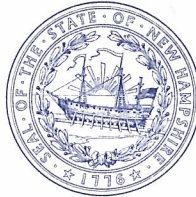


THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Thomas B. Getz

COMMISSIONERS
Clifton C. Below
Amy L. Ignatius

EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland



PUBLIC UTILITIES COMMISSION
21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

Tel. (603) 271-2431

FAX (603) 271-3878

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

Website:
www.puc.nh.gov

November 18, 2009

Ms. Debra A. Howland, Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301-2429



Re: DW 08-098 Aquarion Water Company of New Hampshire, Inc.
Staff Recommendation regarding Recovery of Rate Case Expenses and Recovery
of Revenue stemming from the difference between Temporary and Permanent
Rates

Dear Ms. Howland:

On October 9, 2009, Aquarion Water Company of New Hampshire, Inc. (Aquarion) submitted to the Commission Staff (Staff) proposals for recovery of its rate case expenses as well as the revenue differential between temporary and permanent rates established by the Commission in this proceeding. Aquarion's submissions were made in accordance with the Settlement Agreement which was approved by the Commission in Order No. 25,019 issued on September 25, 2009.

Aquarion's submission relative to its rate case expenses contained a request to recover a total of \$109,559. Aquarion included schedules as well as copies of invoices in support of its recovery request. Copies of Aquarion's submission, including schedules, appear as Attachment A to this correspondence. Consistent with the approved Settlement Agreement, Aquarion proposed that this amount should be recovered from each of its 8,951 customers over a twelve month period via a surcharge of \$1.02 per customer per month.

Aquarion's original submission to recover the revenue differential between temporary and permanent rates proposed the collection of a total of \$371,839 from its various classes of customers. On October 12, 2009, a revised proposal was received from Aquarion requesting authority to recover \$400,618 for the revenue differential between temporary and permanent rates. The increase in Aquarion's request stemmed from an incorrect treatment of its fire service billings in its original submission. Specifically, Aquarion originally treated these as billings in arrears when they should have been treated as billings in advance. Depending on the particular rate class, various recovery

surcharges were calculated and submitted by Aquarion. Copies of Aquarion's original and revised submissions and schedules have been attached to this correspondence and are labeled as Attachments B and C, respectively.

Staff thoroughly examined all of the documentation provided by Aquarion in both its rate case expense submission as well as its revenue recovery submissions. Staff also communicated with Aquarion personnel with regard to specific questions it had pertaining to the respective submissions. Aquarion's responses to Staff's inquiries appear as Attachment D to this correspondence. As a result of its analysis, Staff makes the following recommendations to the Commission relative to Aquarion's submissions.

With regard to its rate case expense proposal, Aquarion submitted charges for legal expenses, non-employee labor, stenographer and transcript fees, newspaper and customer notification expenses as well as travel expenses. Staff proposes that a total of \$922 should be eliminated from Aquarion's proposal. This amount represents non-employee labor charges which specifically pertain to the Commission Staff's audit of Aquarion. Such charges have historically been disallowed by the Commission from rate case expense recovery. Staff's recommendation is based upon an amount provided by Aquarion in response to a specific inquiry made by Staff. A copy of the e-mail, containing Aquarion's response to Staff is included in Attachment D to this correspondence. As a result, Staff is recommending that Aquarion be allowed to recover a total of \$108,637 in rate case expenses. If approved, the resulting rate case expense surcharge component would be \$1.01 per customer per month ($\$108,637 \div 8,951 \text{ customers} \div 12 \text{ months}$).

With regard to the revenue differential between temporary and permanent rates, in Order No. 24,942 issued on February 13, 2009, the Commission approved the establishment of temporary rates at Aquarion's then current rate levels for the period between December 15, 2008 and January 31, 2009. For the period from February 1, 2009 to the approval of permanent rates, the Commission approved a temporary rate increase of 7.65%. In Order No. 25,017, the Commission approved an increase in Aquarion's permanent rates resulting in a 17.44% overall increase in its annual revenue requirement. For both the temporary and permanent rates approved by the Commission, the actual rate increases experienced by Aquarion's customers may have varied in accordance with the specific customer classes they are in. In addition, in Order No. 25,019, the Commission also approved an increase in Aquarion's connecting service charge to \$44. Aquarion agreed to use the additional revenue from these increased charges to reduce the revenues required to be collected from its public fire service customers. In calculating the overall revenue differential between temporary and permanent rates, all of the above factors were taken into consideration by Aquarion on the various schedules it submitted.

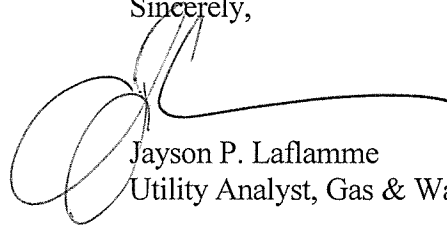
Staff reviewed the various schedules submitted by Aquarion in support of the amounts it was proposing for recovery of the revenue differential. As a result of a specific inquiry made by Staff concerning these schedules, Aquarion submitted a second revised overall revenue differential proposal in the amount of \$380,391. The supporting

November 18, 2009

schedules for this amended amount are included in Attachment D to this correspondence. The reason for this second revision in the revenue recovery proposal was due to a formulaic error in Aquarion's original schedules which produced a compounding effect in the calculated permanent rate revenue amounts. Staff reviewed the revised schedules submitted by Aquarion and agrees with the second revised revenue differential amount submitted of \$380,391. Staff further recommends that the various surcharge amounts calculated on Exhibit 2 (Attachment D, Page 3 of 3) of these revised schedules should be charged to its customers in order to recover the overall revenue differential.

As indicated by the Settlement Agreement approved by the Commission, Staff proposes that the rate case expense surcharge and the revenue recovery surcharge should be combined and collected over a twelve month period. For the average residential customer with a 5/8" meter the combined surcharge will be \$3.25 per month (\$1.01 rate case expense surcharge + \$2.24 revenue recovery surcharge). Staff notified Aquarion, the Office of Consumer Advocate (OCA) as well as the Town of North Hampton relative to the above recommendations. In response, Aquarion agreed with Staff's recommendations. However, the OCA as well as the Town of North Hampton took no position relative to Staff's recommendations. If you have any questions regarding these matters, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jayson P. Laflamme', with a long horizontal stroke extending to the right.

Jayson P. Laflamme
Utility Analyst, Gas & Water Division

Attachments: Attachment A: Aquarion's Proposal and Supporting Schedules for Rate Case Expense Recovery
Attachment B: Aquarion's Original Proposal and Supporting Schedules for Recovery of the Revenue Differential between Temporary and Permanent Rates
Attachment C: Aquarion's Subsequent Proposal and Supporting Schedules for Recovery of the Revenue Differential between Temporary and Permanent Rates
Attachment D: Aquarion's responses to Staff's Inquiries including a Second Revised Proposal and Supporting Schedules for Recovery of the Revenue Differential between Temporary and Permanent Rates

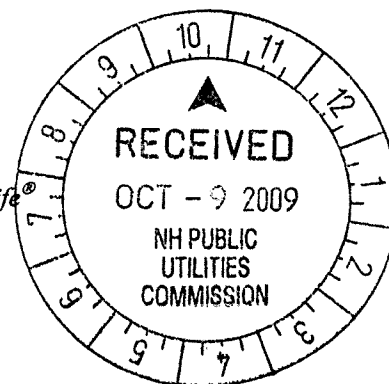
cc: Service List

Aquarion Water Company
of New Hampshire
1 Merrill Industrial Drive
Hampton, NH 03842
www.aquarionwater.com

603-926-3319 phone



AQUARION
Water Company

Quality Water for Life®

October 8, 2009

Mr. Mark Naylor
Director, Gas and Water Division
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, N.H. 03301-2429

Re: DW 08-098 Rate Case Expenses

Dear Mr. Naylor:

Enclosed please find detailed documentation of the Company's rate case expense totaling \$ 109,559.26 associated with Case DW 08-098. The Company proposes a surcharge collecting these from all customers equally over a period of twelve months. With a September 30, 2009 customer count of 8,951, this would yield a surcharge of \$1.02 per customer per month. This approach for recovery of rate case expenses is consistent with that used in the Company's prior rate filing (per order 24,665). Please contact me at (203) 362-3009 with any questions regarding any of the attached detail.

Sincerely,

Troy M. Dixon
Director of Rates and Regulation

Enclosures

Cc: Steven Camerino, Esq.
Jayson Laflamme
Rorie Hollenberg, Esq.
Ken Traum

**Aquarion Water Company of New Hampshire
Summary of Rate Case Expenses**

McLane, Graf, Raulerson & Middleton **40,000.77**

	Services	Expenses	Total
May-08	806.50		806.50
Aug-08	355.00		355.00
Sep-08	3,124.00	25.59	3,149.59
Oct-08	365.00	3.90	368.90
Nov-08	551.00	300.40	851.40
Dec-08	2,272.00	72.34	2,344.34
Jan-09	1,349.00		1,349.00
Feb-09	4,200.00	280.35	4,480.35
Mar-09	337.50		337.50
Apr-09	5,850.00	70.15	5,920.15
May-09	2,287.50	7.95	2,295.45
Jun-09	3,225.00	68.27	3,293.27
Jul-09	5,400.00	9.30	5,409.30
Jul-09	8,512.50	340.02	8,852.52
Sep-09	187.50		187.50
	<u>38,822.50</u>	<u>1,178.27</u>	<u>40,000.77</u>

Non- Employee Labor **62,035.58**

J. Unger		14,156.96
L. Discepolo		28,950.64
T. Dixon		18,927.98
		<u>62,035.58</u>

Stenographer & Transcript Fees **1,596.75**

Dec-08	220.50		220.50
Mar-09	434.25		434.25
May-09	471.00		471.00
Jul-09	471.00		471.00
	<u>1,596.75</u>	<u>-</u>	<u>1,596.75</u>

Sea Coast Newspaper **401.20**

Customer Notification Letters & Mailing **4,363.63**

Travel Charges **1,161.33**

109,559.26

McLane, Graf, Raulerson & Middleton			40,000.77
	Services	Expenses	Total
May-08	806.50		806.50
Aug-08	355.00		355.00
Sep-08	3,124.00	25.59	3,149.59
Oct-08	365.00	3.90	368.90
Nov-08	551.00	300.40	851.40
Dec-08	2,272.00	72.34	2,344.34
Jan-09	1,349.00		1,349.00
Feb-09	4,200.00	280.35	4,480.35
Mar-09	337.50		337.50
Apr-09	5,850.00	70.15	5,920.15
May-09	2,287.50	7.95	2,295.45
Jun-09	3,225.00	68.27	3,293.27
Jul-09	5,400.00	9.30	5,409.30
Jul-09	8,512.50	340.02	8,852.52
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October 8, 2009

Mr. Mark Naylor
Director, Gas and Water Division
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, N.H. 03301-2429



Re: DW 08-098 Temporary Rate Recoupment

Dear Mr. Naylor:

Enclosed please find detailed documentation of the Company's recommended proposal and calculations for the temporary rate recoupment surcharge authorized in order 25,019 in Case DW 08-098. The surcharges proposed herein allow for the collection of \$371,839.25 over a twelve month time period. The Company has computed the temporary rate recoupment surcharge for each of the respective classes of customers. Enclosed are detailed exhibits provided to support the Company's request:

- Exhibit 1: Narrative summarizing the overall methodology.
- Exhibit 2: Presents the resultant rates and surcharges.
- Exhibit 3 & Exhibit 3 Schedule 1 provide detailed recoupment calculations for fire service customers.
- Exhibit 4 & Exhibit 4 Schedule 1 provide detailed recoupment calculations for non-seasonal water service customers.
- Exhibit 5 & Exhibit 5 Schedule 1 provide detailed recoupment calculations for seasonal water service customers.

In general this proposed method of surcharge collection is consistent with that approved by the Department in order 24,670 in Case DW 05-119. Please feel free to call me at (203) 362-3009 with any questions regarding the attached detail.

Sincerely,

Troy M. Dixon
Director of Rates and Regulation

Enclosures

Cc: Steven Camerino, Esq.
Jayson Laflamme
Rorie Hollenberg, Esq.
Ken Traum

Exhibit 1: Overall Recoupment Methodology

The Company has computed the temporary rate recoupment surcharge for each of the respective classes of customers. By examining the bills rendered during the temporary rate period, the Company is effectively able to determine the service rendered periods for which recovery at permanent rate levels is allowed. From this data, the charges can be carved into three categories:

1. Those charges ineligible for recoupment where services rendered were prior to 12/15/2008.
2. Those charges eligible for recoupment at the full permanent increase for services rendered between 12/15/2008 and 01/31/2009.
3. Those charges eligible for recoupment for the difference between the permanent increase and the temp rate increase where service was rendered between 02/01/2009 and 09/25/2009.

With these distinctions in mind, the Company can then determine the amount of revenues that would have been collected under permanent rates and then compare those revenues to those actually collected under temporary rates. These very detailed calculations are explained in Exhibits 3-5 and their respective supporting Schedules.

Once the recoupment amounts are determined, a determination of the actual surcharge rates must be made. As in order 24,670 of DW 05-119 the proposal is to recover the amounts via a fixed surcharge dependent upon the meter size of the respective customer. Exhibit 2 shows the details of this process. For each of the customer classes, the Company evaluates the 09/30/2009 customer count and devises allocation percentages based on the annualized fixed revenues to be achieved from each meter size within the customer class. These allocation percentages are then applied to the overall recoupment amount for each of the classes. This derives the amount to be recovered at the meter size level. The amount is then divided by the customer count to determine the appropriate annual, quarterly and/or monthly surcharges required to ensure the appropriate collections. This process is utilized for the fire and non seasonal classifications of customer.

Alternatively, within the seasonal classes of customer an additional step is taken to ensure the fairness of the surcharges. For the seasonal customers, a large portion of the necessary recoupment stems from the increase of the connection fee from \$15 to \$44. This charge is not related to the size of the customers meter and therefore it is suggested that these dollars be collected equally from all seasonal customers in their respective classes. The allocation of these recoupment dollars is noted by the "Connection Fee" column in the Seasonal section of Exhibit 2. The total recoupment less the connection fee portion is allocated in the manner described above for non-seasonal and fire customers. Overall the Company continues to believe that this approach is fair and equitable to the customers of each class.

Exhibit 2: Summary Results and Rate Calculation

	Cust @ 09/30/09	Qtrly Svc Chrg-New*	Annual Revenue	Revenue %Split	Recoupment Allocation	Qtrly Rate	Mthly Rate
<u>Residential</u>							
5/8"	6925	\$ 38.40	\$ 1,063,680.00	92.98%	198,173.25	\$ 7.15	\$ 2.38
1"	132	\$ 96.00	\$ 50,688.00	4.43%	9,443.63	\$ 17.89	\$ 5.96
1 1/2"	21	\$ 192.09	\$ 16,135.56	1.41%	3,006.20	\$ 35.79	\$ 11.93
2"	11	\$ 307.32	\$ 13,522.08	1.18%	2,519.29	\$ 57.26	\$ 19.09
			\$ 1,144,025.64		213,142.37	<<<—from Exhibit 4, Schedule 1	
<u>Commercial</u>							
5/8"	371	\$ 38.40	\$ 56,985.60	24.36%	16,918.58	\$ 11.40	\$ 3.80
1"	79	\$ 96.00	\$ 30,336.00	12.97%	9,006.52	\$ 28.50	\$ 9.50
1 1/2"	26	\$ 192.09	\$ 19,977.36	8.54%	5,931.12	\$ 57.03	\$ 19.01
2"	103	\$ 307.32	\$ 126,615.84	54.13%	37,591.26	\$ 91.24	\$ 30.41
			\$ 233,914.80		69,447.48	<<<—from Exhibit 4, Schedule 1	
<u>Industrial</u>							
1"	1	\$ 96.00	\$ 384.00	33.32%	493.76	\$ 123.44	\$ 41.15
1 1/2"	1	\$ 192.09	\$ 768.36	66.68%	987.98	\$ 246.99	\$ 82.33
			\$ 1,152.36		1,481.73	<<<—from Exhibit 4, Schedule 1	
<u>Public Authority</u>							
5/8"	18	\$ 38.40	\$ 2,764.80	11.84%	470.53	\$ 6.54	\$ 2.18
1"	6	\$ 96.00	\$ 2,304.00	9.87%	392.11	\$ 16.34	\$ 5.45
1 1/2"	3	\$ 192.09	\$ 2,305.08	9.87%	392.30	\$ 32.69	\$ 10.90
2"	13	\$ 307.32	\$ 15,980.64	68.43%	2,719.71	\$ 52.30	\$ 17.43
			\$ 23,354.52		3,974.65	<<<—from Exhibit 4, Schedule 1	

	Cust @ 09/30/09	Seasn Svc Chrg-New*	Annual Revenue	Revenue %Split	Connection Fee Recoupment Allocation	Non-Connection Fee Recoupment Allocation	Total Recoupment	Annual Rate
<u>Residential-Seasonal</u>								
5/8"	826	\$ 192.00	\$ 158,592.00	96.16%	\$ 23,824.77	16,032.45	39,857.22	\$ 48.25
1"	6	\$ 480.00	\$ 2,880.00	1.75%	\$ 173.06	291.15	464.21	\$ 77.37
1 1/2"	2	\$ 960.45	\$ 1,920.90	1.16%	\$ 57.69	194.19	251.88	\$ 125.94
2"	1	\$ 1,536.60	\$ 1,536.60	0.93%	\$ 28.84	155.34	184.18	\$ 184.18
			\$ 164,929.50		\$ 24,084.36	16,673.12	40,757.48	
<u>Commercial-Seasonal</u>								
5/8"	49	\$ 192.00	\$ 9,408.00	33.67%	\$ 1,446.28	2,275.55	3,721.83	\$ 75.96
1"	25	\$ 480.00	\$ 12,000.00	42.95%	\$ 737.90	2,902.49	3,640.39	\$ 145.62
1 1/2"	2	\$ 960.45	\$ 1,920.90	6.88%	\$ 59.03	464.62	523.65	\$ 261.82
2"	3	\$ 1,536.60	\$ 4,609.80	16.50%	\$ 88.55	1,114.99	1,203.54	\$ 401.18
			\$ 27,938.70		\$ 2,331.75	6,757.66	9,089.41	
<u>Public Authority-Seasonal</u>								
5/8"	11	\$ 192.00	\$ 2,112.00	18.80%	\$ 354.28	313.17	667.45	\$ 60.68
1"	3	\$ 480.00	\$ 1,440.00	12.82%	\$ 96.62	213.53	310.15	\$ 103.38
1 1/2"	0	\$ 960.45	\$ -	0.00%	\$ -	-	-	
2"	5	\$ 1,536.60	\$ 7,683.00	68.38%	\$ 161.04	1,139.25	1,300.29	\$ 260.06
			\$ 11,235.00		\$ 611.94	1,665.95	2,277.89	

	Cust @ 09/30/09	Annual Chrg- New*	Annual Revenue	Revenue %Split	Recoupment Allocation	Annually	Qtrly
Private Fire							
3" Inch or less	88	\$ 361.91	\$ 31,848.08	10.01%	\$ 1,678.11	\$ 19.07	\$ 4.77
4" Inch	72	\$ 616.66	\$ 44,399.52	13.95%	\$ 2,339.46	\$ 32.49	\$ 8.12
6" Inch	126	\$ 1,471.18	\$ 185,368.68	58.26%	\$ 9,767.29	\$ 77.52	\$ 19.38
8" Inch	15	\$ 2,616.01	\$ 39,240.15	12.33%	\$ 2,067.61	\$ 137.84	\$ 34.46
12" Inch	3	\$ 5,776.62	\$ 17,329.86	5.45%	\$ 913.13	\$ 304.38	\$ 76.09
			\$ 318,186.29		\$ 16,765.60	<<<—from Exhibit 3, Schedule 1	

	Cust @ 09/30/09	Annual Chrg- New*	Annual Revenue	Revenue %Split	Recoupment Allocation	Annually	Qtrly
Public Fire Hydrants							
(4 customers)	481	\$ 1,252.76	\$ 602,577.56	100.00%	\$ 14,902.62	\$ 30.98	\$ 7.75
						<<<—from Exhibit 3, Schedule 1	

Total Surcharge Amount \$ 371,839.25

*As per the tariffs filed with the department on 10/09/09

Aquarion Water Company
of New Hampshire
1 Merrill Industrial Drive
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www.aquarionwater.com

603-926-3319 phone

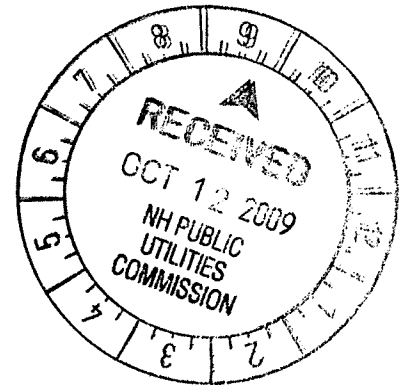


AQUARION
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October 9, 2009

Mr. Mark Naylor
Director, Gas and Water Division
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, N.H. 03301-2429



Re: DW 08-098 Temporary Rate Recoupment

Dear Mr. Naylor:

On October 8, 2009, the Company submitted a proposal requesting recovery of a temporary rate recoupment in the amount of \$371,839.25 to be collected over a twelve month time period. Subsequent to filing a miscalculation was noted with respect to fire service recoupment. Exhibit 3 of the Company's filing incorrectly treated fire service billings as billings in arrears when in fact they occur in advance. As a result, there is a shift in the calculation of the amounts eligible for recoupment. Specifically, the private fire service recoupment was understated by \$6,636.94 and the public fire recoupment was understated by \$22,142.11. Attached please find 1) a revised Exhibit 2 denoting changes to the resultant proposed fire service charges, and 2) a revised Exhibit 3 denoting the detailed fire service calculations. All other Exhibits remain correct as filed. The final requested recoupment is therefore revised to \$400,618.29. Please feel free to call me at (203) 362-3009 with any questions regarding the attached detail.

Sincerely,

Troy M. Dixon
Director of Rates and Regulation

Enclosures

Cc: Steven Camerino, Esq.
Jayson Laflamme
Rorie Hollenberg, Esq.
Ken Traum

Exhibit 2: Summary Results and Rate Calculation

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	Cust @ 09/30/09	Seasnl Svc Chrg-New*	Annual Revenue	Revenue %Split	Connection Fee Recoupment Allocation	Non-Connection Fee Recoupment Allocation	Total Recoupment	Annual Rate
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1"	3	\$ 480.00	\$ 1,440.00	12.82%	\$ 96.62	213.53	310.15	\$ 103.38
1 1/2"	0	\$ 960.45	\$ -	0.00%	\$ -	-	-	
2"	5	\$ 1,536.60	\$ 7,683.00	68.38%	\$ 161.04	1,139.25	1,300.29	\$ 260.06
			\$ 11,235.00		\$ 611.94	1,665.95	2,277.89	

	Cust @ 09/30/09	Annual Chrg- New*	Annual Revenue	Revenue %Split	Recoupment Allocation	Annually	Qtrly
Private Fire							
3" Inch or less	88	\$ 361.91	\$ 31,848.08	10.01%	\$ 2,342.42	\$ 26.62	\$ 6.65
4" Inch	72	\$ 616.66	\$ 44,399.52	13.95%	\$ 3,265.58	\$ 45.36	\$ 11.34
6" Inch	126	\$ 1,471.18	\$ 185,368.68	58.26%	\$ 13,633.83	\$ 108.21	\$ 27.05
8" Inch	15	\$ 2,616.01	\$ 39,240.15	12.33%	\$ 2,886.11	\$ 192.41	\$ 48.10
12" Inch	3	\$ 5,776.62	\$ 17,329.86	5.45%	\$ 1,274.61	\$ 424.87	\$ 106.22
			\$ 318,186.29		\$ 23,402.54	<<<—from Exhibit 3, Schedule 1	

Public Fire							
Hydrants	481	\$ 1,427.84	\$ 686,791.04	100.00%	37,044.73	\$ 77.02	\$ 19.25
(4 customers)						<<<—from Exhibit 3, Schedule 1	

Total Surcharge Amount \$ 400,618.29

*As per the tariffs filed with the department on 10/09/09

Laflamme, Jayson

From: junger@aquarionwater.com
Sent: Tuesday, October 27, 2009 3:24 PM
To: Laflamme, Jayson
Subject: Revised recoupment



recoupment
calc3xx.xls (1 MB)

Hello Jayson,

-Below are the updated schedules concerning the recoupment for the temporary rates.

-Also concerning the rate case surcharge, eight hours of time was charged each by Linda Discepolo and Troy Dixon. The amounts were \$537.44 for Linda and \$384.64 for Troy. The total comes to \$ 922.08. It was for the time spend at the Aquarion Water Company of New Hampshire office meeting with Karen Moran.

Please let me know if you need additional information.

Thank you,

Joshua A. Unger
Regulatory Compliance Specialist
Aquarion Water Company
600 Lindley Street
Bridgeport, CT 06606
(203)337-5990 (phone)
junger@aquarionwater.com

Providing Water Service Excellence
for Over 150 Years

----- Forwarded by Joshua Unger/CT/AquarionWater on 10/27/2009 02:38 PM

Troy Dixon/CT/AquarionWater 10/27/2009 12:13 PM	To Joshua Unger/CT/AquarionW ater@AquarionWater cc Subject revised recoupment
---	---

Josh,

I have revised the temp rate recoupment based on Jayson's comments. He was correct in his calculations as I effectively was compounding the effect of the permanent increase on top of the temporary increase. This applied to both volumetric and service charges. Both were overstated. Therefore, I amended the file as follows:

Exhibit 3 Fire: column "P" corrected

Exhibit 4 Water: columns "R" and "V" corrected

Exhibit 5 Seasonal: columns "R" and "V" corrected

The impacts flow through the remainder of the calculations and produce a revised recoupment of \$380,391.17.

Troy

Exhibit 2: Summary Results and Rate Calculation

	Cust @ 09/30/09	Qtrly Svc Chrg- New*	Annual Revenue	Revenue %Split	Recoupment Allocation	Qtrly Rate	Mthly Rate
Residential							
5/8"	6925	\$ 38.40	\$ 1,063,680.00	92.98%	186,051.89	\$ 6.72	\$ 2.24
1"	132	\$ 96.00	\$ 50,688.00	4.43%	8,866.01	\$ 16.79	\$ 5.60
1 1/2"	21	\$ 192.09	\$ 16,135.56	1.41%	2,822.33	\$ 33.60	\$ 11.20
2"	11	\$ 307.32	\$ 13,522.08	1.18%	2,365.19	\$ 53.75	\$ 17.92
			\$ 1,144,025.64		200,105.42	<<<---from Exhibit 4, Schedule 1	
Commercial							
5/8"	371	\$ 38.40	\$ 56,985.60	24.36%	15,944.85	\$ 10.74	\$ 3.58
1"	79	\$ 96.00	\$ 30,336.00	12.97%	8,488.16	\$ 26.86	\$ 8.95
1 1/2"	26	\$ 192.09	\$ 19,977.36	8.54%	5,589.76	\$ 53.75	\$ 17.92
2"	103	\$ 307.32	\$ 126,615.84	54.13%	35,427.73	\$ 85.99	\$ 28.66
			\$ 233,914.80		65,450.51	<<<---from Exhibit 4, Schedule 1	
Industrial							
1"	1	\$ 96.00	\$ 384.00	33.32%	466.90	\$ 116.72	\$ 38.91
1 1/2"	1	\$ 192.09	\$ 768.36	66.68%	934.23	\$ 233.56	\$ 77.85
			\$ 1,152.36		1,401.13	<<<---from Exhibit 4, Schedule 1	
Public Authority							
5/8"	18	\$ 38.40	\$ 2,764.80	11.84%	440.29	\$ 6.12	\$ 2.04
1"	6	\$ 96.00	\$ 2,304.00	9.87%	366.90	\$ 15.29	\$ 5.10
1 1/2"	3	\$ 192.09	\$ 2,305.08	9.87%	367.08	\$ 30.59	\$ 10.20
2"	13	\$ 307.32	\$ 15,980.64	68.43%	2,544.86	\$ 48.94	\$ 16.31
			\$ 23,354.52		3,719.13	<<<---from Exhibit 4, Schedule 1	

	Cust @ 09/30/09	SeasnSvc Chrg-New*	Annual Revenue	Revenue %Split	Connection Fee Recoupment Allocation	Non-Connection Fee Recoupment Allocation	Total Recoupment	Annual Rate
Residential-Seasonal								
5/8"	826	\$ 192.00	\$ 158,592.00	96.16%	\$ 23,824.77	14,917.89	38,742.66	\$ 46.90
1"	6	\$ 480.00	\$ 2,880.00	1.75%	\$ 173.06	270.91	443.97	\$ 73.99
1 1/2"	2	\$ 960.45	\$ 1,920.90	1.16%	\$ 57.69	180.69	238.38	\$ 119.19
2"	1	\$ 1,536.60	\$ 1,536.60	0.93%	\$ 28.84	144.54	173.38	\$ 173.38
			\$ 164,929.50		\$ 24,084.36	15,514.02	39,598.39	
<<<---from Exhibit 5, Schedule 1								
Commercial-Seasonal								
5/8"	49	\$ 192.00	\$ 9,408.00	33.67%	\$ 1,446.28	2,132.48	3,578.76	\$ 73.04
1"	25	\$ 480.00	\$ 12,000.00	42.95%	\$ 737.90	2,720.00	3,457.90	\$ 138.32
1 1/2"	2	\$ 960.45	\$ 1,920.90	6.88%	\$ 59.03	435.40	494.44	\$ 247.22
2"	3	\$ 1,536.60	\$ 4,609.80	16.50%	\$ 88.55	1,044.89	1,133.44	\$ 377.81
			\$ 27,938.70		\$ 2,331.75	6,332.77	8,664.53	
<<<---from Exhibit 5, Schedule 1								
Public Authority-Seasonal								
5/8"	11	\$ 192.00	\$ 2,112.00	18.80%	\$ 354.28	292.09	646.37	\$ 58.76
1"	3	\$ 480.00	\$ 1,440.00	12.82%	\$ 96.62	199.15	295.78	\$ 98.59
1 1/2"	0	\$ 960.45	\$ -	0.00%	\$ -	-	-	
2"	5	\$ 1,536.60	\$ 7,683.00	68.38%	\$ 161.04	1,062.57	1,223.60	\$ 244.72
			\$ 11,235.00		\$ 611.94	1,553.81	2,165.75	
<<<---from Exhibit 5, Schedule 1								

	Cust @ 09/30/09	Annual Chrg- New*	Annual Revenue	Revenue %Split	Recoupment Allocation	Annually	Qtrly
Private Fire							
3" Inch or less	88	\$ 361.91	\$ 31,848.08	10.01%	\$ 2,250.24	\$ 25.57	\$ 6.39
4" Inch	72	\$ 616.66	\$ 44,399.52	13.95%	\$ 3,137.07	\$ 43.57	\$ 10.89
6" Inch	126	\$ 1,471.18	\$ 185,368.68	58.26%	\$ 13,097.31	\$ 103.95	\$ 25.99
8" Inch	15	\$ 2,616.01	\$ 39,240.15	12.33%	\$ 2,772.53	\$ 184.84	\$ 46.21
12" Inch	3	\$ 5,776.62	\$ 17,329.86	5.45%	\$ 1,224.45	\$ 408.15	\$ 102.04
			\$ 318,186.29		\$ 22,481.60	<<<---from Exhibit 3, Schedule 1	

	Cust @ 09/30/09	Annual Chrg- New*	Annual Revenue	Revenue %Split	Recoupment Allocation	Annually	Qtrly
Public Fire							
Hydrants	481	\$ 1,427.84	\$ 686,791.04	100.00%	\$ 36,804.72	\$ 76.52	\$ 19.13
(4 customers)						<<<---from Exhibit 3, Schedule 1	
Total Surcharge Amount					\$ 380,391.17		

*As per the tariffs filed with the department on 10/09/09.

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Docket #: 08-098 Printed: November 18, 2009

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