.

[N.H.] The commission authorized a utility to mortgage its present and future property, intangible and tangible, including franchises, as security for its outstanding first mortgage bonds, and first mortgage bonds which would be thereafter issued pursuant to the indenture of trust and first mortgage were to be pledged as further security for general and refunding mortgage bonds.

BY THE COMMISSION:

Supplemental Order

Whereas, by Order No. 12,495 of this commission dated November 29, 1976 (61 NH PUC 316, *supra*), issued in the above entitled proceeding. New England Power Company was authorized to issue and sell for cash its general and

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refunding mortgage bonds, Series A; and

Whereas, the report accompanying said order stated that New England Power Company proposed to issue and pledge not exceeding \$50 million principal amount of first mortgage bonds, Series V as further security for the general and refunding Series A bonds; and

Whereas, New England Power Company has determined that it will issue \$20 million principal amount of said Series V; it is

Ordered, that New England Power Company be, and hereby is, authorized to issue and pledge, as further security for its general and refunding mortgage bonds, its first mortgage bonds, Series V, in an aggregate principal amount of \$20 million, bearing the same interest rate and having the same maturity as said general and refunding mortgage bonds, Series A; and it is

Further ordered, that New England Power Company shall submit to this commission an account of the bids of responsible bidders for the purchase of said Series A bonds, following which a supplemental order will issue, establishing the amount of the Series A bonds to be sold and the price and terms upon which said Series A bonds shall be sold, and thereby fixing the

interest rate and maturity of the Series V bonds; and it is

Further ordered, that New England Power Company be, and hereby is, authorized to mortgage said present and future property, intangible and tangible, including franchises, in New Hampshire, or to confirm the present mortgage thereof, as security for its outstanding first mortgage bonds, Series B through P and R through U, the proposed Series V bonds, and first mortgage bonds which are thereafter issued pursuant to the indenture of trust and first mortgage and pledged as further security for general and refunding mortgage bonds; and it is

Further ordered, that the authorization contained herein be subject to all the terms and conditions stipulated in our original order in this proceeding.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of December, 1976.

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NH.PUC*12/28/76*[77795]*61 NH PUC 352*Public Service Company of New Hampshire

[Go to End of 77795]

Re Public Service Company of New Hampshire

Additional petitioners: Concord Electric Company, Exeter and Hampton Electric Company, Connecticut Valley Electric Company, Inc., New Hampshire Electric Cooperative, Inc., Granite State Electric Company, Municipal Electric Department of Wolfeboro, Littleton Water and Light Department, and Woodsville Water and Light Department

Intervenors: Volunteers Organized in Community Education, City of Nashua, and Legislative Utility Consumers' Council et al.

DR 76-46, Tenth Supplemental Order No. 12,538

61 NH PUC 352

New Hampshire Public Utilities Commission

December 28, 1976

PETITION for authority to apply fuel adjustment charge to monthly billings; granted.

[1] RATES, § 303 — Fuel expenses — Recovery.

[N.H.] The commission permitted electric companies to recover varying fuel costs by application of an adjustment derived by dividing the total fuel cost for the month by the total kilowatt-hours sold. p. 352

[2] RATES, § 303 — Fuel expenses — Credit.

[N.H.] The commission permitted an electric company to apply a credit to its monthly billing of its fuel adjustment charges. p. 354.

APPEARANCES: Martin L. Gross and Philip Ayers for Public Service Company of New Hampshire; Joseph Ransmeier for Concord Electric Company and Exeter and Hampton Electric Company; Donald L. Rushford for Connecticut Valley Electric Company, Inc.; Mayland H. Morse for New Hampshire Electric Cooperative, Inc.; Russell A. Holden for Granite State Electric Company; Guy Krapp for the Municipal Electric Department of Wolfeboro; Richard Deane for Littleton Water and Light Department; Robert F. Brown for Woodsville Water and Light Department; Peter W. Brown for Volunteers Organized in Community Education; Morgan Hollis for the city of Nashua; Steven W. Ruback and Senator D. Alan Rock for the Legislative Utility Consumers' Council.

BY THE COMMISSION:

Report

[1] Pursuant to RSA 378:3-a(II), the commission, on December 20, 1976, held hearings on the petitions of nine New Hampshire electric companies for authority to apply a fuel adjustment charge to regular January monthly billings to their customers.

Littleton Water and Light Department

Littleton Water and Light Department, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on December 17, 1976, filed with this commission

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36th Revised Page 6 to its tariff, NHPUC No. 1 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect on January 1, 1977. Littleton purchases all of its requirements from the New England Power Company. Littleton reported that the total fuel cost billed by the New England Power Company during the month of November, 1976, was \$5,241.86. During this period the total kilowatt-hours sold by Littleton was 2,685,101. The fuel adjustment charge, therefore, by simple division is \$0.001952, rounded to \$0.0020. The fuel adjustment charge proposed for the month of January, 1977, is 20 cents per 100 kilowatt-hours applied to all bills to be rendered in that month.

Municipal Electric Department of Wolfeboro

Municipal Electric Department of Wolfeboro, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on December 7, 1976, filed with this commission 26th Revised Page 9A to its tariff, NHPUC No. 4 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect January 1, 1977. Wolfeboro purchases all of its requirements from Public Service Company of New Hampshire. Wolfeboro reported that during the month of November, 1976, the total fuel cost billed by Public Service Company was \$26,996.88. During this same period the total kilowatt-hours sold by Wolfeboro was 2,000,379. The fuel adjustment, therefore, by simple division and rounded is \$0.0135 per kilowatt-hour. The fuel adjustment charge proposed for effect in the month of January is \$1.35 per 100 kilowatt-hours to apply to all bills rendered in that month.

New Hampshire Electric Cooperative, Inc.

New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on December 17, 1976, filed with this commission 32nd Revised Page 13 to its tariff, NHPUC No. 6 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect on January 1, 1977. The company reported that the total fuel cost billed by its several power suppliers for power during the month of November, 1976, was \$276,292. Total sales by the Co-op during the same month were 23,466,033 kilowatt-hours. By simple division, the fuel adjustment charge proposed for January, 1977, is \$0.01177, rounded to \$0.0118 per kilowatt-hour. The fuel adjustment charge to be applied to all bills rendered in the month of January, 1977, is proposed to be \$1.18 per 100 kilowatt-hours.

Granite State Electric Company

Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on December 17, 1976, filed with this commission 28th Revised Page 15A to its tariff, NHPUC No. 8 — Electricity, comprising the monthly fuel adjustment charge for effect January 1, 1977. Granite State Electric Company purchases all of its requirements from the New England Power Company. Granite State reported that the variable portion of the fuel cost billed by New England Power Company was a credit of \$50,016.56. Total sales to Granite State customers during the same period were 29,059,252 kilowatt-hours. By simple division this yields a credit of

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\$0.0017 to which is added the fixed fuel portion of \$0.0124 or \$1.24 per 100 kilowatt-hours. Thus, the proposed fuel adjustment charge applicable to all bills rendered in the month of January, 1977, is proposed to be \$1.07 per 100 kilowatt-hours.

Woodsville Water and Light Department

[2] Woodsville Water and Light Department, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on December 20, 1976, filed with this commission First Revised Page 10-B of its tariff, NHPUC No. 3 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect January 1, 1977. Woodsville purchases all of its requirements from Central Vermont Public Service Corporation. Woodsville reported that during the month of November, 1976, the total fuel cost billed by Central Vermont was a credit of \$994.23. During this same period the total kilowatt-hours sold by Woodsville was 773,458. The fuel adjustment, therefore, by simple division and rounded is a credit of \$0.0013 per kilowatt-hour. The fuel adjustment charge proposed for the month of January, 1977, is a credit of 13 cents per 10 kilowatt-hours to apply to all bills rendered in that month.

Woodsville also presented calculations of its fuel adjustments for the months of July through November. These charges were a credit of 07 cents for July; one cent for August; 46 cents for September; 40 cents for October, and a credit of 45 cents for November. The surcharges have been computed and applied in accordance with the department's tariff.

Connecticut Valley Electric Company, Inc.

Connecticut Valley Electric Company, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, on December 16, 1976, filed with this commission Fourth Revised Page 18 of its tariff, NHPUC No. 3 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect January 1, 1977. Connecticut Valley purchases all of its requirements from Central Vermont Public Service Corporation. Connecticut Valley reported that during the month of November, 1976, the total fuel cost billed by Central Vermont was a credit of \$14,658. During this same period the total kilowatt-hours sold by Connecticut Valley was 11,832,000. The fuel adjustment, therefore, by simple division is a credit of \$0.001239 per kilowatt-hour. The fuel adjustment charge proposed for the month of January, 1977, is a credit of 12.39 cents per 100 kilowatt-hours to apply to all bills rendered in that month.

Connecticut Valley also presented calculations of its fuel surcharges for July through December. They were a credit of 7.42 cents for July; 1.06 cents for August; 47.44 cents for September; 41.18 cents for October; 32.40 cents for November, and 11.20 cents for December. All these charges were calculated and applied in accordance with the company's filed tariff.

Concord Electric Company

Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on December 9, 1976, filed with this commission 22nd Revised Page 15-A to its tariff, NHPUC No. 6 —

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Electricity, comprising the monthly calculation of the fuel adjustment charge for effect January 1, 1977. Concord Electric purchases all of its requirements from Public Service Company of New Hampshire. Concord Electric reported that the total fuel cost billed by Public Service Company during the month of November, 1976, was \$293,037.20. sales during that same period were 22,813,551 kilowatt-hours. The fuel adjustment charge by simple division is \$0.01284 per kilowatt-hour. Therefore, the fuel adjustment charge proposed to be billed during January, 1977, is \$1.28 per 100 kilowatt-hours.

Exeter and Hampton Electric Company

Exeter and Hampton Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, on December 9, 1976, filed with this commission 18th Revised Page 16 to its tariff, NHPUC No. 11 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect January 1, 1977. Exeter and Hampton purchases all of its requirements from Public Service Company of New Hampshire. Exeter and Hampton reported that the total fuel cost billed by Public Service Company for the period October 29, 1976, to November 30, 1976, was \$310,966.60. Total sales by Exeter and Hampton during that same period were 27,230,000 kilowatt-hours. The fuel adjustment charge, therefore, by simple division is \$0.01324. Thus, the fuel adjustment charge proposed to be billed during the month of January, 1977, is \$1.32 per 100 kilowatt-hours.

Public Service Company of New Hampshire

Public Service Company of New Hampshire, a public utility engaged in the business of

supplying electric service in the state of New Hampshire, on December 17, 1976, filed with this commission 25th Revised Pages 15 and 16 to its tariff, NHPUC No. 20 — Electricity, comprising the monthly calculation of the fuel adjustment charge for effect January 1, 1977.

Page 16 of the company's fuel surcharge filing for December indicates that fuel cost above base for the data month of October was \$4,009,401. During this same period the kilowatt-hours subject to the fuel adjustment were 421,163,000. The fuel adjustment, therefore, by simple division and rounded is \$0.0095 per kilowatt-hour. The fuel adjustment charge proposed for effect in the month of January, 1977, is 95 cents per 100 kilowatt-hours to apply to all bills rendered in that month.

The surcharge proposed for January includes no coal inventory adjustment. The adjustment for the coal inventory was completed, insofar as possible, on all November billings. November billing data is now available and a final accounting of the refund will be determined subsequent to the January, 1977, hearing.

The reasons advanced for the decrease in the fuel adjustment charge from \$1.15 per 100 kilowatt-hours to 95 cents per 100 kilowatt-hours are twofold. First, the Merrimack coal plant operated at a high capacity factor in November. The output from the coal plant was higher than in previous months. The coal plant generates electricity at a lower average kilowatt-hour cost, thus reducing the need for the generation of electricity by higher cost fossil fuel.

Secondly, the Public Service Company received nearly all of its nuclear

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entitlements. Nuclear generation does not contribute to the fuel adjustment. The greater the nuclear generation the lower the fuel adjustment will be, all other things being equal.

We will shortly be resolving the matter of the coal pile inventory discrepancy. The final adjustments are expected subsequent to the January hearing on the fuel adjustment charge. The existence of the coal pile inventory discrepancy, raised as a result of a recommendation by public utilities commission hired auditors (Touche, Ross & Co.) for such an inventory, has consumed large amounts of time of both the company and the commission. Consumers paid for coal the company did not burn and although a full refund is made there have been numerous problems arising out of this situation. The commission desires to prevent any such occurrence in the future and as a step towards this goal will require the company to perform an annual coal pile inventory. The company is, therefore, instructed to cause an inventory to be made as early in 1977 as weather will permit and thereafter on an annual basis at its own discretion, and shall report all findings to the New Hampshire Public Utilities Commission. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that 25th Revised Pages 15 and 16 of Public Service Company of New Hampshire tariff, NHPUC No. 20 — Electricity, providing for the monthly fuel surcharge of 95 cents per 100 kilowatt-hours for the month of January, 1977, be, and hereby are, permitted to become effective January 1, 1977; and it is

Further ordered, that 22nd Revised Page 15-A of Concord Electric Company tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of \$1.28 per 100 kilowatt-hours for the month of January, 1977, be, and hereby is, permitted to become effective January 1, 1977; and it is

Further ordered, that 18th Revised Page 16 of Exeter and Hampton Electric Company tariff, NHPUC No. 11 — Electricity, providing for the monthly fuel surcharge of \$1.32 per 100 kilowatt-hours for the month of January, 1977, be, and hereby is, permitted to become effective January 1, 1977; and it is

Further ordered, that Fourth Revised Page 18 of Connecticut Valley Electric Company, Inc., tariff, NHPUC No. 3 — Electricity, providing for the monthly fuel surcharge of a credit of 12.39 cents per 100 kilowatt-hours for the month of January, 1977, be, and hereby is, permitted to become effective January 1, 1977; and it is

Further ordered, that 32nd Revised Page 13 of New Hampshire Electric Cooperative, Inc., tariff, NHPUC No. 6 — Electricity, providing for the monthly fuel surcharge of \$1.18 per 100 kilowatt-hours for the month of January 1977, be, and hereby is, permitted to become effective January 1, 1977; and it is

Further ordered, that 28th Revised Page 15A of Granite State Electric Company tariff, NHPUC No. 8 — Electricity, providing for the monthly fuel surcharge of \$1.07 per 100 kilowatt-hours for the month of January, 1977, be, and hereby is, permitted to become effective January 1, 1977; and it is

Further ordered, that 26th Revised Page 9A of the Municipal Electric Department of Wolfeboro tariff, NHPUC No. 4 — Electricity, providing for the monthly fuel surcharge of \$1.35

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per 100 kilowatt-hours for the month of January, 1977, be, and hereby is, permitted to become effective January 1, 1977; and it is

Further ordered, that 36th Revised Page 6 of Littleton Water and Light Department tariff, NHPUC No. 1 — Electricity, providing for the monthly fuel surcharge of 20 cents per 100 kilowatt-hours for the month of January, 1977 be, and hereby is, permitted to become effective January 1, 1977; and it is

Further ordered, that First Revised Page 10-B of Woodsville Water and Light Department tariff, NHPUC No. 3 — Electricity, providing for the monthly fuel surcharge of a credit of 13 cents per 100 kilowatt-hours for the month of January, 1977, be, and hereby is, permitted to become effective January 1, 1977.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of December, 1976.

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NH.PUC*12/28/76*[77796]*61 NH PUC 357*Public Service Company of New Hampshire v Maine Central Railroad Company

[Go to End of 77796]

**Public Service Company of New Hampshire v Maine Central Railroad
Company**

DE 76-131

61 NH PUC 357

New Hampshire Public Utilities Commission

December 28, 1976

PETITION by electric company for easement across railroad right of way; denied.

1. EMINENT DOMAIN, § 6 — Right to appropriate property — Purpose for taking.

[N.H.] The commission denied an electric company's petition to condemn land where the company was not petitioning for the condemnation of land for the purpose of erecting generation, transmission, or distribution facilities, hut for a particular access route to a substation for the purposes of maintenance. p. 358.

2. EMINENT DOMAIN, § 5 — Right to appropriate property — Necessity as a factor.

[N.H.] The commission concluded that the land over which an electric company desired to secure an easement was the shortest, most economical, and most convenient route, but the commission concluded that desirability, convenience, and economic considerations did not constitute necessity when two other possible alternate access routes had not been ruled out. p. 359.

3. EMINENT DOMAIN, § 5 — Right to appropriate property — Interruption of electrical service.

[N.H.] The commission denied an electric company's request for a perpetual easement where it found that the denial would not interrupt electric service to any customers of the company. p. 359.

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4. EMINENT DOMAIN, § 3 — Commission jurisdiction to condemn.

[N.H.] While the commission recognized that it could condemn the land of one public utility already devoted to a public use for another public use proposed by another public utility, it denied a petition for such condemnation where the utility did not rule out the possible alternate routes. p. 359.

5. EMINENT DOMAIN, § 10 — Conditions precedent — Alternate routes.

[N.H.] The commission found that where feasible and alternative access routes were available it was not reasonable to condemn land until the alternate routes would be fully pursued

and it could be shown that such alternatives are not suitable and not feasible for use as access routes. p. 359.

APPEARANCES: Lawrence E. Spellman for the petitioner; Philip L. Moore for Maine Central Railroad Company.

BY THE COMMISSION:

Report

By petition filed September 14, 1976, the Public Service Company of New Hampshire seeks a perpetual right and easement across a Maine Central Railroad right of way for access to its Saco Valley substation in North Conway, New Hampshire, and for the assessment of damages occasioned thereby. A duly noticed hearing was held at the office of the commission on November 12, 1976.

[1] In this case the company is petitioning the commission pursuant to RSA 371:1 to condemn land of the Maine Central Railroad Company for the purpose of providing Public Service Company of New Hampshire access to its Saco Valley substation from a public highway. It should be noted that the company is not petitioning for the condemnation of land for the purpose of erecting generation, transmission, or distribution facilities. All of these facilities have been constructed at the Saco Valley substation site and are presently in full operation supplying the area with necessary electricity. The company here is arguing the necessity for a particular access route to that substation for the purposes of maintaining that substation.

The company presented an aerial photograph of the Saco Valley substation area showing basically three possible access routes (see Exh No. 1). Route No. 1, entering from the north from the so-called Graves property, would entail the building of a road parallel to and easterly of the Maine Central Railroad tracks to the Saco Valley substation site. Route No. 2 passes in a generally easterly direction across the railroad right of way from the public highway (Route 302) to the substation site. Route No. 2 was established as a temporary crossing during the construction of the substation. Route No. 3 approaches the substation site from the south and would parallel the railroad right of way on its easterly side from another public way (South Chatham road). In terms of length, Route No. 2 is shortest and Route No. 1 is the longest.

The railroad objects to the petition for a perpetual easement over Route No. 2. They maintain that other public crossings exist in the area and that access to the substation can be obtained over Route No. 1 or Route No. 3 as shown on Exh No. 1. Additionally, they cite the increased maintenance burden and the increased hazard of vehicular traffic. The company offers to keep the crossing locked except for use by authorized personnel and to plow the access route, but the railroad points out that the railroad personnel must still check daily to be

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sure that the safety regulations of the railroad are met.

The commission took a view of the premises on Thursday, December 2, 1976. The view generally corroborated the evidence presented at the hearing that Route No. 2 was an established

access route, the shortest route to the substation, and the least costly in terms of preparation. Route No. 1 from the Graves property was the longest of the three and would involve the establishment of an access road. Route No. 3 entering from the south would also involve the establishment of an access route but only approximately 1,000 feet would be over property not now owned by the Public Service Company of New Hampshire.

Maine Central testified that they are and would be willing to reopen Route No. 2 as a temporary access route when and if the Public Service Company needed to expand the substation and move large and heavy equipment into the site. The railroad, however, pointed out that the maintenance vehicles and line trucks which would be servicing the substation are small enough to use a narrower access route which could be provided by Route No. 1 or Route No. 3 and there is no necessity for those trucks to use the wide access established as a temporary expedient (see Route No. 2).

The commission, after consideration of all the evidence and after a view of the premises is of the opinion that the petitioner has not shown necessity as required by RSA 371. The company evidence was directed more to the feasibility of entry than to actual necessity. They propose Route No. 2 because it exists, is the shortest route, and is the most convenient. Evidence also was directed to the economics of the access and established that Route No. 2 is the least costly to prepare for access. The evidence also indicates that the company has not ruled out the availability of Route Nos. 1 and 3. Route No. 2 is not the only available access. The availability of Route No. 1 and Route No. 3 still exists. The company has not shown that it would be denied access via Route No. 1 or Route No. 3. In the commission's view it is not reasonable to find Route No. 2 as the necessary access when Route No. 1 and Route No. 3 are available, although longer and more costly.

[2] The commission concludes on the basis of the evidence that Route No. 2 is the shortest route, the most economical, the most convenient, and thus the most desirable. However, the commission feels that desirability, convenience, and economic considerations do not constitute necessity when two other possible alternate access routes have not been ruled out.

[3] We emphasize the fact that a denial of petitioners request for perpetual easement will not interrupt electric service to any customers of the company. Transmission and distribution of electricity will continue despite the denial. There is, however, the necessity of access for periodic maintenance and the railroad must continue to permit Public Service to have access to the substation via Route No. 2 for a reasonable time during which Public Service pursues the establishment of access over Route Nos. 1 or 3.

[4, 5] The commission recognizes that it may condemn the land of one public utility already devoted to a public use (Maine Central Railroad) for another public use proposed by another public utility (Public Service Company). *White Mountain Power Co. v Maine C. R. Co.* (1965) 106 NH 443. The fact that

the property described as Route No. 2 is already devoted to a public use did not overcome the fact that the petitioner did not rule out the possible alternate routes. The commission does not construe RSA 371 strictly nor does it require the company to show absolute necessity. We do not

say the company can only request condemnation as a last resort. We do, however, say that where feasible and alternative access routes are available then it is not reasonable to condemn land until the alternates are fully pursued and it can be shown that such alternatives are not suitable and not feasible for use as access. Here, the company has not even approached the owner of land over which Route No. 3 would pass.

Accordingly, the petition is denied as to the issue of necessity without prejudice and we do not reach the issue of damages.

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NH.PUC*12/30/76*[77797]*61 NH PUC 360*Concord Natural Gas Corporation

[Go to End of 77797]

Re Concord Natural Gas Corporation

Intervenor: Legislative Utility Consumers' Council

DR 76-66, Order No. 12,540

61 NH PUC 360

New Hampshire Public Utilities Commission

December 30, 1976

PETITION by gas company for increase in rates; granted as modified.

1. RETURN, § 35 — Economic conditions — Attrition adjustment.

[N.H.] The commission granted a gas company a two-tenths of one per cent attrition adjustment where it found that continuing inflation and curtailment of gas supply had been and probably would continue to be contributing factors to attrition. p. 362.

2. VALUATION, § 293 — Working capital — Methodology.

[N.H.] The commission accepted a gas company's working capital calculation where an analysis of the record indicated that the result was reasonable even though the commission found that the methodology had failings which could misstate the working capital amount at another time, and it did not endorse the lag computation and methodology used. p. 362.

3. REVENUES, § 2 — Weather normalization — Gas company.

[N.H.] The commission denied a gas company's weather normalization adjustment where the company did not analyze the relationship of usage to degree-day changes and no attempt was made to determine the correlation of volume to annual degree days. p. 362.

4. EXPENSES, § 62 — Liability insurance — Gas company.

[N.H.] Where a gas company included a pro forma adjustment in insurance costs that resulted in a substantial increase of more than 80 per cent, the commission ordered the company

to institute further studies to determine whether insurance could be obtained at more favorable costs and investigate and consider the economics and feasibility of self insurance. p. 363.

[5] RATES, § 384 — Application of increase — Gas company.

[N.H.] The commission accepted a gas company's proposal to apply its rate increase evenly to each of its rate schedules and steps. p. 363.

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6. RATES, § 303 — Gas adjustment — Base rates.

[N.H.] The commission accepted a gas company's proposal to fold in a portion of their cost of gas adjustment into their basic rates, where the fold-in of the present cost of gas adjustment would not result in any increased revenues to a company or any increase in customer's bills. p. 363.

7. RATES, § 39 — Commission procedure — Consideration for rate relief.

[N.H.] The commission denied an intervenor's motion which had requested the commission to deny a gas company's rate increase where the company had been granted an increase within a period of two years; however, the commission found that the statute did not prohibit its considerations during this period, but gave it the option to refuse consideration if relief was not apparent. p. 364.

8. RATES, § 39 — Consideration for rate relief — Gas company.

[N.H.] The commission found that it was its responsibility to permit a company to charge rates sufficient to assure confidence in the utility's credit rating and to enable the utility to attract capital for the continuation and improvement of its services. p. 364.

APPEARANCES: Charles H. Toll for the petitioner; Steven W. Ruback for the Legislative Utility Consumers' Council.

BY THE COMMISSION:

Report

These proceedings were initiated when Concord Natural Gas Corporation (the company), a public utility engaged in the business of supplying gas service in certain areas of this state, on May 28, 1976, filed with this commission Sixth Revised Pages 13, 14, 15, 16, and Fourth Revised Page 17 to its tariff, NHPUC No. 13 — Gas, providing for an increase in annual gross revenues of approximately \$91,000, effective July 1, 1976. The effective date of this proposed increase was suspended pending investigation and decision, by Order No. 12,293 dated June 9, 1976 (61 NH PUC 149, *supra*). A duly noticed public hearing was held at Concord on October 1, 1976.

At the hearing the company increased its request for higher annual revenues to approximately \$217,000. A continued hearing was held on November 23, 1976, to allow the staff and intervenors to prepare for cross-examination.

The company relied primarily upon financial data for the year ended September 30, 1976, and we accept this period as an appropriate test year, when properly adjusted.

Rate of Return

We have adjusted the company's original submission of cost of capital to include additional data furnished by the company on December 8, 1976, at the request of the staff. The interest rate on the 1995 series, long-term debt, \$340,000, was submitted at the then effective interest rate of 9.5 per cent. This issue is a variable rate debt instrument and we have decreased the rate of 9 per cent, reflecting recently improved bond market conditions. We have also included in the capital structure average short-term debt as projected by the company. While the current prime bank loan rate is a split rate of 6 per cent to 6.25 per cent, we have used a cost rate of 7 per cent in order to allow for possible upward pressures on short-term rates.

The computation of the cost of capital is tabulated in the following schedule.

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>Capitalization</i>	<i>Cost Rate</i>	<i>Weighted Cost</i>
Long-term Debt	\$ 946,000	37.4%	7.7%
Short-term Debt	80,000	3.2	7.0
Preferred Stock	125,600	5.0	5.5
Common Equity	1,378,299	54.4	13.0
	\$2,529,899	100.0%	

[1] We find the cost of capital to the company to be 10.5 per cent. To this cost we add the factor of two-tenths of one per cent. Experience over recent years has shown that this company and others similarly situated have had continuing attrition in earned rates of return following rate increases. Continuing inflation and curtailment of gas supply have been and probably will continue to be contributing factors to attrition. Based on our analysis of the record in this case and on our judgment we add two-tenths of one per cent to the fair rate of return as calculated and find that the fair rate of return to be applied to average rate base is 10.7 per cent.

Rate Base

[2] We find the rate base upon which the company's revenue requirements are to be based to be in the amount of \$2,554,000 (see Exh 9).

We have accepted the company's working capital calculation because an analysis of the records indicates that the result is reasonable and acceptable. However we find that the methodology used by the company has failings which could misstate the working capital amount at another time and we do not endorse the lag computation and methodology used.

Revenue Requirements

Applying the fair rate of return, 10.7 per cent, to the rate base, \$2,554,000, the required net utility income becomes \$273,000.

Actual net utility income for the test year was \$240,000 prior to adjustments.

The company proposed numerous adjustments to the test year to reduce revenues and increase expenses, materially increasing their calculated revenue requirements.

[3] The company sought to decrease revenues for the test year ended September 30, 1976, for weather normalization. The company did not analyze the relationship of usage (send-out) to degree-day changes and no attempt was made to determine the correlation, if any, of volume to annual degree-days. The company in this respect failed to meet its burden of proof, thus, we deny this adjustment.

The company relied on a 30-year average of weather data (1941-70) in computing its Exh 3, Schedule 1. More recent data, however, is available (see Consumers' Council Exh 1. local climatological data, annual survey with comparative data, 1975) and was used by the commission staff in analyzing the correlation between usage (send-out) to degree-day changes. (See commission staff work sheets, staff Exh No. 1.) The analysis reveals only a small deviation for the test year and for the heating season. The analysis also reveals a fluctuating relationship between usage (send-out) and degree-day differences.

We have adjusted the payroll adjustment downward to reflect revised data filed subsequently by the company. The

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associated increase in FICA taxes has been adjusted downward to reflect this lower level of payroll increases and the fact that approximately 12 per cent of the payroll increase is not subject to FICA taxes under IRS regulations.

[4] The company has included a pro forma adjustment in insurance costs of \$97,000. This is a substantial increase of more than 80 per cent. The company's witness testified that liability insurance carriers have been required to pay large claims and have been forced to charge much more for this type of coverage. A survey of other natural gas utilities within the state confirms that this is a common occurrence. We feel that the company should institute further studies to determine whether insurance could be obtained at more favorable costs and investigate and consider the economics and feasibility of self insurance of the first layers of the liability insurance.

The revenue deficiency is calculated as follows, adopting certain adjustments proposed by the company:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Net Utility Operating Income	\$240,000	
Pro Forma Adjustments, as Submitted By Company	(70,000)	
Adjusted, as Submitted	<u>\$170,000</u>	
Commission Changes:		
Weather Normalization	\$18,000	
Payroll Costs	2,900	
FICA Expense	300	
Net Changes before Income Taxes	<u>\$21,200</u>	
Income Taxes	10,200	<u>11,000</u>

Net Utility Operating Income Pro Forma	\$181,000
Required Net Utility Operating Income	\$273,000
Required Increase in Net Utility Operating Income	\$ 92,000
Required Increase in Revenues	\$188,000

Application of Rate Increase

[5] Concord Natural Gas Corporation has proposed to apply the rate increase evenly through each of the rate schedules and steps. This means that the gas customers who use gas for cooking only have the same percentage increase in their bill as does the large industrial user. The commission finds that this is an acceptable method of increasing the gas rates.

Fold-in of Cost of Gas Adjustment

[6] The company has also proposed to fold in a portion of their cost of gas adjustment into their basic rates. The commission finds that this is acceptable since the costs of natural gas, propane, and LNG have significantly increased since the previous base calculation, as demonstrated in Exh 15. The fold-in will add \$0.0553 per therm to all of the basic rates and reduce the present winter cost of gas adjustment from \$0.1000 per therm to \$0.0432 per therm. This method of folding in places the increased cost of gas evenly on all of the tariff schedules without preference to any category of customers. The folding in of a portion of the present cost of gas adjustment does not result in any increased revenues to Concord Natural

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Gas Corporation or any increase in the customers' bills.

To adequately document the above fold-in, the company must submit revised base unit cost of gas calculations to replace Second Revised Page 19 and Second Revised Page 20 to its tariff, NHPUC No. 13 — Gas. These tariff pages will increase the winter base cost of gas from \$0.0758 per therm to \$0.1326 per therm and the summer base cost of gas from \$0.0698 per therm to \$0.1241 per therm. The increase in the base cost of gas is subtracted from the actual cost of gas and is the mechanism by which the cost of gas adjustment is lowered simultaneously to the base cost increasing.

In addition, Concord Natural Gas Corporation will have to submit a Sixth Revised Page No. 21 and Third Revised Page 21-A to lower the cost of gas adjustment from \$0.1000 per therm to \$0.0432 per therm. Also, the revised filings of Sixth Revised Pages 13, 14, 15, 16, and 17 should include the fold-in of \$0.0553 per therm into each step.

[7, 8] The Legislative Utility Consumers' Council (LUCC) raised several motions for consideration by the commission. The commission, in arriving at the decision herein, has addressed itself to the matters raised in those motions. We have considered the motion to deny the increase based on the time period of the filing under RSA 378:7. That section indicates; that "the commission shall be under no obligation to investigate any rate matter which it has investigated within a period of two years." The statute does not prohibit our consideration during this period but gives us the option to refuse consideration if relief is not apparent. It is our legal

responsibility, however, to permit a company to charge rates sufficient to assure confidence in the utility's credit rating and to enable the utility to attract capital for continuation and improvement of its services. We have considered this rate request in this way and have presented a reasoned decision for the relief granted. Accordingly, this motion is denied.

Our decision treats the weather adjustment, the wage and salary adjustment, the computation of rate base, the cost of capital, and the revised cost of gas adjustment. Accordingly, for the reasons advanced on each of these issues, we deny all motions pertaining to them.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

Ordered, that Sixth Revised Pages 13, 14, 15, and 16, and Fourth Revised Page 17 to Concord Natural Gas Corporation tariff, NHPUC No. 13 — Gas, providing for an increase in rates are rejected; and it is

Further ordered, that revised tariff pages be submitted to produce revenues over and above those produced by the basic rates in tariff, NHPUC No. 13 — Gas, by the amount of \$188,000; and it is

Further ordered, that Revised Pages 19, 20, and 21-A to Concord Natural Gas Corporation tariff, NHPUC No. 13 — Gas be submitted to reflect the updated base unit cost of gas, with a subsequent reduction in the purchase cost of gas adjustment; and it is

Further ordered, that the revised tariff pages reflect a fold-in of the cost of gas adjustment equally distributed to each rate schedule and block; and it is

Further ordered, that when such submissions have been approved by this commission, a supplemental order will be issued accordingly; and it is

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Further ordered, that the company shall institute further studies to determine whether insurance could be obtained at more favorable costs and report back to this commission not later than June 30, 1977.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of December, 1976.

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Endnotes

1 (Popup)

¹Consent Decree program of the Department of Justice (hearings before the antitrust subcommittee of the Committee in the Judiciary, House, 85th Congress, 2nd Session) (Washington, D.C., U.S. Government Printing Office, 1958, Part 11, Volume 11, Pages 2508-2520).