

DW 99-059

ROSEBROOK WATER COMPANY, INC.

1999 Special Contract with the Mount Washington Hotel

Order Nisi Approving Special Contract

O R D E R N O. 23,221

June 2, 1999

I. PROCEDURAL SCHEDULE

On April 29, 1999, Rosebrook Water Company, Inc. (Rosebrook) filed with the New Hampshire Public Utilities Commission (Commission), pursuant to RSA 378:18, a special contract with MWH Preservation Limited Partnership (MWH), owners of the Mount Washington Hotel and related properties (Hotel). The contract, executed on March 29, 1999, is effective for a one-year period commencing on May 1, 1999 and terminating April 30, 2000.

Under the terms of the contract, Rosebrook will provide water service to the Mount Washington Hotel, Hotel Administration Building, Bretton Arms (an inn located near the Hotel) and Fabyans Restaurant. During the term of the contract, MWH shall pay a fixed amount of \$56,000, an increase of \$22,000 over last year's special contract. The previous contract, which expired on April 30, 1999, was approved by Commission Order No. 22,938 (May 18, 1998). MWH will also pay a rate of \$.22 per 100 gallons for MWH consumption in excess of 40,000,000 gallons, an increase of 12,000,000 gallons over the previous contract.

The terms and conditions contained in the proposed special contract, with the exception of a \$1,500 legal expense to cover regulatory expenses associated with the petition and an \$1,800 fee for engineering studies associated with a second water main to serve the Mount Washington Hotel, are the same as those contained in the contract currently in effect between Rosebrook and the MWH approved by the Commission in Order No. 22,938.

Staff has reviewed the terms and conditions of the contract and recommends that it be approved as submitted. Staff believes the statement of special circumstances as submitted with the proposed contract, including the fact that Rosebrook's projected revenue from the proceeds will cover the incremental operating expenses to serve MWH, justify approval for the one year period.

II. COMMISSION ANALYSIS

Pursuant to RSA 378:18 (Supp. 1997), a public utility may contract with a customer for service at rates other than those fixed by schedules of general application if special circumstances exist which render such a departure just and consistent with the public interest.

In the case at hand, MWH is the only customer requesting the type of service obtained under the contract, and MWH has maintained that it would construct its own water

facilities but for the special contract. Moreover, as is established in Exhibit B of the petition, MWH covers its incremental cost of service and provides a contribution to the overall expenses of the Company. Thus, as we concluded in Order No. 22,938 we find special circumstances exist rendering the contract just and consistent with the public interest.

Based on the foregoing, it is hereby

ORDERED, that the special contract between Rosebrook Water Company, Inc. and MWH Preservation Limited Partnership commencing on May 1, 1999 and ending on April 30, 2000 is APPROVED.

FURTHER ORDERED, that pursuant to N.H. Admin. Rules, Puc 1601.05, the Petitioner shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than June 9, 1999 and to be documented by affidavit filed with this office on or before June 16; and it is

FURTHER ORDERED, that all persons interested in responding to this petition be notified that they may submit their comments or file a written request for a hearing on this matter before the Commission no later than June 21, 1999;

and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than June 25, 1999; and it is

FURTHER ORDERED, that this Order Nisi shall be effective July 5, 1999, unless the Commission provides otherwise in a supplemental order issued prior to the effective date.

By order of the Public Utilities Commission of New Hampshire this second day of June, 1999.

Douglas L. Patch
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Thomas B. Getz
Executive Secretary & Director