

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

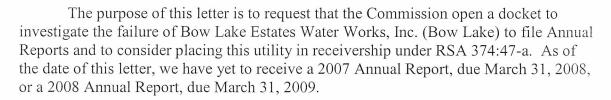
Website: www.puc.nh.gov

September 10, 2009

Debra A. Howland Executive Director New Hampshire Public Utilities Commission 21 South Fruit St., Suite 10 Concord, New Hampshire 03301

Re: Bow Lake Estates Water Works, Inc.

Dear Ms. Howland:



Bow Lake is a regulated water utility and serves some 41 customers in the Town of Strafford. Commission Staff has been in touch with the company over the last year regarding late reports. In addition to letters sent as reminders of the late reports, I called the owner of the company, Mr. Stanley Oliver, during this past summer and he indicated that he would "check into it". As of this date, we have received no reports. As a result we have no information on the state of this utility's finances, and the Commission's obligation to effectively regulate this company is frustrated.

Unfortunately, this company has a history of failing to file timely reports and to respond to Commission orders. In 2004 the Commission opened Docket No. DW 04-010 to investigate the company's failure to file a report. *Bow Lake Estates Water Works, Inc.*, 89 NH PUC 64 (2004). Ultimately the company was fined for failure to file its 2002 Annual Report. Additionally the company failed to appear at a scheduled hearing after being ordered to do so by the Commission. *Bow Lake Estates Water Works, Inc.*, 89 NH PUC 204 (2004). The record of DW 04-010 provides further evidence that Bow Lake has routinely failed to comply with its regulatory obligations over a period of many years.



Staff requests the Commission open a proceeding at this time to investigate whether this utility should be placed in receivership pursuant to RSA 374:47-a.

If there are any questions regarding this, please let me know.

Sincerely,

Mark A. Naylor

Director, Gas & Water Division

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cc: Bow Lake Estates Water Works, Inc.

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September 10, 2009

Mr. Stanley Oliver Bow Lake Estates Water Works P.O. Box 180 Barrington, NH 03825

Re: Annual Reports for 2007 and 2008

Dear Mr. Oliver:

The Commission has contacted you over the last several months about your obligation to file Annual Reports for Bow Lake Estates. Additionally I called you this summer and you indicated that you would "check into it". To date the company has still not filed a report for 2007 or for 2008.

As you know, Bow Lake Estates has a long history of failure to file reports in a timely manner. In 2004, Docket No. DW 04-010 was opened to investigate the company's failure to timely file reports and ultimately Bow Lake Estates was fined by the Commission for failure to file an Annual Report. It is now September of 2009, and Bow Lake Estates has yet to file its 2007 report, which was due on March 31, 2008, or its 2008 report which was due on March 31, 2009.

Filing Annual Reports is necessary because it provides the Commission with information on how the regulated utility is serving its customers. With no annual reporting, the Commission cannot adequately confirm that a regulated utility continues to possess the requisite managerial, technical, and financial capabilities to provide safe and adequate service to customers within its authorized franchise. Failure to perform managerial functions such as filing timely Annual Reports leaves Staff with no other conclusion than that Bow Lake Estates does not possess the requisite capabilities to continue to hold a franchise.

In light of this, I will be requesting that the Commission open a proceeding to determine whether the Commission should invoke its authority under RSA 374:47-a and place Bow Lake Estates in receivership.

Sincerely,

Mark A. Naylor

Director, Gas & Water Division

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cc: NH PUC Executive Director

