

DG 02-125

CONCORD STEAM CORPORATION

Petition for Rate Increase

Order Approving Rate Case Expenses

O R D E R N O. 24,186

June 19, 2003

On March 28, 2003, the New Hampshire Public Utilities Commission (Commission) issued Order No. 24,147 approving the Settlement Agreement entered into by Commission Staff (Staff) and Concord Steam Corporation (Concord Steam or Company), resolving all outstanding issues in connection with the petition by Concord Steam for a rate increase. One of the terms of the approved Settlement Agreement states:

"The Company will be allowed to recoup its reasonable rate case expenses as approved by the Commission through a surcharge applied over a period as determined by the Commission, to commence upon approval of such expenses. The Company shall request approval of such expenses in a filing to be made no later than ninety (90) days from Commission approval of the Settlement Agreement."

On May 6, 2003, Concord Steam submitted a rate case expense filing seeking recovery of \$15,951.91 over a one year period through a \$0.07 per Mlb (1,000 pounds of steam) surcharge. The filing included summary of rate case expenses, annual sales forecast, surcharge calculation, revised tariff page, and documentation of the rate case expenses.

The Commission Audit Staff conducted an audit of the documented rate case expenses and on June 4, 2003 issued a report

verifying expenses of \$16,228.07. The Audit Report notes that Concord Steam petitioned the Commission for recovery of \$15,951.90 in rate case expenses, having failed to include a legal invoice in the expense summary and misstating advertising expenses. The report concludes that the errors are immaterial, as recalculation of the surcharge using the corrected rate case expense total results in a surcharge identical to that proposed by the Company.

On June 18, 2003, Staff filed its recommendation with the Commission that Concord Steam be authorized to recover rate case expenses of \$16,228.07 over a one year period through the proposed \$0.07 per Mlb rate case expense surcharge.

We conclude that Staff's recommendations, based on its examination of Concord Steam's rate case expenses, are consistent with the public interest and therefore adopt them.

Based upon the foregoing, it is hereby

ORDERED, that Concord Steam rate case expenses of \$16,228.07 are APPROVED for recovery; and it is

FURTHER ORDERED, that the Concord Steam's proposed rate case expense surcharge of \$0.07 per Mlb for the period July 1, 2003 through June 30, 2004 is APPROVED; and it is

FURTHER ORDERED, that the Concord Steam shall provide a monthly calculation of the projected over or under calculation of rate case expenses, based upon which the Commission may make

further adjustments to the rate case surcharge as necessary; and
it is

FURTHER ORDERED, that Concord Steam shall file a full
reconciliation of rate case expense surcharge revenues and
expenses by July 31, 2004; and it is

FURTHER ORDERED, that the Concord Steam submit a
supplement to the tariff reflecting the rate case recoupment
terms approved in this order.

By order of the Public Utilities Commission of New
Hampshire this nineteenth day of June, 2003.

Thomas B. Getz
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Debra A. Howland
Executive Director & Secretary